

The pecuniary gain earned by EHSI as a result of the sales of misbranded Reformulated Opana ER was approximately \$543,000,000. Therefore, the advisory Guidelines Fine Range would be \$543,000,000 to \$1,086,000,000.

The statutory maximum fine is \$1,086,000,000.

In addition to imposing a fine on EHSI, the sentencing judge will order EHSI to pay an assessment of \$125, pursuant to Title 18, United States Code, Section 3013, which assessment must be paid by the date of sentencing.

Agreed Disposition

The United States and EHSI agree to recommend and advocate to the Court that, pursuant to Rule 11(c)(1)(C) of the Federal Rules of Criminal Procedure, the appropriate disposition of this case is as follows (the “Agreed Disposition”):

1. FINE: The sentence imposed shall include a criminal fine in the amount of \$1,086,000,000;
2. FORFEITURE: Subject to the terms of this Agreement, the sentence shall include criminal forfeiture in the amount of \$450,000,000 to be satisfied as discussed below;
3. RESTITUTION: No restitution shall be entered because restitution to other persons is not administratively feasible in this case, and attempting to fashion an order to provide restitution to any such possible persons would result in complication and prolongation of the sentencing process that would outweigh the need to provide restitution to any such possible persons under 18 U.S.C. § 3663(a)(1)(B)(ii); and
4. PROBATION: EHSI shall not be subject to a term of probation.

The Agreed Disposition takes into account, among other things, EHSI’s status as a debtor in the Endo Bankruptcy, and EHSI’s agreement to an allowed, general unsecured claim not subject to reconsideration or subordination in the amount of \$475,600,000, which shall be deemed satisfied as a result of the consummation of the U.S. Government Settlement Agreement (as defined below), to resolve its civil liability arising from the Department of Justice’s civil investigation relating to similar conduct (attached as **Exhibit B**) (the “Civil Settlement Agreement”).