

STATE SETTLEMENT AGREEMENT

I. PARTIES

This Settlement Agreement (the “Agreement”)¹ is entered into between the State of North Carolina (the “State”) and Mallinckrodt plc and Mallinckrodt ARD LLC (f/k/a Questcor Pharmaceuticals, Inc.), debtors and debtors-in-possession, acting on behalf of themselves and their estates (singularly and collectively, as applicable, “Mallinckrodt”). Mallinckrodt and the State, through their authorized representatives, shall be referred to collectively as the “Parties.”

II. PREAMBLE

As a preamble to this Agreement, the Parties agree to the following:

A. Mallinckrodt plc is an Irish public limited company (“PLC”). Mallinckrodt ARD, LLC (f/k/a Questcor Pharmaceuticals, Inc.) (“ARD”), a subsidiary of PLC, is a California LLC with its principal place of business in Bedminster, New Jersey. At all relevant times, ARD distributed, marketed, and sold pharmaceutical products in the United States, including a drug sold under the trade name of H.P. Acthar Gel (“Acthar”).

B. On September 20, 2018, James Landolt (the “Relator”) filed a *qui tam* action in the United States District Court for the District of Massachusetts captioned *United States of America et al., ex rel. Landolt v. Mallinckrodt ARD LLC (f/k/a Mallinckrodt ARD, Inc.; f/k/a Questcor Pharmaceuticals Inc.)*, Civil Action No. 1:18-cv-11931. This *qui tam* action will be referred to below as the “Civil Action.” The Civil Action alleges that Mallinckrodt knowingly and improperly

¹ All capitalized terms not defined when initially used shall have the meanings ascribed to them elsewhere in the Agreement, including, without limitation, in Exhibit A hereto.

avoided paying rebates to the Medicaid program for Mallinckrodt's drug Acthar. The United States intervened in the Civil Action on March 2, 2020 and filed a Complaint-in-Intervention on March 3, 2020. Twenty-six states, the District of Columbia, and Puerto Rico intervened in the Civil Action and filed a Complaint-in-Intervention ("States' Complaint-in-Intervention") on July 16, 2020.

C. Mallinckrodt has entered into a separate civil settlement agreement of claims in the Civil Action (the "Federal Settlement Agreement") with the United States of America (the "United States").

D. The State contends that it has certain civil and administrative causes of action against Mallinckrodt arising from conduct alleged in the States' Complaint-in-Intervention in the Civil Action for the time period of January 1, 2013 through and including June 30, 2020. This conduct is referred to below as the "Covered Conduct."

E. Mallinckrodt admits and agrees that there is only one Acthar, which the FDA approved pursuant to a New Drug Application in 1952 and which was first produced, distributed, and marketed prior to 1990. Mallinckrodt has reinstated in the Centers for Medicare & Medicaid Services' drug data reporting system ("DDR") the Base Date AMP for Acthar as Acthar's AMP from the third quarter of 1990 and agrees that it will not change that Base Date AMP in the DDR.

F. The Parties have negotiated this Agreement in good faith and at arm's length and intend the Agreement to be consummated through (a) the voluntary cases under chapter 11 of the Bankruptcy Code² (the "Chapter 11 Cases") filed in the United States Bankruptcy Court for the

² 11 U.S.C. §§ 101-1532 (the "Bankruptcy Code").

District of Delaware (the “Bankruptcy Court”), lead Case No. 20-12522 (JTD), by Mallinckrodt plc and certain of its affiliates and subsidiaries on October 12, 2020, (b) the examinership proceeding to be commenced by Mallinckrodt plc under the laws of Ireland (the “Examinership Proceeding”), and (c) the proceedings commenced under Part IV of the Canadian Companies Arrangement Act to recognize in Canada the Chapter 11 Cases and to recognize in Canada certain orders of the Bankruptcy Court (the “Canadian Recognition Proceeding” and, collectively with the Chapter 11 Cases and the Examinership Proceeding, the “Bankruptcy Proceedings”).

G. Fifty-two jurisdictions including 50 states, Puerto Rico, and the District of Columbia (collectively, the “States”) have each timely filed proofs of claim against Mallinckrodt plc and Mallinckrodt ARD LLC on account of the Covered Conduct, which in the aggregate total approximately \$1.9 billion (the “States’ Proofs of Claim”). The States’ Proofs of Claim that were filed by the Medicaid Participating States (as defined below), and are listed on Exhibit B, shall be deemed allowed as Class 10 claims for purposes of the Approved Plan on the Effective Date of this Agreement and treated in accordance with the terms of this Agreement.

H. The Parties mutually desire to reach a full and final settlement as set forth in this Agreement.

III. TERMS AND CONDITIONS

NOW, THEREFORE, in reliance on the representations contained herein and in consideration of the mutual promises, covenants and obligations set forth in this Agreement, and for good and valuable consideration as stated herein, the Parties agree as follows:

1. The recitals in Section I (Parties) and Section II (Preamble) are agreed to by the Parties.

2. Subject to Paragraph 2(d) below, Mallinckrodt agrees to pay to the United States and the Medicaid Participating States (as defined in Paragraph 2(c) below), collectively, the sum of \$233,707,865.18, plus interest accruing at an annual rate of 0.6255% (together with Default Interest, only as may be applicable in accordance with Paragraph 22(a), “Interest”) from September 21, 2020, in eight installments (the “Installment Payments”), pursuant to the installment payment schedule described in Exhibit C (inclusive of Interest, the “Settlement Amount”). The Interest described in the foregoing sentence shall accrue on the unpaid balance of the Installment Payments and all then-accrued Interest shall be payable in cash to the United States and the Medicaid Participating States (as defined below) contemporaneously with each Installment Payment as set forth on Exhibit C. Each of the Mallinckrodt entities is jointly and severally liable for payment of the Settlement Amount. The entire Settlement Amount shall be considered restitution. The entire Settlement Amount, or any portion thereof, may be prepaid without premium or penalty. If Mallinckrodt elects to prepay the Settlement Amount, or any portion thereof, Interest shall accrue through the date on which Mallinckrodt makes said prepayment. If Mallinckrodt is sold, merged, or transferred into a non-affiliated entity, or all or substantially all of the assets of Mallinckrodt (on a consolidated basis) are sold, merged, or transferred, Mallinckrodt shall promptly notify the United States and Medicaid Participating States, and, whether or not Mallinckrodt provides such notice, the unpaid balance of the Settlement Amount, including, without limitation, all remaining Installment Payments owed pursuant to the Agreement, shall be accelerated and become immediately due and payable upon consummation of such transaction, without prejudice to any Medicaid Participating State’s rights, as a creditor, under applicable fraudulent transfer or conveyance law. Except as otherwise provided in Paragraphs 13, 14, 22 or 23 with respect to

remedies granted to the Medicaid Participating States upon the occurrence of certain events, the Settlement Amount, constituting a debt owed to the United States and to the Medicaid Participating States, shall forever be discharged by payment in full of the Settlement Amount to the United States and the Medicaid Participating States as follows:

(a) The total Medicaid recovery for the Covered Conduct is \$233,707,865.18 consisting of (i) \$110,065,718.45 (plus Interest) for the States pursuant to this Agreement and (ii) \$123,642,146.73 (plus interest) for the United States pursuant to the Federal Settlement Agreement.

(b) Mallinckrodt shall pay to the Medicaid Participating States, on account of their States' Proofs of Claim in the Chapter 11 Cases, the sum of \$110,065,718.45 plus Interest through and including the day the final Installment Payment is made under this Agreement pursuant to Exhibit C (the "Medicaid State Settlement Amount"), subject to the non-participating state deduction provision of Paragraph 2(d) below (the "Medicaid Participating State Settlement Amount"). Each Installment Payment comprising in the aggregate the Medicaid Participating State Settlement Amount, shall be paid and deposited by electronic funds transfers to the New York State Attorney General's National Global Settlement Account pursuant to written instructions from the National Association of Medicaid Fraud Control Units ("NAMFCU") state negotiating team (the "State Team"), which written instructions shall be delivered to counsel for Mallinckrodt. The State shall be deemed to have been paid its share of each Installment Payment upon receipt and deposit of each Installment Payment via such electronic funds transfers into the New York State Attorney General's National Global Settlement Account.

(c) Mallinckrodt shall execute a State Settlement Agreement with any state that executes such an agreement in the form to which Mallinckrodt and the State Team have agreed, or in a form otherwise agreed to by Mallinckrodt and an individual state (a “State Settlement Agreement”). A state that executes a State Settlement Agreement shall constitute a “Medicaid Participating State,” provided a State Settlement Agreement is fully executed by the state and delivered to Mallinckrodt’s attorneys within 60 days of receiving this Agreement. Mallinckrodt’s offer to resolve this matter with the state shall become null and void after such 60-day period absent written agreement between counsel for Mallinckrodt and the State Team to extend the 60-day period. All states that timely execute a State Settlement Agreement shall be referred to in this Agreement as the “Medicaid Participating States.”

(d) The total portion of the amount paid by Mallinckrodt in settlement for the Covered Conduct for the State is \$13,784,113.94, consisting of a portion paid to the State under this Agreement and another portion paid to the United States as part of the Federal Settlement Agreement. The amount allocated to the State under this Agreement is the sum of \$5,991,062.01 plus applicable Interest (the “State Amount”), of which the entire amount is restitution. If the State does not execute a State Settlement Agreement within 60 days of receiving this Agreement or as otherwise directed by the Bankruptcy Court, the applicable State Amount and any accrued Interest on that amount shall be deducted from the Medicaid State Settlement Amount and shall not be paid by Mallinckrodt absent (1) written agreement between counsel for Mallinckrodt and the State Team to extend the time period for executing this Agreement, or (2) leave of the Bankruptcy Court. Mallinckrodt shall pay the State pursuant to the payment schedule attached hereto as Exhibit C.

3. In addition to the Medicaid State Settlement Amount, Mallinckrodt agrees to pay \$250,000.00 representing the NAMFCU State Team's reasonable expenses and fees, including the hiring of NAMFCU consultants and NAMFCU administrative fees. Mallinckrodt will pay this amount by separate payment to "The National Association of Medicaid Fraud Control Units," with the payment of the First Installment Payment, or as otherwise agreed by the Parties.

4. In addition to the Medicaid State Settlement Amount or any other amount due the State under this Agreement, contemporaneously with the payment of the First Installment Payment, Mallinckrodt further agrees to reimburse the Ad Hoc Committee of Government Entities Holding Medicaid Rebate Claims up to \$100,000 for reasonable attorneys' fees and expenses.

5. Subject to Paragraph 8 and the remedies accorded the State in Paragraphs 13, 14, 22 and 23, (a) upon receipt of the First Installment Payment of the State Amount, the State agrees to dismiss without prejudice any state law claims arising from the Covered Conduct currently pending against Mallinckrodt that the State has the authority to dismiss in state or federal court and (b) upon receipt and deposit of the final Installment Payment as set forth in Exhibit C, and the passage of 91 days, the State agrees to submit to Mallinckrodt a Stipulation of Dismissal with Prejudice for the Covered Conduct.

6. Only Medicaid Participating States that are named parties to the Civil Action, properly served, and liable to pay a relator share agree to pay a relator share as set forth in this Paragraph 6; all other Medicaid Participating States that are not liable to pay a relator share will, in this Paragraph 6, reflect an amount owed of \$0. The State agrees to pay the Relator \$1,198,212.40 plus applicable interest over the payout period as set forth in the Side Letter with the Relator in the Civil Action.

7. Subject to the terms and conditions of this Agreement, including, without limitation, the exceptions in Paragraph 8 below and the right to pursue the Civil Action or file a new suit based on the Covered Conduct to the extent provided in Paragraphs 13, 14, 22 and 23 below, and in consideration of the obligations of Mallinckrodt set forth in this Agreement, and conditioned upon receipt of the State Amount in full in accordance with the terms of this Agreement, the State agrees to release Mallinckrodt, together with its predecessors and current and former parent corporations, divisions, subsidiaries, brother or sister corporations, current or former corporate owners, affiliates, successors, transferees, heirs, and assigns (collectively, the “Mallinckrodt Released Entities”), from any civil monetary cause of action that the State has for any claims submitted or caused to be submitted to the State’s Medicaid Program as a result of the Covered Conduct.

8. Notwithstanding the releases given in Paragraph 7 of this Agreement, or any other term of this Agreement, the following claims of the State are specifically reserved and are not released under the terms of this Agreement:

- (a) any criminal, civil, or administrative liability arising under state revenue codes;
- (b) any criminal liability;
- (c) any civil or administrative liability that any person or entity, including any of the Mallinckrodt Released Entities, has or may have to the State or to individual consumers or state program payors under any statute, regulation, or rule not expressly covered by the releases in Paragraph 7 above, including, but not limited to, any and all of the following claims: (i) state or federal antitrust violations; and (ii) claims involving unfair and/or deceptive acts and practices and/or violations of consumer protection laws;

- (d) any liability to the State for any conduct other than the Covered Conduct;
- (e) the obligations created by this Agreement;
- (f) except as explicitly stated in this Agreement, any administrative liability, including mandatory or permissive exclusions from the State's Medicaid Program;
- (g) any liability for express or implied warranty claims or other claims for defective or deficient products and services, including quality of goods and services;
- (h) any liability for personal injury or property damage or for other consequential damages arising from the Covered Conduct;
- (i) any liability for failure to deliver goods or services due; or
- (j) any liability of individuals.

9. Mallinckrodt hereby waives and shall not assert any defenses it may have to criminal prosecution or administrative action for the Covered Conduct, which defenses may be based in whole or in part on a contention, under the Double Jeopardy Clause of the Fifth Amendment of the U.S. Constitution or the Excessive Fines Clause of the Eighth Amendment of the U.S. Constitution, that this Agreement bars a remedy sought in such criminal prosecution or administrative action.

10. Subject to the proviso in this Paragraph 10, in consideration of the obligations of the State set forth in this Agreement, each of the Mallinckrodt Released Entities hereby waives and discharges the State and any of its agencies, departments, and personnel including, but not limited to, officials, employees, and agents, whether current or former in their official and individual capacities, from any causes of action (including attorneys' fees, costs, and expenses of every kind and however denominated) that the Mallinckrodt Released Entities have against the

State and any of its agencies, departments, and personnel as previously referenced arising from the State's investigation and prosecution of the Covered Conduct, *provided*, that if, as permitted under the terms of this Agreement, the State opts to rescind this Agreement, then automatically, and without further action or notice by any party, the releases set forth in Paragraphs 7 and 10 shall be deemed rescinded with and to the same effect.

11. The amount that Mallinckrodt must pay to the State pursuant to Paragraph 2 above will not be decreased as a result of the denial of any claims for payment now being withheld from payment by the State's Medicaid Program, or any other state program payor, which denials were based on the Covered Conduct; and Mallinckrodt agrees not to resubmit to the State's Medicaid Program, or any other state program payor, any previously denied claims, which denials were based on the Covered Conduct, and agrees to withdraw the appeal of, or not to appeal or cause the appeal of, any such denials of claims.

12. Mallinckrodt shall not seek payment for any claims for reimbursement to the State's Medicaid Program covered by this Agreement from any health care beneficiaries or their parents, sponsors, legally responsible individuals, or third-party payors based upon the claims defined as Covered Conduct.

13. Mallinckrodt has provided sworn financial disclosure statements and supporting documents ("Financial Statements") to the United States, and the State has relied on the accuracy and completeness of those Financial Statements in reaching this Agreement. Mallinckrodt warrants that the Financial Statements provided to the United States were complete, accurate, and current as of the date provided. If the State learns of asset(s) in which Mallinckrodt had an interest of any kind as of the Effective Date of this Agreement (including, but not limited to, promises by

insurers or other third parties to satisfy Mallinckrodt's obligations under this Agreement) that were not disclosed in the Financial Statements, or if the State learns of any false statement or misrepresentation by Mallinckrodt on, or in connection with, the Financial Statements, and if such nondisclosure, false statement, or misrepresentation changes the estimated net worth set forth in the Financial Statements by \$12.5 million or more, the State may at its option: (a) rescind this Agreement and pursue the Civil Action or file a new suit based on the Covered Conduct, with any recovery reduced by the amount of any payments previously made by Mallinckrodt to the State under this Agreement, or (b) commence an action (a "Collection Action") to collect the full State Amount in accordance with the Agreement plus one hundred percent (100%) of the net value of Mallinckrodt's previously undisclosed assets. Mallinckrodt agrees not to contest any Collection Action undertaken by the State pursuant to this provision and agrees that it will immediately pay to the State the greater of (i) a ten-percent (10%) surcharge of the amount collected in the Collection Action, or (ii) the State's reasonable attorneys' fees and expenses incurred in such a Collection Action, in each case, to the extent allowed under applicable law.

14. In the event that pursuant to Paragraph 13 above (concerning disclosure of assets), the State opts to rescind this Agreement, Mallinckrodt waives, and agrees not to plead, argue, or otherwise raise, the defenses of res judicata and collateral estoppel solely to the extent the same arise from the Chapter 11 Cases or any defenses under the theories of statute of limitations, laches, waiver, discharge, estoppel, release, accord and satisfaction or similar theories in response to any claims that relate to the Covered Conduct asserted by the State (a) in the Civil Action, or (b) in any other action with respect to any civil or administrative claims that are filed by the State within one hundred and twenty (120) calendar days of written notification by the State to Mallinckrodt

that this Agreement has been rescinded, except to the extent these defenses were available on September 20, 2018.

15. The Parties each represent that this Agreement is freely and voluntarily entered into without any degree of duress or compulsion whatsoever.

16. Mallinckrodt agrees to cooperate fully and truthfully with any State investigation of individuals or entities not released in this Agreement. Upon reasonable notice of such an investigation, Mallinckrodt shall encourage, and agrees not to impair, the cooperation of its directors, officers, and employees, and shall use its best efforts to make available and encourage, the cooperation of former directors, officers, and employees for interviews and testimony, consistent with the rights and privileges of such individuals and of Mallinckrodt. Upon request, Mallinckrodt agrees to furnish to the State complete and unredacted copies of all non-privileged documents including, but not limited to, reports, memoranda of interviews, and records in its possession, custody or control, concerning any investigation of the Covered Conduct that it has undertaken, or that has been performed by another on its behalf.

17. Except as expressly provided to the contrary in this Agreement, each Party to this Agreement shall bear its own legal and other costs incurred in connection with this matter, including the preparation and performance of this Agreement.

18. Except as otherwise stated in this Agreement, this Agreement is intended to be for the benefit of the Parties only, and the Parties do not release any liability as to any other person or entity.

19. Nothing in this Agreement constitutes an agreement by the State concerning the characterization of the amounts paid hereunder for purposes of the State's revenue code.

20. For all disputes other than the Civil Action, this Agreement is governed by the laws of the State, and venue for addressing and resolving any and all disputes relating to this Agreement shall be the state courts of appropriate jurisdiction of the State or the Bankruptcy Court, which shall have concurrent jurisdiction.

21. The undersigned counsel represent and warrant that they are fully authorized to execute this Agreement on behalf of Mallinckrodt. The undersigned State signatories represent that they are signing this Agreement in their official capacities and that they are authorized to execute this Agreement on behalf of the State through their respective agencies and departments.

22. The Settlement Amount represents the amount the State is willing to accept in compromise of its civil claims arising from the Covered Conduct due solely to Mallinckrodt's financial condition as reflected in the Financial Statements referenced in Paragraph 13.

(a) In the event that Mallinckrodt fails to pay any portion of the Settlement Amount as provided in Paragraph 2 above and Exhibit C incorporated therein, Mallinckrodt shall be in default of Mallinckrodt's payment obligations ("Payment Default") under this Agreement. In such event, the State will provide Mallinckrodt with a written "Notice of Payment Default," and Mallinckrodt shall have an opportunity to cure such Payment Default (the "Cure Payment") within seven (7) business days from the date of receipt of the Notice of Payment Default by making all Installment Payments due through the date of the Notice of Payment Default together with all Interest accrued and accruing under this Agreement up to the date of the Cure Payment. Any such Cure Payment shall be paid in accordance with Paragraph 2(b) above. The Notice of Payment Default will be delivered to Mallinckrodt in accordance with Paragraph 36 of this Agreement. If Mallinckrodt fails to cure the Payment Default within seven (7) business days of receiving the

Notice of Payment Default and in the absence of an agreement with the State to a modified payment schedule (“Uncured Payment Default”), then without further notice, the unpaid balance of the Settlement Amount shall become immediately due and payable, and interest on such unpaid balance shall thereafter accrue at the rate of 12% per annum (“Default Interest”), compounded daily from the date of the Payment Default, on the remaining unpaid total (principal and Interest balance).

(b) In the event of an Uncured Payment Default, Mallinckrodt agrees that the State, at its sole discretion, may (i) retain any payments previously made, rescind this Agreement (in which event, automatically from and after the date of such rescission, and without further action or notice by any party, Mallinckrodt’s obligation pursuant to Paragraph 2 above to pay any remaining balance of the State Amount shall be deemed null and void) and pursue the Civil Action, file suit based on the Covered Conduct or bring any civil and/or administrative claim, action, or proceeding against Mallinckrodt for the claims that would otherwise be covered by the release provided in Paragraph 7 above, with any recovery reduced by the amount of any payments previously made by Mallinckrodt to the State under this Agreement; (ii) take any action to enforce this Agreement; (iii) offset the unpaid balance of the State Amount from any amounts due and owing to Mallinckrodt and/or affiliated companies by any department, agency, or agent of the State at the time of Payment Default or subsequently; and/or (iv) exercise any other right granted by law, or under the terms of this Agreement, or recognizable at common law or in equity. The State shall be entitled to any other rights granted by law or in equity by reason of Payment Default, including referral of this matter for private collection. In the event the State pursues a Collection Action, Mallinckrodt agrees immediately to pay the State the greater of (i) a ten-percent (10%)

surcharge of the amount to be collected, or (ii) the State's reasonable attorneys' fees and expenses incurred in such an action, in each case, to the extent allowed under applicable law. In the event that, pursuant to this Paragraph 22, the State opts to rescind this Agreement, Mallinckrodt waives, and agrees not to plead, argue, or otherwise raise, the defenses of res judicata and collateral estoppel solely to the extent the same arise from the Chapter 11 Cases or any defenses under the theories of statute of limitations, laches, waiver, discharge, estoppel, release, accord and satisfaction or similar theories in response to any claims that relate to the Covered Conduct asserted by the State (x) in the Civil Action, or (y) in any other action with respect to any civil or administrative claims that are filed by the State within one hundred and twenty (120) calendar days of written notification by the State to Mallinckrodt that this Agreement has been rescinded, except to the extent these defenses were available on September 20, 2018. Mallinckrodt agrees not to contest any offset, recoupment, and/or collection action undertaken by the State pursuant to this Paragraph, either administratively or in any state or federal court, except on the grounds of actual payment to the State.

(c) In the event of an Uncured Payment Default, the State may exclude Mallinckrodt from participating in the State Medicaid Program until Mallinckrodt pays the Settlement Amount, with Interest and reasonable costs as set forth above ("Exclusion for Default"). The State will provide written notice of any such Exclusion for Default to Mallinckrodt. Mallinckrodt waives any further notice of the Exclusion for Default under state law and agrees not to contest such exclusion either administratively or in any state or federal court. Reinstatement to program participation is not automatic. If at the end of the period of exclusion, Mallinckrodt wishes to apply for reinstatement, it must submit a written request for reinstatement to the State in

accordance with the provisions of state law. Mallinckrodt will not be reinstated unless and until the State approves such request for reinstatement. The remedy of Exclusion for Default is in addition to, and not in lieu of, any other remedies identified in this Agreement or otherwise available.

23. In exchange for valuable consideration provided in this Agreement, Mallinckrodt agrees to the following:

(a) The Definitive Documents related to the Bankruptcy Proceedings shall be consistent in all material respects with this Agreement and shall not in any manner, by their terms, contain any provisions that amend, modify, supplement, supersede or conflict with, any of the provisions of this Agreement in any manner that is materially adverse to, or materially prejudicial to the State, including, without limitation, with respect to the State's rights and remedies under this Agreement, including, without limitation, any and all remedies under Paragraphs 13, 14, 22 and 23, all such rights and remedies being deemed to be material terms of this Agreement that if limited in any way by the Definitive Documents will be both materially adverse to the State and materially prejudicial to it. The Definitive Documents shall be in form and substance reasonably acceptable to the State. In addition, Mallinckrodt shall take such actions as may be reasonably necessary or appropriate in the Bankruptcy Proceedings (including, without limitation, assuming its obligations under this Agreement pursuant to the Approved Plan, the Canadian Recognition Proceeding, and Scheme of Arrangement) to ensure Mallinckrodt will be able to comply with its obligations under this Agreement.

(b) Where the provisions of this Agreement refer or apply to the Chapter 11 Cases, the Bankruptcy Court, and/or the Approved Plan (including the Definitive Documents and

any other documentation relating or relevant thereto) or events, circumstances, or procedures in the United States (the “U.S. Process”) but do not equally reference or apply to the Examinership Proceeding, the Irish Court, the Canadian Recognition Proceeding, the Canadian Court and/or the Scheme of Arrangement (including the Definitive Documents or any other documentation relating or relevant thereto) or equivalent events, circumstances, or procedures in Ireland or Canada (the “Foreign Processes”), those provisions relating to the U.S. Process shall be deemed to apply or refer equally to the Foreign Processes (and, if necessary, this Agreement will be deemed to include provisions relating to the Foreign Processes which correspond to provisions relating to the U.S. Process) to ensure that the rights and obligations of the State under this Agreement apply equally to the Foreign Processes in the same way as the U.S. Process, to the fullest extent necessary in order to implement the terms, spirit, and intent of this Agreement. Mallinckrodt shall (i) provide the State with a copy of the Approved Plan or any other plan or reorganization or liquidation for which it intends seek approval from the Bankruptcy Court no later than ten days prior to filing such plan with the Bankruptcy Court, and (ii) obtain approval of the Approved Plan from the State. The State shall not withhold approval without a reasonable, good faith basis and will inform Mallinckrodt of the reasons for withholding approval, if any. Mallinckrodt shall have seven (7) days to revise the plan and seek approval of the revised plan from the State.

(c) If any of the Chapter 11 Cases or the Examinership Proceeding of Mallinckrodt are converted or dismissed for any reason, the State shall have the right to rescind this Agreement with the same remedies contemplated in Paragraph 22(b) as though Mallinckrodt had committed an Uncured Payment Default (in which event, automatically from and after the date of such rescission, and without further action or notice by any party, Mallinckrodt’s obligation

pursuant to Paragraph 2 above to pay any remaining balance of the State Amount shall be deemed null and void).

(d) The State may, in its sole discretion, declare that the occurrence of any of the following events a default of Mallinckrodt's obligations under this Agreement (each "an Event of Default"):

- (i) the Approved Plan Effective Date does not occur on or before [June 30, 2022], or such later date to which the State may consent (such consent not to be unreasonably withheld);
- (ii) the Bankruptcy Court (or other court of competent jurisdiction) enters an order, (A) directing the appointment of an examiner with expanded powers or a trustee in any of the Chapter 11 Cases, or (B) converting any of the Chapter 11 Cases to cases under chapter 7 of the Bankruptcy Code;
- (iii) the Bankruptcy Court (or other court of competent jurisdiction, including the Irish Court) enters an order, the effect of which would render the Approved Plan incapable of consummation on the terms set forth in this Agreement;
- (iv) the Bankruptcy Court (or other court of competent jurisdiction, including the Irish Court) grants relief that is inconsistent with this Agreement;
- (v) issuance by the Bankruptcy Court (or any other court of competent jurisdiction, including the Irish Court) of any ruling, judgment or

order enjoining the consummation of this Agreement or the Approved Plan, or denying approval of this Agreement;

- (vi) (A) the filing of a pleading by Mallinckrodt seeking to withdraw, amend or modify the Approved Plan, any of the Definitive Documents, or any motion to assume or approve this Agreement, which withdrawal, amendment, modification or filing is not consistent with this Agreement in any material aspect, or (B) if Mallinckrodt, files any motion or pleading that is not consistent with this Agreement in any material aspect and such motion or pleading has not been withdrawn prior to the earlier of (i) three (3) business days after Mallinckrodt receives written notice from the State that such motion or pleading is inconsistent with this Agreement, and (ii) the entry of an order of a court approving such motion;
- (vii) the Bankruptcy Court enters an order denying confirmation of the Approved Plan; or
- (viii) any court of competent jurisdiction has entered a judgment or order declaring this Agreement to be unenforceable.

An Event of Default may be waived by the written consent of the State at its sole discretion.

(e) (1) If an Event of Default has occurred and has not been waived by written consent of the State, or (2) if, before the Medicaid Participating State Settlement Amount is paid in full, Mallinckrodt or a third party commences a case, proceeding, or other action under any law relating to bankruptcy, insolvency, reorganization, or relief of debtors seeking any order for relief

of Mallinckrodt's debts, or to adjudicate Mallinckrodt as bankrupt or insolvent, or seeking appointment of a receiver, trustee, custodian, or other similar official for Mallinckrodt or for all or any substantial part of Mallinckrodt's assets (in each case, other than the Bankruptcy Proceedings) (collectively a "Future Insolvency Proceeding") or (3) if Mallinckrodt's obligations under this Agreement are avoided for any reason (including but not limited to, through the exercise of a trustee's avoidance powers under the Bankruptcy Code) in a Future Insolvency Proceeding or in any other case, proceeding or action:

- (i) the State, at its sole option, may rescind this Agreement and bring any civil and/or administrative claim, action, or proceeding against Mallinckrodt for the claims that would otherwise be covered by the release provided in Paragraph 7 above, including, but not limited to, by re-filing the States' Complaint-in-Intervention, in which event the same waiver of defenses as set forth in Paragraph 22(b) above shall apply; *provided*, that any such claims shall be reduced by the amount of any payments received pursuant to this Agreement; and *provided further*, that automatically from and after the date of such rescission, and without further action or notice by any party, Mallinckrodt's obligation pursuant to Paragraph 2 above to pay any remaining balance of the State Amount shall be deemed null and void;
- (ii) in any Future Insolvency Proceeding in which this Agreement is not assumed and the State Amount is not for any reason paid in full or

is the subject of an avoidance claim of any type, the State, at its sole option, shall be entitled to an undisputed, noncontingent, and liquidated claim against Mallinckrodt for either: (A) the then-unpaid balance of the State Amount, or (B) the amount reflected in the State's Proofs of Claim in the Bankruptcy Proceedings with respect to the Covered Conduct plus any applicable penalties;

- (iii) Mallinckrodt shall not argue or otherwise contend in a Future Insolvency Proceeding that the State's claim, action, or proceeding in respect of the matters covered by this Agreement is subject to an automatic stay and, to the extent necessary, consents to relief from the automatic stay for cause under 11 U.S.C. § 362(d)(1). Mallinckrodt waives, and shall not plead, argue, or otherwise raise, the defenses of res judicata and collateral estoppel solely to the extent the same arise from the Chapter 11 Cases or any defenses under the theories of statute of limitations, laches, release, waiver, discharge, estoppel, accord and satisfaction, or similar theories, to any such civil or administrative claim, action, or proceeding brought by the State in accordance with this Paragraph 23(e), including, without limitation any such civil or administrative claim, action, or proceeding brought by the State within 120 days of written notification to Mallinckrodt that this Agreement has been rescinded

pursuant to this Paragraph 23, except to the extent such defenses were available on September 20, 2018; and

- (iv) the State may exclude Mallinckrodt from participating in the State Medicaid Program until Mallinckrodt cures the default and/or pays the unpaid portion of the Settlement Amount, interest due, and collection costs. The State will provide written notice of any such exclusion to Mallinckrodt. Mallinckrodt waives any further notice of the exclusion under state law and agrees not to contest such exclusion either administratively or in any state or federal court. Reinstatement to program participation is not automatic. If at the end of the period of exclusion Mallinckrodt wishes to apply for reinstatement, Mallinckrodt must submit a written request for reinstatement to the State in accordance with the provisions of state law. Mallinckrodt will not be reinstated unless and until the State approves such request for reinstatement. The option for exclusion for default as described in this Paragraph is in addition to, and not in lieu of, the options identified in this Agreement or otherwise available.

(f) Notwithstanding anything to the contrary in this Agreement, but subject to the proviso in this Paragraph 23(f), all rights of Mallinckrodt and the States to assert, in any Future Insolvency Proceeding, that claims arising from the Covered Conduct are or are not dischargeable in such Future Insolvency Proceeding are hereby fully preserved; *provided*, that for the avoidance

of doubt, Mallinckrodt shall not be entitled to assert that any such claims were discharged pursuant to the Bankruptcy Proceedings and/or Definitive Documents.

24. Mallinckrodt's obligations under this Agreement may not be avoided pursuant to 11 U.S.C. §§ 544, 547 or 548, and Mallinckrodt shall not argue or otherwise take the position in any Future Insolvency Proceeding or in any other case, proceeding, or action that: (i) Mallinckrodt's obligations under this Agreement may be avoided under 11 U.S.C. § 547; (ii) the mutual promises, covenants, and obligations set forth in this Agreement do not constitute a contemporaneous exchange for new value given to Mallinckrodt; or (iii) the mutual promises, covenants, and obligations set forth herein are not intended to and do not, in fact, represent a reasonably equivalent exchange of value or that such mutual promises, covenants and obligations are intended to hinder, delay, or defraud any entity to which Mallinckrodt was or became indebted to on or after the date of this Agreement, within the meaning of 11 U.S.C. § 548(a)(1) or any applicable federal, state or local law in accordance with 11 U.S.C. § 544.

25. In evaluating whether to execute this Agreement, the Parties warrant that the mutual promises, covenants, and obligations set forth herein constitute a contemporaneous exchange for new value given to Mallinckrodt, within the meaning of 11 U.S.C. § 547(c)(1), and the Parties conclude that these mutual promises, covenants, and obligations do, in fact, constitute such a contemporaneous exchange. Further, the Parties warrant that the mutual promises, covenants, and obligations set forth herein are intended to and do, in fact, represent a reasonably equivalent exchange of value that is not intended to hinder, delay, or defraud any entity to which Mallinckrodt was or became indebted to on or after the date of this transfer, within the meaning of 11 U.S.C. § 548(a)(1) or any applicable federal, state or local law in accordance with 11 U.S.C. § 544.

26. Nothing herein is intended to, or does, in any manner waive, limit, impair or restrict the ability of the State to protect and preserve its rights, remedies and interests, including any other claims against Mallinckrodt or other parties, or its full participation in the Bankruptcy Proceedings. Furthermore, nothing in this Agreement shall be construed to prohibit the State from appearing as a party-in-interest in any matter to be adjudicated in the Bankruptcy Proceedings so long as any appearance by the State and the positions advocated by the State in connection therewith are consistent with this Agreement.

27. This Agreement shall be binding on all successors, transferees, heirs, and assigns of the Parties. References to Mallinckrodt shall include and encompass any reorganized Mallinckrodt created by the Approved Plan (defined herein) confirmed by the Bankruptcy Court. For the avoidance of doubt: (a) reorganized Mallinckrodt plc and reorganized Mallinckrodt ARD LLC shall be considered successors to Mallinckrodt plc and Mallinckrodt ARD LLC, respectively, and be fully responsible for any liabilities, obligations, or conditions included in this Agreement; and (b) the Approved Plan shall provide for (i) the reorganization and continued corporate existence of Mallinckrodt plc and Mallinckrodt ARD LLC and (ii) the vesting of the assets of Mallinckrodt plc and Mallinckrodt ARD LLC in reorganized Mallinckrodt plc and Mallinckrodt ARD LLC upon the effective date of the confirmed Approved Plan.

28. This Agreement constitutes the complete agreement between the Parties with respect to the Covered Conduct and shall not be amended except by written consent of the Parties. Nothing in this Agreement is intended to alter or have any effect whatsoever on the separate and distinct settlement agreements Mallinckrodt has entered into or intends to enter into with certain states regarding opioid claims.

29. Forbearance by the State from pursuing any remedy or relief available to it under this Agreement shall not constitute a waiver of rights under this Agreement.

30. This Agreement may be executed in counterparts, each of which shall constitute an original, and all of which shall constitute one and the same Agreement.

31. The facsimile, email or other electronically delivered signatures of the Parties shall be deemed to constitute acceptable binding signatures for purposes of this Agreement, and facsimile or electronic copies shall be deemed to constitute duplicate originals.

32. For purposes of construing this Agreement, this Agreement shall be deemed to have been drafted by the Parties to this Agreement and shall not, therefore, be construed against any of the Parties for that reason.

33. In the event of any conflict among the terms and provisions in the Definitive Documents, on the one hand, and this Agreement, on the other hand, the terms and provisions of this Agreement shall control, including with respect to the release paragraphs above and notwithstanding the terms of the ballot for voting on the Approved Plan. For the avoidance of doubt, Mallinckrodt agrees that (i) the release, discharge and/or injunction provisions of any of the Definitive Documents are not applicable to, and do not bar, restrict or limit, the rights and remedies granted to the State under this Agreement including, without limitation, the right to pursue the Civil Action or any other action, as may be permitted hereunder, and (ii) 11 U.S.C. §525 does not apply to, or bar, restrict or limit, the Exclusion for Default and/or the rights accorded the State in Paragraph 23(e)(iv) of the Agreement.

34. As a material condition to the settlement and to avoid any conflict that may arise with any order confirming the Approved Plan, the following language shall be included in any confirmation order submitted or supported by Mallinckrodt to the Bankruptcy Court:

“Notwithstanding any provision of this [confirmation] order to the contrary, in the event of any conflict between the [confirmation] order and the Federal/State Actuar Settlement Agreements executed by any Settling State (the “Rebate Claims State Settlement Agreements”) that resolve *United States of America et al., ex rel. Landolt v. Mallinckrodt ARD LLC (f/k/a Mallinckrodt ARD, Inc.; f/k/a Questcor Pharmaceuticals Inc.)*, Civil Action No. 1:18-cv-11931 (D. Mass.) (the “Landolt Civil Action”), the terms of the Rebate Claims State Settlement Agreements shall govern, including with respect to the release provisions of the Rebate Claims State Settlement Agreements. For the avoidance of doubt such terms shall include, but not be limited to any default provisions contained in the Rebate Claims State Settlement Agreements which shall survive confirmation and shall not be subject to any discharge injunction.

Mallinckrodt agrees that (i) the release, discharge and/or injunction provisions of the Definitive Documents shall not be applicable to, and shall not bar, restrict or limit, the rights and remedies granted to the States in the Rebate Claims State Settlement Agreements, including, without limitation, the right to pursue the Landolt Civil Action or any other action, as may be permitted thereunder and (ii) 11 U.S.C. § 525 shall not apply to, or bar, restrict or limit, the rights accorded the States in Paragraphs 22 and 23 of the Rebate Claims State Settlement Agreements to exclude Mallinckrodt from participating in the State Medicaid Programs.

The court further orders that any statutes of limitation and/or laches for the Covered Conduct as defined in the Rebate Claims State Settlement Agreements are tolled until such time as all payment obligations have been met by Mallinckrodt.

The state courts shall have concurrent jurisdiction with this Court with respect to interpretation and/or enforcement of the Rebate Claims State Settlement Agreements.”

35. Notwithstanding anything to the contrary in this Agreement, in the event that the State exercises its right to rescind this Agreement (including pursuant to Paragraphs 13, 14, 22, and/or 23): (a) the rights and remedies granted to the State under (i) subclause (a) of Paragraph 13, (ii) Paragraph 14, (iii) subclause (i) of the first sentence of Paragraph 22(b), (iv) subclause (iv) of Paragraph 22(b) (solely relating to rights that survive rescission under the other subclauses of

this paragraph 35(a)), (v) the penultimate sentence of Paragraph 22(b), (vi) Paragraph 22(c), (vii) the first sentence of Paragraph 23(a) (solely to the extent requiring the Definitive Documents to be consistent with the Surviving Provisions (defined below)), (viii) Paragraph 23(c) with respect to the incorporation of the penultimate sentence of Paragraph 22(b), (ix) subparagraphs (e)(i), (e)(iii), (e)(iv), and (f) of Paragraph 23 and (x) Paragraphs 33 and 34 (the foregoing (i) – (x), collectively, the “Surviving Provisions”) shall survive, and be fully preserved and unaffected by, such rescission; (b) the releases granted in Paragraphs 7 and 10 hereof shall be automatically rescinded; and (c) other than with respect to the Surviving Provisions, the State and Mallinckrodt shall be relieved of all of their respective obligations under this Agreement, including, without limitation, Mallinckrodt’s obligation to make any remaining Installment Payments of the State Amount.

36. Except as otherwise provided herein, all notices or other writings required by this Agreement shall be given via overnight mail service or telecopier or email to State as indicated in Exhibit D and to Mallinckrodt at the following addresses:

For Mallinckrodt:

General Counsel

Mallinckrodt plc

675 McDonnell Blvd.

Hazelwood, Missouri 63042

37. This Agreement is effective on the date of signature of the last signatory to the Agreement (Effective Date of this Agreement) as approved by the Bankruptcy Court.

State of North Carolina

By: F. Edward Kirby, Jr. Dated: 10/19/2021

F. Edward Kirby, Jr.
Name

Director
Title

NCDOJ Medicaid Investigations Division
Organization

By: _____ Dated: _____

Name

Title

Organization

State of North Carolina

By:  DocuSigned by:
11395D232A054A2... Dated: 10/19/21 | 8:51 AM PDT

Dave Richard

Name

Deputy Secretary, NC Medicaid

Title

NC Department of Health & Human Services, Division of Health Benefits
Organization

By: _____ Dated: _____

F. Edward Kirby, Jr.

Name

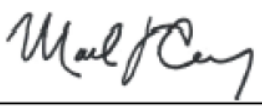
Director

Title

NCDOJ Medicaid Investigations Division
Organization

MALLINCKRODT ARD, LLC

DATED: 03/03/2022


BY: 
Mark Casey
Vice President & General Counsel

DATED: 03/03/2022

BY: 
WILLIAM KETTLEWELL
MICHELE SARTORI
Hogan Lovells LLP
Counsel for Mallinckrodt ARD, LLC

MALLINCKRODT PLC

DATED: 03/03/2022

BY: 
Mark Casey
EVP, Chief Legal Officer

DATED: 03/03/2022

BY: 
WILLIAM KETTLEWELL
MICHELE SARTORI
Hogan Lovells LLP
Counsel for Mallinckrodt plc

EXHIBIT A: CERTAIN DEFINITIONS

As used in this Agreement, the following terms have the following meanings:

- a. **“Approved Plan”** means a plan of reorganization for Mallinckrodt that is consistent in all material respects with this Agreement.
- b. **“Approved Plan Effective Date”** means the date on which the Approved Plan becomes effective in accordance with its terms.
- c. **“Definitive Documents”** means all material agreements, schedules and Bankruptcy Court or other judicial or regulatory orders that are necessary to implement this Agreement, including the Confirmation Order and the Approved Plan.
- d. **“Scheme of Arrangement”** means the scheme of arrangement based on the Plan to be submitted for approval in the Examinership Proceeding.

EXHIBIT B: STATE PROOFS OF CLAIM

STATE	CLAIMANT (Short Title)	CLAIM NUMBER	ENTITY ASSERTED AGAINST
AK	State of Alaska Department of Health and Social Services	48714	Mallinckrodt plc
AK	State of Alaska Department of Health and Social Services	48717	Mallinckrodt ARD LLC
AL	Alabama Medicaid Agency	48574	Mallinckrodt ARD LLC
AL	Alabama Medicaid Agency	48575	Mallinckrodt plc
AR	Arkansas Department of Human Services, as the Single State Agency for the purpose of Medicaid....	48564	Mallinckrodt plc
AR	Arkansas Department of Human Services, as the Single State Agency for the purpose of Medicaid....	48565	Mallinckrodt ARD LLC
AZ	State of Arizona ex rel Arizona Health Care Cost Containment System	48599	Mallinckrodt ARD LLC
AZ	State of Arizona ex rel Arizona Health Care Cost Containment System	48601	Mallinckrodt plc
CA	California Department of Health Care Services, Medicaid Single-State Agency....	48572	Mallinckrodt plc
CA	California Department of Health Care Services, Medicaid Single-State Agency....	48573	Mallinckrodt ARD LLC
CO	Colorado Dept. of Health Care Policy and Financing (HCPF)	48585	Mallinckrodt plc

STATE	CLAIMANT (Short Title)	CLAIM NUMBER	ENTITY ASSERTED AGAINST
CO	Colorado Dept. of Health Care Policy and Financing (HCPF)	48586	Mallinckrodt ARD LLC
CT	Connecticut Department of Social Services	48645	Mallinckrodt ARD LLC
CT	Connecticut Department of Social Services	48655	Mallinckrodt plc
DC	Office of the Attorney General for the District of Columbia	48776	Mallinckrodt ARD LLC
DC	Office of the Attorney General for the District of Columbia	48777	Mallinckrodt plc
DE	Delaware Health and Social Service Division of Medicaid and Medical Assistance	48686	Mallinckrodt ARD LLC
DE	Delaware Health and Social Service Division of Medicaid and Medical Assistance	48713	Mallinckrodt plc
FL	State of Florida as FCA Plaintiff/Florida Agency for Health Care Administration	48602	Mallinckrodt ARD LLC
FL	State of Florida as FCA Plaintiff/Florida Agency for Health Care Administration	48603	Mallinckrodt plc
GA	State of Georgia, Department of Community Health	48631	Mallinckrodt plc
GA	State of Georgia, Department of Community Health	48632	Mallinckrodt ARD LLC
HI	State of Hawaii Department of Human Services	48506	Mallinckrodt ARD LLC
HI	State of Hawaii Department of Human Services	48515	Mallinckrodt plc
IA	Iowa Medicaid Enterprise	48481	Mallinckrodt plc

STATE	CLAIMANT (Short Title)	CLAIM NUMBER	ENTITY ASSERTED AGAINST
IA	Iowa Medicaid Enterprise	48511	Mallinckrodt ARD LLC
ID	State of Idaho	48650	Mallinckrodt ARD LLC
ID	State of Idaho	48921	Mallinckrodt plc
IL	State of Illinois	48509	Mallinckrodt plc
IL	State of Illinois	48510	Mallinckrodt ARD LLC
IN	Indiana Family and Social Services Agency, as the Single State Agency for the purpose of Medicaid	48722	Mallinckrodt plc
IN	Indiana Family and Social Services Agency, as the Single State Agency for the purpose of Medicaid	48736	Mallinckrodt ARD Holdings Inc.
IN	Indiana Family and Social Services Agency, as the Single State Agency for the purpose of Medicaid	48794	Mallinckrodt ARD LLC
KS	Kansas Department of Health and Environment as the Kansas Medicaid single-state agency....	48788	Mallinckrodt ARD LLC
KS	Kansas Department of Health and Environment as the Kansas Medicaid single-state agency....	48790	Mallinckrodt plc
KY	Commonwealth of Kentucky	48654	Mallinckrodt ARD LLC
KY	Commonwealth of Kentucky	48675	Mallinckrodt plc
KY	Commonwealth of Kentucky	48830	Mallinckrodt plc

STATE	CLAIMANT (Short Title)	CLAIM NUMBER	ENTITY ASSERTED AGAINST
LA	State of Louisiana	48604	Mallinckrodt plc
LA	State of Louisiana	48670	Mallinckrodt ARD LLC
MA	Commonwealth of Massachusetts, Executive Office of Health & Human Services	48633	Mallinckrodt ARD LLC
MA	Commonwealth of Massachusetts, Executive Office of Health & Human Services	48642	Mallinckrodt plc
MD	Maryland Department of Health, as single state agency for the purpose of Medicaid	48538	Mallinckrodt plc
MD	Maryland Department of Health, as single state agency for the purpose of Medicaid	48551	Mallinckrodt ARD LLC
ME	The Maine Department of Health and Human Services, as the Single State Agency	48705	Mallinckrodt ARD LLC
ME	The Maine Department of Health and Human Services, as the Single State Agency	48673	Mallinckrodt plc
MI	Michigan Department of Health and Human Services, as the Single State Agency	48452	Mallinckrodt plc
MI	Michigan Department of Health and Human Services, as the Single State Agency	48454	Mallinckrodt ARD LLC
MN	Minnesota Department of Human Services	48605	Mallinckrodt ARD LLC
MN	Minnesota Department of Human Services	48606	Mallinckrodt plc

STATE	CLAIMANT (Short Title)	CLAIM NUMBER	ENTITY ASSERTED AGAINST
MO	Missouri Department of Social Services, as the single state agency for Medicaid	48683	Mallinckrodt ARD LLC
MO	Missouri Department of Social Services, as the single state agency for Medicaid	48708	Mallinckrodt plc
MS	Mississippi Division of Medicaid	48638	Mallinckrodt plc
MS	Mississippi Division of Medicaid	48646	Mallinckrodt ARD LLC
MT	Montana Medicaid	48596	Mallinckrodt plc
MT	Montana Medicaid	48597	Mallinckrodt ARD LLC
NC	North Carolina Fund for Medical Assistance, as the Single State Agency for the purpose of Medicaid	48560	Mallinckrodt plc
NC	North Carolina Fund for Medical Assistance, as the Single State Agency for the purpose of Medicaid	48561	Mallinckrodt ARD LLC
ND	North Dakota Department of Human Services, as the Single State Agency for the purpose of Medicaid	48475	Mallinckrodt plc
ND	North Dakota Department of Human Services, as the Single State Agency for the purpose of Medicaid	48505	Mallinckrodt ARD LLC
NE	Nebraska Department of Health and Human Services	48590	Mallinckrodt plc
NE	Nebraska Department of Health and Human Services	48591	Mallinckrodt ARD LLC

STATE	CLAIMANT (Short Title)	CLAIM NUMBER	ENTITY ASSERTED AGAINST
NE	Nebraska Department of Health and Human Services	48598	Mallinckrodt ARD LLC
NH	New Hampshire Department of Health and Human Services, as the Single State Agency	48518	Mallinckrodt plc
NH	New Hampshire Department of Health and Human Services, as the Single State Agency	48540	Mallinckrodt ARD LLC
NJ	New Jersey Division of Medical Assistance and Health Services	48628	Mallinckrodt ARD LLC
NJ	New Jersey Division of Medical Assistance and Health Services	48640	Mallinckrodt plc
NM	New Mexico Human Services Department (as single state agency for the purpose of Medicaid)	48594	Mallinckrodt plc
NM	New Mexico Human Services Department (as single state agency for the purpose of Medicaid)	48595	Mallinckrodt ARD LLC
NV	State of Nevada	48450	Mallinckrodt ARD LLC
NV	State of Nevada	48451	Mallinckrodt plc
NY	New York State c/o New York State Office of the Attorney General, Medicaid Fraud Control Unit	48676	Mallinckrodt ARD LLC
NY	New York State c/o New York State Office of the Attorney General, Medicaid Fraud Control Unit	48621	Mallinckrodt plc

STATE	CLAIMANT (Short Title)	CLAIM NUMBER	ENTITY ASSERTED AGAINST
OH	State of Ohio Department of Medicaid	48593	Mallinckrodt plc
OH	State of Ohio Department of Medicaid	48831	Mallinckrodt ARD LLC
OK	State of Oklahoma	48578	Mallinckrodt ARD LLC
OK	State of Oklahoma	48584	Mallinckrodt plc
OR	Oregon Health Authority, care of ... Director of the DOJ-MFCU	48570	Mallinckrodt plc
OR	Oregon Health Authority, care of ... Director of the DOJ-MFCU	48571	Mallinckrodt ARD LLC
PA	PA Department of Human Services, as the Single State Agency for Medicaid	48616	Mallinckrodt ARD LLC
PA	PA Department of Human Services, as the Single State Agency for Medicaid	48620	Mallinckrodt plc
PR	Puerto Rico Department of Health, as the Single State Agency for Medicaid	48589	Mallinckrodt plc
PR	Puerto Rico Department of Health, as the Single State Agency for Medicaid	48592	Mallinckrodt ARD LLC
RI	Rhode Island Executive Office of Health and Human Services Office of Program Integrity	48647	Mallinckrodt ARD LLC
RI	Rhode Island Executive Office of Health and Human Services Office of Program Integrity	48648	Mallinckrodt plc

STATE	CLAIMANT (Short Title)	CLAIM NUMBER	ENTITY ASSERTED AGAINST
SC	South Carolina Department of Health and Human Services	48930	Mallinckrodt plc
SC	South Carolina Department of Health and Human Services	48931	Mallinckrodt ARD LLC
SD	South Dakota Department of Social Services, as the Medicaid Single State Agency	48472	Mallinckrodt plc
SD	South Dakota Department of Social Services, as the Medicaid Single State Agency	48473	Mallinckrodt ARD LLC
TN	State of Tennessee, Division of TennCare	48624	Mallinckrodt ARD LLC
TN	State of Tennessee, Division of TennCare	48625	Mallinckrodt plc
TX	The State of Texas	48636	Mallinckrodt plc
TX	The State of Texas	48641	Mallinckrodt ARD LLC
UT	Utah Medicaid Fraud Control Unit, Office of the Attorney General	48577	Mallinckrodt plc
UT	Utah Medicaid Fraud Control Unit, Office of the Attorney General	48579	Mallinckrodt ARD LLC
VA	Virginia Department of Medical Assistance Services	48552	Mallinckrodt ARD LLC
VA	Virginia Department of Medical Assistance Services	48553	Mallinckrodt plc
VT	Vermont Agency of Human Services, as the Single State Agency for the purpose of Medicaid	48692	Mallinckrodt ARD LLC

STATE	CLAIMANT (Short Title)	CLAIM NUMBER	ENTITY ASSERTED AGAINST
VT	Vermont Agency of Human Services, as the Single State Agency for the purpose of Medicaid	48698	Mallinckrodt plc
WA	Washington State Health Care Authority	48581	Mallinckrodt plc
WA	Washington State Health Care Authority	48582	Mallinckrodt ARD LLC
WI	State of Wisconsin	48562	Mallinckrodt plc
WI	State of Wisconsin	48563	Mallinckrodt ARD LLC
WV	West Virginia, Bureau of Medical Services, as the Single State Agency for Medicaid	48771	Mallinckrodt plc
WV	West Virginia, Bureau of Medical Services, as the Single State Agency for Medicaid	48774	Mallinckrodt ARD LLC
WY	Wyoming Department of Health, Division of Healthcare Financing	48715	Mallinckrodt plc
WY	Wyoming Department of Health, Division of Healthcare Financing	48716	Mallinckrodt ARD LLC

EXHIBIT C: INSTALLMENT PAYMENT SCHEDULE

Mallinckrodt will pay the Settlement Amount to the United States and the Medicaid

Participating States in eight installments as follows:

- a. \$13,483,146.07, plus interest on the full unpaid amount, upon the Approved Plan Effective Date in the Chapter 11 Cases contemplated in paragraph 23 of this Agreement, (“First Installment Payment”) with \$7,133,200.78 paid to the United States and \$6,349,945.29 paid to the Medicaid Participating States;
- b. \$13,483,146.07, plus interest on the full unpaid amount, shall be due within one year of the First Installment Payment, with \$7,133,200.78 paid to the United States and \$6,349,945.29 paid to the Medicaid Participating States;
- c. \$17,977,528.09, plus interest on the full unpaid amount, shall be due within two years First Installment Payment, with \$9,510,934.36 paid to the United States and \$8,466,593.73 paid to the Medicaid Participating States;
- d. \$17,977,528.09, plus interest on the full unpaid amount, shall be due within three years of the First Installment Payment, with \$9,510,934.36 paid to the United States and \$8,466,593.73 paid to the Medicaid Participating States;
- e. \$29,213,483.15, plus interest on the full unpaid amount shall be due within four years of the First Installment Payment, with \$15,455,268.34 paid to the United States and \$13,758,214.81 paid to the Medicaid Participating States;
- f. \$29,213,483.15, plus interest on the full unpaid amount shall be due within five years of the First Installment Payment, with \$15,455,268.34 paid to the United States and \$13,758,214.81 paid to the Medicaid Participating States;
- g. \$56,179,775.28, plus interest on the full unpaid amount shall be due within six years of the First Installment Payment, with \$29,721,669.88 paid to the United States and \$26,458,105.40 paid to the Medicaid Participating States;
- h. \$56,179,775.28, plus interest on the full unpaid amount shall be due within seven years of the First Installment Payment, with \$29,721,669.89

paid to the United States and \$26,458,105.39 paid to the Medicaid Participating States.

EXHIBIT D: STATE REPRESENTATIVE CONTACT
INFORMATION FOR NOTICES AND COMMUNICATIONS BY MALLINCKRODT

State of North Carolina

Michael Berger

Name

Special Deputy Attorney General

Title

NCDOJ Medicaid Investigations Division

Organization

5505 Creedmoor Rd., Suite 300

Address

Raleigh, NC 27612

City, State, Zip Code

mberger@ncdoj.gov

Email Address

919-881-2375

Phone Number

References:

- 1) *United States et al., ex rel. Landolt v. Mallinckrodt ARD LLC (f/k/a Mallinckrodt ARD, Inc.; f/k/a Questcor Pharmaceuticals Inc.)*, Civil Action No. 1:18-cv-11931 (D. Mass.)
- 2) NAMFCU Case Name: Mallinckrodt - 881