

**IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK**

LCS Group, LLC,

Plaintiff,

v.

**Shire LLC, Shire Development LLC,
Shire PLC, Haug Partners LLP, and
Baker Hostetler LLP,**

Defendants.

Civil Case No. 1:18-cv-2688-AT

FIRST AMENDED COMPLAINT

JURY TRIAL DEMANDED

For its First Amended Complaint, Plaintiff LCS Group, LLC (“LCS”) states as follows.

Preliminary Statement

This is a case involving a huge global pharmaceutical company and its outside patent counsel conspiring with each other to defraud a small business owned and managed by a respected, board-certified adult psychiatrist who invented and patented a novel method of treating Binge Eating Disorder. The conspirators pretended to engage in good faith business negotiations concerning the doctor’s groundbreaking inventions, all the while formulating a strategy behind the scenes—including a “corporate shell game”—to foment diversion and delay while preparing to invalidate the patent through fraud in a public proceeding before the U.S. Patent Office, and thereby deprive the psychiatrist-inventor’s business of the benefit of its patent rights. In so doing, the

pharmaceutical company and its counsel fraudulently induced a delay of any public pronouncement, licensing of third-parties, or enforcement efforts regarding the fact that the patent covered one of the pharmaceutical company's most important and successful products, with sales into the billions. Their actions also violated a signed "Confidential Disclosure Agreement" ("CDA") prohibiting public disclosure or discussions about the patent and its market implications.

The duplicitous strategy of these co-conspirators succeeded. Using their enormous combined resources and skills, they bullied their way through the Patent Office proceedings, including through use of a fraudulent "expert declaration." And they did so at a time when they knew that the psychiatrist-inventor (and therefore his small business and its patent) was most vulnerable—with his wife dying of cancer. They knew he would be limited in his ability and financial resources to defend his business and its patent. With such an unfair advantage, these co-conspirators got what they wanted simply on procedural grounds, without having to actually prove patent invalidity on the merits. As a final insult, the pharmaceutical company even copied portions of the patent into the marketing literature for its highly-successful product covered by the patent.

In addition to fraudulent inducement, the defendants variously engaged in intentional violations of their duty of good faith and fair dealing, breach of contract, interference with prospective business relations, common law fraud, and fraud under the federal Racketeering Influenced and Corrupt Organizations Act. In addition, the former counsel to the psychiatrist-inventor and his business engaged in professional negligence

and malpractice by failing to provide appropriate advice and representation concerning the CDA and the Patent Office proceedings.

Jurisdiction and Venue

1. This Court has subject matter jurisdiction over the claims herein, including under 28 U.S.C. § 1332(a)(1).

2. This Court has personal jurisdiction over Defendants because each resides and/or regularly conducts business in New York and has incurred the liability complained of herein in New York, and at least for the first Defendant because it has consented to this Court's jurisdiction concerning this dispute.

3. Venue is proper under 28 U.S.C. §§ 1391(b).

Parties

4. LCS is a Connecticut company with a principal place of business in Connecticut. LCS is owned and managed by Dr. Louis C. Sanfilippo ("Dr. Sanfilippo"). Dr. Sanfilippo has been the sole Manager and Member of LCS since the company was formed in Connecticut in March 2008. Dr. Sanfilippo is also an Adult Psychiatrist, board certified by the American Board of Psychiatry and Neurology, Inc.

5. On information and belief, Defendant Shire LLC is a Kentucky company with a principal place of business in Kentucky, Defendant Shire Development LLC is a Delaware company with a principal place of business in Massachusetts and/or Pennsylvania, and each is a subsidiary of Defendant Shire Plc of Ireland, which is registered in Jersey (collectively, "Shire").

6. On information and belief, Defendant Haug Partners LLP (formerly known as Frommer, Lawrence & Haug, LLP) is a New York entity with its headquarters in New York (“the Haug Firm”).

7. On information and belief, Defendant Baker Hostetler LLP (including the former entity Woodcock Washburn LLP) is an Ohio entity with its headquarters in Ohio (“the Baker Firm”).

Factual Background

8. Dr. Sanfilippo is the inventor of U.S. Patent 8,318,813 (“the ‘813 patent”), granted and issued in November 2012, and attached herewith as **Exhibit 1**. The ‘813 patent relates to methods for the treatment of Binge Eating Disorder (“BED”), as defined in the DSM-IV-TR, with the drug lisdexamfetamine dimesylate (*e.g.*, Vyvanse®).

9. Dr. Sanfilippo assigned the ‘813 patent to LCS, which subsequently assigned it in 2015 to Lucerne Biosciences, LLC with LCS remaining the exclusive licensee. LCS again owns the ‘813 patent.

Pre-Contractual Communications between Shire and LCS

10. For several years before November 2012 and as early as 2008, Dr. Sanfilippo and Shire were in communication regarding the inventions of the ‘813 patent (owned by LCS), giving Shire several years to conduct due diligence confirming the integrity and validity of the patent before it ultimately issued in 2012.

11. One purpose of these communications was to inform Shire of the novel use of Vyvanse® to treat BED, and of LCS’ related intellectual property, and to seek

collaboration with Shire in the development of clinical trials regarding the use of Vyvanse® to treat BED based on the methods disclosed in the '813 patent.

12. As is customary in the pharmaceutical business, such dialogue between parties (*i.e.*, patent owner and pharma company, having a shared clinical interest) often results in the licensing or acquisition of the intellectual property and an ongoing mutually-beneficial business relationship.

13. For example, on August 15, 2008, Shire sent John Renna, its Senior Medical Liaison, to Dr. Sanfilippo's office to discuss the treatment of Attention Deficit Hyperactivity Disorder ("ADHD"), including the use of Vyvanse® to treat Adult ADHD, an area of expertise for Dr. Sanfilippo.

14. At that time, Vyvanse® had only just been FDA approved for the treatment of Adult ADHD, in April 2008, and had only been available in the U.S. market since Q2 2007 after being FDA approved for ADHD in children aged 6-12.

15. During their meeting, Dr. Sanfilippo also mentioned the patent application which ultimately resulted in the '813 patent and its disclosures regarding the use of Vyvanse® to treat BED.

16. Renna suggested that Dr. Sanfilippo write up a protocol along investigator-initiated lines that could be submitted to Shire's Medical Director.

17. Renna represented himself to be an employee of "Shire" generally, and his e-mail signature (including over ensuing e-mails) identified him with "Shire Pharmaceuticals" with the footer of some of his e-mails stating as follows: "Shire plc, the ultimate parent of the Shire group of companies, is registered in Jersey No. 99854.

Registered Office: 22 Grenville Street, St. Helier, Jersey JE4 8PX.” His e-mails also identified the Shire website <www.shire.com>.

18. On October 14, 2008, Dr. Sanfilippo sent an e-mail to Michael Cola, President of “Specialty Pharmaceuticals” at Shire. The e-mail’s attachment included an explanation of Vyvanse® as a novel indication for BED and a disclosure of LCS’s patent application which ultimately resulted in the ‘813 patent, including that it was owned by LCS. In the e-mail, Dr. Sanfilippo invited Shire into a “potential development collaboration on Vyvanse,” including to design and execute clinical trials to demonstrate the efficacy of Vyvanse® in BED. In a later conversation, Renna called Dr. Sanfilippo to confirm the e-mail was received by Cola.

19. On October 15, 2008, Dr. Sanfilippo further provided Renna a copy of the document involving Vyvanse® as a novel indication for BED, and advised Renna of putting in place a mutual non-disclosure agreement between Shire and LCS (which owned the IP rights). Renna replied on October 17, 2008 stating, “I am waiting to hear back from the home office regarding the non-disclosure agreement and this will probably be something the legal department will have to review.”

20. Over a year later, on February 22, 2010, Renna e-mailed Dr. Sanfilippo stating, “We seem to keep missing each other but wanted to bring you up to date on your filing regarding IP for Vyvanse. I did forward your information into the legal department for review but have not heard anything back from them.”

21. Renna even visited Dr. Sanfilippo in person with his manager at Shire, Steve Valliere.

22. The communications with Renna continued until late 2011, and his e-mail footer information never changed, nor did he ever dispute that he and his colleagues were speaking on behalf of “Shire” generally, that is, Shire Plc including all of its subsidiaries.

23. In 2010, Dr. Sanfilippo’s counsel specifically informed Shire’s Tatjana May (General Counsel, Shire Plc) and James Harrington (of Shire Pharmaceuticals) about the published international patent application disclosing the inventions of the ‘813 patent.

24. In April 2010, Dr. Sanfilippo’s counsel was informed that Shire had retained the law firm Frommer, Lawrence & Haug to handle matters related to the LCS patent application. On information and belief, at that time the Haug Firm was representing Shire Plc including at least some of its subsidiary companies.

25. In early 2011, Shire launched a Phase II clinical trial for Vyvanse® to treat BED, and positive results were announced in a press release by Shire (specifically Shire Plc) on April 26, 2012.

26. On November 7, 2012, Dr. Sanfilippo e-mailed Dr. Walid Abi-Saab, Head of Early Clinical Group at Shire, concerning the pending issuance of the ‘813 patent. Dr. Sanfilippo’s e-mail provided Abi-Saab a draft CDA naming LCS, the patent’s owner, and adding (in part), “It would be nice to make this a win-win for each side of the story in Vyvanse’s development for these unmet clinical needs.”

27. Dr. Sanfilippo forwarded the e-mail and its attachments, including the LCS CDA, to others at Shire including Angus Russell (CEO at Shire Plc), Graham Hetherington (CFO at Shire Plc), Tatjana May, James Harrington, Jeffrey Jonas (Senior

VP, Research & Development at Shire Plc), and Eric Rojas (Investor Relations at Shire Plc).

28. On November 15, 2012, Dr. Sanfilippo received an e-mail attaching a letter from Ed Haug (with “cc” to Peter Cicala of Shire and Sandra Kuzmich of the Haug Firm) stating the Haug Firm’s representation of “the Shire group of companies.” The letter also stated that “we have been asked to respond to your various communications directed to Shire regarding Vyvanse.”

29. On November 20, 2012, the Haug Firm also informed LCS that it would be “meeting with Shire in the next few weeks after we are able to analyze your IP [but] it will take some time for us and Shire to complete its review.” The e-mail added, “If you agree to the following points Shire will agree to have a substantive meeting with you within the next 60 days: 1 - You and Shire enter into a 408 agreement so that all communications are without prejudice and confidential; 2 - You will not change the status quo (at least until Shire completes its review and there is a meeting) by issuing any public statements regarding your IP as suggested in your last e-mail or by taking any action that implicates or threatens Shire in any way.” The e-mail also stated, “Please also do not copy Peter Cicala or anyone else at Shire on your communications.”

30. The Haug Firm consistently, without exception, referred to its client as “Shire” generally, rather than any particular subsidiary or division only.

31. Other examples in this timeframe included Ed Haug stating, (a) “Once again i [sic] have been asked by my client Shire to request thAt [sic] you stop communicating or sending any e-mails to mr [sic] cicala [sic] or anyone else at Shire” (on

December 12, 2012), (b) “We will review your communication with Shire and respond further” (on December 13, 2012), and (c) “I can assure you Shire and I will in good faith assess the situation and respond professionally” (separate e-mail December 13, 2012).

32. In late November 2012, Dr. Sanfilippo’s communications included two telephone calls with Peter Cicala of Shire Plc, which included a disclosure to Shire that Dr. Sanfilippo’s wife was then ill with cancer (Dr. Sanfilippo’s family situation was discussed with Shire again in future communications). On the telephone calls, Cicala stated he represented “Shire” generally, rather than any particular subsidiary or division only.

33. In e-mails Cicala sent Dr. Sanfilippo in December 2012, he consistently (without exception) referred to “Shire” generally rather than any particular subsidiary or division only, as when he (i) identified Susannah Henderson as “Shire in-house counsel” (December 3, 2012), and (ii) stated, “The purpose of the call is to advise you of the timeframe Shire will work within to provide you with a formal response to your business proposal, and to answer reasonable questions you may have about that” (December 7, 2012).

34. In his December 7th e-mail, Cicala was responding to an Option Agreement specifically with LCS (the “business proposal”) that Dr. Sanfilippo had provided Shire executives, including CEO Angus Russell and CFO Graham Hetherington, on November 26, 2012. Cicala’s e-mails included the same footer, stating as follows: “Shire plc, the ultimate parent of the Shire group of companies, is registered in Jersey No. 99854. Registered Office: 22 Grenville Street, St. Helier, Jersey JE4 8PX.”

35. On March 20, 2013, Cicala e-mailed attorney Joe Lucci (of the Baker Firm) stating, “I am still working on a meeting schedule. Ed Haug has a trial that will either start on April 8 or the 15th (for Shire). Once we determine which week the trial will be held, I will get back to you with a few dates for a meeting.” Cicala followed up with an e-mail to Lucci on April 3, 2013 stating, “Ed will find out at that hearing whether our [Shire] trial starts on Monday April 8 or 15th. Once I get that info, I will contact you with proposed meeting dates and times.”

36. On May 7, 2013, Dr. Sanfilippo and his attorney Lucci conducted an in-person meeting in New York with Shire’s Cicala and Susanah Henderson, and Shire’s counsel Ed Haug and Sandra Kuzmich of the Haug Firm.

37. Following the meeting, on May 21, 2013, Shire’s Cicala wrote via e-mail (with “cc” to James Harrington) to attorney Lucci stating, “I just wanted to let you know we haven’t forgotten about Dr. Sanfilippo. We are still working on our patent evaluation. I will be in touch as soon as I have some news for you.” Cicala’s e-mail had as its subject line “Shire” and his signature stated the following:

Peter A. Cicala, Esq.
Vice President
Intellectual Property
Shire [bold as emphasized in the e-mail]
725 Chesterbrook Boulevard
Wayne, PA 19087-8301 USA
Tel (484) 595-8957
Mobile (484) 477-7953
Fax (484) 595-8663
pcicala@shire.com
<http://www.shire.com>

with a footer stating,

Shire plc, the ultimate parent of the Shire group of companies, is registered in Jersey No. 99854. Registered Office: 22 Grenville Street, St. Helier, Jersey JE4 8PX.

38. On June 13, 2013, Cicala e-mailed Lucci with the subject line “RE: Shire” stating, “We are still working on things. I will reach out to you as soon as possible,” with “we” evidently referring to Shire generally, as clearly characterized in the e-mail’s (i) subject line, and (ii) thread (including Cicala’s prior e-mail with the subject “Shire”) whose signature line and footers made reference only to “Shire” generally and “Shire plc” but made no reference whatsoever to any particular subsidiary or division only.

39. Attorney Lucci spoke again with Shire’s Cicala on August 9 and September 20, 2013, the latter conversation in which Cicala indicated that Shire would like to schedule a meeting with Dr. Sanfilippo, and also, that Shire would prepare its own draft CDA concerning the ‘813 patent. On September 25, 2013, Lucci informed Cicala of eleven possible meeting dates in October-November 2013, and told Cicala that he looked forward to receiving the draft CDA mentioned in their call the prior week.

40. On October 7, 2013, Cicala e-mailed Lucci with Shire’s draft of the proposed Shire-LCS CDA, and he also stated that he “may need to push our meeting out just a bit,” suggesting November 5 or 6 as alternatives.

The October 24, 2013 Confidential Disclosure Agreement between LCS and Shire

41. Attached herewith as **Exhibit 2** is a “Confidential Disclosure Agreement” effective October 24, 2013 (“CDA”) between LCS and Shire and signed on October 29, 2013 by Shire’s Manager and Chief IP Counsel, James Harrington. Just prior to the

completed execution of the CDA, on October 25, 2013, Shire's Cicala e-mailed Lucci stating, "Hi Joe -- I just left you a voice mail checking in our CDA. Please let me know whether you have any concerns with the draft. If not, would you kindly have it signed and returned to me for Shire's signature?" Cicala's signature line on that e-mail reads just as it did in the May 21, 2013 e-mail, as follows:

Peter A. Cicala, Esq.
Vice President
Intellectual Property
Shire [bold as emphasized in the e-mail]
725 Chesterbrook Boulevard
Wayne, PA 19087-8301 USA
Tel (484) 595-8957
Mobile (484) 477-7953
Fax (484) 595-8663
pcicala@shire.com
<http://www.shire.com>

with a footer stating,

Shire plc, the ultimate parent of the Shire group of companies, is registered in Jersey No. 99854. Registered Office: 22 Grenville Street, St. Helier, Jersey JE4 8PX.

42. Cicala transmitted the fully executed Shire-LCS CDA to LCS' counsel Lucci via e-mail on October 29, 2013.

43. On information and belief, the Haug Firm represented Shire in connection with the CDA, including representing during that time frame Shire Plc and at least some of its subsidiaries, including Shire LLC and Shire Development LLC.

44. The CDA was entered just before Shire publicly announced positive Phase III trial results for Vyvanse® in BED as defined by DSM-IV-TR criteria (as specifically covered by the '813 patent), on November 5, 2013. Shire's press release also announced

that it would be submitting a Supplemental New Drug Application (sNDA) for Vyvanse to treat BED by Q3 2014.

45. The day after the CDA was last signed by Shire, Cicala stated in a voice-mail to LCS' counsel Lucci that Perry Sternberg (who was "our key business guy, he's in charge of the entire neurology department at Shire" and who could "explain Shire's views on the market"), needed to cancel the Shire-LCS meeting previously planned for November 6th.

46. By its express terms, the purpose of the CDA was to "facilitate the Parties' discussions regarding a potential business opportunity involving U.S. Patent No. 8,318,813"

47. Paragraph 7 of the CDA provides, in part, "In addition to the confidentiality obligations set forth in this Agreement, each Party hereby agrees . . . not to discuss publically [sic] or with any third party that . . . U.S. Patent No. 8,318,813 includes claims that could relate to the use of lisdexamfetamine dimesylate or Vyvanse®."

48. The purpose and benefit of the foregoing provision was (a) for Shire, that LCS would negotiate exclusively with Shire and not simultaneously with one or more of its competitors, and (b) for LCS, that Shire would not challenge the validity of the '813 patent, in particular, via a Petition for Inter-Partes Review ("IPR") before the United States Patent Office ("PTO"), which inherently is a public proceeding and also typically involves obtaining third-party expert witness testimony related to the patent's claims.

49. The intent of the foregoing provision was earlier characterized by Ed Haug of the Haug Firm, on November 20, 2012, when he proposed (as a condition for meeting)

that LCS “not change the status quo . . . by issuing any public statements regarding your IP as suggested in your last e-mail or by taking any action that implicates or threatens Shire in any way,” which would apply mutually, to *both* Shire and LCS as the provision’s terms were agreed to apply to both parties, not just to Shire (as communicated by Haug’s earlier e-mail).

50. Shire never terminated the CDA or the confidentiality and non-publicity obligations under Paragraph 7, nor did it ever give any indication that the parties were no longer bound by the terms of the CDA in general or its confidentiality and non-publicity obligations under Paragraph 7, in particular.

51. On information and belief, by March 2014, Peter Cicala had left Shire.

52. Also in March 2014, Shire agreed to a request by LCS for an addendum to the CDA providing, in part, that “Shire hereby agrees that LCS may disclose Highly Proprietary and Confidential Information that LCS receives from Shire to Tina Passalaris, who has been advised of the confidential nature of such Highly Proprietary and Confidential Information, and who has read and agrees to comply with the CDA.” Tina Passalaris was Dr. Sanfilippo’s wife, and the foregoing request evidences the seriousness with which LCS, for one, honored and followed the confidentiality and non-publicity obligations under the CDA.

53. In an e-mail dated March 11, 2014, Ed Haug stated (in part): “Shire is not willing to meet without Dr. Sanfilippo . . . [and is] not at the stage of talking about a deal.” Haug’s e-mail made reference to “Shire” generally, rather than to any particular subsidiary or division only.

Shire's Bad Faith IPR Petition

54. Despite knowing full well that the '813 patent was valid based on its years of communications with LCS and Dr. Sanfilippo, and its ongoing due diligence under the CDA, Shire filed an IPR Petition (prepared and signed by the Haug Firm and authorized by Shire's in-house counsel David Banchik) seeking to invalidate the '813 patent on May 9, 2014, just a few months after binding LCS (and itself) to the terms of the CDA.

55. The filing of the IPR Petition was a breach of the CDA, but the Baker Firm never advised LCS of that fact.

56. Recently, Shire has communicated a contention that there was no breach because only "Shire LLC" was a party to the CDA, while the IPR Petition was filed by "Shire Development LLC." If Shire's new contention had any merit (which it does not), then Shire LLC would have violated the spirit and express terms of the CDA, particularly Paragraph 7, in its preparation, execution and transmission of the CDA by representatives of third parties (*i.e.*, Peter Cicala, James Harrington) affiliated with Shire Plc and other "non-Shire LLC" third-parties entities (*i.e.*, Shire Pharmaceuticals).

57. Further, as no designated "Shire LLC" representative ever communicated to LCS except to sign the CDA (James Manager, himself a representative of Shire Plc and apparently also a Manager of "Shire LLC" and affiliated with other Shire entities such as "Shire Pharmaceuticals"), but instead Cicala himself made clear he was preparing and transmitting the CDA clearly on behalf of Shire generally (*i.e.*, Shire Plc), Shire's position evidences its past, as well as *ongoing* efforts (including before this Court), to play a "corporate shell game" premised on deception and bad faith.

58. Admitting to its shell-game-playing, Shire even has stated to this Court (apparently without irony), “Of note is that defendants Shire LLC and Shire plc did not file the IPR and defendants Shire Development LLC and Shire plc were not parties to the CDA.” *See* ECF No. 16 at 1-2 (stating further that “*only* Shire LLC and LCS were parties to the CDA . . . [while] [*o*]*nly* Shire Development LLC filed the IPR petition”) (emphasis in original).

59. If Shire’s new contention had any plausible merit (which it does not), then the Baker Firm also failed to properly advise LCS of the obvious risks of signing the CDA with “Shire LLC” as the only Shire counter-signatory, especially when the communications prior to, and including, the drafting and execution of the CDA involved representatives of Shire Plc and Shire generally rather than any particular subsidiary or division only.

60. In support of its IPR Petition, Shire relied exclusively on a fraudulent declaration prepared by Shire and the Haug Firm, and signed by Dr. Timothy Brewerton. The IPR Petition (including the declaration) is attached herewith as **Exhibit 3**.

61. The declaration was knowingly false and fraudulent because, in summary, it was and is clearly at odds with the relevant medical literature on eating disorders, obesity and stimulant drugs, including being at odds with Brewerton’s own published work related to the diagnosis and treatment of eating disorders. The relevant literature as well as Shire’s own public statements to investors and the general public regarding Vyvanse® to treat BED, as compared to the declaration, evidences Shire’s extensive use of misleading statements and egregious misrepresentations of the relevant state of the

prior art, and its omission of other material, dispositive information, all in service of the aim of depriving LCS of its valuable patent rights.

62. In addition to knowing that their IPR Petition was frivolous, on information and belief, Shire and its involved executives and counsel knew, at least as early as the signing of the CDA, that LCS did not have the financial resources to litigate the IPR on its merits, particularly to completion.

63. Litigating an IPR generally requires a budget of at least \$500,000.00, particularly in the pharmaceutical arts and particularly as against a corporate behemoth like Shire.

64. On September 4, 2014, LCS e-mailed Dr. Flemming Ornskov, CEO of Shire Plc (with “cc” to Tatjana May and James Harrington), advising of the fraud issues with the IPR Petition, and indicating it was his “fiduciary responsibility as the company’s CEO to know about these problems and promptly address them, as they are highly relevant to the interests of Shire’s shareholders, its affiliates and even, potentially, its prospective business partners and/or acquirers.”

65. In response, that same day Kuzmich of the Haug Firm sent Lucci of the Baker Firm an e-mail stating: “We have been informed by Shire that Dr. Sanfilippo has again (apparently today) contacted Shire management and Shire in-house counsel directly regarding issues related to Vyvanse, BED, and US Patent No. 8,318,813, as well as the related inter partes review petition. Shire understands that Dr. Sanfilippo is represented by you in these matters. Please inform Dr. Sanfilippo that all negotiations with Shire will involve in-house and outside counsel representing Shire. As such, please ask Dr.

Sanfilippo to communicate through you with Frommer Lawrence & Haug (Ed Haug or me) or David Banchik, Esq. (Vice President - Intellectual Property, Shire).”

66. On information and belief, the last time Dr. Sanfilippo contacted Shire management and in-house counsel (outside a mutually agreed meeting in May 2013) was nearly two years earlier on December 10, 2012 when he forwarded to Cicala the e-mail he had sent Cola on October 14, 2008 along with its attachment explaining Vyvanse® as a novel indication for BED (which included a disclosure of LCS’ patent application that ultimately resulted in the ‘813 patent) and, adding (in part), “Don’t you think if Mr. Cola, or another representative from Shire, acted in good faith and with good will back in 2008, toward me, that things would be in a different place today? Please take a moment to think about this. It is very important to the story.”

67. Following another LCS e-mail to Dr. Ornskov of Shire Plc (with “cc” to Tatjana May, James Harrington and David Banchik) informing him that it “was incumbent on you [Dr. Ornskov] to promptly address the serious problems involving the representations that have been made on the company’s [Shire’s] behalf, and upon which the Board could mistakenly rely in evaluating the ‘813 Patent,” on September 15, 2014 Kuzmich sent Dr. Sanfilippo an e-mail, stating: “We have been informed by Shire that you have again directly contacted Shire management and Shire in-house counsel regarding issues concerning Vyvanse, BED, and US Patent No. 8,318,813, as well as the related inter partes review petition. Shire has engaged Frommer Lawrence & Haug LLP (FLH) to handle all aspects of the above-referenced matters on its behalf, and has indicated that all your communications concerning the same should be through FLH (and

not Shire management). As such, please direct all of your future communications regarding these matters to Ed Haug or me.”

68. Kuzmich’s e-mails, sent while neither party had yet terminated the CDA, evidence that the Haug Firm was representing all of Shire—generally—in connection to LCS and the ‘813 patent, including with respect to matters that relate to *both* Shire’s CDA *with* LCS and Shire’s IPR *against* LCS.

69. Following another two LCS e-mails to Dr. Ornskov of Shire Plc (with “cc” to Tatjana May, James Harrington and David Banchik), including an e-mail in which LCS gave Shire notice that it was terminating the Shire-LCS CDA, on September 23, 2014 David Banchik sent Dr. Sanfilippo an e-mail that stated, “We are in receipt of your e-mail of Sept. 17 (in addition your prior e-mails of Sept. 4 and Sept. 12). As previously expressed to you (below), you are requested to communicate through FLH on these matters.” The e-mail’s signature line is as follows:

David Banchik
Vice President - Intellectual Property
Shire
725 Chesterbrook Boulevard
Wayne, PA 19087 USA
Tel (484) 595-8903
Mobile (484) 595-8663
Fax (484) 347-5939
dbanchik@shire.com
<http://www.shire.com>

with a footer stating,

Shire plc, the ultimate parent of the Shire group of companies, is registered in Jersey No. 99854. Registered Office: 22 Grenville Street, St. Helier, Jersey JE4 8PX.

Banchik's signature line is virtually identical to that of Peter Cicala's e-mails (of May 21 and October 25, 2013), only making reference to "Shire" generally and "Shire plc" (in the footer), but making no reference whatsoever to any particular subsidiary or division.

70. In an e-mail dated November 21, 2014, Ed Haug states in an e-mail to LCS (in part): "I ask you once again to stop communicating directly with our client Shire or any of its officers or employees. All of your communications are being directed to our firm as counsel for Shire." Importantly, LCS's communications prominently, and consistently, were sent to Shire Plc's CEO, Dr. Flemming Ornskov.

71. Although LCS appeared in the IPR and attempted to mount an opposition on the merits, LCS could not marshal enough financial resources to maintain its opposition, resulting in the PTO entering an adverse judgment—only on procedural grounds—in June 2015. As a result, Shire and its co-conspirators, including the Haug Firm, were successful in their fraudulent scheme to invalidate the '813 patent via procedural fiat and in violation of the CDA, and deprive LCS of its extremely valuable patent rights.

72. The Baker Firm never advised anyone involved of a right to appeal the PTO's adverse judgment in the IPR proceeding.

73. On information and belief, Shire and its involved executives and counsel also knew, at least as early as the signing of the CDA, that LCS was hamstrung by Dr. Sanfilippo's serious family matters, including the fact that his wife was at that time undergoing treatment for cancer, which took her life in January 2015.

74. On September 4, 2014, while still under the Shire-LCS CDA, LCS made a good faith effort to inform Shire, by e-mailing its CEO Dr. Ornskov (with “cc” to Tatjana May and James Harrington), that the company’s IPR Petition made numerous, serious misrepresentations which posed a liability for the company. Among these, as stated in the e-mail, is Shire’s IPR position that Vyvanse® would have been regarded as an acceptable “anti-obesity agent” by a psychiatrist/MD in 2007.

75. Moreover, in the e-mail LCS made a discrete, good faith effort to inform, and provide, Shire of articles published by Surman et al. (2006) and Biederman et al. (2007) which made clear that no (competent) MD/psychiatrist in 2006-2007 (the timeframe of the ‘813 patent’s invention) would have regarded amphetamine stimulant drugs, like Vyvanse®, to be an acceptable treatment for Bulimia Nervosa and its symptom of binge eating, as Shire had mis-represented in its IPR Petition just the opposite position in order to assert the patent’s invalidity.

76. LCS made its point discreetly, as to not embarrass Dr. Ornskov, also a trained physician, of the egregious misrepresentations made in his company’s IPR Petition—one which could have potentially catastrophic consequences for Bulimia Nervosa patients if Shire’s IPR statements were taken by practitioners to guide treatment.

77. As evidenced by Shire’s bad faith IPR Petition, Shire made the promises under Paragraph 7 of the CDA fraudulently and with malice, intending not to keep its promises but instead, with the intention of muzzling LCS while at the same time (a) delaying the parties’ discussions under the CDA, (b) communicating with a third-party expert witness regarding the patent’s claims with the intent of utilizing and publicizing

such third-party testimony, and (c) preparing to file—publicly—an IPR Petition in an attempt to have the ‘813 patent declared invalid as a result of LCS not having the resources to defend the IPR proceeding on its merits, as opposed to the merits themselves, which Shire knew did not support a good faith argument that the ‘813 patent was invalid.

78. The valuable patent rights LCS lost as a result of the wrongful conduct of Shire and its involved executives and counsel include, but are not limited to, the exclusive rights to use, sell and/or license products covered by the ‘813 patent for the remainder of the term of the patent, at least until January 2028, which rights have a value into the billions based on Shire’s own sales.

79. Indeed, on January 30, 2015, the U.S. Food & Drug Administration approved Vyvanse® in the treatment of BED in adults with moderate to severe symptoms. Shire immediately began marketing the drug for this indication in the United States.

80. Since its introduction in 2007 as a novel amphetamine prodrug treatment for pediatric ADHD, Shire’s Vyvanse® has generated significant sales revenue for Shire (about \$2 billion per year in recent years), mainly in the United States and for the treatment of ADHD.

81. In addition, Shire’s wrongful conduct usurped LCS’s ability to teach and produce literature about treating BED based on the very language of the ‘813 patent, which language is now included in Shire’s prescribing and marketing literature related to Vyvanse®, including in the drug’s package insert.

82. Further, LCS's September 4, 2014 warning to Shire (c/o its CEO, Dr. Ornskov) of its IPR Petition's problematic representation that Vyvanse® would have been regarded as an acceptable anti-obesity agent at the time of the invention is now publicly avowed in Vyvanse's BED marketing materials, as for example where the website www.vyvanse.com prominently displays that "It is not known if Vyvanse is safe and effective for the treatment of obesity."

83. Needless to say, Defendants' duplicity, fraud and bad faith breach of the CDA caused LCS extreme financial distress and harm, as well as causing its lone Manager and Member, Dr. Sanfilippo, extensive personal, financial and emotional distress, particularly at a very difficult time dealing with his wife's cancer diagnosis and treatment, deterioration, and ultimate passing at a much too young an age.

84. Paragraph 10(a) of the CDA provides, in part, "The Parties irrevocably agree that the United States District Court for the Southern District of New York shall have exclusive jurisdiction to deal with any disputes arising out of or in connection with this Agreement and that, accordingly, any proceedings arising out of or in connection with this Agreement shall be brought in the United States District Court for the Southern District of New York," and further, that each party "expressly consents and submits to the personal jurisdiction of the federal and state courts in the state and county of New York."

First Claim—Fraudulent Inducement
(against Shire Defendants)

85. LCS realleges and incorporates herein the above allegations.

86. In order to induce LCS to sign the CDA, Shire misrepresented and omitted material facts, which it knew to be false, with the intention of inducing LCS' reliance. And LCS entered into the CDA because it reasonably relied on Shire's misrepresentations and omissions, which caused injury to LCS.

87. Shire's misrepresentations included, but were not limited to, its statements to LCS that Shire intended to engage in good faith business negotiations concerning LCS' groundbreaking inventions, and its omission of any revelation of its intention to prepare an IPR Petition—behind LCS' back—to invalidate the '813 patent. These misrepresentations and omissions were material, false and fraudulent, all of which Shire and its representatives knew at the time.

88. Shire's intention was to induce LCS' reliance on Shire's misrepresentations and omissions, so that LCS would sign and abide by the CDA, giving Shire the protections of the CDA's obligations for LCS (including delaying any public pronouncement, licensing of third-parties, or enforcement efforts regarding the '813 patent covering one of Shire's most important products) while Shire diligently prepared its scheme to disclose and attack the '813 patent via its public IPR Petition.

89. LCS signed the CDA only because it reasonably relied on Shire's misrepresentations and omissions about (a) intending to engage in good faith business negotiations concerning LCS' groundbreaking inventions, and (b) omitting any revelation of Shire's intention to prepare an IPR Petition—behind LCS' back—to invalidate the '813 patent.

90. Shire’s misrepresentations and omissions caused severe injury to LCS. LCS signed the CDA only as a result of Shire’s wrongful conduct, and LCS is entitled to damages in an amount to be determined at trial.

Second Claim—Breach of Contract
(against Shire Defendants)

91. LCS realleges and incorporates herein the above allegations.

92. In Paragraph 7 of the CDA, Shire “agree[d] . . . not to discuss publically [sic] or with any third party that . . . U.S. Patent No. 8,318,813 includes claims that could relate to the use of lisdexamfetamine dimesylate or Vyvanse®.”

93. LCS honored Paragraph 7 of the CDA by discussing the ‘813 patent exclusively with Shire, and not with any third parties. LCS even went so far as pursuing an addendum to the CDA before having any discussions with Dr. Sanfilippo’s wife, but by the time it was agreed to (after much delay) by Shire, her health had deteriorated and the addendum was never executed.

94. Shire never communicated any termination of the CDA or any termination of the confidentiality and non-publicity obligations under Paragraph 7 of the CDA.

95. In breach of the CDA, in May 2014 Shire filed—publicly—an IPR with the PTO in an attempt to have the ‘813 patent declared invalid. In the IPR petition itself, Shire publicly disclosed that the ‘813 patent “includes claims that could relate to the use of lisdexamfetamine dimesylate or Vyvanse®.” *See, e.g.*, Exhibit 3 at 13 and *passim*.

96. Shire also breached the CDA in retaining third-party Dr. Brewerton as an expert witness for its IPR petition, clearly with the intent of making public his third-party

testimony regarding the patent's claims which specifically relate to the use of lisdexamfetamine dimesylate or Vyvanse®.

97. Further, if only "Shire LLC" was a counter-party to the CDA (which it was not), then Shire LLC violated Paragraph 7 of the CDA by having discussions with "third parties" such as several other Shire entities and/or other individuals, including but not limited to the other Shire Defendants.

98. Further still, if only "Shire LLC" was a party to the CDA (which it was not), then the other Shire Defendants are bound nonetheless by the CDA because they had knowledge of the CDA, and benefited from it directly and substantially.

99. Shire's breach of the CDA caused LCS to suffer actual damages including lost profits, in an amount to be determined at trial, plus consequential damages including attorney fees and expenses, and it also resulted and continues to result in unjust enrichment to Shire. LCS' damages are at least into the hundreds of millions over the period from issuance until expiry of the '813 patent into 2028.

100. LCS also has suffered and continues to suffer irreparable injury which cannot be remedied adequately unless Shire is enjoined immediately from further breaches.

101. As a result of Shire's wrongful conduct, LCS is entitled to damages in an amount to be determined at trial.

Third Claim—Breach of Contract Based on Duty of Good Faith and Fair Dealing
(against Shire Defendants and the Haug Firm)

102. LCS realleges and incorporates herein the above allegations.

103. In Paragraph 7 of the CDA, Shire “agree[d] . . . not to discuss publically [sic] or with any third party that . . . U.S. Patent No. 8,318,813 includes claims that could relate to the use of lisdexamfetamine dimesylate or Vyvanse®.”

104. Under the CDA, Shire (including its counsel the Haug Firm) had an implied obligation to refrain from acting in bad faith, arbitrarily, or irrationally.

105. LCS reasonably believed at all times (as would any reasonable business in its position) that one purpose of the CDA was to prohibit Shire from making public, whether through an IPR Petition or in any manner that would jeopardize LCS’s patent rights, any information about the ‘813 patent, particularly that it “includes claims that could relate to the use of lisdexamfetamine dimesylate or Vyvanse®.” For example, Shire (via the Haug Firm) insisted that both Shire and LCS “will not change the status quo.”

106. LCS also reasonably believed at all times (as would any reasonable business in its position) that Shire would not use any information provided to it during its due diligence and/or pursuant to the CDA to harm LCS, including seeking to invalidate its patent.

107. Shire at all times had knowledge that one purpose of the CDA was to prohibit Shire from making public, whether through an IPR Petition or in any manner that would jeopardize LCS’s patent rights, any information about the ‘813 patent, including seeking to invalidate it.

108. Shire’s public disclosures about the ‘813 patent, based on knowingly fraudulent assertions no less, could not have been made in good faith.

109. Shire's public disclosures about the '813 patent and efforts to destroy LCS's valuable patent rights were done in bad faith, and had the effect of depriving LCS of the fruits of its bargain under the CDA while Shire ignored its obligations of confidentiality and non-publicity, and sought to destroy LCS's valuable patent rights.

110. Indeed, the CDA bound LCS to confidentiality, and by abiding by the CDA's terms in good faith, LCS was unable to pursue other lucrative opportunities for its patent rights.

111. By contrast, Shire acted pursuant to a wrongful scheme to destroy LCS's patent rights and in doing so has defeated the purpose and benefits of the CDA for LCS.

112. Shire's conduct was wholly inconsistent with the justified expectations of LCS, and was willful, intentional, and in deliberate disregard of the interests of LCS.

113. As a result of Shire's wrongful conduct, LCS is entitled to damages in an amount to be determined at trial.

Fourth Claim—Interference With Prospective Economic Advantage
(against Shire Defendants and the Haug Firm)

114. LCS realleges and incorporates herein the above allegations.

115. Shire (including its counsel the Haug Firm) was aware of the prospective economic advantage to LCS, including but not limited to the market for LCS' many prospective assignees and/or licensees for the '813 patent, many of which are Shire's competitors.

116. Some of LCS' prospective business relationships were with specific companies such as generic pharmaceutical manufacturers like Teva, Mylan, Amneal, Dr.

Reddy's, and Actavis. Shire knew about each of these prospective business relationships because these companies had competitive, generic products and they would have enjoyed competitive leverage by owning rights under '813 patent.

117. LCS also had a prospective business relationship with Shire (at least Shire LLC) under the CDA, which other Shire entities (particularly Shire Development LLC) knew about and interfered with unlawfully, including but not limited to by undermining the CDA and attacking the validity of the '813 patent via the IPR Petition.

118. Upon information and belief, through their acts including (a) intentionally drawing out and "stalling" the discussions with Dr. Sanfilippo and LCS, (b) using the CDA to muzzle LCS, (c) delaying the parties' discussions under the CDA, (d) secretly preparing to challenge the validity of the '813 patent and retaining an expert witness regarding the patent's claims relating to the use of use of lisdexamfetamine dimesylate or Vyvanse® for such purpose, and (e) filing an IPR against the '813 patent, each Defendant interfered with LCS' prospective business with other potential assignees and/or licensees of the '813 patent, many of which are Shire's competitors.

119. Each Defendant intended to wrongfully interfere with LCS' prospective economic advantage, and the intentional interference has caused LCS to suffer actual damages including lost profits, in an amount to be determined at trial, plus consequential damages. Each Defendant's intentional interference with prospective economic advantage also has resulted and continues to result in its own unjust enrichment. LCS' damages are at least into the hundreds of millions over the period from issuance until expiry of the '813 patent into 2028.

120. Each Defendant committed its acts of intentional interference with prospective economic advantage willfully and maliciously to injure LCS' business and improve its own, thereby entitling LCS to an award of exemplary damages and attorney fees in an amount to be determined at trial.

Fifth Claim—Fraud
(against Shire Defendants and the Haug Firm)

121. LCS realleges and incorporates herein the above allegations.

122. Each Defendant made false representations with the intent to deceive LCS and Dr. Sanfilippo, including but not limited to the following: (a) that Shire intended to pursue a business relationship with LCS in good faith, that it would maintain the "status quo" with LCS, that it would not undermine the CDA, and that it would comply, and not breach, the CDA which by its express terms intended to (i) protect confidentiality, (ii) "facilitate the Parties' discussions regarding a potential business opportunity," and (iii) not publicize that the '813 patent "includes claims that could relate to the use of lisdexamfetamine dimesylate or Vyvanse®;" and (b) that the relevant "prior art" medical literature on eating disorders, obesity and stimulant drugs supported the contention that the claimed inventions of the '813 patent were obvious to a person of ordinary skill in the art at the time of the invention.

123. Shire's fraudulent statements within (a) above were made by individuals including but not limited to (i) James Harrington, who signed (only on behalf of "Shire LLC") the CDA which stated interest in a "potential business opportunity involving U.S. Patent 8,318,813 and related patent applications" owned by LCS, while at the same time

acting as Chief IP counsel for Shire Plc, as a Manager for Shire LLC, and as a representative for “Shire” generally, for Shire Pharmaceuticals, and possibly for other Shire entities; (ii) Peter Cicala, who represented that the CDA would be signed by “Shire” generally, who (after the CDA was signed) stated that “Shire” generally was interested in a potential business opportunity involving the ‘813 patent, who made repeated statements to set up a meeting in which Shire executives (and outside counsel) could advance such business discussions with LCS (which never took place), and who was acting (at the same time) as a representative of “Shire” generally, Shire Plc, and possibly other Shire entities (*e.g.*, “Shire Pharmaceuticals”).

124. Shire’s fraudulent statements within (b) above were made by individuals including but not limited to (i) Dr. Timothy Brewerton, at the time he signed and filed his fraudulent declaration in the IPR proceeding; (ii) Ed Haug and Sandra Kuzmich (of the Haug Firm) and David Banchik (a representative of Shire Plc, Shire Development LLC, and possibly other Shire entities (*i.e.*, “Shire Pharmaceuticals”)), at the time they collectively made representations including but not limited to that Vyvanse® would have been regarded as an acceptable “anti-obesity agent” by a psychiatrist/MD at the time of the invention, and that a psychiatrist/MD would have regarded amphetamine stimulant drugs, like Vyvanse®, to be an acceptable treatment for Bulimia Nervosa and its symptom of binge eating.

125. Shire intended that the PTO rely on Brewerton’s fraudulent statements, and recognized that such statements (as made by a global pharmaceutical company) would

have been met with outrage had they been made directly to physicians with ordinary skill in treating Obesity and Bulimia Nervosa, and it did to LCS' extreme detriment and harm.

126. On information and belief, each Defendant made the foregoing promises and misrepresentations fraudulently and with malice, intending to deceive LCS and induce justifiable reliance, including with the intention of muzzling LCS and Dr. Sanfilippo while at the same time delaying the parties' discussions under the CDA so that Shire could prepare and file—publicly—an IPR in an attempt to have the '813 patent declared invalid as a result of LCS not having the resources to defend the IPR on its merits.

127. In addition, Defendants filed the IPR Petition on May 9, 2014, relying exclusively on a false and fraudulent declaration prepared by Defendants and signed by Brewerton.

128. Each Defendant knew and was aware of the falsity of its misrepresentations.

129. LCS had a belief in the truth of Defendants' representations, in part, because each Defendant represented itself as having integrity and honesty.

130. Each Defendant intended that its fraudulent misrepresentations would cause and induce LCS to honor its own non-publicity and confidentiality obligations and pursue a business opportunity with Shire exclusively and in good faith, so as to provide Defendants with the time necessary to prepare and file the IPR and enjoy further ill-gotten gains.

131. LCS justifiably and detrimentally relied on Defendants' misrepresentations because it honored its own confidentiality obligations and pursued a business opportunity with Shire exclusively and in good faith, over a long period of time when it could have been pursuing other business opportunities with third parties, including one or more of Shire's competitors.

132. Defendants' fraudulent misrepresentations have caused LCS to suffer actual damages including lost profits, in an amount to be determined at trial, plus consequential damages. Defendants' fraud also has resulted and continues to result in their own unjust enrichment. LCS' damages are at least into the hundreds of millions over the period from issuance until expiry of the '813 patent into 2028.

133. Each Defendant committed its acts of fraud willfully and maliciously to injure LCS' business and improve its own, thereby entitling LCS to an award of exemplary damages and attorney fees in an amount to be determined at trial.

Sixth Claim—RICO Fraud
(against Shire Defendants and the Haug Firm)

134. LCS realleges and incorporates herein the above allegations.

135. Defendants together devised a scheme and artifice to defraud LCS, and pursuant thereto, each Defendant made several fraudulent representations to LCS constituting federal mail and/or wire fraud, constituting a pattern of racketeering activity of a collective enterprise, and proximately causing injury to LCS' business and property.

136. For example, each Defendant's fraudulent conduct included false representations with the intent to deceive LCS, including but not limited to the following:

(a) misrepresenting that Shire intended to comply, and not breach, the CDA which by its express terms intended to (i) protect confidentiality, (ii) “facilitate the Parties’ discussions regarding a potential business opportunity,” and (iii) not publicize that the ‘813 patent “includes claims that could relate to the use of lisdexamfetamine dimesylate or Vyvanse®;” and (b) misrepresenting that the relevant “prior art” medical literature on eating disorders, obesity and stimulant drugs supported the contention that the claimed inventions of the ‘813 patent were obvious to a person of ordinary skill in the art at the time of the inventions.

137. On information and belief, each Defendant made the foregoing promises and misrepresentations fraudulently and with malice, intending to deceive LCS and induce justifiable reliance, including with the intention of muzzling LCS and Dr. Sanfilippo while at the same time delaying the parties’ discussions under the CDA so that Shire could prepare and file—publicly—an IPR in an attempt to have the ‘813 patent declared invalid as a result of LCS not having the resources to defend the IPR on its merits.

138. In addition, Defendants filed the IPR Petition on May 9, 2014, relying exclusively on a false and fraudulent declaration prepared by Defendants and signed by Brewerton.

139. Each Defendant knew and was aware of the falsity of its misrepresentations.

140. LCS had a belief in the truth of Defendants’ representations, in part, because Defendants represented themselves as having integrity and honesty.

141. Each Defendant intended that its fraudulent misrepresentations would cause and induce LCS to honor its own non-publicity and confidentiality obligations and pursue a business opportunity with Shire exclusively and in good faith, so as to provide Defendants with the time necessary to prepare and file the IPR and enjoy further ill-gotten gains.

142. LCS justifiably and detrimentally relied on Defendants' misrepresentations because it honored its own confidentiality obligations and pursued a business opportunity with Shire exclusively and in good faith, over a long period of time when it could have been pursuing other business opportunities with third parties, including one or more of Shire's competitors.

143. Defendants' fraudulent misrepresentations have caused LCS to suffer actual damages including lost profits, in an amount to be determined at trial, plus consequential damages. Defendants' fraud also has resulted and continues to result in their own unjust enrichment.

144. Each Defendant committed its racketeering conduct and acts of fraud willfully and maliciously to injure LCS' business and improve its own, thereby entitling LCS to an award of treble damages, exemplary damages and attorney fees.

Seventh Claim—Negligence
(against the Baker Firm)

145. LCS realleges and incorporates herein the above allegations.

146. The Baker Firm owed LCS a duty to use appropriate skill, prudence, and diligence in its representation and assistance it provided to LCS on LCS' behalf.

147. The Baker Firm breached their duty, including but not limited to (a) failing to advise LCS not to enter into the CDA with Shire if the CDA would bind only “Shire LLC” and not Shire Plc (including all of its subsidiaries), (b) failing to advise LCS that the IPR Petition was a breach by Shire of the CDA (or if no breach, failing to negotiate a definitive term in the CDA to prevent the obvious and predictable harm of an IPR Petition), and (c) failing to advise LCS of its right to appeal the adverse decision of the PTO in the IPR proceeding.

148. The Baker Firm’s negligent conduct and breaches of their professional duties proximately caused the resulting injury to LCS, including but not limited to LCS’ loss of its valuable patent rights in the ‘813 patent.

Eighth Claim—Professional Malpractice
(against the Baker Firm)

149. LCS realleges and incorporates herein the above allegations.

150. The Baker Firm owed LCS a duty to use a high degree of professional skill, prudence, and diligence commensurate with that which other members of the legal profession commonly possess and exercise.

151. The Baker Firm breached their professional duties, including but not limited to (a) failing to advise LCS not to enter into the CDA with Shire if the CDA would bind only “Shire LLC” and not Shire Plc (including all of its subsidiaries), (b) failing to advise LCS that the IPR Petition was a breach by Shire of the CDA (or if no breach, failing to negotiate a definitive term in the CDA to prevent the obvious and

predictable harm of an IPR Petition), and (c) failing to advise LCS of its right to appeal the adverse decision of the PTO in the IPR proceeding.

152. The Baker Firm's negligent conduct and breaches of their professional duties proximately caused the resulting injury to LCS, including but not limited to LCS' loss of its valuable patent rights in the '813 patent.

Prayer For Relief

Plaintiff LCS prays for judgment as follows:

- A. Declaring that Shire is liable for fraudulent inducement;
- B. Declaring that Shire breached the CDA;
- C. Declaring that Shire breached the CDA by violating the covenant of good faith and fair dealing;
- D. Declaring that each Defendant intentionally interfered with LCS' prospective economic advantage;
- E. Declaring that each Defendant committed fraud against LCS;
- F. Declaring that each Defendant conspired to engage in mail and/or wire fraud and intentional interference with prospective economic advantage in order to wrongfully injure LCS in violation of the Racketeer Influenced and Corrupt Organization Act, including under 18 U.S.C. §§ 1961-68;
- G. Declaring that the Baker Firm was negligent in its representation of LCS;
- H. Declaring that the Baker Firm breached its professional duties to LCS;

I. An accounting for damages, including Plaintiffs' lost profits, lost royalty damages, consequential damages, enhanced damages, treble damages, pre-judgment and post-judgment interest, litigation expenses, costs and attorney fees;

J. Requiring an accounting for damages adequate to compensate for the fraudulent inducement, breach of contract, intentional interference with prospective economic advantage, fraud, RICO fraud, negligence, and professional malpractice, including but not limited to LCS' lost profits and amounts attributable to each Defendant's unjust enrichment, consequential damages, treble damages, exemplary damages, attorney fees, pre-judgment and post-judgment interest, and costs; and

K. Such other and further relief as this Court deems just and proper.

DEMAND FOR JURY TRIAL

Pursuant to Fed. R. Civ. P. 38(b), Plaintiff demands hereby a jury trial on any issues triable of right by a jury.

Dated: June 26, 2018

Respectfully submitted,

/s/ Stephen M. Lobbin

Stephen M. Lobbin (admitted *pro hac vice*)

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Attorneys for Plaintiff

CERTIFICATE OF SERVICE

I hereby certify that on July 5, 2018, I electronically filed the above document(s) with the Clerk of Court using CM/ECF which will send electronic notification of such filing(s) to all registered counsel.

/s/ Stephen M. Lobbin