

Complaint (“Target Drugs”) in response to Plaintiff’s currently pending requests. Thus, NPC has voluntarily agreed to provide Plaintiff with the discovery it is seeking through its motion.

4. Plaintiff’s Second Amended Complaint, which was filed on June 29, 2006, identifies 64 Target Drugs (by name) and more than 250 separate NDC codes associated with those drugs as being at issue in this litigation.

A. Negotiations Between Plaintiff and NPC Regarding the Scope of Discovery

5. NPC first became aware of Plaintiff’s position that it is entitled to pursue discovery of all Target Drugs on July 18, 2006, when Plaintiff’s counsel, Robert Libman, sent a letter to me and my colleague, Mark D. Godler, inquiring about several discovery-related issues. (See Letter from Robert S. Libman to Mark D. Godler & Christine A. Neagle, dated July 18, 2006, a true and correct copy of which is attached hereto as Exhibit A.) In that letter, Mr. Libman specifically requested that NPC produce national sales data and AMP data for all of the Target Drugs. (*Id.*) His July 18 letter also requested that we provide him with available dates for a meet and confer call to discuss the issues raised by the letter. (*Id.*)

6. The next day, on July 19, 2006, Mr. Libman’s partner, Charles Barnhill, served a letter on all defense counsel regarding some of the same discovery issues that had already been raised by Mr. Libman’s July 18 letter to NPC’s counsel, including the issue of expanding the scope of discovery to encompass all of the drugs named in the Second Amended Complaint. (See Letter from Charles Barnhill to All Defense Counsel, dated July 19, 2006, a true and correct copy of which is attached hereto as Exhibit B.) Mr. Barnhill’s letter requested that Defendants make any objections to Plaintiff’s position regarding the expanded scope of discovery within five business days of the date of the letter, and indicated that if any objections were made, Plaintiff would seek a ruling from the Court on this issue. (*Id.*)

7. On the morning of July 20, 2006, in response to Mr. Libman's July 18 letter to me requesting dates for a meet and confer call, I sent an e-mail to Mr. Libman proposing a date for the call. During the next couple of days, Mr. Libman and I exchanged several e-mails to schedule our meet and confer call for the morning of July 28. (See E-mail chain between Robert Libman and C. Neagle, dated July 20-21, 2006, a true and correct copy of which is attached hereto as Exhibit C.)

8. I responded to Mr. Barnhill's July 19 letter on July 24, 2006, informing Mr. Barnhill that NPC was scheduled to meet and confer with Mr. Libman on July 28 in response to Mr. Libman's July 18 letter, which had raised the same issues as Mr. Barnhill raised in his July 19 letter. (See Letter from Christine A. Neagle to Charles Barnhill, dated July 24, 2006, a true and correct copy of which is attached hereto as Exhibit D.) My July 24 letter to Mr. Barnhill stated NPC's intention to "raise any objections or concerns regarding the State's proposed expansion of discovery during [the] call with Mr. Libman" and expressed hope that "through the meet and confer process, we will be able to resolve any disagreements amicably, without seeking Judge Eich's assistance." (*Id.*) The letter also stated that it is NPC's belief that these types of discovery issues are best resolved through individual negotiations, rather than some sort of group process, because "each defendant is unique and situated differently in the lawsuit." (*Id.*) Mr. Libman was copied on the July 24 letter to Mr. Barnhill. (*Id.*)

9. On July 28, 2006, I met and conferred with Mr. Libman via telephone, as scheduled, regarding several discovery issues, including Plaintiff's position that NPC ought to provide discovery on all Target Drugs. However, Plaintiff had filed its Motion to Be Permitted to Pursue Discovery of Its Entire Case on July 27, the day before our scheduled call. During the call, Mr. Libman said that, if we could reach agreement on the scope of discovery, he would

inform the Court of our agreement. Mr. Libman also stated that he did not believe that it would be burdensome for NPC to produce the data and documents responsive to Plaintiff's current document requests for all Target Drugs. When I expressed concern about future requests that could require the burdensome search for and production of drug-specific information for NPC drugs that have very low utilization in Wisconsin, Mr. Libman replied that if NPC agreed to produce information on all Target Drugs in response to the *currently* pending requests, he would not take issue with NPC's reservation of the right to object to *future* discovery requests. I told Mr. Libman that we would consider his position on the scope of discovery, and that I would get back to him regarding NPC's decision as soon as possible.

10. Later that same day, Mr. Libman sent me a letter memorializing his recollection of our meet and confer discussion. (*See* Letter from Robert S. Libman to Christine A. Neagle, dated July 28, 2006, a true and correct copy of which is attached hereto as Exhibit E.) That letter reiterated Mr. Libman's argument that it would not be overly burdensome for NPC to produce the requested data and documents for all drugs. (*Id.*) It also stated that Plaintiff filed the instant motion because many Defendants were either non-responsive to Mr. Barnhill's July 19 letter or outright refused to produce discovery as to all drugs named in the Second Amended Complaint. Mr. Libman's letter acknowledged NPC's willingness to meet and confer on this issue and represented: "*If we cannot reach agreement through these discussions, [Plaintiff's] pending motion will be the forum for resolution of this issue.*" (*Id.* (Emphasis added).)

B. NPC's Has Agreed to Provide Plaintiff With the Discovery It Is Seeking Through Its Motion

11. NPC has agreed to produce the additional data and documents currently sought by Plaintiff for all Target Drugs, and I informed Mr. Libman of this agreement by letter dated August 3, 2006. (*See* Letter from Christine A. Neagle to Robert S. Libman, dated August

3, 2006, a true and correct copy of which is attached hereto as Exhibit F.) The requested supplementation of data is not burdensome to NPC, and none of Plaintiff's pending document requests to NPC requires the search and review of drug-specific files. My August 3 letter to Mr. Libman did, however, state NPC's general view that "to the extent product-specific information is sought, discovery ought to be focused on products for which Wisconsin has significant utilization, in order to justify the cost and burden of the discovery." (*Id.*) Although Plaintiff is not currently requesting documents that would be segregated in drug-specific files, NPC expressly reserved the right to object to future discovery requests that would require NPC to undertake the burdensome search for and review of drug-specific documents for all Target Drugs. (*Id.*)

12. Although NPC's negotiations and resulting agreement with Plaintiff focused on document discovery, including data, there is no current dispute between NPC and Plaintiff regarding the scope of deposition testimony. NPC's corporate designee was deposed on June 23, 2006 regarding a number of topics that were identified in Plaintiff's March 23, 2006 deposition notice to NPC. Because the noticed topics did not call for drug-specific testimony, NPC did not seek to limit its testimony to certain drugs. The topic for the upcoming deposition of NPC, scheduled for September 20, 2006, is again not-drug specific, and therefore NPC has not sought to place any drug-related limitations on that testimony.

C. Plaintiff's Unwillingness to Withdraw Its Motion As to NPC

13. On August 15, I left a voice mail message for Mr. Libman inquiring as to whether Plaintiff intends to pursue this motion as to NPC. On August 16, I sent Mr. Libman a letter reaffirming NPC's agreement to produce responsive documents and data to currently pending discovery requests for all Target Drugs and requesting that Mr. Libman withdraw its

motion as to NPC because it is moot in light of the agreement. (See Letter from Christine A. Neagle to Robert S. Libman, dated August 16, 2006, a true and correct copy of which is attached hereto as Exhibit G.) On August 22, 2006, Mr. Libman informed me by phone that he had just returned from vacation, and therefore he was not yet in a position to make a decision about whether Plaintiff would withdraw the motion as to NPC. He advised me that he would make that determination after reviewing NPC's opposition to the motion.

The above statements are true to the best of my knowledge and belief.


CHRISTINE A. NEAGLE

Subscribed and sworn to before me
this 22nd day of August, 2006


Notary Public

KERREN R. MISULOVIN
Notary Public, State of New York
No. 02RO6086389
Qualified in Nassau County 07
Commission Expires Jan. 21, 20



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July 18, 2006

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Of Counsel:
THOMAS F. ASCH
WILLIAM P. DIXON*
SHARON K. LEGENZA
BRADLEY SCOTT WEISS

BY E-MAIL

Mark D. Godler, Esq.
Christine A. Neagle, Esq.
Kaye Scholer, LLP
425 Park Ave.
New York, NY 10039

Re: State of Wisconsin v. Amgen Inc., et al.
Dane County Case No. 04-CV-1709

Dear Counsel:

I am writing to you regarding a number of discovery-related issues.

1. October 5, 2005, Novartis produced eight CDs of electronic data (sales, chargebacks, and rebates) relating to the 17 drugs identified in MDL No. 1456. By letter dated December 1, 2005, I advised you that the data did not identify the class of trade for the sales data which were produced. By letter from Mark Godler dated February 27, 2006, Novartis agreed to produce the class of trade information. I have raised this issue on other occasions since that time but as of today we have not received the class of trade information. Would you please provide a date by which this information will be produced.

2. Now that the state has filed its second amended complaint, we request that Novartis produce the requested national sales data (including class of trade information) for all Novartis drugs identified therein (there is no need to reproduce the data already produced for the 17 drugs identified in the MDL).

Mark D. Godler, Esq.
Christine A. Neagle, Esq.
Page Two
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3. Now that the state has filed its second amended complaint, we request that Novartis produce AMPs for all Novartis drugs identified therein (there is no need to reproduce the AMPs already produced).

4. We have not received any documents responsive to the state's third set of requests for production of documents to all defendants. Would you please provide a date by which such documents will be produced.

5. By letter dated March 6, 2006, I requested that you supplement your answers to interrogatories nos. 2-4 to identify the persons most knowledgeable of the subjects in those interrogatories. As of today, we have not received any supplemental answers. Would you please provide a date by which Novartis will provide such answers.

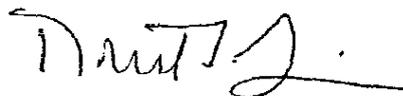
6. Our document request no. 6 to all defendants sought documents prepared by IMS Health regarding a targeted drug or the competitor of a targeted drug relating to pricing, sales, or market share. For now, we are limiting the this document request to the following documents prepared by IMS Health: (a) documents regarding the price paid by retail pharmacies for a Targeted Drug; (b) the markup applied by a wholesaler above its acquisition cost when selling or reselling drugs to retail pharmacies; and (c) the definition of average wholesale price.

7. Would you please advise me with a date by which Novartis will complete its production of documents responsive to the state's first set of requests for production of documents (subject of course to its duty to supplement later-discovered documents).

8. By now you should have seen the correspondence between Chuck Barnhill and Steve Barley regarding a number of issues common to all defendants. I would like to discuss with you the following subjects: (a) format of production of documents (we believe that the parties should agree to produce OCR files with all scanned images); and (b) what we believe to be over-designation of documents as "confidential" or "highly confidential" pursuant to the protective order in this case. Would you please provide me with dates within the next two weeks when you are available to discuss these issues (I don't anticipate that we will need more than 15 minutes).

I look forward to your response.

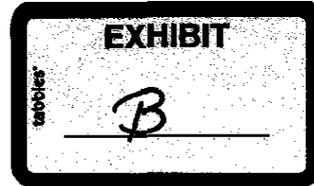
Sincerely,



Robert S. Libman

lmd

cc: Charles Barnhill, Jr., Esq.
Cynthia Hirsch, Esq.



MINER, BARNHILL & GALLAND, P.C.

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Jul 19 2006 4:16PM

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WRITER'S EMAIL:
cbarnhill@lawmbg.com

OF COUNSEL.

WILLIAM P. DIXON***
THOMAS F. ASCH
SHARON K. LEGENZA
BRADLEY SCOTT WEISS

July 19, 2006

To All Defense Counsel
Via LNFS System

Re: State of Wisconsin v. Amgen Inc., et al.
Dane County Case No. 04 CV 1709

Dear Counsel:

Now that Wisconsin has itemized more precisely the drugs with regard to which it is seeking relief (to the extent practicable given the current state of discovery) Wisconsin believes it is appropriate to begin discovery on the totality of these drugs, not just a limited sample of them. We would like to know whether anyone objects to Wisconsin doing so. If an objection is made by any defendant we will ask Judge Eich for a ruling on the objection. So as not to slow down discovery would you please respond to this request within five business days.

On an unrelated matter, Wisconsin believes that way too many documents are being marked highly confidential or confidential. For example, it is hard to see how documents created in the 1990s are still important trade secrets. We are more than willing to discuss with the defendants a more balanced use of the protective order and we suggest that a committee of the defendants meet with us to do so. Please let us know if you are interested in participating.

Sincerely,

[Handwritten signature]

Charles Barnhill

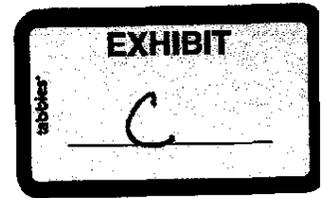
CB:jlz



"Robert Libman"
<Rlibman@LAWMBG.com>
07/21/2006 09:59 AM

To <CNeagle@kayescholer.com>
cc
bcc

Subject RE: WI AWP



History: This message has been replied to.

Great. Have a nice weekend.

Bob.

-----Original Message-----

From: CNeagle@kayescholer.com [mailto:CNeagle@kayescholer.com]
Sent: Friday, July 21, 2006 8:53 AM
To: Robert Libman
Subject: Re: WI AWP

Yes, that works. Let's plan on speaking then.

Thanks!

----- Original Message -----

From: "Robert Libman" [Rlibman@LAWMBG.com]
Sent: 07/20/2006 11:14 PM
To: Christine Neagle
Subject: RE: WI AWP

Sure. Does 10am central / 11 am eastern work for you?

-----Original Message-----

From: CNeagle@kayescholer.com [mailto:CNeagle@kayescholer.com]
Sent: Thursday, July 20, 2006 9:40 AM
To: Robert Libman
Cc: mgodler@kayescholer.com
Subject: Re: WI AWP

Bob,

As far as scheduling a meet and confer call to discuss the issues you raise in your July18 letter, I propose next Friday, July 28. I am available any time in the late morning or the afternoon Does that work for you?

Best regards,
Christine

Christine A. Neagle
Litigation Associate
Kaye Scholer LLP
E-Mail: cneagle@kayescholer.com

Phone: (212) 836-7568

Fax: (212) 836-6652

"Robert Libman" <Rlibman@LAWMBG.com>

"Robert

Libman"

<Rlibman@LAWMBG.com

>

To "Christine A. Neagle (E-mail)"

<cneagle@kayescholar.com>; "Mark D. Godler
(E-mail)" <mgodler@kayescholar.com>

07/18/2006

cc

05:24 PM

Subject: WI AWP

Mark/Christine - please see attached correspondence.

Thanks. Bob.

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Chicago, IL 60610
312-751-1170 ext. 26
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(See attached file: Scan001.PDF)

* * *

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IRS CIRCULAR 230 DISCLOSURE: To ensure compliance with Treasury Department regulations, we inform you that any U.S. federal tax advice contained in this correspondence (including any attachments) is not intended or written to be used, and cannot be used for the purpose of (i) avoiding penalties that may be imposed under the U.S. Internal Revenue Code or (ii) promoting, marketing or recommending to another party any transaction or matter addressed herein.

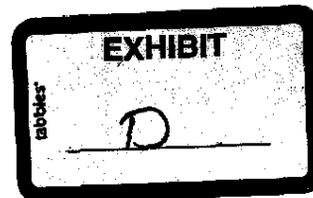
* * * *

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July 24, 2006

VIA ELECTRONIC MAIL

Charles Barnhill, Esq.
Miner, Barnhill & Galland, P.C.
Suite 803
44 East Mifflin Street
Madison, Wisconsin 53703

Re: State of Wisconsin v. Amgen Inc., et al.
Dane County Case No. 04-CV-1709

Dear Mr. Barnhill:

We represent Novartis Pharmaceuticals Corporation ("NPC") in the above-referenced case. I am writing in response to your July 19, 2006 letter directed to all defense counsel.

On July 18, 2006, NPC received a letter from Bob Libman raising several discovery-related issues that are also the subjects of your July 19 letter. Mr. Libman's letter also requested a meet and confer call with NPC on these issues, which has been scheduled for Friday, July 28.

Therefore, we believe it is unnecessary -- and, indeed, it would be duplicative -- for NPC to respond to the substance of your letter. We will raise any objections or concerns that we have regarding the State's proposed expansion of discovery during our call with Mr. Libman. We are hopeful that, through the meet and confer process, we will be able to resolve any disagreements amicably, without seeking Judge Eich's assistance.

NPC intends to continue to negotiate discovery issues, including the ones you raise in your letter, on an individualized basis with Mr. Libman, with whom we have been dealing since discovery began. Given that each defendant is unique and situated differently in the lawsuit, we believe that discussions between the State and individual defendants should not

31304006.DOC

be supplanted by negotiations with a committee of defendants or some other group process to resolve discovery disputes.

Sincerely,


Christine A. Neagle

cc: Robert Libman, Esq. (via electronic mail)



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July 28, 2006

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BY E-MAIL

Christine A. Neagle, Esq.
Kaye Scholer, LLP
425 Park Ave.
New York, NY 10039

Re: State of Wisconsin v. Amgen Inc., *et al.*
Dane County Case No. 04-CV-1709

Dear Christine:

I am writing to memorialize our telephone conversation of earlier today regarding a number of discovery-related issues.

Designations of documents as "confidential."

As you know, Novartis has designated every document (more than 7,400 pages) and every piece of data as either "Confidential" or "Highly Confidential" under the Court's protective order. We believe that many of these designations are improper. Under the protective order, a document may be designated "Confidential" if it contains: (a) proprietary or commercially-sensitive information; (b) personal financial information; or (c) falls within Civil Rule 26.03(1)(g). A document may be designated "Highly Confidential" if contains (a) current and past (to the extent they reflect on current) methods, procedures, and processes relating to the pricing of pharmaceuticals; (b) current and past (to the extent they reflect on current) marketing plans and methods; (c) current and past (to the extent they reflect on current) business planning and financial information; (d) trade secrets as defined by Wis. Stat. §134.90(1)(c); (e) past or current company personnel or employee information; or (f) other "Confidential" information, the disclosure of which is likely to cause competitive or commercial injury. There are at least two categories of documents which we believe are not properly deemed "CONFIDENTIAL" or "HIGHLY CONFIDENTIAL" -- (1) documents

Christine A. Neagle, Esq.
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July 28, 2006

containing old pricing information (prior to the last few years); and (2) communications between Novartis and the pricing compendia (First DataBank, Red Book, Medispan). We do not believe it is our burden to identify by Bates number each and every document which we believe has been improperly designated. Rather, we believe it is Novartis's burden to justify the designations as to these categories of documents. During our telephone call, I identified a few examples of documents that we believe were improperly designated: Bates nos. 1264-1265, 4198, and 5300. It is my understanding that you will get back to me regarding Novartis's position as to this issue generally, as well as its position with regard to these specific documents.

Scope of discovery.

It is our position that because the state has filed its second amended complaint and identified the Novartis drugs at issue in this case, Novartis must respond to the state's previous discovery requests as to all drugs so identified, rather than the 16 or 17 drugs that were at issue in MDL No. 1456. During today's conference call, I pointed out that apart from national sales data and AMPs, documents responsive to our other requests were not likely to be segregated by specific drug. In addition, because Novartis has previously produced AMPs and national sales data for the 16 or 17 MDL drugs, it is our position that production of similar data for the additional drugs in our second amended complaint would not be unduly burdensome. You agreed to get back to me with Novartis's position on this issue.

As you know, the state recently filed a motion with Judge Eich seeking leave to expand discovery in this case to all drugs identified in the second amended complaint. During today's telephone call, I stated that we filed this motion because many defendants either did not respond to Chuck Barnhill's July 19, 2006 letter regarding this issue, or took the position that they would not agree to discovery as to all drugs identified in the second amended complaint. As you know, Novartis responded that it would meet and confer with me today. If we cannot reach agreement through these discussions, our pending motion will be the forum for resolution of this issue.

Class of trade information for national sales data.

You stated that you have obtained the class of trade information regarding the electronic transactional data that Novartis previously produced and that you will provide it to me within the next couple of days on a CD.

Supplemental answers to interrogatories nos. 2-4.

You stated that Novartis would supplement its answers to these interrogatories to identify the persons most knowledgeable of the subjects identified therein within the next two weeks.

Christine A. Neagle, Esq.

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July 28, 2006

Document request no. 6 -- IMS Health documents.

By letter dated July 18, 2006, we narrowed this request, for now, to: (a) documents regarding the price paid by retail pharmacies for drugs identified in the second amended complaint; (b) the markup applied by a wholesaler above its acquisition cost when selling or reselling drugs to retail pharmacies; and (c) the definition of average wholesale price. It is my understanding that Novartis has no substantive objection to producing documents responsive to document request no. 6. It is my understanding, however, that Novartis will not produce any responsive documents in light of the request by IMS Health that the state enter into a letter agreement to protect the confidentiality of any IMS documents. I will get back to you with our position as to this procedural issue. As I stated on the telephone today, IMS has never made clear to the state why the protective order entered by Judge Krueger in this case does not provide it with sufficient protection.

Format of production.

It is our position that the state is entitled to any OCR or text-searchable files that Novartis has for any of the documents that were (or will be) scanned and produced to the state. You stated that you did not believe Novartis had any such files but that you would get back to me to confirm this. In the event that Novartis does not have any such files, we propose that the parties agree that such files be created and exchanged with regard to any future production of scanned documents with each side to bear its own costs. You agreed to get back to me on this issue.

Plaintiff's third set of requests for production of documents.

You confirmed that Novartis has not yet produced documents responsive to document requests nos. 8 and 9. You further stated that Novartis is in the process of searching for and producing such documents.

Date for completion of Novartis's document production.

I asked for a date certain by which Novartis would substantially complete its production of documents responsive to the state's first and third sets of requests for production of documents. As you know, these requests were served on January 27, 2005 and November 8, 2005, respectively. As of today, apart from the national sales data and AMPs for the 16 or 17 MDL drugs, we have received only 7,400 pages (and as for many of them, multiple copies of the same documents were produced). You were unable to provide a date certain by which Novartis would complete its production, nor were you able to provide an approximation of what percentage of the production has been completed. You did state, however, that you expected to produce the next round of documents within approximately two weeks. In addition, you stated that with respect to our request for communications with publishers, Novartis has substantially completed its search but that the

Christine A. Neagle, Esq.

Page Four

July 28, 2006

documents have not yet been reviewed by attorneys. You agreed to get back to me with more information regarding the progress on document production.

Although we originally agreed to rolling production of responsive documents, we believe that under any standard, Novartis has been unreasonably slow and that production should have been substantially completed by now. Without a definitive commitment by Novartis as to a date certain for completing its production, we may have no choice but to file an appropriate motion with the court.

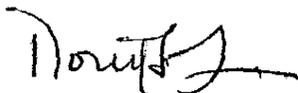
Deposition of Novartis corporate designee Serafina Oxner.

We tentatively agreed that the state would take this deposition on September 20, 2006 at 1:00 p.m. (ET) in New York. You agreed to get back to me to confirm this date and time.

We agreed to another call regarding these matters in the next two weeks. I am available on August 21 and 22. If either date is good for you, would you let me know what time would work. Otherwise, would you please propose other dates and times.

Thanks very much.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert S. Libman", written in a cursive style.

Robert S. Libman

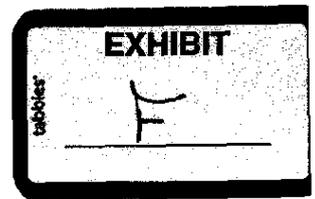
lmd

cc: Charles Barnhill, Jr., Esq.
Cynthia Hirsch, Esq.

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August 3, 2006

VIA ELECTRONIC MAIL

Robert S. Libman, Esq.
Miner, Barnhill & Galland, P.C.
14 West Erie Street
Chicago, Illinois 60610

Re: State of Wisconsin v. Amgen Inc., et al.
Dane County Case No. 04-CV-1709

Dear Bob:

Thank you for your letter dated July 28. I am writing in response to that letter and to follow up on our meet and confer discussion that took place last Friday, the same date as your letter.

Rescheduling of the Deposition of Serafina Oxner

During last week's call, you proposed Wednesday, September 20, as the date for the deposition of Serafina Oxner, Executive Director, Healthcare Contract Administration of Novartis Pharmaceutical Corporation ("NPC"). As you know, Ms. Oxner has been designated to testify on behalf of NPC about NPC's methodology for calculating AMP, which is Topic 5 in the State's Notice of Deposition to NPC, dated March 23, 2006. Ms. Oxner has confirmed that she is available for deposition on September 20 at your requested start time of 1:00 pm (ET). As we previously agreed, the deposition will be held at Kaye Scholer's New York office, located at 425 Park Avenue, New York, New York 10022. Because you noticed this deposition, I assume that you will be arranging for court reporting services. It is also my understanding that, to simplify the logistics of the depositions in this case, Jeff Archibald has agreed with defendants on behalf of the State to use one court reporting service, Henderson Legal Services, for all depositions.

Format of Production

Since our last conversation, I have learned that we do have OCR files for some of the electronic documents that we have produced and will be producing to the State. However, we do not have OCR files for every electronic document, and we do not have OCR files for *any* of the scanned hard copy documents we will be producing. Therefore, NPC would have to undertake the cost of having those documents converted to an OCR format prior to production.

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For future productions, we will agree to produce the OCR files that we have in our possession, but we will not agree to bear the cost of creating OCR files for the other documents for which we do not have pre-existing OCR data.

Electronic Production of NOV/WIS 1-380

You inquired as to whether we could re-produce in electronic format the documents bates numbered NOV/WIS 1-380, which were originally produced to the State in hard copy form. I have confirmed that this is possible, and I will send you these documents on a CD-ROM within the next couple of days.

Scope of Discovery

You have taken the position that, now that the State has filed its Second Amended Complaint ("Complaint"), NPC must provide discovery on all drugs identified in the Complaint ("Target Drugs"), which amount to more than 60 drugs. We believe that, to the extent product-specific information is sought, discovery ought to be focused on products for which Wisconsin has significant utilization in order to justify the cost and the burden of the discovery. As I previously informed you, the 16 MDL overlap drugs for which we are currently producing information amount to more than 60% of Wisconsin's utilization of NPC drugs for which there was Medicaid reimbursement.

Nevertheless, NPC agrees to produce information for all of Target Drugs that is not overly burdensome to obtain. Accordingly, we will produce commercial sales data (pertaining to NPC sales made to customers located within Wisconsin and NPC sales to wholesalers who may re-sell NPC products to purchasers in Wisconsin) and AMP data for all of the Target Drugs. In addition, to the extent the State's document requests are not product-specific, NPC will not limit its production in response to the State's first and third set of requests for production of documents to documents that specifically name one of the 16 MDL overlap drugs. However, NPC reserves the right to object to future discovery requests that would require the burdensome search for and review of drug-specific documents for all the Target Drugs.

Confidentiality Designations

You have advised me of two broad categories of documents that you believe have been improperly designated as "CONFIDENTIAL" or "HIGHLY CONFIDENTIAL": (1) documents containing historical pricing information, and (2) communications between NPC and the pricing compendia. In addition, you have identified three specific examples of documents produced by NPC that you believe should not have a confidentiality designation. We are in the process of reviewing these documents, and we are taking your position under consideration. We will inform you of our position regarding this issue within the next couple of weeks.

Supplementation of Interrogatory Answers

As we agreed, NPC will supplement its answers to Interrogatories 2 - 4 to identify the persons most knowledgeable about the subjects identified therein. However, it would be

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helpful if you could provide some additional clarification regarding the specific information you are seeking.

With regard to Interrogatory No. 2, NPC agreed to provide "the name of the Novartis employee with the most knowledge of the operation or use of the database, data table, or data file about which Plaintiff may have questions." Please identify the database, data table, or data file about which you are seeking information, and NPC will identify the person most knowledgeable about it.

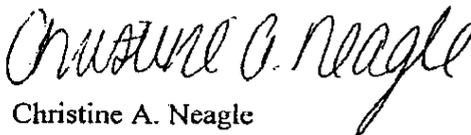
In response to Interrogatory No. 3, NPC stated that it would provide "the name of the Novartis employee with the most knowledge regarding incentives about which Plaintiff may have questions for each year during the period 1997 to 2003." Please identify the incentives for which you are requesting information, and NPC will identify the person(s) most knowledgeable about those incentives.

Interrogatory No. 4 asks NPC to identify the person(s) most knowledgeable about NPC's determination of prices used in the ordinary course of business. NPC agreed to provide the State with "names of the persons most knowledgeable about questions Plaintiff may have regarding pricing determinations for Novartis' pharmaceutical products." Please identify the specific questions you have regarding pricing determinations, so that NPC can identify the appropriate persons in its supplemental interrogatory response.

Scheduling of Next Meet and Confer Call

I am available on August 22 for a meet and confer call. I would propose 3 pm (ET) for the call. Please let me know if this works for you.

Sincerely,


Christine A. Neagle

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August 16, 2006

VIA ELECTRONIC MAIL

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Re: State of Wisconsin v. Amgen Inc., et al.
Dane County Case No. 04-CV-1709

Dear Bob:

I am writing to follow up on the voice mail message that I left for you yesterday morning regarding the State's pending Motion to Be Permitted to Pursue Discovery of Its Entire Case (the "motion"). I was calling to inquire whether you intended to withdraw the motion as to Novartis Pharmaceuticals Corporation ("NPC"), given our prior meet and confer discussions and agreement, memorialized by an exchange of letters, on that motion.

As you know, on July 28, you and I met and conferred by telephone on various discovery issues, including the issue of whether NPC would agree to provide discovery on all of the NPC drugs identified in the Second Amended Complaint ("Complaint"). During that call, you said that, if we could reach agreement on this issue through the meet and confer process, you would inform the Court of our agreement. After our telephone conversation, later that same day, you sent me a letter summarizing, among other things, the State's position on the scope of discovery issue. In that letter, you indicated that the State filed the motion because many Defendants were unresponsive to Chuck Barnhill's July 19 letter raising this issue or took the position that they would not agree to produce discovery as to all drugs identified in the Complaint. NPC, by contrast, had agreed to meet and confer with you about the scope of discovery. Your July 28 letter stated: "*If we cannot reach agreement through these discussions, our pending motion will be the forum for resolution of this issue.*" (Emphasis added.)

On August 3, I responded to your July 28 letter and informed you that NPC would produce the following information for all of the NPC drugs identified in the Complaint: (i) direct sales data; (ii) AMP data; and (iii) documents in response to general, non-product specific document requests (which do not require a burdensome search through numerous brand files). Based on our previous communications, my understanding is that we have agreed to produce everything that you are currently requesting, because none of the State's current discovery

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requests to NPC require NPC to undertake a burdensome search of product-specific files. This agreement renders the State's pending motion moot as to NPC. Although we reserved the right to object to future discovery requests, and to curtail the list of drugs at issue with regard to those requests if they are overly burdensome, any future dispute -- which is sure to be fact-specific -- is not ripe for resolution.

Therefore, we believe that the motion is moot as to NPC and request that the State confirm that fact to the Court and withdraw the motion as to NPC. Please advise me of your intentions with this regard to this request as soon as possible.

Sincerely,



Christine A. Neagle