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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

CATHERINE COFFMAN,

Plaintiff,

v.

ADAMAS PHARMACEUTICALS, INC.,
MARTHA J. DEMSKI, WILLIAM W.
ERICSON, SPYRIDON
PAPAPETROPOULOS, NEIL F.
MCFARLANE, ANNA S. RICHO,
MICHAEL F. BIGHAM, JOHN A.
MACPHEE, and DAVID L. MAHONEY,

Defendants.

:
:
: Case No. _____
:

**COMPLAINT FOR VIOLATIONS OF
THE FEDERAL SECURITIES LAWS**

JURY TRIAL DEMANDED

Plaintiff Catherine Coffman (“Plaintiff”), by and through her undersigned counsel, for her complaint against defendants, alleges upon personal knowledge with respect to herself, and upon information and belief based upon, *inter alia*, the investigation of counsel as to all other allegations herein, as follows:

NATURE OF THE ACTION

1
2 1. This is an action brought by Plaintiff against Adamas Pharmaceuticals, Inc. (“Adamas”
3 or the “Company”) and the members of its Board of Directors (the “Board” or the “Individual
4 Defendants”) for their violations of Sections 14(e) and 20(a) of the Securities Exchange Act of 1934
5 (the “Exchange Act”), 15 U.S.C. §§ 78n(e), 78t(a), and to enjoin the expiration of a tender offer (the
6 “Tender Offer”) on a proposed transaction, pursuant to which Adamas will be acquired by Supernus
7 Pharmaceuticals, Inc. (“Supernus”), through Supernus’s subsidiary Supernus Reef Inc. (“Purchaser”)
8 (the “Proposed Transaction”).
9

10 2. On October 11, 2021, Adamas and Supernus issued a joint press release announcing
11 that they had entered into an Agreement and Plan of Merger, dated October 10, 2021 (the “Merger
12 Agreement”), to sell Adamas to Supernus. Under the terms of the Merger Agreement, Supernus will
13 acquire all outstanding shares of Adamas for: (i) \$8.10 per share in cash (the “Cash Amount”), plus
14 (ii) two contingent value rights per share (each, a “CVR”), which each represent the right to receive
15 \$0.50 per CVR in cash upon the achievement of certain milestones in connection with the net sales
16 of the Company’s product, GOCOVRI (the “Offer Price”). Pursuant to the Merger Agreement,
17 Purchaser commenced the Tender Offer on October 25, 2021. The Tender Offer is scheduled to
18 expire at 12:00 midnight, New York Time, on November 24, 2021 (one minute following 11:59 p.m.,
19 New York Time, on November 23, 2021). The Proposed Transaction is valued at approximately \$400
20 million.
21

22 3. On October 25, 2021, Adamas filed a Solicitation/Recommendation Statement on
23 Schedule 14D-9 (the “Recommendation Statement”) with the SEC. The Recommendation Statement,
24 which recommends that Adamas stockholders tender their shares in the Tender Offer, omits or
25 misrepresents material information concerning, among other things: (i) Adamas management’s
26 financial projections; (ii) the data and inputs underlying the financial valuation analyses that support
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1 the fairness opinion provided by Lazard Freres & Co. LLC (“Lazard”); and (iii) Company insiders’
2 potential conflicts of interest. Defendants authorized the issuance of the false and misleading
3 Recommendation Statement in violation of Sections 14(e) and 20(a) of the Exchange Act.

4 4. In short, the Proposed Transaction will unlawfully divest Adamas’ public stockholders
5 of the Company’s valuable assets without fully disclosing all material information concerning the
6 Proposed Transaction to Company stockholders. To remedy defendants’ Exchange Act violations,
7 Plaintiff seeks to enjoin the expiration of the Tender Offer unless and until such problems are
8 remedied.
9

10 **JURISDICTION AND VENUE**

11 5. This Court has jurisdiction over the claims asserted herein for violations of Sections
12 14(e) and 20(a) of the Exchange Act pursuant to Section 27 of the Exchange Act, 15 U.S.C. § 78aa,
13 and 28 U.S.C. § 1331 (federal question jurisdiction).

14 6. This Court has jurisdiction over the defendants because each defendant is either a
15 corporation that conducts business in and maintains operations within this District, or is an individual
16 with sufficient minimum contacts with this District so as to make the exercise of jurisdiction by this
17 Court permissible under traditional notions of fair play and substantial justice.

18 7. Venue is proper in this District pursuant to 28 U.S.C. § 1391 because Plaintiff’s claims
19 arose in this District, where a substantial portion of the actionable conduct took place, where most of
20 the documents are electronically stored, and where the evidence exists. Adamas is headquartered in
21 this District. Moreover, each of the Individual Defendants, as Company officers or directors, either
22 resides in this District or has extensive contacts within this District.
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25 **PARTIES**

26 8. Plaintiff is, and has been at all times relevant hereto, a continuous stockholder of
27 Adamas.
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1 9. Defendant Adamas is a Delaware corporation with its principal executive offices
2 located at 1900 Powell Street, Suite 1000, Emeryville, California 94608. Adamas is a fully integrated
3 company focused on growing a portfolio of therapies to address a range of neurological diseases.
4 Adamas' common stock is traded on the Nasdaq Global Market under the ticker symbol "ADMS."

5 10. Defendant Martha J. Demski ("Demski") has been a director of the Company since
6 March 2014.

7 11. Defendant William W. Ericson ("Ericson") has been a director of the Company since
8 2005.

9 12. Defendant Spyridon Papapetropoulos ("Papapetropoulos") has been a director of the
10 Company since November 2020.

11 13. Defendant Neil F. McFarlane ("McFarlane") has been Chief Executive Officer
12 ("CEO") and a director of the Company since September 2019.

13 14. Defendant Anna S. Richo ("Richo") has been a director of the Company since August
14 2020.

15 15. Defendant Michael F. Bigham ("Bigham") has been a director of the Company since
16 September 2016.

17 16. Defendant John A. MacPhee ("MacPhee") has been a director of the Company since
18 May 2013.

19 17. Defendant David L. Mahoney ("Mahoney") has been Board Chair since September
20 2019 and a director of the Company since 2009. Defendant Mahoney previously served as Lead
21 Independent Director from April 2014 until September 2019.

22 18. Defendants identified in paragraphs 10 to 17 are collectively referred to herein as the
23 "Board" or the "Individual Defendants."
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OTHER RELEVANT ENTITIES

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2 19. Supernus is a Delaware corporation with its principal executive offices located at 9715
3 Key West Ave, Rockville, Maryland 20850. Supernus is a biopharmaceutical company focused on
4 the development and commercialization of products for the treatment of central nervous system
5 diseases in the United States. Its commercial products include Trokendi XR, an extended release
6 topiramate product indicated for the treatment of epilepsy, as well as for the prophylaxis of migraine
7 headache; and Oxtellar XR, an extended release oxcarbazepine for the monotherapy treatment of
8 partial onset epilepsy seizures in adults and children between 6 to 17 years of age. Supernus
9 commercial products also comprise APOKYN, a product indicated for the acute intermittent
10 treatment of hypomobility or off episodes in patients with advanced Parkinson’s Disease (“PD”);
11 XADAGO, a product indicated as adjunctive treatment to levodopa/carbidopa in patients with PD
12 experiencing off episodes; and MYOBLOC, a Type B toxin product indicated for the treatment of
13 cervical dystonia and sialorrhea in adults. Supernus’s common stock trades on the Nasdaq Global
14 Market under the ticker symbol “SUPN.”
15
16

17 20. Purchaser is a Delaware corporation and a wholly owned subsidiary of Supernus.

18 **SUBSTANTIVE ALLEGATIONS**

19 **Company Background**

20 21. Formerly known as NeuroMolecular Pharmaceuticals, Inc., Adamas focuses on the
21 discovery, development, and commercialization of medicines for patients suffering from chronic
22 neurologic disorders in the United States. It offers GOCOVRI, an extended release capsule for the
23 treatment of dyskinesia in patients with Parkinson’s disease receiving levodopa-based therapy, with
24 or without concomitant dopaminergic medications, as well as an adjunctive treatment to
25 levodopa/carbidopa in patients with Parkinson’s disease experiencing OFF episodes; and OSMOLEX
26 ER, an extended release tablet to treat Parkinson’s disease and drug-induced extrapyramidal reactions
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