



**Fifth Report of
KSV Restructuring Inc. as
Information Officer of
Paladin Labs Canadian Holding Inc.
and Paladin Labs Inc.**

January 22, 2024

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COURT FILE NO.: CV-22-00685631-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

**IN THE MATTER OF *THE COMPANIES' CREDITORS ARRANGEMENT ACT*,
R.S.C 1985, c. C-36, AS AMENDED**

**AND IN THE MATTER OF PALADIN LABS CANADIAN HOLDING INC. AND
PALADIN LABS INC.**

**APPLICATION OF PALADIN LABS INC. UNDER SECTION 46 OF *THE COMPANIES'*
CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED**

**FIFTH REPORT OF KSV RESTRUCTURING INC.
AS INFORMATION OFFICER**

January 22, 2024

1.0 Introduction

1. On August 16, 2022 (the "Petition Date"), Endo International plc. ("Endo Parent") and certain of its affiliates (collectively, the "Debtors", and together with their non-debtor affiliates, "Endo" or the "Company"), including Paladin Labs Inc. ("Paladin") and Paladin Labs Canadian Holding Inc. ("Paladin Holding" and jointly with Paladin, the "Canadian Debtors"), commenced proceedings (the "Chapter 11 Proceedings") by filing voluntary petitions for relief under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code") in the United States Bankruptcy Court for the Southern District of New York (the "US Court").
2. On August 17, 2022, the Debtors filed several first day motions in the Chapter 11 Proceedings (collectively, the "First Day Motions"). On August 18, 2022, the US Court granted multiple orders in respect of the First Day Motions (collectively, the "First Day Orders"), including, among others, the Foreign Representative Order,¹ which authorized Paladin to act as the foreign representative of the Debtors (the "Foreign Representative").
3. In its capacity as Foreign Representative, Paladin brought an application (the "Recognition Application") before the Ontario Superior Court of Justice (Commercial List) (this "Court") for recognition of the Chapter 11 Proceedings under Part IV of the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "CCAA" and the proceedings thereunder, the "Recognition Proceedings"). In connection with the Recognition Application, this Court granted the following orders:

¹ As defined in the First Supplemental Order (as defined below).

- a) an Interim Order (Foreign Proceeding) dated August 17, 2022 (the “Interim Order”), among other things, granting a stay of proceedings in respect of the Canadian Debtors, the property and business of the Canadian Debtors, any subsidiary, affiliate or related party of Endo Parent or any Canadian Debtor that is a defendant in Canadian litigation proceedings or subject to any other proceedings in Canada (the “Canadian Litigation Defendants”), and the directors and officers of the Canadian Debtors and the Canadian Litigation Defendants;
 - b) an Initial Recognition Order (Foreign Main Proceeding) dated August 19, 2022 (the “Initial Recognition Order”), among other things:
 - i) recognizing the Chapter 11 Proceedings as a “foreign main proceeding” and recognizing Paladin as the “foreign representative” in respect of the Chapter 11 Proceedings, as such terms are defined in section 45 of the CCAA; and
 - ii) declaring that the Interim Order shall be of no further force or effect upon the effectiveness of the Initial Recognition Order and the First Supplemental Order (as defined below); and
 - c) a Supplemental Order (Foreign Main Proceeding) dated August 19, 2022 (the “First Supplemental Order”), *inter alia*:
 - i) recognizing certain of the First Day Orders of the US Court;
 - ii) granting a stay of proceedings in respect of the Canadian Debtors, the property and business of the Canadian Debtors, the Canadian Litigation Defendants, and the directors and officers of the Canadian Debtors and the Canadian Litigation Defendants; and
 - iii) appointing KSV Restructuring Inc. (“KSV”) as information officer in respect of the Recognition Proceedings (in such capacity, the “Information Officer”).
4. On September 28, 2022, the US Court heard several second day motions filed by the Debtors in the Chapter 11 Proceedings and entered certain orders in respect of such motions (collectively, the “Second Day Orders”). Certain of the Second Day Orders, which are summarized in the Information Officer’s First Report to Court dated October 10, 2022, and the Affidavit of Daniel Vas sworn October 7, 2022, were recognized and enforced by this Court pursuant to an order issued on October 13, 2022 (the “Second Supplemental Order”).

5. Since the issuance of the Second Supplemental Order, this Court has granted two further supplemental orders recognizing and enforcing orders of the US Court. The most recent of such supplemental orders was granted on April 25, 2023 (the “Fourth Supplemental Order”) and recognized and enforced the Bidding Procedures Order and the Bar Date Order.²
6. On October 16, 2023, Jean-François Bourassa (the “Representative Plaintiff”) served a notice of motion for an order (the “Appointment Order”), among other things:
 - a) appointing the Representative Plaintiff to represent the interests of all Canadian victims who were harmed as a result of using Paladin’s opioid drugs sold in Canada (collectively, the “Canadian Personal Injury Claimants”) in the Recognition Proceedings and, as necessary, in the Chapter 11 Proceedings; and
 - b) appointing Fishman Flanz Meland Paquin LLP and Trudel Johnston & Lespérance as counsel to the Canadian Personal Injury Claimants in the Recognition Proceedings and, as necessary, in the Chapter 11 Proceedings.
7. The Representative Plaintiff’s motion for the proposed Appointment Order was heard on December 4, 2023, and opposed by the Foreign Representative and the Ad Hoc First Lien Group. The Representative Plaintiff’s motion was dismissed on December 6, 2023, with reasons to follow. The endorsement of the Honourable Chief Justice Morawetz dismissing the Representative Plaintiff’s motion was issued on January 17, 2024, and is attached as Appendix “A”.
8. On January 12, 2024, the US Court entered an order (the “Disclosure Statement Order”), among other things:
 - a) conditionally approving the *Disclosure Statement With Respect to the Second Amended Joint Chapter 11 Plan of Reorganization of Endo International plc and Its Affiliated Debtors* (the “Disclosure Statement”);
 - b) scheduling a combined hearing (the “Combined Hearing”) for the final approval of the Disclosure Statement and confirmation of the *Second Amended Joint Chapter 11 Plan of Reorganization of Endo International plc and Its Affiliated Debtors* (as may be amended from time to time, the “Plan”);
 - c) authorizing the Debtors to solicit votes on the Plan;
 - d) approving (i) the manner and forms of notice of the Combined Hearing, (ii) the Plan solicitation materials and documents to be included in the solicitation packages (collectively, the “Solicitation Packages”), (iii) the form and manner of the publication notice of the Combined Hearing (the “Publication Notice”), (iv) the form and methods of distributing the Solicitation Packages, (v) the procedures for soliciting, receiving and tabulating votes on the Plan and for filing objections to the Plan and Disclosure Statement (the “Solicitation and Voting Procedures”), (vi) the forms of ballots and master ballots for voting on the Plan

² Each as defined in the Fourth Supplemental Order.

- (collectively, the “Ballots”), (vii) the form and manner of notice to attorneys representing holders of certain claims, (viii) the form of notice to be sent to Contract Notice Parties describing the Plan Assumption and Assignment Procedures, and (ix) the form of notice to be sent to counterparties to Executory Contracts and Unexpired Leases that will be rejected under the Plan; and
- e) establishing the dates and deadlines for confirmation of the Plan and final approval of the Disclosure Statement (the “Confirmation Timeline”).
9. The Foreign Representative is now seeking to have this Court recognize and enforce the Disclosure Statement Order in Canada pursuant to an order under Section 49 of the CCAA (the “Fifth Supplemental Order”).
10. This Report has been prepared and will be filed with this Court by KSV in its capacity as the Information Officer.

1.1 Purposes of this Report

1. The purposes of this Report are to:
- a) provide an update with respect to the Chapter 11 Proceedings;
 - b) provide a summary of the activities of the Information Officer since the date of the Information Officer’s Fourth Report to Court dated November 29, 2023 (the “Fourth Report”); and
 - c) recommend that this court grant the relief being sought by the Foreign Representative pursuant to the proposed Fifth Supplemental Order.

1.2 Currency

1. All currency references in this Report are to U.S. dollars, unless otherwise stated.

1.3 Defined Terms

1. Capitalized terms not otherwise defined in this Report have the meanings given to them in the Fourth Report, the fourth affidavit of Daniel Vas sworn January 18, 2024 (the “Fourth Vas Affidavit”), the Plan or the Disclosure Statement, as applicable. A copy of the Fourth Report (without appendices) is attached as Appendix “B”. Copies of the Plan and the Disclosure Statement are attached to the Fourth Vas Affidavit as Exhibits “C” and “D”, respectively.

1.4 Restrictions

1. In preparing this Report, the Information Officer has relied upon unaudited financial information prepared by the Debtors’ representatives, the Debtors’ books and records and discussions with the Canadian Debtors’ counsel.

2. The Information Officer has not performed an audit or other verification of such information. An examination of the Debtors' financial forecasts as outlined in the *Chartered Professional Accountants of Canada Handbook* has not been performed. Future oriented financial information relied upon in this Report is based on the Debtors' assumptions regarding future events; actual results achieved may vary from this information and these variations may be material.
3. The Information Officer expresses no opinion or other form of assurance with respect to the accuracy of any financial information presented in this Report or relied upon by the Information Officer in its preparation of this Report.

2.0 Background

1. The Canadian Debtors are part of a global specialty pharmaceutical group that produces and sells both generic and branded products. Endo Parent is an Irish publicly-traded company headquartered in Dublin, Ireland.
2. While Endo's global headquarters are in Ireland, the majority of its business is conducted in the U.S. Indeed, in 2021, Endo earned approximately 97% of its total consolidated revenue from customers in the U.S. The Company's U.S. headquarters is located in Malvern, Pennsylvania and its primary U.S. manufacturing facility is located in Rochester, Michigan.
3. Paladin is Endo's Canadian operating company. Paladin sells specialty pharmaceutical products that it owns, licenses or distributes to a variety of customers, including wholesalers, hospitals, governmental entities and pharmacies. Paladin Holding is a holding company that owns all of the shares of Paladin.
4. Of the approximately 1,560 employees employed by the Debtors as of the Petition Date, 98 were employees of Paladin. None of Paladin's employees are unionized.
5. Endo's financial performance preceding the Petition Date had been negatively impacted by several factors, including a significant decline in revenues and increased generic competition relating to Vasostrict, Endo's single largest product by revenue in 2021, and the significant amount of opioid-related and other litigation facing the Company. In light of its financial performance and challenging circumstances, Endo's highly-leveraged capital structure – including approximately \$8.15 billion in principal amount of secured and unsecured indebtedness, which is guaranteed by the Canadian Debtors – and related debt servicing costs became unsustainable.
6. Further information concerning the Debtors' background, corporate structure, prepetition capital structure and indebtedness, and the events preceding the Chapter 11 Proceedings was provided in the Affidavit of Daniel Vas sworn August 17, 2022 and the Declaration of Mark Bradley dated August 16, 2022 attached as Exhibit "E" thereto. Such information includes a description of the guarantees provided, and security interests granted, by the Canadian Debtors to secure Endo's obligations under a senior secured revolving credit facility, a senior secured term loan facility, three series of first lien notes, and one series of second lien notes.

7. All materials filed with this Court in these Recognition Proceedings are available on the Information Officer's website at: <https://www.ksvadvisory.com/experience/case/endo>. All materials filed in the Chapter 11 Proceedings are available on the following website (the "Docket") established by Kroll Restructuring Administration LLC, in its capacity as the US Court-appointed claims and noticing agent: <https://restructuring.ra.kroll.com/endo/Home-Index>.

3.0 The Plan and Disclosure Statement

1. The Disclosure Statement Order, the Disclosure Statement and the Plan were preceded by the Bar Date Order and the Bidding Procedures Order. The Bar Date Order, the Bidding Procedures Order and the stalking horse sale process (the "Sale Process") and claims process (the "Claims Process") approved pursuant thereto were supported by certain of the Debtors' key stakeholders as a result of resolutions reached in the Mediation and reflected in the Resolution Stipulation and the Amended RSA. The Mediation, the Bar Date Order, the Sale Process, the Claims Process, the Bidding Procedures Order, and the resolutions memorialized in the Resolution Stipulation were discussed in detail in the Fourth Report and are described in the Fourth Vas Affidavit. Such details are not repeated herein.
2. As of the date of the Fourth Report, and as described therein, the Mediation had facilitated resolutions among the Debtors, the Ad Hoc First Lien Group, the Ad Hoc Cross-Holder Group, the Non-RSA 1Ls, the Official Committee of Unsecured Creditors (the "UCC"), the Official Committee of Opioid Claimants (the "OCC", and together with the UCC, the "Committees"), the legal representative for future claimants appointed by the US Court (the "FCR"), His Majesty the King in Right of the Province of British Columbia and each of the other Canadian provinces and territories (collectively, the "Canadian Provinces"), the Multi-State Endo Executive Committee (the "Multi-State EC"), certain public school districts in the United States (the "Public School Districts"), and a group of distributors, manufacturers and pharmacies (the "DMPs"). Since the date of the Fourth Report, an agreement has also been reached with the U.S. Government regarding the key economic terms of a potential resolution of all U.S. Government claims against the Debtors, including civil and criminal opioid and non-opioid claims.³
3. Given the broad consensus reached among the Debtors and their key stakeholders, the Debtors have determined to effectuate the foregoing resolutions pursuant to the proposed Plan instead of an independent sale transaction. Accordingly, on December 19, 2023, the Debtors filed the:
 - a) *Motion to Approve / Debtors' Motion for an Order (I) Scheduling a Combined Hearing for Approval of the Disclosure Statement and Confirmation of the Plan; (II) Conditionally Approving the Adequacy of the Disclosure Statement; (III) Approving (A) Procedures for Solicitation, (B) Forms of Ballots and Notices, (C) Procedures for Tabulation of Votes, and (D) Procedures for Objections; and (IV) Granting Related Relief* (the "Disclosure Statement Motion");

³ As noted in the Fourth Vas Affidavit, certain material terms essential to a comprehensive settlement with the U.S. Government remain subject to discussion.

- b) Plan; and
 - c) Disclosure Statement.
4. A copy of the Disclosure Statement Motion (without exhibits) is attached to the Fourth Vas Affidavit as Exhibits “B”. Concurrently with filing the Disclosure Statement, Endo Parent published a scheme circular (the “Scheme Circular”) describing the terms of a scheme of arrangement under Part 9 of the Irish Companies Act 2014 (the “Scheme”), which is intended to operate in parallel with the Plan to implement certain of its terms as a matter of Irish Law.⁴
 5. The following sections provide an overview of the Disclosure Statement Order and the Plan. A review of these sections is not a substitute for reading the Disclosure Statement Order, the Disclosure Statement or the Plan. Creditors are strongly encouraged to read the Disclosure Statement Order, the Disclosure Statement and the Plan in their entirety.

3.1 The Disclosure Statement Order and the Solicitation and Voting Procedures

1. The Disclosure Statement Order was unopposed and was entered by the US Court on January 12, 2024.⁵
2. As referenced above, the Disclosure Statement Order, among other things, conditionally approves the Disclosure Statement, schedules the Combined Hearing, authorizes the Debtors to solicit votes on the Plan, establishes the Confirmation Timeline, and approves the Solicitation Packages, Solicitation and Voting Procedures, the Publication Notice and the Ballots.
3. The Confirmation Timeline is set out in its entirety within the Fourth Vas Affidavit. Among other material steps, the Confirmation Timeline contemplates:
 - a) a voting record date of January 2, 2024;
 - b) a solicitation deadline of January 25, 2024, or as soon as reasonably practicable thereafter (the “Solicitation Deadline”);
 - c) a publication deadline of January 25, 2024 (the “Publication Deadline”);
 - d) an adequate assurance/contract rejection objection deadline of February 9, 2024 at 4:00 p.m. (prevailing Eastern Time);

⁴ In connection with the Scheme, the Debtors sought authorization from the US Court for Endo Parent to enter into an Irish Law governed deed poll of indemnity and contribution (the “Deed of Indemnity and Contribution”), pursuant to which Endo Parent would agree to guarantee all liabilities of all other Debtors, save for certain exceptions. As described in the Disclosure Statement, all holders of claims subject to the Deed of Indemnity and Contribution will be entitled to enforce the Deed of Indemnity and Contribution directly against Endo Parent and, accordingly, are creditors or contingent creditors, as the case may be, of Endo Parent entitled to vote on the Scheme. The Solicitation and Voting Procedures provide that a vote submitted in respect of the Plan shall automatically also constitute a direction to the Chairperson of the relevant Scheme Meeting to cast a proxy vote on behalf of such creditor in respect of the Scheme.

⁵ As noted in the Fourth Vas Affidavit, the sole objection to the Disclosure Statement Motion was resolved in advance of the hearing of such motion.

- e) a deadline to object to claims for voting purposes of February 14, 2024 at 4:00 p.m. (prevailing Eastern Time);
 - f) a plan supplement filing deadline of February 15, 2024;
 - g) a voting deadline of February 22, 2024 at 4:00 p.m. (prevailing Eastern Time) (the “Voting Deadline”);
 - h) a Plan and Disclosure Statement objection deadline of February 22, 2024 at 4:00 p.m. (prevailing Eastern Time);
 - i) a deadline to file a voting report of March 7, 2024 at 4:00 p.m. (prevailing Eastern Time); and
 - j) a Combined Hearing date of March 19, 2024 at 10:00 a.m. (prevailing Eastern Time), subject to the US Court’s availability.
4. Pursuant to the Disclosure Statement Order, the Debtors are required to submit the Publication Notice for publication in each of *The New York Times* (National Edition and International Edition), the *Wall Street Journal*, *The Times*, *The Globe and Mail* (National Canadian Edition), *The Financial Times* (UK Edition and International Edition), *The Irish Times*, and *The Irish Independent* by the Publication Deadline or as soon as reasonably practicable thereafter. Further, the Debtors are required to distribute the Solicitation Packages on or before the Solicitation Deadline.
5. The contents of each of the Solicitation Packages to be distributed to holders of claims in the Voting Classes and Non-Voting Classes (each as defined below) are prescribed within the Disclosure Statement Order. In each case, they include, among other things, instructions for accessing a copy of the Disclosure Statement Order, the Disclosure Statement, the Scheme Circular and the Combined Hearing Notice. Instructions for accessing the Solicitation and Voting Procedures and copies of the letters recommending acceptance of the Plan from each of the Committees (together, the “Letters of Support”) are also included within the Solicitation Packages to be distributed to holders of claims in the Voting Classes. Pursuant to the Disclosure Statement Order, the US Court has conditionally determined that the Solicitation Packages provide the holders of Claims entitled to vote on the Plan with adequate information to make informed decisions with respect to voting on the Plan.
6. The Disclosure Statement Order authorizes Kroll Restructuring Administration LLC, in its capacity as the Debtors’ solicitation agent (in such capacity, the “Solicitation Agent”), to assist the Debtors with respect to each of the following matters:
- a) receiving, tabulating, and reporting on Ballots cast to accept or reject the Plan by holders of claims against the Debtors;
 - b) responding to inquiries from holders of claims and Interests and other parties-in-interest relating to the Disclosure Statement, the Plan, the Ballots, the Solicitation Packages, and all other related documents and matters related thereto, including the procedures and requirements for voting to accept or reject the Plan and for objecting to the Plan;

- c) soliciting votes on the Plan; and
 - d) if necessary, contacting creditors regarding the Plan.
7. As discussed below, the Plan and the Solicitation and Voting Procedures contemplate that holders of claims in 21 classes of creditors are entitled to vote to accept or reject the Plan (collectively, the “Voting Classes”). Holders of claims in 6 other classes of creditors under the Plan are deemed to accept or reject the Plan and are therefore not entitled to vote thereon (collectively, the “Non-Voting Classes”).
8. The Non-Voting Classes include the following:
- a) holders of claims in Class 1 (Priority Non-Tax Claims) and Class 2 (Other Secured Claims), which are unimpaired under the Plan and, therefore, are conclusively presumed to have accepted the Plan;
 - b) holders of claims or interests in Class 15 (Subordinated, Recharacterized, or Disallowed Claims) and Class 16 (Existing Equity Interests), which are not entitled to a distribution under the Plan and, therefore, are deemed to reject the Plan; and
 - c) holders of claims in Class 13 (Intercompany Claims) and Class 14 (Intercompany Interests), the treatment of which is at the discretion of the Debtors (subject to the consent of certain parties), that will be presumed to accept or reject the Plan on the basis of such treatment, as applicable.
9. Holders of claims in Class 1 (Priority Non-Tax Claims), Class 2 (Other Secured Claims), Class 15 (Subordinated, Recharacterized, or Disallowed Claims) and Class 16 (Existing Equity Interests) will be provided with Notices of Non-Voting Status. Pursuant to the Disclosure Statement Order, the Debtors are not required to provide the holders of claims in Class 13 (Intercompany Claims) and Class 14 (Intercompany Interests) with such notices or Solicitation Packages.
10. The forms of Ballots approved pursuant to the Disclosure Statement Order and contemplated by the Solicitation and Voting Procedures comprise of a single form of ballot for use by holders of claims in 14 of the 21 Voting Classes and two forms of master ballots, being Notes Master Ballots and Non-Notes Master Ballots. In accordance with the Solicitation and Voting Procedures, claims in the following Non-Notes Master Ballot Classes will be accorded one vote, valued at one dollar on a non-priority, unsecured basis, and temporarily allowed, in each case, for voting purposes only: Class 4(C) (Mesh Claims); Class 4(D) (Ranitidine Claims); Class 4(E) (Generics Price Fixing Claims); Class 4(F) (Reverse Payment Claims); Class 6(A) (State Opioid Claims); Class 6(B) (Local Government Opioid Claims); Class 6(C) (Tribal Opioid Claims); Class 7(A) (PI Opioid Claims); Class 7(B) (NAS PI Claims); Class 7(C) (Hospital Opioid Claims); Class 7(D) (TPP Claims); Class 7(E) (IERP II Claims); Class 8 (Public School District Claims); Class 9 (Canadian Provinces Claims); Class 10 (Settling Co-Defendant Claims); Class 11 (Other Opioid Claims); and Class 12 (EFBD Claims).

11. To be counted as votes to accept or reject the Plan, votes must be submitted on an appropriate Ballot and delivered so that they are actually received by the Solicitation Agent no later than the Voting Deadline.

3.2 The Plan

1. The Canadian Debtors are subject to the proposed Plan. The key elements of the Plan are discussed in the Disclosure Statement and described in the Fourth Vas Affidavit.
2. The Plan, together with the PSA and the transactions contemplated thereby (collectively, the “Plan Transaction”), are intended to effectuate a comprehensive restructuring of the Debtors and the numerous resolutions that the Debtors have reached with their key stakeholders in the Chapter 11 Proceedings and the Mediation, including the Ad Hoc First Lien Group, the Ad Hoc Cross-Holder Group, the Non-RSA 1Ls, the Committees, the FCR, the Canadian Provinces, the Multi-State EC, the Public School Districts, and the DMPs. If the Plan is implemented in accordance with its terms:
 - a) substantially all of the business and assets of the Debtors, including the Canadian Debtors, will be sold and transferred, free and clear of all claims and encumbrances, other than assumed liabilities and permitted encumbrances, to purchaser entities formed by the Ad Hoc First Lien Group (the “Purchaser Entities”) and the equity interests of certain other Debtors and non-Debtor affiliates will be sold and transferred to the applicable Purchaser Entities, in each case, pursuant to a Purchase and Sale Agreement (the “PSA”);⁶
 - b) the holders of Allowed First Lien Claims will receive 96.30% of the equity of the Purchaser Parent (subject to certain dilution) that will directly or indirectly own the Purchaser Entities;
 - c) the resolutions achieved in the Mediation will be effectuated and unsecured creditors will receive cash or other consideration as set forth in the Plan in full and final satisfaction of their claims; and
 - d) certain releases and injunctions will be granted.
3. The Disclosure Statement describes the categorization and treatment of the 21 Voting Classes and the 6 Non-Voting Classes under the Plan in detail. A summary of such categorization and treatment, as excerpted from the Disclosure Statement, is set out in the Fourth Vas Affidavit and is attached as Appendix “C” for ease of reference.⁷

⁶ As described in the Fourth Vas Affidavit, the PSA remains subject to negotiation between the Debtors and the Ad Hoc First Lien Group. The Debtors currently anticipate that both the Canadian Debtors will sell and transfer substantially all of their business and assets to a corporation incorporated under the laws of Quebec pursuant to the PSA (the “Canadian Purchaser”).

⁷ As described within the Disclosure Statement, over 900,000 proofs of claim were filed in the Claims Process by the General Bar Date. Approximately 885,000 of such proofs of claim did not state a claim amount. The proofs of claim that did state a claim amount asserted claims in the aggregate amount of \$975 billion. As set out in the Disclosure Statement, such claims are generally unsecured, contingent, unliquidated and/or disputed and relate to opioid products, mesh

4. The implementation of the Plan in respect of the Canadian Debtors is subject to this Court granting an order recognizing the Confirmation Order, if granted by the US Court, and the Plan.
5. At this time, the Foreign Representative is not seeking approval of the Plan or the PSA. Additional details concerning each of the Plan and the PSA will be provided by the Information Officer in connection with any future motion of the Foreign Representative for recognition and enforcement of the Confirmation Order, if granted.

3.3 Plan Releases

1. The Plan incorporates consensual third-party releases, providing each creditor with the option to either grant or not grant such releases. Principally, these releases include the following:
 - a) the GUC Releases to be granted by the GUC Releasing Parties, encompassing the GUC Trust, its sub-trusts, and non-opioid unsecured creditors whose claims are channeled to these trusts; and
 - b) the Non-GUC Releases to be granted by the Non-GUC Releasing Parties, including creditors and interest holders outside the GUC Releasing Parties, such as public and private opioid claimants.⁸
2. How and whether a holder of a claim in one of the Voting Classes provides releases under the Plan is informed by the nature of such holder's claim and voting decision, including their decision to abstain from voting. Namely:
 - a) with respect to holders of claims in Class 4(B) (Other General Unsecured Claims), Class 4(C) (Mesh Claims), Class 4(D) (Ranitidine Claims), Class 7(A) (PI Opioid Claims), Class 7(B) (NAS PI Claims), Class 7(E) (IERP II Claims), Class 11 (Other Opioid Claims), and Class 12 (EFBD Claims):
 - i) if such holder votes to accept the Plan, they will be deemed to consent to the applicable releases;
 - ii) if such holder votes to reject the Plan, they will be deemed to have opted out of the applicable releases but may nonetheless affirmatively opt in to grant the applicable releases. If such holder has a Trust Channeled Claim, opting in to grant the applicable releases may entitle such holder to receive an additional payment as provided in the Plan;

products, or ranitidine products allegedly manufactured or sold by the Debtors. For these reasons, the Debtors have not provided estimated recoveries for each of the classes under the Plan.

⁸ Subject to certain exceptions, the beneficiaries of the GUC Releases and the Non-GUC Releases include, among others, each Prepetition Secured Party, the Ad Hoc First Lien Group, the Ad Hoc Cross-Holder Group, the OCC, the UCC, the FCR, the Multi-State EC, the Debtors, the Post-Emergency Entities and the Debtors' directors and officers.

- iii) if such holder abstains from voting on the Plan, they will be deemed to have opted out of the applicable releases but may nonetheless affirmatively opt in to grant the applicable releases. If such holder has a Trust Channeled Claim, opting in to grant the applicable releases may entitle such holder to receive an additional payment as provided in the Plan; and
 - iv) if such holder fails to return a Ballot, they will be deemed to have opted out of the applicable releases; and
 - b) with respect to holders of Claims in Class 3 (First Lien Claims), Class 4(A) (Second Lien Deficiency and Unsecured Notes Claims), Class 4(E) (Generics Price Fixing Claims), Class 4(F) (Reverse Payment Claims), Class 6(B) (Local Government Opioid Claims), Class 6(C) (Tribal Opioid Claims), Class 7(C) (Hospital Opioid Claims), Class 7(D) (TPP Claims), Class 8 (Public School District Claims), Class 9 (Canadian Provinces Claims), and Class 10 (Settling Co-Defendant Claims):
 - i) if such holder votes to accept the Plan, they will be deemed to consent to the applicable releases;
 - ii) if such holder votes to reject the Plan, they will be deemed to have opted out of the applicable releases but may nonetheless affirmatively opt in to grant the applicable releases. If such holder has a Trust Channeled Claim (other than a Tribal Opioid Claim or Canadian Provinces Claim), opting in to grant the applicable releases may entitle such holder to receive an additional payment as provided in the Plan;
 - iii) if such holder abstains from voting on the Plan, they will be deemed to consent to the applicable releases and, if such holder holds a Trust Channeled Claim (other than a Tribal Opioid Claim or Canadian Provinces Claim), they may be entitled to receive an additional payment as provided in the Plan. If such holder abstains from voting on the Plan and wishes to opt out of the applicable releases, they must affirmatively opt out of the applicable releases;
 - iv) if such holder has potential claims in Class 7(D) (TPP Claims), an election to grant the applicable releases (or deemed granting of the applicable releases) will be conditional until such holder determines whether they hold a Class 7(D) TPP Claim against the Debtors; and
 - v) if such holder fails to return a Ballot, they will be deemed to consent to the applicable releases.
- 3. The foregoing releases, deeming provisions and opt in and opt out mechanics are described in the Disclosure Statement and the Letters of Support. Additionally, the Plan's release, exculpation and injunction provisions are attached as an exhibit to each of the Ballots and Notices of Non-Voting Status.

4. If implemented, the Plan will release and discharge, as of the Effective Date, all claims, interests, and causes of action against the Debtors, their estates, and assets and properties, irrespective of whether a proof of claim was filed in the Chapter 11 Proceedings. Parties that did not file a proof of claim by the applicable bar date are not however, deemed to grant the GUC Releases or Non-GUC Releases under the Plan.

3.4 Notable Anticipated Impacts to Canadian Stakeholders

1. The Plan Transaction, if consummated, is expected to result in the transfer of substantially all of the business and assets of the Canadian Debtors to the Canadian Purchaser. Other key features of the Plan Transaction, as they relate to the Canadian Debtors and Canadian creditors include the following:
 - a) **Employee Transition:** All or substantially all of the employees of the Canadian Debtors are contemplated to be transferred to the Canadian Purchaser under the PSA and the Plan. These employees would be provided with a position, responsibilities, wage or salary, and compensation and benefits, no less favorable than those in effect prior to the Effective Date, for at least one year following the Effective Date, or a longer period as required by applicable law; and
 - b) **Unsecured Creditor Recoveries:** Unsecured creditors holding Allowed Claims will be eligible to obtain recoveries in accordance with the terms of the Plan. Subject to meeting the applicable eligibility requirements under the Plan:
 - i) Canadian claimants that hold Allowed General Unsecured Claims will be entitled to receive a pro rata distribution from the GUC Trust;
 - ii) Canadians with PI Opioid Claims will be entitled to a pro rata distribution from the PI Trust, which PI Trust is expected to receive approximately 44.5% of the US\$119.7 million of PPOC Trust Consideration to be paid over two years (or US\$89.7 million if paid in full on the Effective Date of the Plan);
 - iii) the Canadian Provinces will be entitled to participate in the Canadian Provinces Trust, receiving their proportionate share of up to US\$7.25 million;
 - iv) Canadian First Nations and Canadian Municipalities with Allowed Other Opioid Claims will be entitled to a distribution from the Other Opioid Claims Trust, expected to have aggregate Other Opioid Consideration of up to US\$200,000;⁹ and
 - v) holders of Settling Co-Defendant Claims will receive the treatment set out in the DMP Stipulation.

⁹ The Information Officer understands that the Debtors' preliminary analysis of the proofs of claim submitted in the Claims Process suggests that the only Other Opioid Claims are those held by certain Canadian First Nations and Canadian Municipalities.

3.5 Recommendation

1. The Information Officer is of the view that the proposed Fifth Supplemental Order is reasonable and appropriate for the following reasons:
 - a) the granting of the proposed Fifth Supplemental Order would be consistent with the integrated nature of the Debtors' operations in the US and Canada and the principles of comity;
 - b) the Debtors have made extensive efforts to achieve resolutions with their stakeholders within the Chapter 11 Proceedings and the Mediation. These efforts resulted in the implementation of the Sale Process and the Claims Process and allowed the Debtors to bring forward the Disclosure Statement Motion on an unopposed basis in furtherance of their restructuring objectives and the anticipated confirmation and implementation of the Plan;
 - c) the US Court has yet to approve the Plan Transaction, including the Plan and the PSA and no relief is sought by the Foreign Representative under the proposed Fifth Supplemental Order in connection therewith. Rather, the relief sought on the within motion is limited to recognition and enforcement of the Disclosure Statement Order, which conditionally approves a comprehensive solicitation process that will enable Canadian creditors and other stakeholders to receive notice of, and make an informed decision as to whether to vote to accept or reject, the Plan;
 - d) given the Debtors' determination to pursue a chapter 11 plan, the Disclosure Statement Order reflects the logical and necessary next step in the Debtors' restructuring, with a view to effectuating a going concern and comprehensive solution for the challenges facing the Debtors, the benefit of which will accrue to Canadian stakeholders such as employees, vendors and customers;
 - e) notice of the Disclosure Statement and the Plan will be provided to holders of claims and interests in the Voting Classes and Non-Voting Classes and widely publicized, including in *The Globe and Mail* (National Canadian Edition); and
 - f) the Information Officer is not aware of any objection having been filed in the Chapter 11 Proceedings by a Canadian stakeholder in respect of the Disclosure Statement Order.

4.0 Overview of the Information Officer's Activities

1. Since the date of the Fourth Report, the activities of the Information Officer have included, among other things:
 - a) corresponding with the Canadian Debtors' counsel, and Bennett Jones LLP, the Information Officer's counsel, regarding various matters in the Chapter 11 Proceedings and these Recognition Proceedings;
 - b) monitoring the Docket and attending hearings of the US Court in the Chapter 11 Proceedings via telephone to remain apprised of material updates therein;

- c) attending the hearing of the Representative Plaintiff's motion for the proposed Appointment Order;
- d) reviewing the Disclosure Statement Order, the Disclosure Statement and the Plan;
- e) corresponding with certain of the Canadian Debtors' creditors and their counsel;
- f) engaging in discussions with management to the Canadian Debtors and assisting the Canadian Debtors with certain creditor matters; and
- g) preparing this Report.

5.0 Conclusion and Recommendation

1. Based on the foregoing, the Information Officer recommends that this Court grant the relief being sought by the Foreign Representative pursuant to the proposed Fifth Supplemental Order.

* * *

All of which is respectfully submitted,

KSV Restructuring Inc.

**KSV RESTRUCTURING INC. AS
INFORMATION OFFICER OF PALADIN LABS CANADIAN HOLDING INC.
AND PALADIN LABS INC.,
AND NOT IN ITS PERSONAL CAPACITY**

Appendix “A”

CITATION: Paladin Labs Canadian Holding Inc., 2024 ONSC 219

COURT FILE NO.: 22-00685631-00CL

DATE: 2024-01-17

SUPERIOR COURT OF JUSTICE - ONTARIO

**RE: IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT,
R.S.C. 1985, c. C 36, AS AMENDED**

**AND IN THE MATTER OF PALADIN LABS CANADIAN HOLDING INC. AND
PALADIN LABS INC.**

**APPLICATION OF PALADIN LABS INC. UNDER SECTION 46 OF THE
COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS
AMENDED**

BEFORE: Chief Justice Geoffrey B. Morawetz

COUNSEL: *Robert J. Chadwick, Bradley Wiffen and Erik Axell*, for Paladin Labs Canadian
holdings Inc. and Paladin Labs Inc.

Guneer Bhinder, for Mylan Pharmaceuticals ULC and BGP Pharma ULC

Viktor Nikolov, for Sanis Health Inc., Shoppers Drug Mart Inc. and Loblaw
Companies Limited

Joseph Reynaud and Guy Martel, for Ad Hoc First Lien Group

Joshua Foster and Sean Zweig, for KSV Restructuring Inc.

Natalie Renner, for McKesson Canada Corp.

Margo Siminovitch and Avram Fishman, CCAA Counsel

HEARD: December 4, 2023

DETERMINED: December 6, 2023

REASONS: January 17, 2024

ENDORSEMENT

[1] This motion was heard on December 4, 2023.

[2] On December 6, 2023, the motion was dismissed with reasons to follow. These are the reasons.

[3] Counsel for the plaintiff in Québec Superior Court File No. 500-06-001004-197 (the Québec Opioid Class Action”), Jean-François Bourassa (the “Québec Plaintiff”) brought a motion for:

1. A CCAA Representation Order, among other things:
 - (a) appointing the Québec Plaintiff (the “CCAA Representative”) to represent the interests of all Canadian Personal Injury Claimants in the Foreign Recognition Proceedings, initiated by Paladin Labs Inc. (“Paladin Labs”), as foreign representative, in this proceeding and, as necessary, in the related Chapter 11 proceedings;
 - (b) appointing the law firms of Fishman Flanz Meland Paquin LLP and Trudel Johnston & Lespérance (“CCAA Representative Counsel”) as co-counsel to the Canadian Personal Injury Claimants in these proceedings and, as necessary, in the Chapter 11 proceedings; and
 - (c) ordering that the reasonable fees and disbursements of the CCAA Representative Counsel be borne by the Canadian Debtors;

[4] The evidence filed in support of the motion consists of the Affidavit of Margo Siminovitch sworn October 16, 2023 (the “Siminovitch Affidavit”) and the Supplemental Affidavit of Margo Siminovitch sworn November 17, 2023 (the “Supplemental Siminovitch Affidavit”).

[5] The motion was opposed by Paladin Labs Inc. (“Paladin Labs”), as Foreign Representative, by KSV Restructuring Inc., as Information Officer of Paladin Labs, Paladin Labs Canadian Holding Inc. (Paladin Labs and Paladin Labs Canadian Holdings Inc., are collectively referred to as the “Canadian Debtors”) and by the *Ad Hoc* First Lien Group.

[6] The evidence filed by the opposing parties consists of the Affidavit of Daniel Vas sworn August 17, 2022 (the “First Vas Affidavit”), the Affidavit of Daniel Vas sworn April 18, 2023 (the “Third Vas Affidavit”), and the Affidavit of Erik Axell sworn November 27, 2023.

[7] Reports have also been filed by the Information Officer.

ISSUES

[8] The Québec Plaintiff states that the issues are as follows:

- (i) Are the interests of the Canadian Personal Injury Claimants represented in the CCAA proceedings and in the Chapter 11 proceedings?
- (ii) Is it appropriate for this court to appoint the Québec Plaintiff as CCAA Representative plaintiff and to appoint the proposed CCAA Representative Counsel to represent the Canadian Personal Injury Claimants in the CCAA proceedings, and, as necessary in the Chapter 11 proceedings?

- (iii) In the circumstances, should the fees of the CCAA Representative be paid by the Canadian Debtors?

[9] On these issues, I conclude as follows:

- (i) the interests of the Canadian Personal Injury Claimants are represented in the CCAA proceedings and in the Chapter 11 proceedings;
- (ii) it is not necessary or appropriate to appoint the Québec Plaintiff as CCAA Representative and to appoint the proposed CCAA Representative Counsel to represent the Canadian Personal Injury Claimants in the CCAA proceedings and, as necessary, in the Chapter 11 proceedings; and
- (iii) the fees of the CCAA Representative Counsel should not be paid by the Canadian Debtors.

BACKGROUND

[10] The Endo Group operates a global specialty pharmaceutical business that develops, manufactures and sells branded and generic products to customers.

[11] Endo Parent is headquartered in Ireland. The majority of Endo Group's business is conducted in the United States.

[12] The Canadian Debtors are members of the Endo Group. Paladin Labs, the Canadian operating company, sells products that it owns, licences or distributes to a variety of customers.

[13] The Endo Group states that the Chapter 11 Cases were necessitated by a number of factors, including a highly leveraged capital structure that became unsustainable due to declining financial performance. The Endo Group also sought to obtain a stay of thousands of lawsuits relating to the Endo Group's marketing and sale of opioid products.

[14] The Endo Group's capital structure consists of funded debt obligations in the principal amount of US\$8.15 billion, which obligations are guaranteed by the Canadian Debtors. The debt obligations includes US\$5.9 billion in Prepetition First Lien Indebtedness and US\$941 million in Prepetition Second Lien Note Indebtedness. The Prepetition First Lien Indebtedness and Prepetition Second Lien Note Indebtedness are secured against substantially all of the Endo Group's assets, including the asset of the Canadian Debtors.

[15] The complaints of the Québec Plaintiff are as follows:

- (i) issues with respect to the conduct of Endo Parent and certain of its affiliates at a time when they were exposed to a number of lawsuits related to their opioid products. The Québec Plaintiff contends that the filing for bankruptcy protection was deliberately delayed until August 2022 in order to implement a strategic plan whereby inter-company transactions were effected to insulate the Endo Group from opioid-related claims and to intentionally reduce the assets available to Opioid Claimants. The CCAA

Initial Recognition Application alleged that the Canadian Debtors are guarantors of the US\$8.15 billion of funded indebtedness of certain members of the Endo Group. The Québec Plaintiff contends that it appears that the intercompany transactions with the Canadian Debtors were structured and had the same *modus operandi* as the alleged fraudulent transactions described in the OCC (defined below) proceeding;

- (ii) two directors of the Canadian Debtors awarded themselves prepaid executive bonuses in contemplation of the filing for bankruptcy protection;
- (iii) despite the allegations of wrongdoing, in March 2023, an agreement was reached with the Debtors (the "OCC Agreement"). By entering into the OCC Agreement, the OCC's investigation into the Debtors' affairs ended without pursuing the issues referenced in (i) above;
- (iv) issues with the Bidding Procedure Order and the Bar Date Order. On April 25, 2023, Paladin Labs, in its capacity as Foreign Representative, requested recognition of the Bidding Procedure Order and the Bar Date Order (the "Fourth Motion"). The Québec Plaintiff contends that counsel for the Québec Plaintiff were advised by the OCC on July 24, 2023 that the proof of claim filed by the Québec Plaintiff will not be accepted. Individual claims had to be filed. In addition, in order to participate in the trust and receive any recovery, opioid victims must opt in and provide contractual releases of their claims in favour of, *inter alia*, the Stalking Horse Bidder, the Endo Group and its directors and officers; and
- (v) even assuming that their claims are accepted, the projected recovery pursuant to this claims process for Canadian Personal Injury Claimants is negligible. Of the maximum amount of US\$119.2 million available to fund the trust being established for personal injury claimants, in July 2, 2023, counsel to the OCC advised that only half of the trust funds will be distributed among direct personal injury victims (i.e. a little less than US\$60 million). The projected recovery for each personal injury victim and is less than US\$700 each. This is in comparison to the amounts sought in the Québec opioid class action of damages of Cdn. \$30,000 to be paid to each class member as well as the amount of Cdn. \$25 million in punitive damages.

[16] In order to address these complaints, it is necessary to consider the status of the Chapter 11 proceedings in the United States and the recognition proceedings in Canada.

[17] On August 16, 2022, Endo International PLC ("Endo Parent") and certain of its affiliates (collectively, the "Debtors"), including Paladin Labs, commenced voluntary cases under Chapter 11 of the United States Bankruptcy Code (the "Chapter 11 Cases") in the United States Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court").

[18] Paladin Labs, in its capacity as Foreign Representative of the Chapter 11 Cases (the “Foreign Representative”), then brought an application seeking recognition of the Chapter 11 Cases in proceedings under Part IV of the CCAA.

[19] The Initial Recognition Order was granted by this court on August 19, 2022, and recognized Paladin Labs as the Foreign Representative and the Chapter 11 Cases as a “Foreign Main Proceeding”. A Supplemental Order (Foreign Main Proceeding), among other things, appointed KSV Restructuring Inc. as the Information Officer (the “Information Officer”).

[20] The Initial Recognition Order and the Supplemental Order were granted pursuant to the provisions of sections 47 – 50 of the CCAA.

[21] The granting of the Initial Recognition Order has the effect of triggering s. 52(1) of the CCAA which provides:

52(1) if an order recognizing a form proceeding is made, the court shall cooperate, to the maximum extent possible, with the Foreign Representative and the foreign court involved in the foreign proceeding.

[22] On September 2, 2022, the US Trustee appointed the Official Committee of Opioid Claimants (the “OCC”), a statutory committee, as fiduciary for all holders of current claims arising from alleged harm suffered due to the Debtors’ opioid products and practices, regardless of where they reside (the “Opioid Claimants”). The Canadian Personal Injury Claimants form part of the constituency of the OCC.

[23] On October 27, 2022, the Bankruptcy Court entered the Cash Collateral Order. The Cash Collateral Order was recognized by this Court on November 29, 2022 pursuant to the Third Supplemental Order.

[24] The Cash Collateral Order contains certain “Debtors’ Stipulations” relating to the Prepetition First Liens – which are liens over the assets of the Debtors (including the Canadian Debtors) securing the Prepetition First Lien Indebtedness – including the following:

- (a) “the Prepetition First Liens are valid, binding, properly perfected, enforceable, non-avoidable liens on and security interests in the Prepetition Collateral”;
- (b) “the Prepetition First Liens were granted... for fair consideration and reasonably equivalent value”; and
- (c) no portion of the Prepetition First Liens or Prepetition First Lien Indebtedness is subject to any challenge, cause of action, or defence, including... re-characterization, recovery, subordination (whether equitable or otherwise), attack, offset, contest, defence, counterclaim... pursuant to the Bankruptcy Code or nonbankruptcy law.”

[25] Section 19(a) of the Cash Collateral Order provides that the Debtors’ Stipulations are binding upon all parties in interest unless and to the extent that a party in interest has timely and properly filed an adversary proceeding or contested matter under the bankruptcy rules by the

“Challenge Period”. For all parties in interest other than the Committees and the FCR, the challenge period was 75 calendar days after entry of the Cash Collateral Order (i.e. January 10, 2023).

[26] Section 19(b) of the Cash Collateral Order states that, upon the expiry of the challenge period without the filing of a Challenge (or if any such Challenge is filed and overruled), *inter alia*:

- (a) “any and all such Challenges by any party... shall be deemed to be forever barred”;
- (b) “the Prepetition Liens shall be deemed to have been, as of the Petition Date, legal, valid, binding, and perfected secured liens, not subject to recharacterization...”; and
- (c) “all of the Debtors’ stipulations and admissions contained in this [Cash Collateral Order], including the Debtors’ Stipulations... and all other stipulations as to the priority, extent, and validity as to the Prepetition Secured Parties’ claims, liens, and interests contained in this [Cash Collateral Order] shall be in full force and effect and forever binding upon the Debtors, the Debtors’ estates, and all creditors, interest holders, and other parties in interest.”

[27] The Québec Plaintiff did not object to the Cash Collateral Order in the Chapter 11 Cases or to the recognition of the Cash Collateral Order in the Canadian Recognition Proceedings.

[28] The Québec Plaintiff did not file any objection to the Debtors’ Stipulations (including those relating to the Prepetition First Liens granted by the Canadian Debtors) before the Challenge Period. The Québec Plaintiff has never challenged the Debtors’ Stipulations in the Chapter 11 Cases.

[29] On January 27, 2023, the Bankruptcy Court entered the Mediation Order ordering the Debtors and certain of their key stakeholders to participate in the Mediation to attempt to resolve objections to the Debtors’ Sale Process and issues relating to the Joint Standing Motion. The mediation was conducted by the Honorable Shelley C. Chapman, a retired judge of the Bankruptcy Court. Ultimately the Committees reached a resolution with the *Ad Hoc* First Lien Group in March 2023 as memorialized in the Resolution Stipulation. Further details of the Resolution Stipulation are discussed below.

[30] On April 3, 2023, the Bankruptcy Court entered (a) the Bidding Procedures Order, authorizing the Debtors to conduct the Sale Process; and (b) the Bar Date Order, establishing a process and procedures for the filing of claims against the Debtors and setting related deadlines. The Bidding Procedures Order and the Bar Date Order were recognized by this Court pursuant to the Fourth Supplemental Order on April 25, 2023.

[31] The Bidding Procedure Order provided that all of the Debtors' assets would be sold to the successful bidder and the Bar Date Order, *inter alia*, authorized the procedures for filing proofs of claim, the forms and the notice plan.

[32] The Third Vas Affidavit, filed in support of the request for the Fourth Supplemental Order states that on March 3, 2023, the U.S. Bankruptcy Court was informed that agreements in principle had been reached between the Debtors and various stakeholders, including the OCC.

[33] The Québec Plaintiff complains that the Bar Date Order does not permit the Québec Plaintiff to file a proof of claim on a class basis.

[34] The Québec Plaintiff did not object to, or seek a modification, of the Bar Date Order in the Chapter 11 Cases, nor did it raise any issues when the Bidding Procedures Order and the Bar Date Order were recognized by this Court.

[35] The Bidding Procedures Order and the Bar Date Order approved a plan for providing notice to known and unknown claimants and parties in the interest (the "Notice Plan") of (a) the proposed sale of substantially all of the Debtors' assets and critical dates related thereto; and (b) deadlines for all entities and persons to file a proof of claim against any of the Debtors.

[36] In Canada, the Notice Plan included notices in English and French-language magazines and newspapers, online display advertising, social media advertising and press releases.

[37] Pursuant to the Bidding Procedures Order, objections to the Sale were required to be filed by July 14, 2023. The Québec Plaintiff did not file an objection to the Sale in the Chapter 11 Cases.

[38] Commencing in April 2023, the Debtors conducted extensive sale process (the "Sale Process"), and any sale identified therein, (a "Sale") pursuant to the Bidding Procedures Order, underpinned by a stalking horse bid by the *Ad Hoc* First Lien Group (the "Stalking Horse Bid") pursuant to which Tensor Limited (the "Buyer"), an entity formed by the *Ad Hoc* First Lien Group, would acquire substantially all of the Debtors' assets in exchange for a credit bid of the Prepetition First Lien Indebtedness and certain additional cash and non-cash consideration. As noted above, the Prepetition First Lien Indebtedness is guaranteed by, and secured against the assets of, the Canadian Debtors. The Sale Process did not identify any superior bids, which would be capable of repaying in full the US\$5.9 billion principal amount of the Prepetition First Lien Indebtedness.

[39] The Foreign Representative points out that the Sale is supported by key unsecured stakeholder groups of the Debtors, including the OCC, the Official Committee of Unsecured Creditors (the "UCC"), the representative for future claimants appointed by the Bankruptcy Court (the "FCR"), and his Majesty the King in Right of the Province of British Columbia in each of the other Canadian provinces and territories (collectively the "Canadian Governments").

[40] The Debtor has since adjourned the Sale Hearing several times while it attempts to resolve a limited number of objections

[41] The Foreign Representative points out that the OCC has served as a fiduciary for the interests of all Opioid Claimants, including the Canadian Personal Injury Claimants, throughout the Chapter 11 Cases. In January 2023, the OCC and the UCC (collectively, the "Committees")

jointly filed the Joint Standing Motion seeking standing to commence and prosecute for complaints, certain of which related to the validity and extent of the lien securing the Prepetition First Lien Indebtedness. The Joint Standing Motion was the culmination of efforts by the Committees since their September 2022 appointment to investigate “the Debtors’ prepetition conduct, capital structure, secured debt obligations and asset base to determine whether certain of the Debtors’ assets are unencumbered and whether causes of action exist that may serve to return value to the Debtors’ estates and provide a recovery for unsecured creditors.”

[42] As noted at [30] above, after much negotiation, a resolution was reached as memorialized in the Resolution Stipulation.

[43] Pursuant to the Resolution Stipulation and the accompanying OCC Resolution Term Sheet, the *Ad Hoc* First Lien Group agreed to, *inter alia*, establish a trust for the benefit of present private opioid claimants (the “PPOC Trust”) on closing of the Sale and fund it with aggregate cash consideration of US\$119.2 million. In exchange, the Committees agree to hold in advance their prosecution of the Joint Standing Motion and to withdraw their objection to the Proposed Sale.

[44] The Foreign Representative points out that if implemented, the PPOC Trust will deliver a significant recovery for Opioid Claimants who voluntarily elect to participate in the trust exchange by providing a consensual, contractual release of the Debtors, the Buyer and other interested parties. The individual Opioid Claimants will receive a recovery on their unsecured claims – despite the Sale Process not identifying any bid sufficient to pay in full the US\$5.9 billion in Prepetition First Lien Indebtedness.

[45] Further, Canadian Personal Injury Claimants who have timely filed a proof of claim are entitled to participate in the sub-trust of the PPOC Trust (the “Personal Injury Sub-Trust”), subject to its terms and approval by the Bankruptcy Court. The Foreign Representative points out that the Canadian Personal Injury Claimants are expected to be treated exactly the same as similarly situated Opioid Claimants in the United States.

DISCUSSION

[46] For the following reasons, I find that the complaints referenced by the Québec Plaintiff in [15] above have been fully addressed in the CCAA cases and through the recognition proceedings in this Court.

[47] The Chapter 11 Cases are being administered in the Bankruptcy Court. The U.S. Court is the forum for the Foreign Main Proceeding and the primary forum for the restructuring of the Debtors, including the Canadian Debtors. The role of this Court is significantly different from the Bankruptcy Court.

[48] In this proceeding, the foreign representative applied to this Court and received recognition of the foreign proceeding as a Foreign Main Proceeding. This order was not challenged and remains in effect.

[49] In CCAA recognition proceedings, such as this proceeding, it is not the role of this Court to second guess or to conduct an initial assessment of the merits. Rather, the appropriate inquiry

is to consider whether the orders made in the Chapter 11 Cases should be recognized. This issue was considered and the orders in question have been recognized in this CCAA Part IV proceeding.

[50] A number of long-standing orders have been granted by the Bankruptcy Court – which contain important processes and deadlines and the Debtors and all of their stakeholders have observed these orders in the course of advancing the Chapter 11 Cases.

[51] Section 52(1) of the CCAA requires this Court to cooperate, to the maximum extent possible, with the foreign representative and the Bankruptcy Court. This has occurred as evidenced by the number and scope of the orders of the Bankruptcy Court that have been recognized by this Court.

[52] The relief sought by the Québec Plaintiff, if granted, would have a significant impact on many stakeholders and a number of matters already addressed in the Chapter 11 Cases.

[53] The OCC has advanced the interest of Opioid Claimants. They have been involved during all stages of this restructuring. This is to be contrasted with the participation of the Québec Plaintiff and Plaintiff's Counsel. Plaintiff's Counsel was advised of the commencement of the Chapter 11 Cases and the Canadian Recognition Proceedings on August 23, 2022. The Québec Plaintiff did not raise any objections in the Chapter 11 Cases or the Canadian Recognition Proceedings until the filing of this motion. In particular,

- (a) the Québec Plaintiff did not challenge the appointment of the OCC to represent the interests of all Opioid Claimants, including the interests of Canadian Personal Injury Claimants;
- (b) the Québec Plaintiff has not brought a motion before the Bankruptcy Court for its appointment as a class representative;
- (c) although the Québec Plaintiff states that the purported absence of representation of Canadian Personal Injury Claimants “only started to become apparent after late July 2023” when the Joint Standing Motion was provided to Plaintiff's Counsel by counsel to the OCC, the Joint Standing Motion was filed in the Chapter 11 Cases on January 23, 2023 and described in the Third Vas Affidavit filed by the Foreign Representative in these proceedings in April 2023 and in the Third Report of the Information Officer dated April 20, 2023;
- (d) the Québec Plaintiff did not raise any objection to the Bar Date Order entered by the Bankruptcy Court on April 3, 2023 or to its recognition by this Court pursuant to the Fourth Supplemental Order dated April 25, 2023;
- (e) the Québec Plaintiff did not challenge the lien securing the Prepetition First Lien Indebtedness or the prepetition Second Lien Notes Indebtedness prior to January 10, 2023 as required pursuant to the Cash Collateral Order. This addresses the complaints of the Québec Plaintiff outlined at [15](i) above;

- (f) the Québec Plaintiff did not request to participate in the Mediation, which commenced in January 2023 and resulted in the resolution of the Joint Standing Motion; and
- (g) the Québec Plaintiff did not file any objection to the Sale in the Chapter 11 Cases by the July 14, 2023 deadline.

[54] The Québec Plaintiff's motion suffers from a lack of timeliness. The case started in August 2022. The OCC has acted as a fiduciary for all Opioid Claimants throughout the proceedings. The OCC investigated the lien securing the Prepetition First Lien Indebtedness and engaged in the Mediation on behalf of its constituents, which include the Canadian Personal Injury Claimants. The Québec Plaintiff references allegations raised by the OCC in its investigation of the Prepetition First Lien Indebtedness. These allegations were never tested in court and were subsequently resolved through a settlement. The OCC was part of the settlement. The Mediation resulted in a resolution in March 2023 that will enable Present Private Opioid Claimants, including Canadian Personal Injury Claimants, who filed timely proofs of claim, to obtain a recovery on their unsecured claims despite the significant deficiency on the Prepetition First Lien Indebtedness. The Québec Plaintiff and the Canadian Personal Injury Claimants will receive the same treatment in the Chapter 11 Cases as other like claimants in the Chapter 11 Cases.

[55] It is also apparent that the Québec Plaintiff is precluded by several orders entered by both the Bankruptcy Court and this Court from undertaking its stated objectives if it is appointed CCAA Representative – namely to investigate and invalidate the guarantees and liens granted by the Canadian Debtors; to file a class wide proof of claim; and to petition this Court to revoke recognition of the Chapter 11 Cases as the Foreign Main Proceeding. The investigation to invalidate the guarantees and liens is precluded pursuant to the terms of the Cash Collateral Order. Issues relating to a class wide proof of claim have been addressed and are not permitted under the Bar Date Order.

[56] Further, any attempt to revoke recognition of the Chapter 11 Cases as the Foreign Main Proceeding is nothing more than a collateral attack on this Court's Initial Recognition Order.

[57] In addition, I am satisfied that there are no public policy issues that would engage s. 61(2) of the CCAA.

[58] In my view, it would be unfair and prejudicial to the Debtors and their stakeholders if the Québec Plaintiff could, at this point, ignore the existing process and timelines in the Chapter 11 Cases and bring this motion and obtain the requested relief in its attempt to reopen settled matters in the Chapter 11 Cases.

[59] The Québec Plaintiff takes issue with the projected recovery for Canadian Personal Injury Claimants negotiated by the OCC. The Québec Plaintiff may question the projected recovery, but the projected recovery for Canadian Personal Injury Claimants is expected to be exactly the same as Opioid Personal Injury Claimants in the United States. There will be a recovery, notwithstanding that there is insufficient value to repay in full the Prepetition First Lien Indebtedness or any value to repay the prepetition second lien notes indebtedness. Both liens rank in priority to the unsecured claims of Opioid Claimants.

[60] At all times, it is important to remember that these Chapter 11 Cases have been recognized by this Court as a Foreign Main Proceeding . The primary proceedings are being adjudicated in the Chapter 11 Cases. It was open to the Québec Plaintiff to seek relief from the Bankruptcy Court and/or to object to the Bankruptcy Court approval of the Debtors' restructuring in the Chapter 11 Cases. The Québec Plaintiff declined to get involved. The attempt to obtain such relief in this court is not appropriate in the circumstances.

[61] The same conclusion was reached in *Re Voyager Digital Ltd.*, CV-22-00683820-00CL, August 11, 2022, where Cavanagh J. stated:

The U.S. Proceeding has been recognized as the foreign main proceedings and it is the plenary proceeding. The U.S. Bankruptcy Court is the forum in which the restructuring of VDL and the other debtors will take place. The requested order, even if it were granted, would still require a motion to the U.S. Bankruptcy Court for the appointment of representative counsel to represent the interests of the VDL shareholders in relation to the U.S. Proceeding, including any restructuring plan, so any efficiencies in having this motion heard in this Court are limited.

In my view, given that the U.S. Bankruptcy Court is presiding over the plenary proceeding, and this Court has recognized the U.S. Proceeding as the foreign main proceedings under Part IV of the CCAA, the requested order to appoint representative counsel should be sought from the U.S. Bankruptcy court and not from this Court. This is consistent with the scheme of Part IV of the CCAA. It is open to the U.S. Bankruptcy Court to seek the assistance and cooperation of this Court in respect of any such request, including recognition of any Order made in the U.S. Proceeding and a request for consideration of any ancillary Order in the Canadian proceeding that may be needed to give effect in Canada to such an Order.

[62] The same analysis and conclusion is applicable in this case.

DISPOSITION

[63] The relief sought herein should have been brought in the Chapter 11 Cases.

[64] It is also open to the Québec Plaintiff to oppose any future recognition of the Debtors restructuring in these proceedings. However, I have not been persuaded that the Québec Plaintiff needs to be appointed CCAA Representative on behalf of all Canadian Personal Injury Claimants in order to advance their arguments. It follows that the appointment of CCAA Representative Counsel is not required nor should an order be made to pay the fees of Representative Counsel.

[65] The motion is dismissed.


Chief Justice Geoffrey B. Morawetz

Date: January 17, 2024

Appendix “B”



**Fourth Report of
KSV Restructuring Inc. as
Information Officer of
Paladin Labs Canadian Holding Inc.
and Paladin Labs Inc.**

November 29, 2023

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COURT FILE NO.: CV-22-00685631-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

**IN THE MATTER OF *THE COMPANIES' CREDITORS ARRANGEMENT ACT*,
R.S.C 1985, c. C-36, AS AMENDED**

**AND IN THE MATTER OF PALADIN LABS CANADIAN HOLDING INC. AND
PALADIN LABS INC.**

**APPLICATION OF PALADIN LABS INC. UNDER SECTION 46 OF *THE COMPANIES'*
CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED**

**FOURTH REPORT OF KSV RESTRUCTURING INC.
AS INFORMATION OFFICER**

NOVEMBER 29, 2023

1.0 Introduction

1. On August 16, 2022 (the "Petition Date"), Endo International plc. ("Endo Parent") and certain of its affiliates (collectively, the "Debtors", and together with their non-debtor affiliates, "Endo" or the "Company"), including Paladin Labs Inc. ("Paladin") and Paladin Labs Canadian Holding Inc. ("Paladin Holding" and jointly with Paladin, the "Canadian Debtors"), commenced proceedings (the "Chapter 11 Proceedings") by filing voluntary petitions for relief under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code") in the United States Bankruptcy Court for the Southern District of New York (the "US Court").
2. On August 17, 2022, the Debtors filed several first day motions in the Chapter 11 Proceedings (collectively, the "First Day Motions"). On August 18, 2022, the US Court granted multiple orders in respect of the First Day Motions (collectively, the "First Day Orders"), including, among others, the Foreign Representative Order,¹ which authorized Paladin to act as the foreign representative of the Debtors (the "Foreign Representative").
3. In its capacity as Foreign Representative, Paladin brought an application (the "Recognition Application") before the Ontario Superior Court of Justice (Commercial List) (this "Court") for recognition of the Chapter 11 Proceedings under Part IV of the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "CCAA" and the proceedings thereunder, the "Recognition Proceedings"). In connection with the Recognition Application, this Court granted the following orders:

¹ As defined in the First Supplemental Order (as defined below).

- a) an Interim Order (Foreign Proceeding) dated August 17, 2022 (the “Interim Order”), among other things, granting a stay of proceedings in respect of the Canadian Debtors, the property and business of the Canadian Debtors, any subsidiary, affiliate or related party of Endo Parent or any Canadian Debtor that is a defendant in Canadian litigation proceedings or subject to any other proceedings in Canada (the “Canadian Litigation Defendants”), and the directors and officers of the Canadian Debtors and the Canadian Litigation Defendants;
 - b) an Initial Recognition Order (Foreign Main Proceeding) dated August 19, 2022 (the “Initial Recognition Order”), among other things:
 - i) recognizing the Chapter 11 Proceedings as a “foreign main proceeding” and recognizing Paladin as the “foreign representative” in respect of the Chapter 11 Proceedings, as such terms are defined in section 45 of the CCAA; and
 - ii) declaring that the Interim Order shall be of no further force or effect upon the effectiveness of the Initial Recognition Order and the First Supplemental Order (as defined below); and
 - c) a Supplemental Order (Foreign Main Proceeding) dated August 19, 2022 (the “First Supplemental Order”), *inter alia*:
 - i) recognizing certain of the First Day Orders of the US Court;
 - ii) granting a stay of proceedings in respect of the Canadian Debtors, the property and business of the Canadian Debtors, the Canadian Litigation Defendants, and the directors and officers of the Canadian Debtors and the Canadian Litigation Defendants; and
 - iii) appointing KSV Restructuring Inc. (“KSV”) as information officer in respect of the Recognition Proceedings (in such capacity, the “Information Officer”).
4. On September 28, 2022, the US Court heard several second day motions (the “Second Day Hearing”) filed by the Debtors in the Chapter 11 Proceedings and entered certain orders in respect of such motions (collectively, the “Second Day Orders”).
 5. On October 13, 2022, this Court made an order (the “Second Supplemental Order”) recognizing and enforcing certain of the Second Day Orders, which are summarized in the Information Officer’s First Report to Court dated October 10, 2022 (the “First Report”) and the Affidavit of Daniel Vas sworn October 7, 2022.

6. On November 29, 2022, this Court made an order (the “Third Supplemental Order”) recognizing and enforcing the following orders, which are summarized in the Information Officer’s Second Report to Court dated November 24, 2022 (the “Second Report”) and the Affidavit of Andrew Harmes sworn November 23, 2022 (the “Harmes Affidavit”):
 - a) the De Minimis Assets Order;
 - b) the Creditor Listing Order;
 - c) the Final Cash Collateral Order (the “Cash Collateral Order”);
 - d) the Combined Wages Order; and
 - e) the Final Wages Order.²
7. On April 25, 2023, this Court made an order (the “Fourth Supplemental Order”) recognizing and enforcing the following orders, which are summarized in the Information Officer’s Third Report to Court dated April 20, 2023 (the “Third Report”) and the Affidavit of Daniel Vas sworn April 18, 2023 (the “Third Vas Affidavit”):
 - a) the Bidding Procedures Order; and
 - b) the Bar Date Order.³
8. Since April 25, 2023, the US Court has entered several orders in the Chapter 11 Proceedings – many being administrative in nature – which the Foreign Representative is not currently seeking to have this Court recognize and enforce.
9. This Report has been prepared and will be filed with this Court by KSV in its capacity as the Information Officer.

1.1 Purposes of this Report

1. The purposes of this Report are to:
 - a) summarize certain background to, and developments in, the Chapter 11 Proceedings and the Recognition Proceedings (together, these “Proceedings”) relevant to the motion of Jean-François Bourassa (the “Representative Plaintiff”) for an order (the “Appointment Order”), among other things:
 - i) appointing the Representative Plaintiff to represent the interests of all Canadian victims who were harmed as a result of using Paladin’s opioid drugs sold in Canada (collectively, the “Canadian Personal Injury Claimants”) in the Recognition Proceedings and, as necessary, in the Chapter 11 Proceedings;

² Each as defined in the Third Supplemental Order.

³ Each as defined in the Fourth Supplemental Order.

- ii) appointing Fishman Flanz Meland Paquin LLP and Trudel Johnston & Lespérance (together, the “Proposed Representative Counsel”) as counsel to the Canadian Personal Injury Claimants in the Recognition Proceedings and, as necessary, in the Chapter 11 Proceedings; and
 - iii) directing that the Proposed Representative Counsel’s reasonable fees and disbursements be paid by the Canadian Debtors;
 - b) provide the Information Officer’s views with respect to the relief sought by the Representative Plaintiff; and
 - c) summarize the activities of the Information Officer since the date of the Third Report.
2. The Information Officer’s views with respect to the Representative Plaintiff’s motion for the Appointment Order are set out in Section 4.0 of this Report. Having regard to the principles of comity underpinning Part IV of the CCAA and the non-exhaustive factors enumerated in *Canwest* (as defined below), the Information Officer is of the view that the proposed Appointment Order is not appropriate in the circumstances. For these and other reasons more fully described in Section 4.0 of this Report, the Information Officer respectfully recommends that this Court dismiss the Representative Plaintiff’s motion.

1.2 Currency

1. All currency references in this Report are to U.S. dollars, unless otherwise stated.

1.3 Defined Terms

1. Capitalized terms not otherwise defined in this Report have the meanings given to them in the Third Report, the Third Vas Affidavit, the Bidding Procedures Order or the Bar Date Order (as amended), as applicable. A copy of the Third Report (without appendices) is attached as Appendix “A”. Copies of the Third Vas Affidavit (without exhibits) and the Fourth Supplemental Order, to which the Bidding Procedures Order and the Bar Date Order are appended, are attached as Exhibits “I” and “E” to the Affidavit of Erik Axell sworn November 27, 2023 (the “Axell Affidavit”), respectively.

1.4 Restrictions

1. In preparing this Report, the Information Officer has relied upon unaudited financial information prepared by the Debtors’ representatives, the Debtors’ books and records and discussions with the Canadian Debtors’ counsel.
2. The Information Officer has not performed an audit or other verification of such information. An examination of the Debtors’ financial forecasts as outlined in the *Chartered Professional Accountants of Canada Handbook* has not been performed. Future oriented financial information relied upon in this Report is based on the Debtors’ assumptions regarding future events; actual results achieved may vary from this information and these variations may be material.

3. The Information Officer expresses no opinion or other form of assurance with respect to the accuracy of any financial information presented in this Report or relied upon by the Information Officer in its preparation of this Report.

2.0 Background

1. The Canadian Debtors are part of a global specialty pharmaceutical group that produces and sells both generic and branded products. Endo Parent is an Irish publicly-traded company headquartered in Dublin, Ireland.
2. While Endo's global headquarters are in Ireland, the majority of its business is conducted in the U.S. Indeed, in 2021, Endo earned approximately 97% of its total consolidated revenue from customers in the U.S. The Company's U.S. headquarters is located in Malvern, Pennsylvania and its primary U.S. manufacturing facility is located in Rochester, Michigan.
3. Paladin is Endo's Canadian operating company. Paladin sells specialty pharmaceutical products that it owns, licenses or distributes to a variety of customers, including wholesalers, hospitals, governmental entities and pharmacies. Paladin Holding is a holding company that owns all of the shares of Paladin.
4. Of the approximately 1,560 employees employed by the Debtors as of the Petition Date, 98 were employees of Paladin. None of Paladin's employees are unionized.
5. Endo's financial performance preceding the Petition Date had been negatively impacted by several factors, including a significant decline in revenues and increased generic competition relating to Vasostrict, Endo's single largest product by revenue in 2021, and the significant amount of opioid-related and other litigation facing the Company. In light of its financial performance and challenging circumstances, Endo's highly-leveraged capital structure – including approximately \$8.15 billion in secured and unsecured indebtedness, which is guaranteed by the Canadian Debtors – and related debt servicing costs became unsustainable.
6. Further information concerning the Debtors' background, corporate structure, prepetition capital structure and indebtedness, and the events preceding the Chapter 11 Proceedings was provided in the Affidavit of Daniel Vas sworn August 17, 2022 (the "First Vas Affidavit") and the Declaration of Mark Bradley dated August 16, 2022 attached as Exhibit "E" thereto (the "First Day Declaration"). Such information includes a description of the guarantees provided, and security interests granted, by the Canadian Debtors to secure Endo's obligations under a senior secured revolving credit facility, a senior secured term loan facility, three series of first lien notes, and one series of second lien notes.
7. All materials filed with this Court in these Canadian recognition proceedings are available on the Information Officer's website at: <https://www.ksvadvisory.com/experience/case/endo>. All materials filed in the Chapter 11 Proceedings are available on the following website (the "Docket") established by Kroll Restructuring Administration LLC, in its capacity as the US Court-appointed claims and noticing agent: <https://restructuring.ra.kroll.com/endo/Home-Index>.

3.0 Notable Developments in the Chapter 11 Proceedings

1. The Chapter 11 Proceedings and the Recognition Proceedings were commenced on August 16 and August 17, 2022, respectively. Since their commencement more than 15 months ago, numerous developments have occurred in these Proceedings as the Debtors have advanced their restructuring efforts. Though many of such developments have previously been discussed in the First Report, the Second Report and the Third Report, those that, in the Information Officer's view, inform the Representative Plaintiff's motion for the Appointment Order are summarized below.

3.1 Initial Stages of the Chapter 11 Proceedings

1. On or around the Petition Date, the Debtors entered into a restructuring support agreement (the "RSA") with a group consisting primarily of holders of the Debtors' first lien indebtedness (the "Ad Hoc First Lien Group") – namely the Prepetition First Lien Lenders and the Prepetition First Lien Noteholders (each as defined in the First Day Declaration). The RSA contemplated a credit bid acquisition of substantially all of the Debtors' assets by an entity formed by the Ad Hoc First Lien Group (the "Stalking Horse Bidder"), which would serve as a stalking horse bid (the "Stalking Horse Bid") in a post-petition bidding and sale process to be conducted during the Chapter 11 Proceedings (the "Sale Process"). A copy of the RSA was attached as Exhibit "H" to the First Vas Affidavit.
2. As set out in the First Vas Affidavit, the Company determined that pursuing the Stalking Horse Bid and the Sale Process provided the best available means of addressing the challenges facing the Debtors. If consummated, the Stalking Horse Bid was expected to assure a going-concern result, preserve over a thousand jobs, and enable the Stalking Horse Bidder to fund, as negotiated with the Multi-State Endo Executive Committee (the "Multi-State EC"),⁴ the aggregate amount of approximately \$550 million in cash consideration to be placed in trust for the benefit of certain public opioid claimants (the "Public Opioid Trust") and tribal opioid claimants (the "Tribal Opioid Trust") who elect to participate in such trusts and voluntarily release their respective opioid-related claims. The Stalking Horse Bid was not, however, expected to provide any recovery in respect of Endo's second lien or unsecured indebtedness.

⁴ As of July 25, 2023, the Muti-State EC was comprised of seven states (Maine, Massachusetts, New Hampshire, Pennsylvania, Tennessee, Vermont and Virginia) who act as a steering committee and evaluate, in the first instance, strategic options and implement strategies in connection with opioid-related claims against the Debtors for certain state Attorneys General that have not otherwise resolved their state's claims against the Debtors as of the Petition Date.

3. Shortly following the Petition Date and prior to the Second Day Hearing, the United States Trustee for Region 2 (the “US Trustee”) appointed:
 - a) an Official Committee of Unsecured Creditors (the “UCC”) to serve as an independent fiduciary of the Debtors’ non-opioid-related unsecured creditors;⁵ and
 - b) an Official Committee of Opioid Claimants (the “OCC” and together with the UCC, the “Committees”) to serve as the fiduciary of all holders of claims arising from harm suffered due to the Debtors’ opioid products and practices (the holders of such claims, “Opioid Claimants”), in recognition of the outsized role that the Company’s potential opioid liabilities played in the Debtors’ decision to commence the Chapter 11 Proceedings, and the importance of providing Opioid Claimants with the ability to participate in the Chapter 11 Proceedings by and through an official committee.⁶
4. Following the Committees’ appointment, Roger Frankel was appointed as a future claims representative in the Chapter 11 Proceedings (the “FCR”). The FCR was appointed in the Chapter 11 Proceedings to protect the due process rights of certain individuals who may be unable to assert their claims and protect their interests.
5. Since their appointments, the UCC, the OCC and the FCR have retained legal counsel, financial advisors and investment bankers.

3.2 Initial Objections to the Bidding Procedures Order and the Bar Date Order and the Challenge Complaints

1. In accordance with the RSA and with a view to implementing the Sale Process in the Chapter 11 Proceedings, the Debtors filed motions for the approval of the Bidding Procedures Order and the Bar Date Order with the US Court on November 23, 2022.⁷ As set out in the Third Report and the Third Vas Affidavit, the proposed Bidding

⁵ As at June 1, 2023, the members of the UCC included AmerisourceBergen Drug Corporation, Bayer AG, U.S. Bank National Trust Company, National Association, as Indenture Trustee, UMB Bank, National Association, as Indenture Trustee, CQS Directional Opportunities Master Fund Limited, AFSCME District Council 47 Health & Welfare Fund, and Catherine Brewster.

⁶ As at June 15, 2023, the members of the OCC included Robert Asbury as Guardian Ad Litem for certain infants diagnosed with neonatal abstinence syndrome, Sabrina Barry, Blue Cross and Blue Shield Association, Erie County Medical Center Corporation, Sean Higginbotham, Alan MacDonald and Michael Masiowski, M.D. According to the OCC, the Opioid Claimants are comprised of at least 11 separate groups of creditors including: (i) the federal government; (ii) the 50 states and other political subdivisions of the U.S.; (iii) political subdivisions of the states; (iv) Native American tribes; (v) personal injury victims; (vi) children born with neonatal abstinence syndrome; (vii) hospitals; (viii) third party payors, including health insurance companies; (ix) purchasers of private insurance; (x) independent emergency room physicians; and (xi) independent school districts. The description of the OCC’s appointment by the US Trustee is drawn from the OCC’s Reply (as defined below).

⁷ The Information Officer Notes that the Debtors have nonetheless preserved their rights to advance their restructuring initiatives by way of a chapter 11 plan.

Procedures Order and the Bar Date Order garnered several objections, including from:

- a) each of the Committees;
 - b) the FCR (the “FCR Objection”);
 - c) an ad hoc group of holders of first lien, second lien and unsecured indebtedness of the Debtors (the “Ad Hoc Cross-Holder Group”);
 - d) an ad hoc group of holders of first lien and certain other indebtedness of the Debtors who were not party to the RSA (the “Non-RSA 1Ls”);
 - e) an ad hoc group of unsecured noteholders of the Debtors;
 - f) the US Trustee; and
 - g) certain distributors, manufacturers and pharmacies (collectively, the “DMP Group” and the objection filed by the DMP Group, the “DMP Objection”).
2. Following several adjournments of the Debtors’ motions for the approval of the Bidding Procedures Order and the Bar Date Order, the Committees filed a motion (the “Joint Standing Motion”) on January 23, 2023, seeking derivative standing to permit the Committees to commence and prosecute four proposed complaints (collectively, the “Challenge Complaints”) and to settle claims related thereto. Copies of the proposed Challenge Complaints are attached to the Joint Standing Motion as Exhibits “B” – “E”. A copy of the Joint Standing Motion is attached as Exhibit “B” to the Affidavit of Margo Siminovitch sworn October 16, 2023 (the “Siminovitch Affidavit”).
3. The Challenge Complaints followed certain investigations undertaken by the Committees in advance of the expiration of the Challenge Period (as defined in the Cash Collateral Order).⁸ They comprise of three complaints related to the validity of the liens of the Prepetition First Lien Secured Parties (as defined in the Cash Collateral Order) and a complaint related to the prepetition compensation of the Debtors’ executives and other personnel. Principally, the Challenge Complaints assert that:
- a) Wilmington Trust, National Association, in its capacities as collateral trustee under the first lien Collateral Trust Agreement, dated as of April 27, 2017 (as amended), and a second lien Collateral Trust Agreement, dated as of June 16, 2020 (as amended), failed to perfect its liens as against the Debtors’ U.S.

⁸ Pursuant to the Cash Collateral Order claims regarding (i) the validity, enforceability, extent, priority, or perfection of the mortgages, security interests, and liens of the Prepetition Secured Parties (as defined in the Cash Collateral Order) or (ii) validity, enforceability, allowability, priority, secured status, or amount of the Prepetition Secured Indebtedness (as defined in the Cash Collateral Order) were required to be filed by (A) January 20, 2023 (unless extended) in the case of the Committees and the FCR or (B) the date that is seventy-five (75) calendar days following entry of the Cash Collateral Order.

deposit accounts, which were worth approximately \$670 million as of the Petition Date;

- b) contrary to the scope of the Debtors' stipulations under the Cash Collateral Order, the Debtors own valuable assets on which no liens were granted or properly perfected, as applicable, including, among other assets, the equity in the Debtors' Indian non-debtor affiliates, intellectual property associated with Xiaflex, intercompany receivables, deposit accounts in Luxembourg credited with approximately \$50 million as of the Petition Date and commercial tort claims;
 - c) the Debtors (including the Canadian Debtors) improperly made approximately \$94 million in cash payments to their senior executive officers within one year of the Petition Date, which payments were alleged to constitute avoidable preferences as well as fraudulent transfers under the Bankruptcy Code; and
 - d) using two "uptier" debt transactions that replaced approximately \$4.4 billion of the Debtors' unsecured notes with new notes, including approximately \$3 billion in new secured debt and a series of intercompany transactions, the Debtors hindered the recoveries of Opioid Claimants for the purpose of obtaining settlement leverage in the Debtors' then anticipated bankruptcy proceedings.
4. Given the successful Mediation and the Resolution Stipulation (each as defined and discussed below), no hearing on the Joint Standing Motion was held by the US Court, the Joint Standing Motion is currently in abeyance, and the Committees have not yet been granted standing to pursue any claims or causes of action, including the Challenge Complaints. As such, the Challenge Complaints remain unproven allegations.
5. The Committees were the sole parties in the Chapter 11 Proceedings to advance and seek approval to commence and prosecute complaints within the Challenge Period. The Proposed Representative Counsel did not object or, to the Information Officer's knowledge, take steps to object to the granting of the Cash Collateral Order, or the Third Supplemental Order recognizing and enforcing the Cash Collateral Order.⁹
6. The Supplemental Affidavit of Margo Siminovitch sworn November 17, 2023 (the "Supplemental Siminovitch Affidavit") suggests that the Information Officer failed to advise this Court of "the significant issues that have emerged in the Chapter 11 Proceedings affecting the rights of Canadian victims, most especially the fact that the OCC settled its objection to the proposed sale and ceased its investigation of the Debtors' affairs". However, the Challenge Complaints and the Resolution Stipulation were referred to in the Third Report. Moreover, the fact that full particulars of the Challenge Complaints – which at this time remain unproven allegations that the Committees have not been granted standing to advance, are held in abeyance (and have not been settled or released) and are the subject of a proposed resolution negotiated by two separate fiduciaries each represented by legal and financial

⁹ As set out in the Harnes Affidavit, the Cash Collateral Order was objected to by the UCC, the OCC and the Non-RSA 1Ls, which were resolved pursuant to amendments agreed to by the Debtors and the Ad Hoc First Lien Group.

advisors in the context of a US Court-ordered Mediation that has not been approved by the US Court – is entirely unremarkable.

3.3 The Mediation and Certain Resolutions

1. On January 27, 2023, the US Court entered a *Stipulation and Order (A) Granting Mediation and (B) Referring Matters to Mediation* (the “Mediation Order”) ordering a mediation (the “Mediation”) among the Debtors, the Ad Hoc First Lien Group, the Ad Hoc Cross-Holder Group, the Non-RSA 1Ls, the Committees, the United States of America on behalf of certain agencies (the “Department of Justice”) and the FCR (collectively, the “Mediation Parties”), and appointing the Honourable Judge Shelley C. Chapman (Ret.) as mediator (the “Mediator”).¹⁰ A copy of the Mediation Order is attached as Exhibit “J” to the Axell Affidavit.
2. Pursuant to the Mediation Order, the following topics (collectively, the “Mediation Topics”) were initially referred to the Mediation:
 - a) the Debtors’ motion for the Bidding Procedures Order;
 - b) the Exclusivity Motion;
 - c) any Challenge (as defined in the Cash Collateral Order) asserted before or after the date of the Mediation Order and any motion to obtain standing in connection therewith, including the Challenge Complaints;
 - d) any other complaints, challenges or motions to obtain standing on any matter not covered by the foregoing Mediation Topics filed by any of the Mediation Parties after the date of the Mediation Order; and
 - e) the resolution of any of the foregoing issues through a sale or plan of reorganization.
3. On March 3, 2023, the Debtors advised the US Court that the Ad Hoc First Lien Group had reached resolutions in principle with the Committees, the Ad Hoc Cross-Holder Group and the Non-RSA 1Ls that would resolve certain of these parties’ objections relating to the proposed Sale Process. At that time, the Debtors also informed the US Court that the resolutions reached in principle were supported by the Debtors and remained subject to definitive documentation. On March 24, 2023, the following documents were filed with the US Court:

¹⁰ As at the date of the Mediation Order and as set out therein, the United States of America was a mediation party solely on behalf of those agencies and components of the United States of America whose interests in the Chapter 11 Proceedings are represented by the U.S. Attorney’s Office for the Southern District of New York, including on behalf of the following agencies that may have monetary claims in the Chapter 11 Proceedings: (i) the Department of Justice; (ii) federal agencies that provide healthcare or health insurance services, including components of the Department of Health and Human Services, the Department of Veterans Affairs, and the Department of Defense; and (iii) the Internal Revenue Service.

- a) *Stipulation Among the Debtors, Official Committee of Unsecured Creditors, Official Committee of Opioid Claimants, and Ad Hoc First Lien Group Regarding Resolution of Joint Standing Motion* (the “Resolution Stipulation”), which included copies of:
 - i) a term sheet dated March 24, 2023, memorializing the resolutions reached by and among the Ad Hoc First Lien Group and the UCC in connection with, among other things, the Debtors’ motion for the Bidding Procedures Order, the Exclusivity Motion, the Joint Standing Motion and the Challenge Complaints (the “UCC Resolution Term Sheet”); and
 - ii) a Voluntary Present Private Opioid Claimant Trust Term Sheet dated March 24, 2023, by and among the Ad Hoc First Lien Group and the OCC in connection with, among other things, the Debtors’ motion for the Bidding Procedures Order, the Exclusivity Motion, the Joint Standing Motion and the Challenge Complaints (the “OCC Resolution Term Sheet” and together with the UCC Resolution Term Sheet, the “Committees Resolution Term Sheets”); and
 - b) *Notice of Filing of Amended and Restated Restructuring Support Agreement*, containing an amended RSA (as amended, the “Amended RSA”), which attached, among other things:
 - i) an amended Purchase and Sale Agreement by and among, *inter alios*, the Stalking Horse Bidder, Endo Parent and certain of the Debtors (as amended, the “Stalking Horse Agreement”);
 - ii) an Amended Voluntary Public/Tribal Opioid Trust Term Sheet in respect of the Public Opioid Trust and the Tribal Opioid Trust (the “Public/Private Opioid Term Sheet”);¹¹ and
 - iii) an amended wind-down budget.
4. Details concerning each of the Resolution Stipulation, the Committees Resolution Term Sheets, the Amended RSA, the Stalking Horse Agreement and the Public/Private Opioid Term Sheet were set out in the Third Vas Affidavit and the Third Report. Copies of the Resolution Stipulation and the Amended RSA were attached as Exhibits “C” and “D” to the Third Vas Affidavit, respectively. A copy of the Resolution Stipulation is also attached as Appendix “B”.
5. Among other things, the Resolution Stipulation provides that:
- a) the Stalking Horse Bidder is permitted to credit bid the Prepetition First Lien Indebtedness (as defined in the Cash Collateral Order);

¹¹ The Information Officer notes that, as of July 25, 2023, all 46 states, including Washington D.C. (which is counted as a state for the purposes of the Public/Private Opioid Term Sheet), eligible to participate have expressed their support for the Public/Private Opioid Term Sheet.

- b) the prosecution of the Joint Standing Motion is to be held in abeyance, with each of the Committees having agreed not to prosecute the Joint Standing Motion from the commencement of the Resolution Stipulation to the date, if any, on which one or both of the Committees exercise their termination rights following the occurrence of a Termination Event;¹²
 - c) the Joint Standing Motion will be withdrawn upon the closing of the transactions contemplated under the Stalking Horse Agreement pursuant to section 363 of the Bankruptcy Code (the “Sale”) and the Voluntary GUC Creditor Trust and the PPOC Trust (each as defined below) are established and funded; and
 - d) the Committees will support the restructuring contemplated by the Amended RSA, including the entry of the Bidding Procedures Order and an order authorizing the Sale in form and substance acceptable to (i) the Debtors and the Ad Hoc First Lien Group, in all respects, and (ii) each of the Committees with respect to the implementation of the Committees Resolution Term Sheets and any other item to the extent such item adversely affects their respective constituencies.
6. A critical feature of the Resolution Stipulation and the Committees Resolution Term Sheets is the Stalking Horse Bidder’s agreement, if it is the successful bidder (the “Successful Bidder”), to create and fund trusts for the benefit of the Debtors’ general unsecured creditors (the “Voluntary GUC Creditor Trust”) and present private opioid claimants (the “PPOC Trust”).¹³ The Voluntary GUC Creditor Trust and the PPOC Trust are in addition to the Public Opioid Trust and the Tribal Opioid Trust (collectively, the “Trusts”) contemplated by the Public/Private Opioid Term Sheet agreed to between the Ad Hoc First Lien Group (on behalf of the Stalking Horse Bidder) and the Multi-State EC.
7. The material terms of the Trusts, include, among others, the following:
- a) *The Voluntary GUC Creditor Trust*: if it is the Successful Bidder, the Stalking Horse Bidder will establish and fund the Voluntary GUC Creditor Trust for the benefit of the Voluntary GUC Creditor Trust Beneficiaries in the amount of: (i) \$60 million; (ii) plus 4.25% of the issued and outstanding shares of the Stalking

¹² If the Ad Hoc First Lien Group or either of the Committees, as applicable, exercises its right to terminate upon the occurrence of a Termination Event, the applicable Committee is entitled to initiate and/or continue its prosecution of the Joint Standing Motion and the Additional Standing Matters (as defined in the Resolution Stipulation).

¹³ Under the OCC Resolution Term Sheet, “Present Private Opioid Claimant” is defined as a “holder of an Opioid Claim that is not a Public Opioid Claimant or Tribal Opioid Claimant” and an “Opioid Claim” is defined broadly to include “Claims and Causes of Action, existing as of the Petition Date, against any of the Debtors or Non-Debtor Affiliates in any way arising out of or relating to opioid products manufactured or sold by any of the Debtors, any Non-Debtor Affiliate, any of their respective predecessors, or any other Released Party prior to the Closing Date, including, for the avoidance of doubt, Claims for indemnification (contractual or otherwise), contribution, or reimbursement against any of the Debtors, any Non-Debtor Affiliate, any of their respective predecessors, or any other Released Party on account of payments or losses in any way arising out of or relating to opioid products manufactured or sold by any of the Debtors, any Non-Debtor Affiliate, or any of their respective predecessors prior to the Closing Date.” Importantly, the Information Officer understands that the Canadian Personal Injury Claimants are “Present Private Opioid Claimants”.

Horse Bidder on a fully diluted basis;¹⁴ (iii) plus a vesting of estate claims and actions against third parties and certain other parties, all of the Stalking Horse Bidder's rights under insurance policies that may provide coverage for Eligible Unsecured Claims, and the sole and exclusive right to pursue the Debtors' opioid-related claims and the proceeds of any applicable insurance policies. Holders of Eligible Unsecured Claims will have the option to participate in the Voluntary GUC Creditor Trust provided they, among other things, execute a consensual and voluntary release with respect to certain claims against certain released parties (which include the Debtors and Stalking Horse Bidder) and do not object to the resolutions in the UCC Resolution Term Sheet or Resolution Stipulation. Holders of Eligible Unsecured Claims that do not execute a release will not be entitled to participate in the Voluntary GUC Creditor Trust and will retain their rights and remedies, as applicable;¹⁵

- b) *The PPOC Trust:* if it is the Successful Bidder, the Stalking Horse Bidder will establish and fund the PPOC Trust for the benefit of the Participating PPOCs in the amount of \$119.2 million (based on \$29.7 million on the Closing Date, plus \$29.7 million on the first anniversary of the Closing Date, and \$59.7 million on the second anniversary of the Closing Date). Present Private Opioid Claimants will have the option to participate in the PPOC Trust provided they, among other things, file a proof of claim and execute a release in favor of certain released parties (which include the Debtors and Stalking Horse Bidder). PPOCs that do not participate in the PPOC Trust will retain their rights and remedies;¹⁶ and
- c) *The Public Opioid Trust and the Tribal Opioid Trust:* if it is the Successful Bidder, the Stalking Horse Bidder will provide for the establishment of the Public Opioid Trust and the Tribal Opioid Trust. The Public Opioid Trust and the Tribal Opioid Trust will be settled with cash consideration funded by the Stalking Horse Bidder in the aggregate amounts of \$465.2 million and \$15 million, respectively, each in accordance with a prescribed installment schedule and subject to certain permitted adjustments to the timing and quantum of payments. The Public/Private Opioid Term Sheet contemplates that the order approving the Sale (the "Sale Order") is to contain a release by Participating Public Opioid Claimants and Tribal Opioid Claimants and a consensual injunction against certain released parties (which include the Debtors and the Stalking Horse Bidder and its present and future subsidiaries). As noted in the Third Report, public entities in Canada (including Canadian governments) with potential or previously asserted claims against the Debtors are not eligible to participate in the Public Opioid Trust or the Tribal Opioid Trust.

¹⁴ Subject only to dilution by the management incentive plan and subject to adjustment if the Stalking Horse Bidder's net funded debt exceeds or is less than \$2.5 billion.

¹⁵ The inter-unsecured creditor allocation of the Voluntary GUC Creditor Trust was determined within the Mediation.

¹⁶ The inter-Present Private Opioid Claimants allocation of the PPOC Trust was determined within the Mediation.

8. Additional information regarding the Committees Resolution Term Sheets, the Public/Private Opioid Term Sheet and the Trusts was provided in the Third Vas Affidavit and the Third Report. The Information Officer notes that the Committees Resolution Term Sheets have not been approved by the US Court and the Foreign Representative is not seeking this Court's approval or recognition of the Committees Resolution Term Sheets or the Trusts at this time. Such approval may be sought from the US Court in connection with the Debtors' motion for the Sale Order or, in the alternative, the implementation of a chapter 11 plan.
9. On July 13, 2023, the *Notice of Filing of Stalking Horse Bidder-FCR Term Sheet and Amended OCC Resolution Term Sheet* (the "Notice of FCR Resolution") was filed by the Debtors, among other things, advising that the Stalking Horse Bidder and the FCR had reached a resolution of certain claims and disputes related to the FCR Objection in the Mediation. Such resolution was memorialized in a term sheet attached as Exhibit "A" to the Notice of FCR Resolution (the "FCR Resolution Term Sheet"). Among other things, the FCR Resolution Term Sheet provides that the Stalking Horse Bidder will establish a trust for Eligible Future Opioid Trust Beneficiaries and a trust for Eligible Future Mesh Trust Beneficiaries (each as defined in the FCR Resolution Term Sheet), which will be funded by the Stalking Horse Bidder with \$11.5 million and up to \$500,000, respectively. A copy of the Notice of FCR Resolution is attached as Appendix "C".
10. The Information Officer notes that the FCR Resolution Term Sheet has not been approved by the US Court and the Foreign Representative is not seeking this Court's approval or recognition of the FCR Resolution Term Sheet at this time. Such approval may be sought from the US Court in connection with the Debtors' motion for the Sale Order or, in the alternative, the implementation of a chapter 11 plan.
11. As of the date of this Report, the Mediation, which has been extended numerous times, remains ongoing.¹⁷ The *Mediator's Sixth Notice and Status Report* filed on September 13, 2023, in which a summary of such extensions and the Mediator's view that it is in the best interests of the Debtors' stakeholders that the Mediation be continued until the adjourned Sale Hearing (as defined below) date, is attached as Appendix "D".

3.4 The Bidding Procedures Order and the Sale Process

1. As a result of the resolutions reflected in the Resolution Stipulation and the Amended RSA, the Debtors were able to proceed with their motion for the Bidding Procedures Order with the support of the Committees, the Ad Hoc First Lien Group, the Ad Hoc Cross-Holder Group and the Non-RSA 1Ls.

¹⁷ The Information Officer notes that on May 16, 2023, the US Court entered the *Order Modifying Mediation Procedures*, permitting additional parties in interest other than the Mediation Parties (collectively, the "Limited Basis Parties") to participate voluntarily in the Mediation of specific issues in response to a request from a Mediation Party (with the consent of the Mediator) or the Mediation or by further order of the US Court, subject to the conditions set out therein.

2. The Bidding Procedures Order was entered by the US Court on April 3, 2023, over the objections of the US Trustee and the FCR, and was recognized by this Court on April 25, 2023, pursuant to the Fourth Supplemental Order. The Proposed Representative Counsel did not object to the US Court's entry of the Bidding Procedures Order nor this Court's granting of the Fourth Supplemental Order.
3. Among other things, the Bidding Procedures Order:
 - a) authorized and approved bidding procedures in connection with the Sale (the "Bidding Procedures");
 - b) authorized and approved the terms and conditions of the expense reimbursement amount included in the Stalking Horse Agreement;
 - c) authorized certain steps to be taken to implement the Sale in a tax efficient manner under Irish tax law;
 - d) authorized and approved the form of notice of the auction (if any), the Sale and the hearing (the "Sale Hearing") to consider the Sale (the "Sale Notice"), which Sale Notice included information regarding the Stalking Horse Bid, the Bidding Procedures, the Sale Hearing and the procedures to be followed in filing an objection to the Sale;
 - e) authorized and approved the procedures for distributing the Sale Notice to be provided to the Sale Notice Parties (as defined in the Bidding Procedures), which are comprised of the Debtors' known claimants, including all known parties to litigation with the Debtors and/or their counsel (the "Notice Plan");
 - f) authorized and approved the procedures for distributing a supplemental outreach plan and media notice plan intended to provide notice to unknown claimants, including unknown creditors of the Debtors holding claims related to the Debtors' opioid or other products (the "Supplemental Notice Plan" and together with the Notice Plan, the "Sale Notice Procedures");¹⁸
 - g) authorized the Assumption and Assignment Procedures to facilitate the assumption, assumption and assignment and/or rejection of certain of the Debtors' executory contracts or unexpired leases; and
 - h) reserved the rights of all parties with respect to certain issues, including, among others: (i) the amount or value of the Debtors' unencumbered assets; (ii) the approval of the Sale to the Stalking Horse Bidder or any term of the Sale; and (iii) whether the Sale is authorized by law or is an impermissible *sub rosa* plan or distribution of assets contrary to the Bankruptcy Code's priority rules.

¹⁸ The Supplemental Notice Plan was intended to reach potential unknown claimants through television, social media, online displays, ads, billboards, print media, press releases and community outreach. It was estimated that it would reach over 80% of all adults over the age of 18 in Canada on average three to four times.

4. A copy of the Bidding Procedures Order was attached as Exhibit “A” to the Third Vas Affidavit. The Bidding Procedures Order, the Bidding Procedures and the Sale Notice Procedures were discussed in detail in the Third Vas Affidavit and the Third Report. Simply put, the Bidding Procedures contemplated that the Sale Process would proceed in two-stages followed by an auction, if necessary, and would solicit bids for either all of the Debtors’ assets or one or more of the Debtors’ business or asset segments.
5. As set out in the Declaration of Tarek elAguizy dated July 26, 2023 attached to the Axell Affidavit as Exhibit “R” (the “elAguizy Declaration”), the Debtors’ investment banker, PJT Partners LP, contacted 152 interested parties, including 77 financial sponsors and 75 strategic bidders in the first phase of the Sale Process. Of the 152 interested parties contacted, 40 executed non-disclosure agreements and were provided with access to a virtual data room and a confidential information memorandum. 19 of such interested parties submitted a non-binding indication of interest by June 13, 2023 (the “IOI Deadline”). All 19 non-binding indications of interests were partial bids for the Debtors’ assets, the aggregate gross implied value of which was more than \$1 billion less than the value of the Stalking Horse Bid.
6. The Debtors, in consultation with the Committees, the FCR and the Multi-State EC, ultimately determined that none of the non-binding indications of interest submitted by the IOI Deadline, viewed individually or together, were likely to result in the submission of a qualified bid. Accordingly, the Sale Process did not proceed to its second phase.
7. On June 20, 2023, the Debtors filed the *Notice of (I) Debtors’ Termination of the Sale and Marketing Process, (II) Naming the Stalking Horse Bidder as the Successful Bidder, and (III) Scheduling of the Accelerated Sale Hearing* (the “Sale Termination Notice”), advising of:
 - a) the Sale Process’ termination;
 - b) the selection of the Stalking Horse Bidder as the sole Successful Bidder for the Debtors’ assets; and
 - c) the acceleration of the date of the Sale Hearing for the Sale Order to July 28, 2023, in accordance with the Bidding Procedures.
8. A copy of the Sale Termination Notice is attached as Exhibit “A” to the Supplemental Siminovitch Affidavit.
9. Details concerning the conduct of the Sale Process are included within the elAguizy Declaration. The Information Officer will provide additional information regarding the Sale Process in connection with any motion brought by the Foreign Representative for the recognition and enforcement of the Sale Order (should it be granted by the US Court).

3.5 The Bar Date Order

1. As a result of the resolutions reached in the Mediation, the Bar Date Order was granted by the US Court on April 3, 2023, without opposition, including from the Proposed Representative Counsel. The Bar Date Order was subsequently recognized by this Court on April 25, 2023, pursuant to the Fourth Supplemental Order. The Proposed Representative Counsel similarly did not object to this Court's granting of the Fourth Supplemental Order recognizing and enforcing the Bar Date Order.
2. Among other things, the Bar Date Order:
 - a) approved the Bar Date Notice, the Proof of Claim Form as well as the procedures for filing Proofs of Claim, and established deadlines for the filing of Proofs of Claim;
 - b) established deadlines for the mailing of the Bar Date Notice, the applicable Proof of Claim Form and the Proof of Claim instructions (collectively, the "Bar Date Notice Package"), which Bar Date Notice Package included a letter from each of the OCC and the UCC addressed to their respective constituents providing information regarding the Voluntary GUC Creditor Trust and the PPOC Trust;
 - c) approved the form of notice and process to provide notice to known creditors and parties in interest (which notice was intended by the Debtors to be provided concurrently with the Notice of Sale);
 - d) approved the Supplemental Notice Plan for providing publication notice of the Bar Dates to unknown creditors and parties in interest, as described in the Declaration of Jeanne C. Finegan dated November 23, 2022 (the "Finegan Declaration");
 - e) established the parties that are required to file a Proof of Claim in the Chapter 11 Proceedings on or before the applicable Bar Date, including, among others, any person or entity whose claim against a Debtor is not listed in the Debtors' Schedules or is listed as disputed, contingent or unliquidated and that desires to participate in the Chapter 11 Proceedings or in any distribution in the Chapter 11 Cases;
 - f) established the claims in respect of which no Proof of Claim in the Chapter 11 Proceedings need be filed on or before the applicable Bar Date, including, among others, claims against the Debtors that are not listed as disputed, contingent, or unliquidated in the Schedules, claims represented by the FCR and where the holder of such claim agrees with the nature, classification, and amount of its claim as identified in the Schedules; and

- g) ordered that any party that is required to file a Proof of Claim but that fails to do so by the applicable Bar Date shall be forever barred, estopped, and enjoined from: (i) asserting any Unscheduled Claim against the Debtors or their estates or properties (and the Debtors and their properties and estates will be forever discharged from any and all indebtedness or liability with respect to such claim); or (ii) voting on, or receiving distributions under, any chapter 11 plan in the Chapter 11 Proceedings in respect of an Unscheduled Claim.
3. Copies of the Bar Date Order (without exhibits) and the Finegan Declaration filed in support thereof were attached to the Third Vas Affidavit as Exhibits “B” and “F”, respectively. Details concerning the Bar Date Order were set out in the Third Vas Affidavit and the Third Report.
4. The following table sets out the various Bar Dates for the filing of claims established pursuant to the Bar Date Order:

Matter	Deadline (EST)
General Bar Date	July 7, 2023 at 5:00 p.m.
Governmental Bar Date	May 31, 2023 at 5:00 p.m.
State/Local Governmental Opioid Bar Date	The earlier of: (i) 10:00 a.m. on the date set for the first disclosure statement hearing for any chapter 11 plan in the Chapter 11 Cases; and (ii) 5:00 p.m. on the date that is 35 days after the date on which the Debtors file on the docket and serve a supplemental notice setting a deadline for such parties.
Amended Schedule Bar Date	For claimants holding claims negatively impacted by the filing of a previously unfiled schedule of assets and liabilities or statement of financial affairs or an amendment or supplement to such schedules or statements, the later of: (i) the General Bar Date or the Governmental Bar Date, as applicable; and (ii) 5:00 p.m. on the date that is 30 days after the date on which the Debtors provide notice of such filing, amendment or supplement.
Rejection Bar Date	For counterparties to executory contracts or unexpired leases that have been rejected by the Debtors, the later of: (i) the General Bar Date or the Governmental Bar Date, as applicable; and (ii) 5:00 p.m. on the date that is 30 days after the effective date of such rejection.

5. As described in the Finegan Declaration, the Notice Plan was designed to target the holders of claims relating to the Debtors’ sale and marketing of opioid products as well as the holders of other claims against the Debtors, including those arising from the Debtors’ sale of ranitidine and transvaginal mesh products (collectively, the “Product Claimants”), and ordinary creditors. The Supplemental Notice Plan, which consisted of a direct notice and a multi-faceted supplemental outreach and media notice plan (the “Media Notice Plan”), was intended to provide supplemental notice to unknown Product Claimants of the Sale and the Bar Dates. At the time of its conception, the Supplemental Notice Plan was, as noted in the Finegan Declaration, expected to be

one of the largest legal notice programs deployed in a chapter 11 case and cost approximately \$16,300,000.

6. The Debtors' Notice Plan and the Supplemental Notice Plan were commenced on April 24, 2023 and were completed on June 30, 2023. The implementation of the Notice Plan and the Supplemental Notice Plan is discussed in detail in the Supplemental Declaration of Jeanne C. Finegan dated July 26, 2023 (the "Supplemental Finegan Declaration") attached to the Axell Affidavit as Exhibit "Q". Notably, the Supplemental Finegan Declaration indicates, among other things, that:
 - a) the Notice Plan was successfully implemented in the U.S., Canada, Australia, France, Ireland, Japan, New Zealand, the Netherlands, Spain, and the United Kingdom (England, Northern Ireland, Scotland, Wales);
 - b) the Media Notice Plan exceeded original audience delivery projections, having reached over an estimated 90% of Canadian adults 18 years of age and older with an estimated average frequency of over ten times, and over an estimated 95% of adults 18 years of age and older in the U.S. with an estimated average frequency of over eight times;
 - c) the Notice Plan provided notice by means of: (i) actual, written notice to known and potential Product Claimants as well as other known parties in interest; (ii) distribution of a Simplified print Notice (as defined in the Finegan Declaration) to various community organizations; (iii) print media; (iv) online display; (v) internet search terms; (vi) social media campaigns; and (vii) television advertisements;
 - d) the Media Notice Plan served in excess of three billion impressions, with the greatest number of impressions being in the U.S. (2.3 billion) and Canada (432 million);
 - e) the Media Notice Plan had the same reach and frequency as the media notice plan implemented *In re Purdue Pharma, LLP* and greater reach and frequency than the media notice plan *In re Mallinckrodt plc* (each of which are large opioid-related mass tort chapter 11 cases);
 - f) the Simplified Print Notice was published in four nationally distributed Canadian magazines in English and French and was published twice in the following nationally circulated Canadian newspapers: *The Globe and Mail*; *The National Post*; and *Le Journal de Montreal*;
 - g) online display advertising in Canada targeted Canadians 18 years of age and older on the basis of targeting considerations consistent with those used in the U.S.; and
 - h) the Debtors issued press releases across the Canadian Bilingual General Media Newline in English and French.

7. Since being granted on April 3, 2023, the Bar Date Order has been amended by the US Court on two occasions to achieve administrative efficiency and incorporate revisions relating to the confidentiality protocol set out therein based on stakeholder feedback. The first amended Bar Date Order was filed by the Debtors subsequent to the filing on June 1, 2023 of the *Notice of Motion of Jodie Philipsen and Janice Seymour for an Order (I) Certifying the Class of Australian Mesh Claimants and Authorizing the Filing of a Class Proof of Claim, or Alternatively, (II) Extending the Bar Date to File Proofs of Claim* (the “Mesh Claimants’ Motion”).
8. Pursuant to the Mesh Claimants’ Motion, Jodie Philipsen and Janice Seymour (the “Movants”), on behalf of themselves and all other similarly situated Australian mesh claimants (collectively, the “Mesh Claimants”), sought an order:
 - a) certifying the Mesh Claimants as a class and authorizing the filing of a class proof of claim; or
 - b) if class certification was denied, extending the July 7 general bar date to permit the filing of more than 6,000 individual proofs of claim.¹⁹
9. The Mesh Claimants’ Motion was objected to by the Debtors and each of the Committees on several bases, including that:
 - a) the Mesh Claimants’ Motion would impede the progress of the Chapter 11 Proceedings and did not satisfy the factors supporting allowance of a class proof of claim or class certification;
 - b) because the Bar Date Order permits the submission of consolidated proofs of claim, and could similarly be amended to allow for the filing of a class proof of claim solely for administrative convenience, the Mesh Claimants’ Motion could be denied without prejudice to the Mesh Claimants;²⁰

¹⁹ The Information Officer notes that the Mesh Claimants’ Motion states that: “[a]n Australian representative proceeding is the functional equivalent of an American class action that operates on an opt-out basis”; “[u]nder Australian law, representative proceedings do not require class certification before the plaintiffs are permitted to proceed as class representatives”; and “the Class Action is the functional equivalent of a certified class action under federal law.”

²⁰ The Information Officer notes that, solely for administrative convenience, holders of claims arising from the Debtors’ opioid products were permitted to file class proofs of claim on behalf of: (i) insurance ratepayers; (ii) private hospitals; (iii) public schools; and (iv) claimants seeking to establish a Neonatal Abstinence Syndrome medical monitoring program. Similarly, holders of claims of price-fixing and antitrust claims in prepetition lawsuits against the Debtors were permitted to file class proofs of claim on behalf of plaintiffs in any price-fixing or antitrust litigation in which the Debtors are named solely for administrative convenience. With respect to consolidated proofs of claim, the Information Officer notes that under the Bar Date Order, any entity, including any attorney or law firm, representing multiple opioid claimants or non-opioid personal injury claimants, which provides authorization from those opioid claimants or non-opioid personal injury claimants to be included on a consolidated proof of claim (each such authorizing individual or entity holding an opioid claim or non-opioid personal injury claim, a “Consenting Claimant”)—which authorization shall be (i) in the form of an affidavit from the individual (including any attorney or law firm) representing multiple opioid claimants or non-opioid personal injury claimants stating that such individual represents the Consenting Claimants and has authorization to file the Consolidated Claim, or (ii) some other form reasonably acceptable to the Debtors and the OCC

- c) granting the Mesh Claimants’ Motion could lead to similar requests for class certification and to file class proofs of claim (for reasons beyond administrative convenience as permitted under the Bar Date Order), which may threaten the resolutions reached in the Mediation and deplete the value of the Debtors’ estates;
 - d) the ability to file a consolidated proof of claim provided under the amended Bar Date Order achieves an appropriate balance between facilitating the filing of proofs of claim and ensuring that the Debtors obtain sufficient information regarding the proposed claims asserted against them (as any such consolidated proof of claim would require the compilation of particularized claim information for the underlying Mesh Claimants);
 - e) the compromise embodied in the amended Bar Date Order equally positions the Mesh Claimants with all other personal injury claimants, none of which are permitted to file a class proof of claim under the Bar Date Order; and
 - f) class proofs of claim disrupt the application of bar dates in bankruptcy proceedings by preserving the claims of class members who may not have otherwise asserted claims prior to the bar date, diluting claims filed by similarly situated creditors.
10. Pursuant to the *Stipulation by an Among Jodie Philipsen and Janice Seymour, the Official Committee of Unsecured Creditors, the Official Committee of Opioid Claimants, and the Debtors Resolving the Class Claim Motion* filed on June 21, 2023 (the “Mesh Claim Stipulation”):
- a) the Movants agreed to withdraw the Mesh Claimants’ Motion on a with prejudice basis;
 - b) the Movants agreed to file a consolidated proof of claim by the general bar date, attaching a spreadsheet containing: (i) the names of each of the Mesh Claimants that will be subject to the consolidated proof of claim; (ii) the asserted claim amounts associated with each individual claim; and (iii) any other information in the Movants’ possession related to such individual claims; and
 - c) the Movants were provided until August 21, 2023 to amend their consolidated proof of claim to provide all other information required by the Proof of Claim Form for each of the individual claimants and remove any claimants for which authorization was not obtained to file such consolidated proof of claim by August 21, 2023.

(with respect to opioid claimants) or the Debtors and the UCC (with respect to non-opioid personal injury claimants)—may file, amend and/or supplement a consolidated claim on behalf of such Consenting Claimants and docket such consolidated claim against the lead case, *In re Endo International plc, et al.*, No. 22-22549 (JLG), provided that such consolidated claim has attached either (A) an individual Proof of Claim Form for each Consenting Claimant, or (B) a spreadsheet or other form of documentation that lists each Consenting Claimant and provides individualized information that substantially conforms to information requested in the applicable Proof of Claim Form.

11. A copy of the Mesh Claimant Stipulation is attached as Appendix “E”.
12. For clarity, the above-noted amendments to the Bar Date Order did not modify the Bar Dates. As such, all persons or entities holding a claim against any of the Debtors that arose prior to the Petition Date, including secured claims, unsecured priority claims and unsecured non-priority claims, were required to file a Proof of Claim on or before July 7, 2023. This includes all private Opioid Claimants. A copy of the Bar Date Order, as amended, is attached as Appendix “F”.
13. As set out within the Siminovitch Affidavit and the Supplemental Siminovitch Affidavit, the Proposed Representative Counsel filed a class proof of claim prior to the general bar date on a without prejudice basis. According to the Siminovitch Affidavit and the Supplemental Siminovitch Affidavit, the OCC has advised the Proposed Representative Counsel that such proof of claim would be rejected for failure to comply with the informational requirements for a consolidated proof of claim under the Bar Date Order.²¹

3.6 The DMP Stipulation

1. Prior to the entry of the Bidding Procedures Order, the Debtors and the DMPs entered into negotiations regarding the DMP Objection and the Debtors’ motion for the Sale Order. As a result of such negotiations, and with the support of the Stalking Horse Bidder, the Debtors entered into the *Amended Stipulation Among the Debtors and the DMPs Resolving the DMPs’ Objection to the Bidding Procedures and Sale Motion* (the “DMP Stipulation”). Among other things, the DMP Stipulation:
 - a) provides that the DMP Objection will be deemed to be withdrawn upon the US Court’s approval of the DMP Stipulation;
 - b) preserves the DMP Defensive Rights (as defined in the DMP Stipulation) and the DMPs’ rights to pursue insurance coverage under, or insurance recoveries from, any Debtor Insurance Contracts (as defined in the DMP Stipulation);
 - c) memorializes an agreed upon approach to the preservation and production of documents and documentary discovery in connection with any judicial, administrative, or other action or claim that has been filed in Canada by a governmental entity or private party in Canada against any of the Debtors in respect of opioid claims as at the date of the DMP Stipulation (in which the DMPs are co-defendants with certain of the Debtors, including the Canadian Debtors); and

²¹ The Siminovitch Affidavit notes that the information required to complete a consolidated claim proof of claim is not available to the Proposed Representative Counsel in light of the early stage of the Quebec Class Action.

- d) provides that, as of the Closing Date (as defined in the DMP Stipulation), the DMPs on the one hand, and the Debtors, on the other hand, shall release each other and each of their respective Related Parties (as defined in the DMP Stipulation) solely in such Related Party's respective capacity as such, from any and all Released Claims (as defined in the DMP Stipulation).
2. The DMP Stipulation was approved by the US Court pursuant to the *Order Granting Debtors' Motion for an Order Approving the Amended Stipulation Among the Debtors and the DMPs Resolving the DMPs' Objection to the Bidding Procedures and Sale Motion* entered on August 3, 2023 (the "DMP Stipulation Order"). A copy of the DMP Stipulation Order is attached to the Axell Affidavit as Exhibit "T".
3. The Information Officer notes that the Foreign Representative is not currently seeking this Court's approval or recognition of the DMP Stipulation Order or the DMP Stipulation.

3.7 The Sale Order

1. The Sale Hearing has been adjourned on several occasions, in part, to facilitate the resolution of certain outstanding objections to the proposed Sale Order and the Sale. It is currently scheduled for December 21, 2023. Accordingly, the US Court has not yet assessed the appropriateness of the proposed Sale Order or the Sale or the merits of any objections thereto.
2. The Debtors filed the proposed Sale Order on July 7, 2023, with certain revisions thereto being filed on July 13, August 3 and August 11, 2023. Parties in interest other than the US Trustee and the Department of Justice were required to file objections to the proposed Sale Order by July 14, 2023 (the "Sale Objection Deadline").
3. Numerous parties in interest filed objections to the proposed Sale Order by the Sale Objection Deadline (collectively, the "Objecting Parties"). The US Trustee and the Department of Justice also filed objections to the Debtors' motion for the proposed Sale Order on July 18, 2023, as required.²² Neither the Representative Plaintiff nor the Proposed Representative Counsel filed an objection by the Sale Objection Deadline (or at all).
4. Notably, the Objecting Parties included:
 - a) the Provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, New Brunswick, Nova Scotia, and Newfoundland & Labrador, and the governments of Prince Edward Island, Nunavut, the Northwest Territories and the Yukon (collectively, the "Canadian Provinces and Territories"), which asserted, among other things, that there is no justification for the Canadian Provinces and Territories receiving no consideration for their collective \$66 billion in claims for opioid-related harm perpetrated in Canada while the

²² The Department of Justice's objection was filed by the United States of America on behalf of the Internal Revenue Service, the U.S. Department of Justice, the U.S. Department of Health and Human Services, and the U.S. Department of Veterans Affairs, by its attorney, Damian Williams, United States Attorney for the Southern District of New York.

governments of various states share in the Public Opioid Trust of approximately \$465 million; and

- b) the Rochester City School District, together with certain other public school districts (collectively, the “Public School Districts”), which asserted, among other things, that the proposed Sale constitutes a *sub rosa* plan and undervalues the Debtors’ unencumbered assets.
5. As reflected in the *Notice of Filing of Further Updated Chart Summarizing Outstanding and Additional Resolved Objections to the Proposed Sale Order* filed on August 10, 2023 (the “Objection Summary”), substantially all of the Objecting Parties’ objections, including those of the Canadian Provinces and Territories and the Public School Districts, have been resolved. A copy of the Objection Summary is attached as Appendix “G”.
 6. The resolutions reached with the Canadian Provinces and Territories and the Public School Districts were achieved within the Mediation – with such parties having been added as Limited Basis Parties – and have been memorialized in term sheets dated August 22, 2023 (the “Voluntary Canadian Government Term Sheet”) and August 15, 2023 (the “Voluntary Public School Districts Term Sheet”), respectively. The Voluntary Canadian Government Term Sheet is appended to the *Notice of Filing of Voluntary Canadian Governments Resolution Term Sheet* filed on September 29, 2023 attached to the Axell Affidavit as Exhibit “S”.
 7. Under the Voluntary Canadian Government Term Sheet, the Stalking Horse Bidder has agreed to establish a voluntary trust upon the closing of the Sale for the benefit of the Canadian Provinces and Territories that elect to become beneficiaries thereof (the “Voluntary Canadian Government Trust”). The Voluntary Canadian Government Trust will be funded by the Stalking Horse Bidder in the aggregate amount of \$7.25 million in 11 equal installments over 10 years. In turn, and subject to the terms of the Voluntary Canadian Government Term Sheet, the Canadian Provinces and Territories have agreed to support the entry of the proposed Sale Order and its recognition in the Recognition Proceedings and provide certain releases to, among other released parties, the Debtors, the Stalking Horse Bidder, and the Ad Hoc First Lien Group.
 8. Pursuant to the Voluntary Public School Districts Term Sheet, the Stalking Horse Bidder has agreed to pay the Public Schools’ Special Education Initiative (as defined in the Voluntary Public School Districts Term Sheet), the aggregate amount of \$3 million in installments over 3 years. Only public school districts in the U.S. that elect to participate under the Voluntary Public School Districts Term Sheet by providing a release of certain opioid-related claims in favour of, among other parties, the Debtors, the Stalking Horse Bidder, and the Ad Hoc First Lien Group, will be entitled to the benefit of such monies.
 9. Having resolved substantially all of the Objecting Parties’ objections, the proposed Sale is now supported by, among others, the Committees, the FCR, the Multi-State EC, the Canadian Governments and the Ad Hoc First Lien Group. As at the date of this Report, however, the US Trustee’s and the Department of Justice’s objections remain outstanding.

10. Respectively, the US Trustee and the Department of Justice oppose the proposed Sale and Sale Order on the bases that, among others:
 - a) the proposed Sale avoids the Bankruptcy Code’s priority scheme and constitutes a *sub rosa* plan insofar as it dictates a distribution scheme to unsecured creditors, releases the Debtors, non-Debtor affiliates, and certain of the Debtors’ and non-Debtor affiliates’ officers and directors, and enjoins certain actions against the Stalking Horse Bidder and various creditor trusts; and
 - b) the proposed Sale constitutes a *sub rosa* plan that dictates the distribution of funds to different classes of creditors in contravention of the Bankruptcy Code’s priority rules (including with respect to the Internal Revenue Service’s priority tax claim), the proposed Sale Order contains broad third-party releases that abrogate the rights of creditors, certain of which could not be granted even in a chapter 11 plan, and the proposed Sale purports to permanently resolve estate causes of action and the proposed Challenges absent certain procedural protections.
11. A copy of the *Objection of The United States of America to the Debtors’ Motion for an Order (I) Establishing Bidding, Noticing, and Assumption and Assignment Procedures, (II) Approving Certain Transaction Steps, (III) Approving the Sale of Substantially all of the Debtors’ Assets and (IV) Granting Related Relief – and Memorandum of law in Support of Motion to Appoint Chapter 11 Trustee* filed on July 18, 2023 is attached as Exhibit “E” to the Supplemental Siminovitch Affidavit. A copy of the *Amended Objection of United States Trustee to Order Approving the Sale of Substantially all of the Debtors’ Assets* filed on July 18, 2023 is attached as Appendix “H”.
12. The Debtors, the Ad Hoc First Lien Group, the Committees, and the Multi-State EC have each filed detailed replies to the objections to the Debtors’ motion for the proposed Sale Order, including those of the US Trustee and the Department of Justice. Such replies contextualize certain of the objections to the proposed Sale Order and the relief sought by the Representative Plaintiff pursuant to the proposed Appointment Order.
13. For instance, the *Reply of the Official Committee of Opioid Claimants in Support of Entry of the Revised Proposed Order (A) Approving the Purchase and Sale Agreement, (B) Authorizing the Sale of Assets, (C) Authorizing the Assumption and Assignment of Contracts and Leases, and (D) Granting Related Relief* filed on July 26, 2023 (the “OCC’s Reply”) notes that:
 - a) the OCC’s mandate within the Chapter 11 Proceedings is to “advocate for the interests of Opioid Claimants—**as a whole**—and to do whatever is possible to further the efforts of obtaining compensation for victims and abating the opioid crisis”;

- b) the “OCC’s obligation, as a fiduciary for Opioid Claimants was to maximize value for Opioid Claimants **as a whole** and not for any particular Opioid Claimant(s), and then to ensure that any allocation of that value was fair and reasonable. The OCC has more than fulfilled this role, and views the Sale—**and every aspect of the Sale Order**—as in the best interests of all Opioid Claimants”;
 - c) the proposed Sale “and the various trusts to be established by the Purchaser, represent the best available outcome for Opioid Claimants, taken as a whole”;
 - d) the proposed Sale, including the resolution memorialized in the OCC Resolution Term Sheet “is manifestly in the best interests of Opioid Claimants taken as a whole and represents an outcome vastly superior to any other currently achievable alternative in these Chapter 11 Cases”; and
 - e) the “OCC has not settled any of the underlying potential claims or causes of action contained in the complaints attached to the Joint Standing Motion” and has “retained the right to pursue standing to bring the causes of action set forth in the Joint Standing Motion [...] or any other claims that the OCC may determine are in the best interests of Opioid Claimants to pursue”.
14. *The Official Committee of Unsecured Creditors’ Reply to Sale Objections* filed on July 26, 2023 (the “UCC’s Reply”) similarly explains that:
- a) the “Sale reflected in the revised Sale Order now enjoys near universal support”;
 - b) the resolution reflected in the UCC Resolution Term Sheet was “negotiated by the Committee as a fiduciary for *all* general unsecured creditors, and the Committee concluded, on the basis of substantial analysis, that the Sale is the best outcome here for non-opioid general unsecured creditors *as a whole*”; and
 - c) the UCC’s conclusion with respect to the UCC Resolution Term Sheet and the proposed Sale is informed by “the Committee’s extensive investigation of estate claims, its consideration of alternatives (including a chapter 11 plan), its evaluation of the benefits and risks of continued litigation, and its participation in a months’-long mediation among sophisticated and adverse parties that was overseen by an esteemed and experienced mediator.”
15. Finally, the *Reply of the Ad Hoc First Lien Group in Support of the Debtors’ Sale Motion* filed on July 26, 2023 (the “Ad Hoc Group’s Reply”) notes that:
- a) the Sale Process has confirmed that “the value of the Debtors’ assets is significantly less than the full amount of the Prepetition First Lien Indebtedness and, accordingly, there is no value available for unsecured creditors under any scenario”;

- b) the “Prepetition First Lien Secured Parties consented to the Debtors’ use of their Cash Collateral from the outset of these Chapter 11 Cases—critically, in exchange for and in reliance on the specific stipulations and challenge procedures embodied in the Cash Collateral Order”, which Cash Collateral Order “including the Debtors’ Stipulations as to, *inter alia*, the validity of the Prepetition First Liens, is binding upon the Debtors and ‘all other parties in interest’”; and
 - c) the “stipulations, admissions, waivers, and releases in the Cash Collateral Order, including the Debtors’ Stipulations, are binding on *all* parties in interest, and the *only* exception is for those parties that properly sought standing before the expiration of the applicable Challenge Period. The Committees are the only parties that filed a motion seeking standing to challenge the Prepetition First Liens.”
16. A copy of the OCC’s Reply is attached to the Axell Affidavit as Exhibit “P”. Copies of the UCC’s Reply and the Ad Hoc First Lien Group’s Reply are attached as Appendices “I” and “J”, respectively.
 17. The US Trustee’s and the Department of Justice’s respective objections to the proposed Sale Order and the Sale continue to be subject to the Mediation and, as previously noted, have not yet been considered by the US Court. Moreover, the Department of Justice’s objection to the proposed Sale Order and the Sale is now subject to a proposed resolution between the Department of Justice and the Ad Hoc First Lien Group, as reflected in the *Notice of Filing of Term Sheet* filed on November 20, 2023 (the “USG Term Sheet”). The resolution contemplated under the USG Term Sheet may be effectuated by way of the proposed Sale or a chapter 11 plan and remains subject to, among other things, certain requisite approvals and definitive documentation. A copy of the USG Term Sheet is attached to the Axell Affidavit as Exhibit “U”.
 18. The Information Officer will provide additional information regarding the Sale in connection with any motion brought by the Foreign Representative for the recognition and enforcement of the Sale Order (should it be granted by the US Court).

4.0 The Representative Plaintiff’s Request for the Appointment Order

1. The Representative Plaintiff is the putative class plaintiff in an uncertified class action instituted in the Quebec Superior Court on May 23, 2019, bearing Court File No. 500-06-001004-197 (the “Quebec Class Action”). The Proposed Representative Counsel jointly act as counsel to the Representative Plaintiff. A copy of the Re-Amended Application Dated September 30, 2022 for Authorization to Institute a Class Action (the “Authorization Application”) is attached as Exhibit “A” to the Siminovitch Affidavit.

2. The Quebec Class Action names Paladin, among numerous other pharmaceutical companies, as a defendant. The Quebec Class Action was disclosed in the First Vas Affidavit, together with seven other Canadian opioid lawsuits to which Paladin and/or the Canadian Litigation Defendants are party. In the Quebec Class Action, the Representative Plaintiff seeks compensatory damages of \$30,000 to be paid to each proposed class member as well as the amount of \$25 million in punitive damages to be paid by each of the defendants named in the Authorization Application.²³ As noted in the Siminovitch Affidavit, the Quebec Class Action is currently stayed as against Paladin in accordance with the First Supplemental Order (and previously, the Interim Order).
3. Pursuant to the proposed Appointment Order, the Representative Plaintiff seeks its and the Proposed Representative Counsel's appointment in the Recognition Proceedings and, if necessary, the Chapter 11 Proceedings, to represent the interests of the Canadian Personal Injury Claimants. The Representative Plaintiff's stated purpose for doing so pursuant to its notice of motion is, in part, to:
 - a) ensure that the interests of Canadian Personal Injury Claimants are protected;
 - b) allow the Proposed Representative Counsel to engage with the Canadian Debtors and the Information Officer to ascertain the nature of the Canadian Debtors' guarantee of Endo's indebtedness;
 - c) revoke this Court's recognition of the Chapter 11 Proceedings in the event that the Canadian Debtors are not responsible for Endo's indebtedness; and
 - d) engage with the OCC to negotiate a process that ensures the fair treatment of the Canadian Personal Injury Claimants within the PPOC Trust.
4. Additional information concerning the Representative Plaintiff's motion for the Appointment Order is set out within the Siminovitch Affidavit and the Supplemental Siminovitch Affidavit. Certain of the events preceding the Representative Plaintiff's motion for the proposed Appointment Order as well as the Information Officer's views and recommendation with respect to the proposed Appointment Order are set out below.

²³ The Authorization Application indicates that the Representative Plaintiff seeks to institute the Quebec Class Action on behalf of all persons in Quebec who have been prescribed and consumed any one or more of the opioids manufactured, marketed, distributed and/or sold by the defendants to the Quebec Class Action between 1996 and the present day and who suffer or have suffered from Opioid Use Disorder, according to the diagnostic criteria described in the Authorization Application (inclusive of the direct heirs of any deceased persons who meet the aforementioned criteria but, exclusive of any person's claim, or any portion thereof, in respect of the drugs OxyContin or OxyNeo, subject to a settlement agreement entered into in the Court File No. 200-06-000080-070).

4.1 Certain Events Preceding the Representative Plaintiff's Motion for the Appointment Order

1. The Representative Plaintiff, through the Proposed Representative Counsel, was advised of the commencement of the Chapter 11 Proceedings and the Canadian Recognition Proceedings more than 15 months ago on August 23, 2022 by way of email to counsel in the Quebec Class Action and the Honourable Justice Morrison (the "August 23 Notice"). Since the delivery of the August 23 Notice, the Representative Plaintiff has not taken any formal steps in the Recognition Proceedings or, to the Information Officer's knowledge, the Chapter 11 Proceedings, until serving its notice of motion for the proposed Appointment Order on October 16, 2023. A copy of the August 23 Notice is attached to the Axell Affidavit as Exhibit "N".
2. The Proposed Representative Counsel first contacted counsel to the Information Officer by email on December 1, 2022 to inquire as to how it may be added to a service list within the Chapter 11 Proceedings. By responding email dated December 2, 2022, counsel to the Information Officer provided information to the Proposed Representative Counsel regarding certain resources and contact details that would assist it in remaining apprised of these Proceedings. Such information included directions on subscribing to the Docket such that the Proposed Representative Counsel could receive daily updates regarding the materials filed in the Chapter 11 Proceedings. A copy of the aforementioned correspondence is attached as Appendix "K".
3. On June 28, 2023, the Proposed Representative Counsel contacted a representative of the Information Officer by email to raise inquiries regarding the PPOC Trust, the filing of a proof of claim in the Chapter 11 Proceedings and measures taken to protect the assets of Paladin (the "June 28 Email"). Following certain responding emails between the Information Officer's counsel and the Proposed Representative Counsel on June 28, 2023 (collectively, the "June 28 Responding Emails"), a call was scheduled to discuss the inquiries raised by the Proposed Representative Counsel on June 29, 2023. Copies of the June 28 Email and the June 28 Responding Emails are attached as Appendices "L" and "M", respectively.
4. By letter dated June 30, 2023 (the "June 30 Letter"), the Proposed Representative Counsel advised the Information Officer of its concerns regarding, among other things, the treatment of the Canadian creditors of Paladin and the validity of the secured guarantees granted by the Canadian Debtors. A copy of the June 30 Letter is attached as Appendix "N".
5. At the request of the Proposed Representative Counsel, the Information Officer's counsel forwarded the June 30 Letter to the Canadian Debtors' counsel, who confirmed that it would, in turn, forward the June 30 Letter to the Debtors' counsel. The Information Officer confirmed having done so by email dated July 4, 2023 (the "July 4 Email"). In the July 4 Email, the Information Officer also advised the Proposed Representative Counsel that the Canadian Debtors' counsel intended to contact the Proposed Representative Counsel separately to discuss the issues raised in the June 30 Letter. A copy of the July 4 Email is attached as Appendix "O".

6. On July 11, 2023, the Canadian Debtors' counsel delivered a letter to the Proposed Representative Counsel in response to the June 30 Letter (the "July 11 Letter"). In the July 11 Letter, the Canadian Debtors' counsel noted, among other things, that: (i) the OCC already acted as a fiduciary for Canadian Personal Injury Claimants; (ii) the OCC had already negotiated the PPOC Trust, which would achieve a recovery for present private opioid claimants in circumstances where Endo was unable to repay in full its first lien indebtedness; (iii) the Committees had already extensively investigated the validity and enforceability of the security interests and liens granted by the Prepetition Secured Parties; (iv) given the role of the OCC, the Canadian Debtors would oppose any motion to appoint the Proposed Representative Counsel to represent the interests of Canadian Personal Injury Claimants; and (v) any representative counsel motion would need to proceed at first instance before the US Court overseeing the Chapter 11 Proceedings. A copy of the July 11 Letter is attached to the Axell Affidavit as Exhibit "V".
7. On July 18, 2023, the Proposed Representative Counsel contacted the Canadian Debtors' counsel by email to request that it be provided with the guarantees, deeds of hypothec and security agreements (collectively, the "Guarantee and Security Documents") executed in connection with the Canadian Debtors' guarantee of the Prepetition First Lien Indebtedness. By emails dated July 20 and 24, 2023 (together, the "July Emails"), counsel to the Canadian Debtors provided the Guarantee and Security Documents requested by the Proposed Representative Counsel. Copies of the July Emails are attached as Exhibit "O" to the Axell Affidavit.
8. The Information Officer is not aware of any further correspondence from, or requests made by, the Proposed Representative Counsel between July 24, 2023 and October 16, 2023 (being the date when the Representative Plaintiff served its motion for the Appointment Order). In that time, the Information Officer has not been apprised of any particular concerns regarding the validity or enforceability of the Guarantee and Security Documents.
9. The Information Officer's Ontario counsel has conducted a preliminary review of the Guarantee and Security Documents, and is of the view that, subject to customary qualifications and assumptions, the (i) Guarantee and Security Documents, on their face, constitute valid and binding obligations of the Canadian Debtors, and (ii) create valid security interests in the property of the Canadian Debtors described therein.²⁴

²⁴ The Information Officer and its counsel have not conducted an independent review of the issues raised by the Proposed Representative Counsel in the June 30 Letter and no security opinions have been rendered to date. The Information Officer expects to request that its counsel, and its counsel's local provincial agents, deliver security opinions in connection with any motion brought by the Foreign Representative for the recognition and enforcement of the Sale Order (should it be granted by the US Court).

4.2 Recommendation

1. For the reasons that follow, the Information Officer respectfully recommends that this Court dismiss the Representative Plaintiff's motion for the proposed Appointment Order.
2. The Proposed Representative Counsel and the Foreign Representative do not agree on the source of this Court's jurisdiction to appoint representative counsel in a proceeding, such as the Recognition Proceedings, that has been recognized as a "foreign main proceeding" under Part IV of the CCAA. Nor do the Proposed Representative Counsel and the Foreign Representative agree upon this Court's jurisdiction to appoint representative counsel to act in a "foreign main proceeding", such as the Chapter 11 Proceedings, absent the approval of the applicable foreign court, as is contemplated under the proposed Appointment Order.
3. The Proposed Representative Counsel and the Foreign Representative do, however, agree that this Court has broad jurisdiction to grant any order it considers appropriate in the Recognition Proceedings. The exercise of such jurisdiction is discretionary and is informed by the circumstances of the Recognition Proceedings and the purposes of the CCAA, including the purposes of Part IV of the CCAA.²⁵ As the Proposed Representative Counsel and the Foreign Representative also agree, the exercise of this Court's discretion may be informed by the non-exhaustive factors articulated in *Canwest Publishing Inc.* ("*Canwest*"), and applied in other plenary proceedings under the CCAA.²⁶ The non-exhaustive factors set out in *Canwest* include the position of the Court-appointed officer with respect to the proposed appointment of representative counsel.²⁷
4. The Information Officer supports the arguments raised in the Foreign Representative's factum, but has focused in this Report on factual matters relating to the relief sought as well as the Information Officer's position with respect to the relief.

²⁵ The Information Officer notes that section 44 of the CCAA provides, in relevant part, that "[t]he purpose of this Part is to provide mechanisms for dealing with cases of cross-border insolvencies and to promote (a) cooperation between the courts and other competent authorities in Canada with those of foreign jurisdictions in cases of cross-border insolvencies; cooperation between the courts and other competent authorities in Canada with those of foreign jurisdictions in cases of cross-border insolvencies; (b) greater legal certainty for trade and investment; (c) the fair and efficient administration of cross-border insolvencies that protects the interests of creditors and other interested persons, and those of debtor companies; (d) the protection and the maximization of the value of debtor company's property; and (e) the rescue of financially troubled businesses to protect investment and preserve employment."

²⁶ [Canwest Publishing Inc., 2010 ONSC 1328](#) at para 21.

²⁷ *Ibid.* The Information Officer notes that the non-exhaustive factors enumerated in *Canwest* also include: (i) the vulnerability and resources of the group sought to be represented; (ii) any benefit to the companies under CCAA protection; (iii) any social benefit to be derived from representation of the group; (iv) facilitation of the administration of the proceedings and efficiency; (v) avoidance of a multiplicity of legal retainers; (vi) the balance of convenience and whether it is fair and just including to the creditors of the estate; and (vii) whether representative counsel has already been appointed for those who have similar interests to the group seeking representation and who is also prepared to act for the group seeking the order.

5. Having regard to the principles of comity underpinning Part IV of the CCAA and the non-exhaustive factors enumerated in *Canwest*, the Information Officer is of the view that the proposed Appointment Order is not appropriate in the circumstances. In particular, the Information Officer notes that:

The Principles of Comity:

- a) The principle of comity, as reflected in part in section 44 of the CCAA, dictates that Canadian courts cooperate with, and recognize and enforce the judicial acts of, other jurisdictions, where those jurisdictions have assumed jurisdiction on a basis consistent with principles of order, predictability, and fairness.
- b) In this case, this Court has already determined that the Canadian Debtors' "centre of main interest" is in the U.S. and that the Chapter 11 Proceedings are a "foreign main proceeding" under Part IV of the CCAA.
- c) Consistent with the foregoing determinations, the Chapter 11 Proceedings, and the Mediation ordered by the US Court therein, have served as the central forum in which the Debtors and their various stakeholders, including Canadian stakeholders, have sought and obtained relief and raised objections for the US Court's consideration. Certain of the stated objectives for the Representative Plaintiff's and the Proposed Representative Counsel's appointment are precluded by or appear to have the effect of circumventing orders granted in the US Court (and in some cases recognized by this Court).
- d) Further, certain of the concerns raised by the Representative Plaintiff are premised on matters that have not yet been considered by the US Court, including the resolution achieved by the OCC and memorialized in the OCC Resolution Term Sheet.
- e) For the above-mentioned reasons, the Information Officer is of the view that the appropriate forum for such relief is the Chapter 11 Proceedings, and that its resolution by the US Court will promote judicial efficiency.

The Vulnerability and Resources of the Canadian Personal Injury Claimants:

- a) It does not appear to the Information Officer that any party disputes that Canadian Personal Injury Claimants, like all other Opioid Claimants of which they are a part, are a vulnerable group. Indeed, it is in part for this reason that the US Trustee appointed the OCC in the Chapter 11 Proceedings.
- b) The Information Officer is not aware of any factors that differentiate the vulnerability of Canadian Personal Injury Plaintiffs from other Opioid Claimants so as to warrant the appointment of separate or additional counsel.

The Benefits to the Canadian Debtors or the Debtors (if any) and the Facilitation of the Recognition Proceedings and the Chapter 11 Proceedings:

- a) These Proceedings are now well advanced having been ongoing for more than 15 months.
- b) Based on the stated objectives for the Representative Plaintiff's and the Proposed Representative Counsel's appointment, the Siminovitch Affidavit and the Supplemental Siminovitch Affidavit, it is not clear that the Representative Plaintiff and the Proposed Representative Counsel have received a mandate or request to act from a group of Canadian Injury Personal Claimants. Moreover, if such a mandate exists, it is unclear as to whether there is practically much for the Proposed Representative Counsel to accomplish.
- c) As noted above, (i) the claims process in the Chapter 11 Proceedings, which has been recognized by this Court and by which the Canadian Injury Personal Claimants are bound, has been conducted and the Bar Dates have passed, (ii) the Challenge Period has elapsed and the Committees have taken the requisite steps to protect their rights to pursue the Challenge Complaints, which remain in abeyance and have neither been settled nor released, and (iii) the OCC has negotiated a resolution for the benefit of all Opioid Claimants that timely filed proofs of claim and elect to participate in the PPOC Trust.
- d) In the Information Officer's view, there is little to suggest that the Representative Plaintiff and the Proposed Representative Counsel will, if appointed, be able to take steps that are facilitative (and not disruptive) in these Proceedings or achieve a different outcome for Canadian Personal Injury Claimants given the advanced stage of these Proceedings.
- e) In addition, in the Information Officer's view, there is nothing to preclude the Representative Plaintiff and the Proposed Representative Counsel from continuing to engage and appear in these Proceedings on their own behalf absent the Appointment Order in compliance with existing orders of the US Court and this Court.

The Avoidance of a Multiplicity of Legal Retainers:

- a) While there may be no other Canadian counsel appointed in respect of Opioid Claimants, this is not a plenary CCAA proceeding nor a case in which the appointment of representative counsel will avoid a multiplicity of legal retainers, improving efficiencies and simplifying these Proceedings. To the contrary, the Information Officer's view is that the appointment of the Proposed Representative Counsel and the Representative Plaintiff is duplicative of the OCC's role and that of its legal and financial advisors.

The Balance of the Convenience and Whether it is Just and Fair:

- a) The OCC has been appointed to act as the fiduciary of all Opioid Claimants since September 2, 2022 in recognition of the outsized role that the Company's potential opioid liabilities played in the Debtors' decision to commence the Chapter 11 Proceedings, and the importance of providing Opioid Claimants with the ability to participate in the Chapter 11 Proceedings by and through an official committee.
- b) Since its appointment and as discussed in this Report, the OCC has taken numerous steps to ensure that the interests and concerns of Opioid Claimants, as a whole, are raised in the Chapter 11 Proceedings and reflected in the US Court's orders that have been or may be recognized in the Recognition Proceedings.
- c) The Debtors and their various stakeholders have taken steps in these Proceedings based on the OCC's objections and articulated concerns.
- d) The Representative Plaintiff and the Proposed Representative Counsel have not, to date, formally participated in these Proceedings and, as noted previously, appear to be precluded from advancing certain of their stated objectives if appointed.
- e) If this Court is of the view that further inquiries need to be made to address the Representative Plaintiff's concerns, the Information Officer is well-positioned to pursue them.
- f) In all the circumstances, the Information Officer is of the view that the balance of convenience favours the Foreign Representative that opposes the granting of the proposed Appointment Order.

Whether Representative Counsel has Already Been Appointed:

- a) Shortly after the Chapter 11 Proceedings' inception, the US Trustee appointed two fiduciaries to advance and safeguard the interests of unsecured creditors. First, the UCC with respect to non-opioid-related creditors. Second, the OCC with respect to opioid-related creditors. Each of the UCC and the OCC are comprised of multiple representatives and have the benefit of sophisticated legal and financial advisors.
- b) The OCC's mandate involves maximizing value for all Opioid Claimants, wherever located.

- c) In furtherance of its mandate, the OCC has: (i) conducted an extensive investigation of estate claims; (ii) in conjunction with the UCC, advanced the Joint Standing Motion within the Challenge Period; (iii) filed objections in the Chapter 11 Proceedings to ensure that the interests of Opioid Claimants are protected; (iv) engaged in the Mediation; and (v) negotiated the resolution memorialized in the OCC Resolution Term Sheet that is expected to result in the PPOC Trust to be funded in the amount of \$119.2 million, in which the Canadian Personal Injury Claimants that timely filed proofs of claim will be eligible to participate.
- d) Therefore, a representative and their counsel has already been appointed for the benefit of Opioid Claimants, including Canadian Personal Injury Claimants, and has been actively engaged, and obtained material benefits, in the Chapter 11 Proceedings on their behalf.

5.0 Overview of the Information Officer's Activities

1. Since the date of the Third Report, the activities of the Information Officer have included, among other things:
 - a) corresponding with the Canadian Debtors' counsel, and Bennett Jones LLP, the Information Officer's counsel, regarding various matters in these Proceedings;
 - b) monitoring the Docket and attending hearings of the US Court in the Chapter 11 Proceedings via telephone to remain apprised of material updates therein;
 - c) reviewing amendments to the Bar Date Order;
 - d) reviewing the proposed Sale Order and the various ancillary documents filed in connection therewith;
 - e) reviewing the declarations filed in support of the proposed Sale Order;
 - f) reviewing the numerous objections filed in connection with the proposed Sale Order and the replies thereto;
 - g) reviewing the Voluntary Canadian Government Term Sheet, the Voluntary Public School Districts Term Sheet, and the USG Term Sheet;
 - h) corresponding with certain of the Canadian Debtors' creditors and their counsel, including, the Proposed Representative Counsel and Canadian counsel to certain of the DMPs;
 - i) engaging in discussions with management to the Canadian Debtors and assisting the Canadian Debtors with certain creditor matters; and
 - j) preparing this Report.

6.0 Conclusion and Recommendation

1. Based on the foregoing, the Information Officer recommends that this Court deny the relief sought by the Representative Plaintiff pursuant to the Appointment Order.

* * *

All of which is respectfully submitted,

A handwritten signature in blue ink that reads "KSV Restructuring Inc." The signature is written in a cursive, flowing style.

**KSV RESTRUCTURING INC. AS
INFORMATION OFFICER OF PALADIN LABS CANADIAN HOLDING INC.
AND PALADIN LABS INC.,
AND NOT IN ITS PERSONAL CAPACITY**

Appendix “C”

Class	Claim or Interest	Treatment / Impairment / Entitlement to Vote
1	Priority Non-Tax Claims	<p>Except to the extent that a holder of an Allowed Priority Non-Tax Claim agrees to less favorable treatment, on the later of (i) the Effective Date; and (ii) the date that is 30 days after the date such Priority Non-Tax Claim becomes an Allowed Claim or, in each case, as soon as reasonably practicable thereafter, each holder of an Allowed Priority Non-Tax Claim shall receive, in full and final satisfaction, settlement, release, and discharge of, and in exchange for, such holder's Allowed Priority Non-Tax Claim, (1) Cash in an amount equal to such Allowed Priority Non-Tax Claim; or (2) such other treatment that shall render such claim Unimpaired under the Bankruptcy Code.</p> <p>Impairment: Unimpaired</p> <p>Entitlement to Vote: No (conclusively presumed to accept)</p>
2	Other Secured Claims	<p>Except to the extent that a holder of an Allowed Other Secured Claim against the Debtors agrees to a less favorable treatment of such Claim, each holder of an Allowed Other Secured Claim shall receive, in full and final satisfaction, settlement, release, and discharge of, and in exchange for such Claim, at the sole option of the Debtors or the applicable Post-Emergence Entities, as applicable: (i) Cash in an amount equal to such Claim, payable on the later of (1) the Effective Date; (2) the date that is a maximum of 30 days after the date on which such Other Secured Claim becomes an Allowed Other Secured Claim; or (3) such other date as agreed to by the Debtors or the applicable Post-Emergence Entities, as applicable, and such holder, or as soon after the applicable of the foregoing clause (1), (2), or (3) as is reasonably practicable; (ii) delivery of collateral securing any such Claim and payment of any interest required under section 506(b) of the Bankruptcy Code; or (iii) such other treatment rendering such holder's Allowed Other Secured Claim Unimpaired under the Bankruptcy Code; provided, that, Other Secured Claims that arise in the ordinary course of the Debtors' business and that are not due and payable on or before the Effective Date shall be paid in the ordinary course of business in accordance with the terms thereof.</p> <p>Impairment: Unimpaired</p> <p>Entitlement to Vote: No (conclusively presumed to accept)</p>

Class	Claim or Interest	Treatment / Impairment / Entitlement to Vote
3	First Lien Claims	<p>Except to the extent that a holder of an Allowed First Lien Claim agrees to less favorable treatment, on the Effective Date, each holder of an Allowed First Lien Claim shall receive, in full and final satisfaction, settlement, release, and discharge of, and in exchange for such Claim, such holder's pro rata share of:</p> <ul style="list-style-type: none"> (i) 96.30% of the Purchaser Equity (subject to dilution by any issuances of Purchaser Equity under or pursuant to (1) the Rights Offerings and the Backstop Commitment Agreements; and (2) the Management Incentive Plan); (ii) (1) if the Exit Minimum Cash Sweep Trigger occurs, Cash from the Exit Minimum Cash Sweep; and/or (2) the net proceeds of the Syndicated Exit Financing, if any, after giving effect to the transactions occurring on the Effective Date; and/or (3) the New Takeback Debt; (iii) the First Lien Accrued and Unpaid Adequate Protection Payments; and (iv) the First Lien Subscription Rights. <p>Impairment: Impaired</p> <p>Entitlement to Vote: Yes</p>
4(A)	Second Lien Deficiency and Unsecured Notes Claims	<p>Except to the extent that a holder of a Second Lien Deficiency Claim or Unsecured Notes Claim agrees to less favorable treatment, in full and final satisfaction, settlement, release, and discharge of, and in exchange for the Second Lien Deficiency Claims and Unsecured Notes Claims, the GUC Trust shall receive the GUC Trust Consideration in accordance with the GUC Trust Documents, and</p> <ul style="list-style-type: none"> (i) holders of Allowed Second Lien Deficiency Claims and Allowed Unsecured Notes Claims shall receive GUC Subscription Rights; provided, that, the exercise of such GUC Subscription Rights shall be subject to the terms and conditions set forth in the GUC Rights Offering Documents; and (ii) on the Effective Date, each Second Lien Deficiency Claim and each Unsecured Notes Claim shall automatically, and without further act, deed, or court order, be channeled exclusively to the GUC Trust pursuant to Section 10.9 of the Plan, and all of the Debtors' liability for such Claim shall be assumed by, the GUC Trust and such Claim shall thereafter be asserted exclusively against the GUC Trust. The sole recourse of any holder of a Second Lien Deficiency Claim or an Unsecured Notes Claim on account thereof shall be to the GUC Trust and only in accordance with the terms, provisions, and procedures of the GUC Trust Documents, which shall provide that such Claims shall be Allowed in the amounts set forth above and administered by the GUC Trust and holders of Allowed Second Lien Deficiency Claims and

Class	Claim or Interest	Treatment / Impairment / Entitlement to Vote
		<p>Allowed Unsecured Notes Claims shall receive:</p> <ul style="list-style-type: none"> (1) such holders' applicable share of the GUC Trust Purchaser Equity; and (2) such holders' pro rata share of GUC Trust Class A Units. <p><i>Incremental Trust Distributions in Exchange for Granting GUC Releases.</i> The procedures governing Distributions set forth in the GUC Trust Documents shall provide for an additional payment by the GUC Trust to any holder of an Allowed Second Lien Deficiency Claim or Allowed Unsecured Notes Claim who is entitled to receive a Distribution from the GUC Trust and who grants or is deemed to grant, as applicable, the GUC Releases. Such additional payment from the GUC Trust shall be in exchange for such holder's granting or being deemed to grant, as applicable, the GUC Releases and shall be calculated by multiplying (i) the amount of any Distribution to be made to such holder pursuant to Section 4.4(e)(ii) of the Plan, by (ii) a multiplier of 4x. Notwithstanding the foregoing, Section 4.4(f) of the Plan shall not apply with respect to GUC Subscription Rights or any Purchaser Equity issued or distributed as a result of the exercise of GUC Subscription Rights as contemplated by Section 4.4(e)(i) of the Plan.</p> <p>Impairment: Impaired</p> <p>Entitlement to Vote: Yes</p>
4(B)	Other General Unsecured Claims	<p>Except to the extent that a holder of an Other General Unsecured Claim agrees to less favorable treatment, on the Effective Date, in full and final satisfaction, settlement, release, and discharge of, and in exchange for the Other General Unsecured Claims, (i) the GUC Trust shall receive the GUC Trust Consideration in accordance with the GUC Trust Documents; and (ii) each Other General Unsecured Claim shall automatically, and without further act, deed, or court order, be channeled exclusively to the GUC Trust pursuant to Section 10.9 of the Plan, and all of the Debtors' liability for such Claim shall be assumed by the GUC Trust, and such Other General Unsecured Claim shall thereafter be asserted exclusively against the GUC Trust and treated solely in accordance with the terms, provisions, and procedures of the GUC Trust Documents, which shall provide that Other General Unsecured Claims shall be either Allowed and administered by the GUC Trust or otherwise Disallowed and released in full. Holders of Allowed Other General Unsecured Claims shall receive a recovery, if any, from the GUC Trust Consideration. The sole recourse of any holder of an Other General Unsecured Claim on account thereof shall be to the GUC Trust and only in accordance with</p>

Class	Claim or Interest	Treatment / Impairment / Entitlement to Vote
		<p>the terms, provisions, and procedures of the GUC Trust Documents.</p> <p><i>Incremental Trust Distributions in Exchange for Granting GUC Releases.</i> The procedures governing Distributions set forth in the GUC Trust Documents shall provide for an additional payment by the GUC Trust to any holder of an Allowed Other General Unsecured Claim who is entitled to receive a Distribution from the GUC Trust and who grants or is deemed to grant, as applicable, the GUC Releases. Such additional payment from the GUC Trust shall be in exchange for such holder granting or being deemed to grant, as applicable, the GUC Releases and shall be calculated by multiplying (i) the amount of any Distribution to be made to such holder pursuant to the GUC Trust Documents, by (ii) a multiplier of 4x. Notwithstanding the foregoing, Section 4.5(d) of the Plan shall not apply with respect to GUC Subscription Rights or any Purchaser Equity issued or distributed as a result of the exercise of GUC Subscription Rights.</p> <p>Impairment: Impaired</p> <p>Entitlement to Vote: Yes</p>
4(C)	Mesh Claims	<p>Except to the extent that a holder of a Mesh Claim agrees to less favorable treatment, on the Effective Date, in full and final satisfaction, settlement, release, and discharge of, and in exchange for the Mesh Claims, (i) the GUC Trust shall receive the GUC Trust Consideration, including the Mesh Claims Trust Consideration, in accordance with the Mesh Claims Trust Documents; and (ii) each Mesh Claim shall automatically, and without further act, deed, or court order, be channeled exclusively to the GUC Trust pursuant to Section 10.9 of the Plan, and all of the Debtors' liability for such Claim shall be assumed by the GUC Trust. Mesh Claims shall be exclusively handled by the Mesh Claims Trust, which shall be funded with the Mesh Claims Trust Consideration in accordance with the Mesh Claims Trust Documents, and Mesh Claims shall be treated solely in accordance with the terms, provisions, and procedures of the Mesh Claims Trust Documents, which shall provide that Mesh Claims shall be either Allowed and administered by the Mesh Claims Trust or otherwise Disallowed and released in full. Holders of Allowed Mesh Claims shall receive a recovery, if any, from the Mesh Claims Trust Consideration and shall be entitled to no other asset of the GUC Trust. The sole recourse of any holder of a Mesh Claim on account thereof shall be to the Mesh Claims Trust and only in accordance with the terms, provisions, and procedures of the Mesh Claims Trust Documents.</p>

Class	Claim or Interest	Treatment / Impairment / Entitlement to Vote
		<p><i>Incremental Trust Distributions in Exchange for Granting GUC Releases.</i> The procedures governing Distributions set forth in the Mesh Claims Trust Documents shall provide for an additional payment by the Mesh Claims Trust to any holder of an Allowed Mesh Claim who is entitled to receive a Distribution from the Mesh Claims Trust and who grants or is deemed to grant, as applicable, the GUC Releases. Such additional payment from the Mesh Claims Trust shall be in exchange for such holder granting or being deemed to grant, as applicable, the GUC Releases and shall be calculated by multiplying (i) the amount of any Distribution to be made to such holder pursuant to the Mesh Claims Trust Documents, by (ii) a multiplier of 4x.</p> <p>Impairment: Impaired</p> <p>Entitlement to Vote: Yes</p>
4(D)	Ranitidine Claims	<p>Except to the extent that a holder of a Ranitidine Claim agrees to less favorable treatment, on the Effective Date, in full and final satisfaction, settlement, release, and discharge of, and in exchange for the Ranitidine Claims, (i) the GUC Trust shall receive the GUC Trust Consideration, including the Ranitidine Claims Trust Consideration, in accordance with the Ranitidine Claims Trust Documents; and (ii) each Ranitidine Claim shall automatically, and without further act, deed, or court order, be channeled exclusively to the GUC Trust pursuant to Section 10.9 of the Plan, and all of the Debtors' liability for such Claim shall be assumed by the GUC Trust. Ranitidine Claims shall be exclusively handled by the Ranitidine Claims Trust, which shall be funded with the Ranitidine Claims Trust Consideration in accordance with the Ranitidine Claims Trust Documents, and Ranitidine Claims shall be treated solely in accordance with the terms, provisions, and procedures of the Ranitidine Claims Trust Documents, which shall provide that Ranitidine Claims shall be either Allowed and administered by the Ranitidine Claims Trust or otherwise Disallowed and released in full. Holders of Allowed Ranitidine Claims shall receive a recovery, if any, from the Ranitidine Claims Trust Consideration and shall be entitled to no other asset of the GUC Trust. The sole recourse of any holder of a Ranitidine Claim on account thereof shall be to the Ranitidine Claims Trust and only in accordance with the terms, provisions, and procedures of the Ranitidine Claims Trust Documents.</p> <p><i>Incremental Trust Distributions in Exchange for Granting GUC Releases.</i> The procedures governing Distributions set forth in the Ranitidine Claims Trust Documents shall provide for an additional payment by the Ranitidine Claims Trust to any holder of an Allowed Ranitidine Claim who</p>

Class	Claim or Interest	Treatment / Impairment / Entitlement to Vote
		<p>is entitled to receive a Distribution from the Ranitidine Claims Trust and who grants or is deemed to grant, as applicable, the GUC Releases. Such additional payment from the Ranitidine Claims Trust shall be in exchange for such holder granting or being deemed to grant, as applicable, the GUC Releases and shall be calculated by multiplying (i) the amount of any Distribution to be made to such holder pursuant to the Ranitidine Claims Trust Documents, by (ii) a multiplier of 4x.</p> <p>Impairment: Impaired</p> <p>Entitlement to Vote: Yes</p>
4(E)	Generics Price Fixing Claims	<p>Except to the extent that a holder of a Generics Price Fixing Claim agrees to less favorable treatment, on the Effective Date, in full and final satisfaction, settlement, release, and discharge of, and in exchange for the Generics Price Fixing Claims, (i) the GUC Trust shall receive the GUC Trust Consideration, including the Generics Price Fixing Claims Trust Consideration, in accordance with the Generics Price Fixing Claims Trust Documents; and (ii) each Generics Price Fixing Claim shall automatically, and without further act, deed, or court order, be channeled exclusively to the GUC Trust pursuant to Section 10.9 of the Plan, and all of the Debtors' liability for such Claim shall be assumed by the GUC Trust. Generics Price Fixing Claims shall be exclusively handled by the Generics Price Fixing Claims Trust, which shall be funded with the Generics Price Fixing Claims Trust Consideration in accordance with the Generics Price Fixing Claims Trust Documents, and Generics Price Fixing Claims shall be treated solely in accordance with the terms, provisions, and procedures of the Generics Price Fixing Claims Trust Documents, which shall provide that Generics Price Fixing Claims shall be either Allowed and administered by the Generics Price Fixing Claims Trust or otherwise Disallowed and released in full. Holders of Allowed Generics Price Fixing Claims shall receive a recovery, if any, from the Generics Price Fixing Claims Trust Consideration and shall be entitled to no other asset of the GUC Trust. The sole recourse of any holder of a Generics Price Fixing Claim on account thereof shall be to the Generics Price Fixing Claims Trust and only in accordance with the terms, provisions, and procedures of the Generics Price Fixing Claims Trust Documents.</p> <p><i>Incremental Trust Distributions in Exchange for Granting GUC Releases.</i> The procedures governing Distributions set forth in the Generics Price Fixing Claims Trust Documents shall provide for an additional payment by the Generics Price Fixing Claims Trust to any holder of an Allowed Generics Price Fixing Claim who is entitled to receive a Distribution from</p>

Class	Claim or Interest	Treatment / Impairment / Entitlement to Vote
		<p>the Generics Price Fixing Claims Trust and who grants or is deemed to grant, as applicable, the GUC Releases. Such additional payment from the Generics Price Fixing Claims Trust shall be in exchange for such holder granting or being deemed to grant, as applicable, the GUC Releases and shall be calculated by multiplying (i) the amount of any Distribution to be made to such holder pursuant to the Generics Price Fixing Claims Trust Documents, by (ii) a multiplier of 4x.</p> <p>Impairment: Impaired</p> <p>Entitlement to Vote: Yes</p>
4(F)	Reverse Payment Claims	<p>Except to the extent that a holder of a Reverse Payment Claim agrees to less favorable treatment, on the Effective Date, in full and final satisfaction, settlement, release, and discharge of, and in exchange for the Reverse Payment Claims, (i) the GUC Trust shall receive the GUC Trust Consideration, including the Reverse Payment Claims Trust Consideration, in accordance with the Reverse Payment Claims Trust Documents; and (ii) each Reverse Payment Claim shall automatically, and without further act, deed, or court order, be channeled exclusively to the GUC Trust pursuant to Section 10.9 of the Plan, and all of the Debtors' liability for such Claim shall be assumed by the GUC Trust. Reverse Payment Claims shall be exclusively handled by the Reverse Payment Claims Trust, which shall be funded with the Reverse Payment Claims Trust Consideration in accordance with the Reverse Payment Claims Trust Documents, and Reverse Payment Claims shall be treated solely in accordance with the terms, provisions, and procedures of the Reverse Payment Claims Trust Documents, which shall provide that Reverse Payment Claims shall be either Allowed and administered by the Reverse Payment Claims Trust or otherwise Disallowed and released in full. Holders of Allowed Reverse Payment Claims shall receive a recovery, if any, from the Reverse Payment Claims Trust Consideration and shall be entitled to no other asset of the GUC Trust. The sole recourse of any holder of a Reverse Payment Claim on account thereof shall be to the Reverse Payment Claims Trust and only in accordance with the terms, provisions, and procedures of the Reverse Payment Claims Trust Documents.</p> <p><i>Incremental Trust Distributions in Exchange for Granting GUC Releases.</i> The procedures governing Distributions set forth in the Reverse Payment Claims Trust Documents shall provide for an additional payment by the Reverse Payment Claims Trust to any holder of an Allowed Reverse Payment Claim who is entitled to receive a Distribution from the Reverse Payment Claims Trust and who grants or is deemed to grant, as</p>

Class	Claim or Interest	Treatment / Impairment / Entitlement to Vote
		<p>applicable, the GUC Releases. Such additional payment from the Reverse Payment Claims Trust shall be in exchange for such holder granting or being deemed to grant, as applicable, the GUC Releases and shall be calculated by multiplying (i) the amount of any Distribution to be made to such holder pursuant to the Reverse Payment Claims Trust Documents, by (ii) a multiplier of 4x.</p> <p>Impairment: Impaired</p> <p>Entitlement to Vote: Yes</p>
5	U.S. Government Claims	<p>On the Effective Date, in full and final satisfaction, settlement, release, and discharge of, and in exchange for such Claims, the holders of the U.S. Government Claims shall receive the U.S. Government Resolution Consideration pursuant to and in accordance with the terms of the U.S. Government Resolution Documents.</p> <p>Impairment: Impaired</p> <p>Entitlement to Vote: Yes</p>
6(A)	State Opioid Claims	<p>Except to the extent that a holder of a State Opioid Claim agrees to less favorable treatment, on the Effective Date, in full and final satisfaction, settlement, release, and discharge of, and in exchange for the State Opioid Claims, (i) the Public Opioid Trust shall receive the Public Opioid Consideration in accordance with the Public Opioid Distribution Documents; and (ii) each State Opioid Claim shall automatically, and without further act, deed, or court order, be channeled exclusively to the Public Opioid Trust pursuant to Section 10.9 of the Plan, and all of the Debtors' liability for such Claim shall be assumed by the Public Opioid Trust. The sole recourse of any holder of a State Opioid Claim on account thereof shall be to the Public Opioid Trust and only in accordance with the terms, provisions, and procedures of the Public Opioid Distribution Documents, pursuant to which any holder of a State Opioid Claim that votes to accept the Plan shall be deemed to hold an Allowed State Opioid Claim and shall be eligible to participate in the Public Opioid Trust, in each case, in accordance with the Public Opioid Distribution Documents.</p> <p>Impairment: Impaired</p> <p>Entitlement to Vote: Yes</p>
6(B)	Local Government Opioid Claims	<p>On the Effective Date, in full and final satisfaction, settlement, release, and discharge of, and in exchange for such Claims, holders of Local</p>

Class	Claim or Interest	Treatment / Impairment / Entitlement to Vote
		<p>Government Opioid Claims shall be eligible to receive distributions from their respective State in accordance with such State’s opioid abatement programs, subject to the laws and agreements of such State and such State’s opioid abatement programs. For the avoidance of doubt, the treatment provided with respect to this Class 6(B) shall not prevent any Local Government from participating in its respective State’s opioid abatement programs as provided by and in accordance with applicable State law and agreements, regardless of whether such Local Government filed a Local Government Opioid Claim and/or voted to accept or reject the Plan.</p> <p>Impairment: Impaired</p> <p>Entitlement to Vote: Yes</p>
6(C)	Tribal Opioid Claims	<p>Except to the extent that a holder of a Tribal Opioid Claim agrees to less favorable treatment, on the Effective Date, in full and final satisfaction, settlement, release, and discharge of, and in exchange for the Tribal Opioid Claims, (i) the Tribal Opioid Trust shall receive the Tribal Opioid Consideration in accordance with the Tribal Opioid Distribution Documents; and (ii) each Tribal Opioid Claim shall automatically, and without further act, deed, or court order, be channeled exclusively to the Tribal Opioid Trust pursuant to Section 10.9 of the Plan, and all of the Debtors’ liability for such Claim shall be assumed by the Tribal Opioid Trust. The sole recourse of any holder of a Tribal Opioid Claim on account thereof shall be to the Tribal Opioid Trust and only in accordance with the terms, provisions, and procedures of the Tribal Opioid Distribution Documents, which shall provide that (1) such Claims shall be either Allowed and administered by the Tribal Opioid Trust or otherwise Disallowed and released in full; and (2) holders of Tribal Opioid Claims shall receive the applicable shares of the Tribal Opioid Consideration allocated to such holders as set forth in the Tribal Opioid Distribution Documents, in each case, in accordance with and subject to the terms of the Tribal Opioid Distribution Documents.</p> <p>Impairment: Impaired</p> <p>Entitlement to Vote: Yes</p>

Class	Claim or Interest	Treatment / Impairment / Entitlement to Vote
7(A)	PI Opioid Claims	<p>Except to the extent that a holder of a PI Opioid Claim agrees to less favorable treatment, on the Effective Date, in full and final satisfaction, settlement, release, and discharge of, and in exchange for the PI Opioid Claims, (i) the PI Trust shall receive the PI Trust Share in accordance with the PI Trust Documents; and (ii) each PI Opioid Claim shall automatically, and without further act, deed, or court order, be channeled exclusively to the PPOC Trust pursuant to Section 10.9 of the Plan and subsequently channeled to the PI Trust, and all of the Debtors' liability for such Claim shall be assumed by the PI Trust and such PI Opioid Claim shall be Allowed, Disallowed and released in full, or otherwise resolved, in each case, in accordance with the PI Trust Documents. Holders of Allowed PI Opioid Claims shall receive a recovery, if any, from the PI Trust Share, in each case, in accordance with and subject to the terms of the PI Trust Documents.</p> <p><i>Incremental Trust Distributions in Exchange for Granting Non-GUC Releases.</i> The procedures governing Distributions set forth in the PI Trust Documents shall provide for an additional payment by the PI Trust to any holder of an Allowed PI Opioid Claim who is entitled to receive a Distribution from the PI Trust and who grants or is deemed to grant, as applicable, the Non-GUC Releases. Such additional payment from the PI Trust shall be in exchange for such holder granting or being deemed to grant, as applicable, the Non-GUC Releases and shall be calculated by multiplying (i) the amount of any Distribution to be made to such holder pursuant to the PI Trust Documents, by (ii) a multiplier of 4x.</p> <p>Impairment: Impaired</p> <p>Entitlement to Vote: Yes</p>
7(B)	NAS PI Claims	<p>Except to the extent that a holder of a NAS PI Claim agrees to less favorable treatment, on the Effective Date, in full and final satisfaction, settlement, release, and discharge of, and in exchange for the NAS PI Claims, (i) the NAS PI Trust shall receive the NAS PI Trust Share in accordance with the NAS PI Trust Documents; and (ii) each NAS PI Claim shall automatically, and without further act, deed, or court order, be channeled exclusively to the PPOC Trust pursuant to Section 10.9 of the Plan and subsequently channeled to the NAS PI Trust, and all of the Debtors' liability for such Claim shall be assumed by the NAS PI Trust and such NAS PI Claim shall be Allowed, Disallowed and released in full, or otherwise resolved, in each case, in accordance with the NAS PI Trust Documents. Holders of Allowed NAS PI Claims shall receive a recovery, if any, from the NAS PI Trust Share, in each case, in accordance with and subject to the terms of the NAS PI Trust Documents.</p>

Class	Claim or Interest	Treatment / Impairment / Entitlement to Vote
		<p><i>Incremental Trust Distributions in Exchange for Granting Non-GUC Releases.</i> The procedures governing Distributions set forth in the NAS PI Trust Documents shall provide for an additional payment by the NAS PI Trust to any holder of an Allowed NAS PI Claim who is entitled to receive a Distribution from the NAS PI Trust and who grants or is deemed to grant, as applicable, the Non-GUC Releases. Such additional payment from the NAS PI Trust shall be in exchange for such holder granting or being deemed to grant, as applicable, the Non-GUC Releases and shall be calculated by multiplying (i) the amount of any Distribution to be made to such holder pursuant to the NAS PI Trust Documents, by (ii) a multiplier of 4x.</p> <p>Impairment: Impaired</p> <p>Entitlement to Vote: Yes</p>
7(C)	Hospital Opioid Claims	<p>Except to the extent that a holder of a Hospital Opioid Claim agrees to less favorable treatment, on the Effective Date, in full and final satisfaction, settlement, release, and discharge of, and in exchange for the Hospital Opioid Claims, (i) the Hospital Trust shall receive the Hospital Trust Share in accordance with the Hospital Trust Documents; and (ii) each Hospital Opioid Claim shall automatically, and without further act, deed, or court order, be channeled exclusively to the PPOC Trust pursuant to Section 10.9 of the Plan and subsequently channeled to the Hospital Trust, and all of the Debtors' liability for such Claim shall be assumed by the Hospital Trust and such Hospital Opioid Claim shall be Allowed, Disallowed and released in full, or otherwise resolved, in each case, in accordance with the Hospital Trust Documents. Holders of Allowed Hospital Opioid Claims shall receive a recovery, if any, from the Hospital Trust Share, in each case, in accordance with and subject to the terms of the Hospital Trust Documents.</p> <p><i>Incremental Trust Distributions in Exchange for Granting Non-GUC Releases.</i> The procedures governing Distributions set forth in the Hospital Trust Documents shall provide for an additional payment by the Hospital Trust to any holder of an Allowed Hospital Opioid Claim who is entitled to receive a Distribution from the Hospital Trust and who grants or is deemed to grant, as applicable, the Non-GUC Releases. Such additional payment from the Hospital Trust shall be in exchange for such holder granting or being deemed to grant, as applicable, the Non-GUC Releases and shall be calculated by multiplying (i) the amount of any Distribution to be made to such holder pursuant to the Hospital Trust Documents, by (ii) a multiplier of 4x.</p>

Class	Claim or Interest	Treatment / Impairment / Entitlement to Vote
		<p>Impairment: Impaired</p> <p>Entitlement to Vote: Yes</p>
7(D)	TPP Claims	<p>Except to the extent that a holder of a TPP Claim agrees to less favorable treatment, on the Effective Date, in full and final satisfaction, settlement, release, and discharge of, and in exchange for the TPP Claims, (i) the TPP Trust shall receive the TPP Trust Share in accordance with the TPP Trust Documents; and (ii) each TPP Claim shall automatically, and without further act, deed, or court order, be channeled exclusively to the PPOC Trust pursuant to Section 10.9 of the Plan and subsequently channeled to the TPP Trust, and all of the Debtors' liability for such Claim shall be assumed by the TPP Trust and such TPP Claim shall be Allowed, Disallowed and released in full, or otherwise resolved, in each case, in accordance with the TPP Trust Documents. Holders of Allowed TPP Claims shall receive a recovery, if any, from the TPP Trust Share, in each case, in accordance with and subject to the terms of the TPP PI Trust Documents.</p> <p><i>Incremental Trust Distributions in Exchange for Granting Non-GUC Releases.</i> The procedures governing Distributions set forth in the TPP Trust Documents shall provide for an additional payment by the TPP Trust to any holder of an Allowed TPP Claim who is entitled to receive a Distribution from the TPP Trust and who grants or is deemed to grant, as applicable, the Non-GUC Releases. Such additional payment from the TPP Trust shall be in exchange for such holder granting or being deemed to grant, as applicable, the Non-GUC Releases and shall be calculated by multiplying (i) the amount of any Distribution to be made to such holder pursuant to the TPP Trust Documents, by (ii) a multiplier of 4x.</p> <p>Impairment: Impaired</p> <p>Entitlement to Vote: Yes</p>
7(E)	IERP II Claims	<p>Except to the extent that a holder of an IERP II Claim agrees to less favorable treatment, on the Effective Date, in full and final satisfaction, settlement, release, and discharge of, and in exchange for the IERP II Claims, (i) the IERP Trust II shall receive the IERP Trust II Share in accordance with the IERP Trust II Documents; and (ii) each IERP II Claim shall automatically, and without further act, deed, or court order, be channeled exclusively to the PPOC Trust pursuant to Section 10.9 of the Plan and subsequently channeled to the IERP Trust II, and all of the Debtors' liability for such Claim shall be assumed by the IERP Trust II</p>

Class	Claim or Interest	Treatment / Impairment / Entitlement to Vote
		<p>and such IERP II Claim shall be Allowed, Disallowed and released in full, or otherwise resolved, in each case, in accordance with the IERP Trust II Documents. Holders of Allowed IERP II Claims shall receive a recovery, if any, from the IERP Trust II Share, in each case, in accordance with and subject to the terms of the IERP Trust II Documents.</p> <p><i>Incremental Trust Distributions in Exchange for Granting Non-GUC Releases.</i> The procedures governing Distributions set forth in the IERP Trust II Documents shall provide for an additional payment by the IERP Trust II to any holder of an Allowed IERP II Claim who is entitled to receive a Distribution from the IERP Trust II and who grants or is deemed to grant, as applicable, the Non-GUC Releases. Such additional payment from the IERP Trust II shall be in exchange for such holder granting or being deemed to grant, as applicable, the Non-GUC Releases and shall be calculated by multiplying (i) the amount of any Distribution to be made to such holder pursuant to the IERP Trust II Documents, by (ii) a multiplier of 4x.</p> <p>Impairment: Impaired</p> <p>Entitlement to Vote: Yes</p>
8	Public School District Claims	<p>As of the Effective Date, in full and final satisfaction, settlement, release, and discharge of, and in exchange for, all Allowed Public School District Claims, the Opioid School District Recovery Trust shall be funded with the Opioid School District Recovery Trust Consideration in accordance with the Opioid School District Recovery Trust Governing Documents.</p> <p>Impairment: Impaired</p> <p>Entitlement to Vote: Yes</p>
9	Canadian Provinces Claims	<p>Except to the extent that a holder of a Canadian Provinces Claim agrees to less favorable treatment, on the Effective Date, in full and final satisfaction, settlement, release, and discharge of, and in exchange for the Canadian Provinces Claims, (i) the Canadian Provinces Trust shall receive the Canadian Provinces Consideration in accordance with the Canadian Provinces Distribution Documents, pursuant to which the aggregate amount of Canadian Provinces Consideration shall be subject to adjustment depending on the number of Canadian Provinces that grant or are deemed to grant, as applicable, the Non-GUC Releases; and (ii) each Canadian Provinces Claim shall automatically, and without further act, deed, or court order, be channeled exclusively to the Canadian Provinces Trust pursuant to Section 10.9 of the Plan, and all</p>

Class	Claim or Interest	Treatment / Impairment / Entitlement to Vote
		<p>of the Debtors' liability for such Claim shall be assumed by the Canadian Provinces Trust. The sole recourse of any holder of a Canadian Provinces Claim on account thereof shall be to the Canadian Provinces Trust and only in accordance with the terms, provisions, and procedures of the Canadian Provinces Distribution Documents, which shall provide that (1) such Claims shall be either Allowed and administered by the Canadian Provinces Trust or otherwise Disallowed and released in full; and (2) the Canadian Provinces shall receive the applicable allocated portion of the Canadian Provinces Consideration set forth in the Canadian Provinces Term Sheet except as otherwise agreed between the Debtors, the Required Consenting Global First Lien Creditors, and the Canadian Provinces.</p> <p>Impairment: Impaired</p> <p>Entitlement to Vote: Yes</p>
10	Settling Co-Defendant Claims	<p>The DMP Stipulation and the DMP Stipulation Order are incorporated by reference into the Plan as though fully set forth therein. On the Effective Date, in full and final satisfaction, settlement, release, and discharge of, and in exchange for such Claim, each holder of a Settling Co-Defendant Claim shall receive the treatment set forth in the DMP Stipulation, pursuant to which such Settling Co-Defendant Claims shall be released or subordinated, as applicable, by the applicable Settling Co-Defendants subject to the other terms and conditions of the DMP Stipulation. Notwithstanding anything in the Plan to the contrary, in the event of any inconsistency between any provision in the Plan relating to Settling Co-Defendant Claims and any provision in the DMP Stipulation, the DMP Stipulation shall govern; <i>provided, however, that</i>, notwithstanding anything in the Plan or in the DMP Stipulation or the DMP Stipulation Order to the contrary, nothing in the DMP Stipulation or the DMP Stipulation Order shall affect the discharge provided in <u>Article X</u> of the Plan.</p> <p>Impairment: Impaired</p> <p>Entitlement to Vote: Yes</p>
11	Other Opioid Claims	<p>Except to the extent that a holder of an Other Opioid Claim agrees to less favorable treatment, on the Effective Date, in full and final satisfaction, settlement, release, and discharge of, and in exchange for the Other Opioid Claims, (i) the Other Opioid Claims Trust shall receive the Other Opioid Claims Trust Consideration in accordance with the Other Opioid Claims Trust Documents; and (ii) each Other Opioid Claim shall automatically, and without further act, deed, or court order, be</p>

Class	Claim or Interest	Treatment / Impairment / Entitlement to Vote
		<p>channeled exclusively to the Other Opioid Claims Trust pursuant to Section 10.9 of the Plan, and all of the Debtors' liability for such Claim shall be assumed by the Other Opioid Claims Trust and such Other Opioid Claim shall be Allowed, Disallowed and released in full, or otherwise resolved, in each case, in accordance with the Other Opioid Claims Trust Documents. Holders of Allowed Other Opioid Claims shall receive a recovery, if any, from the Other Opioid Claims Trust Consideration, in each case, in accordance with and subject to the terms of the Other Opioid Claims Trust Documents.</p> <p><i>Incremental Trust Distributions in Exchange for Granting Non-GUC Releases.</i> The procedures governing Distributions set forth in the Other Opioid Claims Trust Documents shall provide for an additional payment by the Other Opioid Claims Trust to any holder of an Allowed Other Opioid Claim who is entitled to receive a Distribution from the Other Opioid Claims Trust and who grants or is deemed to grant, as applicable, the Non-GUC Releases. Such additional payment from the Other Opioid Trust shall be in exchange for such holder granting or being deemed to grant, as applicable, the Non-GUC Releases and shall be calculated by multiplying (i) the amount of any Distribution to be made to such holder pursuant to the Other Opioid Trust Documents, by (ii) a multiplier of 4x.</p> <p>Impairment: Impaired</p> <p>Entitlement to Vote: Yes</p>
12	EFBD Claims	<p>Except to the extent that a holder of an EFBD Claim agrees to less favorable treatment, on the Effective Date, in full and final satisfaction, settlement, release, and discharge of, and in exchange for the EFBD Claims, (i) the EFBD Claims Trust shall receive the EFBD Claims Trust Consideration in accordance with the EFBD Claims Trust Documents; and (ii) each EFBD Claim shall automatically, and without further act, deed, or court order, be channeled exclusively to the EFBD Claims Trust pursuant to Section 10.9 of the Plan, and all of the Debtors' liability for such Claim shall be assumed by the EFBD Claims Trust and such EFBD Claim shall be Allowed, Disallowed and released in full, or otherwise resolved, in each case, in accordance with the EFBD Claims Trust Documents. Holders of Allowed EFBD Claims shall receive a recovery, if any, from the EFBD Claims Trust Consideration, in each case, in accordance with and subject to the terms of the EFBD Claims Trust Documents; <i>provided, that</i>, the amount of any Distribution to a holder of an Allowed EFBD Claim on account of such Allowed EFBD Claim shall not exceed the amount of comparable Distributions provided by another Trust under the Plan to holders of similar Allowed Claims that were filed</p>

Class	Claim or Interest	Treatment / Impairment / Entitlement to Vote
		<p>before the General Bar Date and channeled to such other Trust under the Plan; <i>provided, further, that</i>, the procedures for determining the maximum amount of any Distribution to be made by the EFBD Claims Trust shall be substantially similar to those provided in the Future PI Trust Distribution Procedures.</p> <p><i>Incremental Distributions in Exchange for Granting Non-GUC Releases.</i> The procedures governing Distributions set forth in the EFBD Claims Trust Documents shall provide for an additional payment by the EFBD Claims Trust to any holder of an Allowed EFBD Claim who is entitled to receive a Distribution from the EFBD Claims Trust and who grants or is deemed to grant, as applicable, the Non-GUC Releases. Such additional payment from the EFBD Claims Trust shall be in exchange for such holder granting or being deemed to grant, as applicable, the Non-GUC Releases and shall be calculated by multiplying (i) the amount of any Distribution to be made to such holder pursuant to the EFBD Claims Trust Documents, by (ii) a multiplier of 4x. For the avoidance of doubt, such additional amount shall in no event be greater than the additional amount provided to any holder of an Allowed Present Private Opioid Claim or an Allowed GUC Trust Channeled Claim, as applicable, who received an additional payment in exchange for granting or being deemed to grant, as applicable, the Non-GUC Releases or the GUC Releases, as applicable.</p> <p>Impairment: Impaired</p> <p>Entitlement to Vote: Yes</p>
13	Intercompany Claims	<p>On the Effective Date, each Intercompany Claim shall either be (i) reinstated; or (ii) settled or deemed automatically cancelled, extinguished, and discharged in the discretion of the Debtors, subject to the consent of the Required Consenting Global First Lien Creditors; provided, that, any Intercompany Claims of any Debtor (other than the Transferred Debtors) against any Purchaser Entity shall be cancelled, extinguished, and discharged.</p> <p>Impairment: Unimpaired / Impaired</p> <p>Entitlement to Vote: No (conclusively presumed to accept / deemed to reject)</p>
14	Intercompany Interests	<p>On the Effective Date, each Intercompany Interest shall either be (i) transferred, directly or indirectly, to the applicable Purchaser Entities; (ii) reinstated; or (iii) deemed automatically cancelled, extinguished, and discharged, in each case, in the discretion of the Debtors, subject to the</p>

Class	Claim or Interest	Treatment / Impairment / Entitlement to Vote
		<p>consent of the Required Consenting Global First Lien Creditors.</p> <p>Impairment: Unimpaired / Impaired</p> <p>Entitlement to Vote: No (conclusively presumed to accept / deemed to reject)</p>
15	Subordinated, Recharacterized, or Disallowed Claims	<p>On the Effective Date, each Subordinated, Recharacterized or Disallowed Claim, shall be cancelled, extinguished, and discharged, and each holder thereof shall not receive or retain any property under the Plan on account of such Claim. To the extent that any Claim in Class 15 arising out of or relating to Opioid-Related Activities or any Opioids or Opioid Products manufactured, marketed, or sold by the Debtors, including any Co-Defendant Claim, that is Disallowed pursuant to section 502(e) of the Bankruptcy Code is later Allowed in accordance with section 502(j) of the Bankruptcy Code, on the date of the Allowance of such Claim, such Claim shall automatically be subordinated pursuant to section 509(c) of the Bankruptcy Code and shall therefore be automatically deemed a Subordinated, Recharacterized, or Disallowed Claim and such Claim shall automatically be cancelled, extinguished, and discharged in accordance with Section 4.27(c) of the Plan.</p> <p>Impairment: Impaired</p> <p>Entitlement to Vote: No (deemed to reject)</p>
16	Existing Equity Interests	<p>On the Effective Date, each Existing Equity Interest, shall be cancelled, extinguished, and discharged, subject to applicable law, and each holder thereof shall not receive or retain any property under the Plan on account of such Existing Equity Interest.</p> <p>Impairment: Impaired</p> <p>Entitlement to Vote: No (deemed to reject)</p>