Table of Contents

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10-Q

(Mark One)

x **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934.**

FOR THE QUARTERLY PERIOD ENDED SEPTEMBER 30, 2015

OR

o **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934.**

FOR THE TRANSITION PERIOD FROM TO

Commission file number: 001-36326

ENDO INTERNATIONAL PLC
(Exact Name of Registrant as Specified in Its Charter)

Ireland	**Not Applicable**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification Number)
First Floor, Minerva House, Simmonscourt Road, Ballsbridge, Dublin 4, Ireland	**68-0683755**
(Address of Principal Executive Offices)	(Zip Code)

011-353-1-268-2000
(Registrant's Telephone Number, Including Area Code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	**Name of each exchange on which registered**
Ordinary shares, nominal value $0.0001 per share	**The NASDAQ Global Market, The Toronto Stock Exchange**

Securities registered pursuant to Section 12(g) of the Act:

None

Indicate by check whether the registrant: (1) has filed all reports required to be filed by Sections 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes x No o

Indicate by check whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes x No o

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a smaller reporting company. See definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer	x	Accelerated filer	o
Non-accelerated filer	o (Do not check if a smaller reporting company)	Smaller reporting company	o

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). YES o NO x

Indicate the number of shares outstanding of each of the issuer's classes of ordinary shares, as of the latest practical date.

Ordinary shares, $0.0001 par value	Number of ordinary shares outstanding as of	November 3, 2015 :	226,449,346

ENDO INTERNATIONAL PLC

INDEX

FORWARD-LOOKING STATEMENTS

Statements contained or incorporated by reference in this document contain information that includes or is based on “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, or the Securities Act, and Section 21E of the Securities Exchange Act of 1934, as amended, or the Exchange Act. These statements, including estimates of future revenues, future expenses, future net income and future net income per share, contained in the section titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” which is included in this document, are subject to risks and uncertainties. Forward-looking statements include the information concerning our possible or assumed results of operations. We have tried, whenever possible, to identify such statements by words such as “believes,” “expects,” “anticipates,” “intends,” “estimates,” “plan,” “projected,” “forecast,” “will,” “may” or similar expressions. We have based these forward-looking statements on our current expectations and projections about the growth of our business, our financial performance and the development of our industry. Because these statements reflect our current views concerning future events, these forward-looking statements involve risks and uncertainties. Investors should note that many factors, as more fully described under the caption “Risk Factors” in Item 1A. of this document and in Part I, Item 1A. under the caption “Risk Factors” of our Annual Report on Form 10-K for the year ended December 31, 2014, supplement, and as otherwise enumerated herein, could affect our future financial results and could cause our actual results to differ materially from those expressed in forward-looking statements contained or incorporated by reference in this document.

We do not undertake any obligation to update our forward-looking statements after the date of this document for any reason, even if new information becomes available or other events occur in the future, except as may be required under applicable securities law. You are advised to consult any further disclosures we make on related subjects in our reports filed with the Securities and Exchange Commission (SEC) and with securities regulators in Canada on the System for Electronic Document Analysis and Retrieval (SEDAR). Also note that, in Item 1A. of this document and in Part I, Item 1A. under the caption “Risk Factors” of our Annual Report on Form 10-K for the year ended December 31, 2014, we provide a cautionary discussion of the risks, uncertainties and possibly inaccurate assumptions relevant to our business. These are factors that, individually or in the aggregate, we think could cause our actual results to differ materially from expected and historical results. We note these factors for investors as permitted by Section 27A of the Securities Act and Section 21E of the Exchange Act. You should understand that it is not possible to predict or identify all such factors. Consequently, you should not consider this to be a complete discussion of all potential risks or uncertainties.

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

ENDO INTERNATIONAL PLC
CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)
(In thousands, except share and per share data)

	September 30, 2015	December 31, 2014
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 836,111	$ 408,753
Restricted cash and cash equivalents	511,562	530,930
Marketable securities	768	815
Accounts receivable	1,837,558	1,126,078
Inventories, net	946,650	423,321
Prepaid expenses and other current assets	104,081	38,680
Income taxes receivable	78,102	51,846
Deferred income taxes	432,070	561,974
Assets held for sale (NOTE 3)	52,574	1,937,864
Total current assets	$ 4,799,476	$ 5,080,261
MARKETABLE SECURITIES	3,470	1,506
PROPERTY, PLANT AND EQUIPMENT, NET	655,950	387,703
GOODWILL	6,667,168	2,899,587
OTHER INTANGIBLES, NET	9,088,203	2,333,193
DEFERRED INCOME TAXES	1,182	5,059
OTHER ASSETS	265,410	202,307
TOTAL ASSETS	$ 21,480,859	$ 10,909,616
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable	$ 371,696	$ 297,484
Accrued expenses	1,958,589	1,149,545
Current portion of legal settlement accrual	1,468,213	1,443,114
Current portion of long-term debt	89,835	155,937
Income taxes payable	60,141	—
Deferred income taxes	37	22
Liabilities held for sale (NOTE 3)	11,744	103,338
Total current liabilities	$ 3,960,255	$ 3,149,440
DEFERRED INCOME TAXES	1,863,413	677,740
LONG-TERM DEBT, LESS CURRENT PORTION, NET	8,889,494	4,202,356
LONG-TERM LEGAL SETTLEMENT ACCRUAL, LESS CURRENT PORTION, NET	—	262,781
OTHER LIABILITIES	371,643	209,086
COMMITMENTS AND CONTINGENCIES (NOTE 12)		
SHAREHOLDERS' EQUITY:		
Euro deferred shares, $0.01 par value; 4,000,000 shares authorized; 4,000,000 issued	45	48
Ordinary shares, $0.0001 and $0.0001 par value; 1,000,000,000 and 1,000,000,000 shares authorized; 226,417,040 and 153,912,985 shares issued and outstanding at September 30, 2015 and December 31, 2014, respectively	22	15
Additional paid-in capital	8,676,345	3,093,867
Accumulated deficit	(1,971,664)	(595,085)
Accumulated other comprehensive loss	(308,684)	(124,088)
Total Endo International plc shareholders' equity	$ 6,396,064	$ 2,374,757
Noncontrolling interests	(10)	33,456
Total shareholders' equity	$ 6,396,054	$ 2,408,213
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$ 21,480,859	$ 10,909,616

See Notes to Condensed Consolidated Financial Statements.

ENDO INTERNATIONAL PLC
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)
(In thousands, except per share data)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
TOTAL REVENUES	$ 745,727	$ 654,116	$ 2,195,021	$ 1,717,806
COSTS AND EXPENSES:				
Cost of revenues	442,459	341,193	1,265,583	857,317
Selling, general and administrative	163,221	148,901	529,290	433,333
Research and development	21,327	20,813	58,208	82,165
Litigation-related and other contingencies, net	—	3,131	19,875	7,085
Asset impairment charges	923,607	—	1,000,850	—
Acquisition-related and integration items	(27,688)	2,732	51,177	67,619
OPERATING (LOSS) INCOME FROM CONTINUING OPERATIONS	$ (777,199)	$ 137,346	$ (729,962)	$ 270,287
INTEREST EXPENSE, NET	96,446	61,950	250,196	167,525
LOSS ON EXTINGUISHMENT OF DEBT	40,909	2,027	41,889	31,712
OTHER EXPENSE (INCOME), NET	50,091	(5,724)	62,589	(18,728)
(LOSS) INCOME FROM CONTINUING OPERATIONS BEFORE INCOME TAX	$ (964,645)	$ 79,093	$ (1,084,636)	$ 89,778
INCOME TAX (BENEFIT) EXPENSE	(160,939)	30,140	(340,528)	47,651
(LOSS) INCOME FROM CONTINUING OPERATIONS	$ (803,706)	$ 48,953	$ (744,108)	$ 42,127
DISCONTINUED OPERATIONS, NET OF TAX (NOTE 3)	(246,782)	(301,002)	(632,624)	(707,068)
CONSOLIDATED NET LOSS	$ (1,050,488)	$ (252,049)	$ (1,376,732)	$ (664,941)
Less: Net (loss) income attributable to noncontrolling interests	(46)	35	(153)	2,895
NET LOSS ATTRIBUTABLE TO ENDO INTERNATIONAL PLC	$ (1,050,442)	$ (252,084)	$ (1,376,579)	$ (667,836)
NET LOSS PER SHARE ATTRIBUTABLE TO ENDO INTERNATIONAL PLC ORDINARY SHAREHOLDERS—BASIC:				
Continuing operations	$ (3.84)	$ 0.32	$ (3.96)	$ 0.30
Discontinued operations	$ (1.18)	$ (1.96)	$ (3.36)	$ (4.92)
Basic	$ (5.02)	$ (1.64)	$ (7.32)	$ (4.62)
NET LOSS PER SHARE ATTRIBUTABLE TO ENDO INTERNATIONAL PLC ORDINARY SHAREHOLDERS—DILUTED:				
Continuing operations	$ (3.84)	$ 0.31	$ (3.96)	$ 0.27
Discontinued operations	$ (1.18)	$ (1.90)	$ (3.36)	$ (4.55)
Diluted	$ (5.02)	$ (1.59)	$ (7.32)	$ (4.28)
WEIGHTED AVERAGE SHARES:				
Basic	209,274	153,309	188,085	144,604
Diluted	209,274	158,975	188,085	155,902

See Notes to Condensed Consolidated Financial Statements.

ENDO INTERNATIONAL PLC
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS (UNAUDITED)
(In thousands)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
CONSOLIDATED NET LOSS	$ (1,050,488)	$ (252,049)	$ (1,376,732)	$ (664,941)
OTHER COMPREHENSIVE LOSS, NET OF TAX:				
Net unrealized (loss) gain on securities:				
Unrealized (loss) gain arising during the period	$ (403)	$ (2,136)	$ 1,311	$ (442)
Less: reclassification adjustments for loss realized in net loss	—	14	—	14
Net unrealized (loss) gain on securities	(403)	(2,122)	1,311	(428)
Foreign currency translation loss:				
Foreign currency translation loss arising during the period	(84,952)	(87,850)	(208,299)	(38,380)
Less: reclassification adjustments for loss realized in net loss	25,715	—	25,715	—
Foreign currency translation loss	(59,237)	(87,850)	(182,584)	(38,380)
OTHER COMPREHENSIVE LOSS	$ (59,640)	$ (89,972)	$ (181,273)	$ (38,808)
CONSOLIDATED COMPREHENSIVE LOSS	$ (1,110,128)	$ (342,021)	$ (1,558,005)	$ (703,749)
Less: Net (loss) income attributable to noncontrolling interests	(46)	35	(153)	2,895
Less: Other comprehensive (loss) income attributable to noncontrolling interests	(32)	2,305	(581)	363
COMPREHENSIVE LOSS ATTRIBUTABLE TO ENDO INTERNATIONAL PLC	$ (1,110,050)	$ (344,361)	$ (1,557,271)	$ (707,007)

See Notes to Condensed Consolidated Financial Statements.

ENDO INTERNATIONAL PLC
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)
(In thousands)

	Nine Months Ended September 30,	
	2015	**2014**
OPERATING ACTIVITIES:		
Consolidated net loss	$ (1,376,732)	$ (664,941)
Adjustments to reconcile consolidated net loss to Net cash (used in) provided by operating activities:		
Depreciation and amortization	381,952	233,012
Inventory step-up	122,714	40,089
Share-based compensation	48,537	23,150
Amortization of debt issuance costs and premium / discount	16,440	23,670
Provision for bad debts	1,970	1,713
Deferred income taxes	(335,171)	(343,815)
Net loss on disposal of property, plant and equipment	1,785	1,091
Change in fair value of contingent consideration	(83,605)	—
Loss on extinguishment of debt	41,889	31,712
Prepayment penalty on long-term debt	(17,496)	—
Asset impairment charges	1,244,672	—
Gain on sale of business and other assets	(13,550)	(2,868)
Changes in assets and liabilities which (used) provided cash:		
Accounts receivable	(220,973)	(143,857)
Inventories	(31,823)	44,067
Prepaid and other assets	(30,568)	29,656
Accounts payable	(1,767)	(132,052)
Accrued expenses	211,970	770,653
Other liabilities	(238,048)	397,227
Income taxes payable/receivable	100,372	(76,303)
Net cash (used in) provided by operating activities	$ (177,432)	$ 232,204
INVESTING ACTIVITIES:		
Purchases of property, plant and equipment	(50,944)	(57,300)
Proceeds from sale of property, plant and equipment	—	174
Acquisitions, net of cash acquired	(7,514,425)	(1,052,599)
Proceeds from sale of marketable securities and investments	347	85,105
Proceeds from notes receivable	17	24,216
Patent acquisition costs and license fees	—	(5,000)
Proceeds from sale of business, net	1,588,779	54,521
Proceeds from settlement escrow	—	11,518
Increase in restricted cash and cash equivalents	(533,441)	(215,267)
Decrease in restricted cash and cash equivalents	549,171	770,000
Other investing activities	—	5,789
Net cash used in investing activities	$ (5,960,496)	$ (378,843)

	Nine Months Ended September 30,	
	2015	2014
FINANCING ACTIVITIES:		
Proceeds from issuance of notes	2,835,000	750,000
Proceeds from issuance of term loans	2,800,000	1,525,000
Principal payments on notes	(499,875)	—
Principal payments on term loans	(459,626)	(1,418,769)
Proceeds from draw of revolving debt	300,000	—
Repayments of revolving debt	(300,000)	—
Principal payments on other indebtedness, net	(8,931)	(2,407)
Repurchase of convertible senior subordinated notes	(247,760)	(587,803)
Payments to settle ordinary share warrants	—	(284,454)
Proceeds from the settlement of the hedge on convertible senior subordinated notes due 2015	—	356,265
Deferred financing fees	(114,440)	(59,899)
Payment for contingent consideration	(20,264)	—
Tax benefits of share awards	19,878	30,126
Payments of tax withholding for restricted shares	(15,268)	(23,920)
Exercise of options	25,068	36,124
Sale of AMSH Inc. mandatorily redeemable preferred shares	60,000	—
Issuance of ordinary shares related to the employee stock purchase plan	3,328	3,468
Issuance of ordinary shares	2,300,000	—
Payments related to the issuance of ordinary shares	(66,956)	(4,800)
Cash distributions to noncontrolling interests	—	(6,144)
Cash buy-out of noncontrolling interests	(39,608)	(82)
Net cash provided by financing activities	$ 6,570,546	$ 312,705
Effect of foreign exchange rate	(5,260)	(1,547)
NET INCREASE IN CASH AND CASH EQUIVALENTS	$ 427,358	$ 164,519
LESS: NET DECREASE IN CASH AND CASH EQUIVALENTS OF DISCONTINUED OPERATIONS	—	(17,413)
NET INCREASE IN CASH AND CASH EQUIVALENTS OF CONTINUING OPERATIONS	$ 427,358	$ 181,932
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	408,753	526,597
CASH AND CASH EQUIVALENTS, END OF PERIOD	$ 836,111	$ 708,529
SUPPLEMENTAL INFORMATION:		
Cash paid into Qualified Settlement Funds for mesh legal settlements	$ 526,785	$ 149,630
Cash paid out of Qualified Settlement Funds for mesh legal settlements	$ 509,563	$ 11,518
Other cash distributions for mesh legal settlements	$ 16,312	$ 7,098
SCHEDULE OF NON-CASH INVESTING AND FINANCING ACTIVITIES:		
Purchases of property, plant and equipment financed by capital leases	$ 4,234	$ 578
Accrual for purchases of property, plant and equipment	$ 2,719	$ 5,985
Acquisition financed by ordinary shares	$ 2,844,969	$ 2,844,279
Repurchase of convertible senior subordinated notes financed by ordinary shares	$ 625,483	$ 55,229

See Notes to Condensed Consolidated Financial Statements.

ENDO INTERNATIONAL PLC
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2015

NOTE 1. BASIS OF PRESENTATION

The accompanying unaudited Condensed Consolidated Financial Statements of Endo International plc have been prepared in accordance with United States (U.S.) generally accepted accounting principles (GAAP) for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X of the Securities and Exchange Commission for interim financial information. Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements. In the opinion of management, the accompanying Condensed Consolidated Financial Statements of Endo and its subsidiaries, which are unaudited, include all normal and recurring adjustments necessary to a fair statement of the Company's financial position as of September 30, 2015 and the results of our operations and our cash flows for the periods presented. Operating results for the three and nine months ended September 30, 2015 are not necessarily indicative of the results that may be expected for the year ending December 31, 2015. The year-end Condensed Consolidated Balance Sheet data as of December 31, 2014 was derived from the audited financial statements.

In periods prior to February 28, 2014, our Condensed Consolidated Financial Statements presented the accounts of Endo Health Solutions Inc., which was incorporated under the laws of the State of Delaware on November 18, 1997, and all of its subsidiaries (EHSI). Endo International plc was incorporated in Ireland on October 31, 2013 as a private limited company and re-registered effective February 18, 2014 as a public limited company. It was established for the purpose of facilitating the business combination between EHSI and Paladin Labs Inc. (Paladin). On February 28, 2014, we became the successor registrant of EHSI and Paladin in connection with the consummation of certain transactions further described elsewhere in our Condensed Consolidated Financial Statements. In addition, on February 28, 2014, the shares of Endo International plc began trading on the NASDAQ under the symbol "ENDP," the same symbol under which EHSI's shares previously traded, and on the Toronto Stock Exchange under the symbol "ENL".

Unless otherwise indicated or required by the context, references throughout to "Endo", the "Company", "we", "our" or "us" refer to financial information and transactions of Endo Health Solutions Inc. and its consolidated subsidiaries prior to February 28, 2014 and Endo International plc and its consolidated subsidiaries thereafter.

The information included in this Quarterly Report on Form 10-Q should be read in conjunction with our Consolidated Financial Statements and accompanying notes included in our Annual Report on Form 10-K for the year ended December 31, 2014.

NOTE 2. RECENT ACCOUNTING PRONOUNCEMENTS

In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards update (ASU) No. 2014-09, *"Revenue from Contracts with Customers"* (ASU 2014-09). ASU 2014-09 represents a comprehensive new revenue recognition model that requires a company to recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the Company expects to be entitled to receive in exchange for those goods or services. This ASU sets forth a new five-step revenue recognition model which replaces the prior revenue recognition guidance in its entirety and is intended to eliminate numerous industry-specific pieces of revenue recognition guidance that have historically existed. In August 2015, the FASB issued ASU No. 2015-14, "*Revenue from Contracts with Customers (Topic 606): Deferral of the Effective Date"* (ASU 2015-14), which defers the effective date of ASU No. 2014-09 by one year, but permits entities to adopt one year earlier if they choose (i.e., the original effective date). As such, ASU No. 2014-09 will be effective for annual and interim reporting periods beginning after December 15, 2017. The Company currently plans to adopt this ASU on January 1, 2018. Companies may use either a full retrospective or a modified retrospective approach to adopt this ASU. The Company is currently evaluating the impact of ASU 2014-09 on the Company's consolidated results of operations and financial position.

In April 2015, the FASB issued ASU No. 2015-03, "*Simplifying the Presentation of Debt Issuance Costs*" (ASU 2015-03). ASU 2015-03 requires debt issuance costs related to a recognized debt liability to be presented in the balance sheet as a direct deduction from the carrying amount of the related debt liability instead of being presented as an asset. Debt disclosures will include the face amount of the debt liability and the effective interest rate. In August 2015, the FASB issued ASU No. 2015-15, *"Interest - Imputation of Interest (Subtopic 835-30): Presentation and Subsequent Measurement of Debt Issuance Costs Associated with Line-of Credit Arrangements" (ASU 2015-15).* The amendments in ASU 2015-15 state that an entity may defer and present debt issuance costs associated with line-of-credit arrangements as an asset and subsequently amortize the deferred debt issuance costs ratably over the term of the line-of-credit arrangement, regardless of whether there are any outstanding borrowings on the line-of-credit arrangement. ASU 2015-03 and ASU 2015-15 are effective for fiscal years beginning after December 15, 2015 and require retrospective application. The Company will adopt ASU 2015-03 and 2015-15 on December 31, 2015. As of September 30, 2015, the Company had $153.7 million of net deferred financing costs that would be reclassified from a long-term asset to a reduction in the carrying amount of debt.

In April 2015, the FASB issued ASU No. 2015-05, "*Customer's Accounting for Fees Paid in a Cloud Computing Arrangement*" (ASU 2015-05). ASU 2015-05 provides guidance to customers about whether a cloud computing arrangement includes a software license. If a cloud computing arrangement includes a software license, then the customer should account for the software license element of the arrangement consistent with the acquisition of other software licenses. If a cloud computing arrangement does not include a software license, the customer should account for the arrangement as a service contract. The guidance will not change GAAP for a customer's accounting for service contracts. In addition, all software licenses within the scope of Subtopic 350-40 will be accounted for consistent with other licenses of intangible assets as a result of the guidance in ASU 2015-05. ASU 2015-05 is effective for annual periods beginning after December 15, 2015 and interim periods in annual periods beginning after December 15, 2016, with early adoption permitted. Companies may use either a full retrospective approach or a prospective approach entered into or materially modified after the effective date to adopt this ASU. The Company is currently evaluating the impact of ASU 2015-05 on the Company's consolidated results of operations and financial position.

In July 2015, the FASB issued ASU No. 2015-11, "*Simplifying the Measurement of Inventory*" (ASU 2015-11). ASU 2015-11 states that an entity should measure inventory at the lower of cost and net realizable value. Net realizable value is the estimated selling prices in the ordinary course of business, less reasonably predictable costs of completion, disposal, and transportation. For public entities, ASU 2015-11 is effective for fiscal years beginning after December 15, 2016, including interim periods within those fiscal years. The amendments in this update should be applied prospectively and early application is permitted. The Company is currently evaluating the impact of ASU 2015-11 on the Company's consolidated results of operations and financial position.

In September 2015, the FASB issued ASU No. 2015-16, "*Business Combinations (Topic 805): Simplifying the Accounting for Measurement-Period Adjustments*" (ASU 2015-16). This ASU requires that an acquirer recognize adjustments to provisional amounts that are identified during the measurement period in the reporting period in which the adjustment amounts are determined, including the cumulative effect of the change in the provisional amount as if the accounting had been completed at the acquisition date. The adjustments related to previous reporting periods since the acquisition date must be disclosed by income statement line item either on the face of the income statement or in the footnotes. For public entities, the new standard is effective for interim and annual periods beginning after December 15, 2015, with early adoption permitted. The Company adopted ASU 2015-16 during the three months ended September 30, 2015. Accordingly, the Company applied the amendments in this update to the measurement period adjustments made during the three months ended September 30, 2015. See Note 5. Acquisitions for more information regarding adjustments to provisional amounts that occurred during the three months ended September 30, 2015.

NOTE 3. DISCONTINUED OPERATIONS

American Medical Systems

On February 24, 2015, the Board of Directors approved a plan to sell the Company's American Medical Systems Holdings, Inc. (AMS) business, which comprised the entirety of our former Devices segment. The AMS business was comprised of the Men's Health and Prostate Health component as well as the Women's Health component (now doing business as Astora Womens Health). Subsequently, the Company entered into a definitive agreement to sell the Men's Health and Prostate Health components of the AMS business to Boston Scientific Corporation (Boston Scientific) for up to $1.65 billion, with $1.60 billion in upfront cash. The Company is also eligible to receive a potential milestone payment of $50.0 million in cash conditioned on Boston Scientific achieving certain product revenue milestones in the Men's Health and Prostate Health components in 2016. The transaction with Boston Scientific closed on August 3, 2015.

In addition, Boston Scientific paid $60.0 million in exchange for 60,000 shares of American Medical Systems Holdings, Inc. (AMSH) Series B Non-Voting Preferred Stock (Series B Senior Preferred Stock) sold by our subsidiary Endo Pharmaceuticals Inc. (EPI). The preferred stock entitles the holder to dividends payable quarterly at an initial annual rate of 7.25%, which will increase by 0.25% each year on January 1, from 2018 until the rate equals 11.50%. While the preferred stock remains outstanding, AMS will be subject to certain affirmative and negative covenants, including an obligation to maintain assets in excess of the liquidation preference of the preferred stock, and restrictions on the sale of assets and the incurrence of certain indebtedness. The preferred stock matures and becomes mandatorily redeemable in 2035.

The Company is currently pursuing a sale of the Women's Health component of the AMS business. The majority of the remaining assets and liabilities of the AMS business, which are related to the Women's Health component, are classified as held for sale in the Condensed Consolidated Balance Sheets. Certain of AMS's assets and liabilities, primarily with respect to its product liability accrual for all known pending and estimated future claims related to vaginal mesh cases, the related Qualified Settlement Funds and certain intangible and fixed assets, are not classified as held for sale based on management's current expectation that these assets and liabilities will remain with the Company. Depreciation and amortization expense are not recorded on assets held for sale. The operating results of the AMS business are reported as Discontinued operations, net of tax in the Condensed Consolidated Statements of Operations for all periods presented.

In connection with classifying AMS as held for sale, the Company was required to compare the estimated fair values of the underlying disposal groups, less the costs to sell, to the respective carrying amounts. As a result of this analysis, the Company recorded a combined asset impairment charge of $222.8 million during the three months ended March 31, 2015, which was classified as Discontinued operations, net of tax in the Condensed Consolidated Statements of Operations. We estimated the fair value of the Men's Health and Prostate Health division based on the agreed upon purchase price with Boston Scientific. The fair value of the Women's Health component was estimated based on expressions of interest from third parties. Subsequently, at the time of the sale of the Men's Health and Prostate Health component in August 2015, the Company recorded a gain based on the difference between the net proceeds received and the net book value of the assets sold of approximately $13.6 million, which included an unfavorable adjustment of $25.7 million relating to amounts transferred from foreign currency translation adjustments and included in the determination of net income for the period as a result of the sale. This amount is included in Discontinued operations, net of tax in the Condensed Consolidated Statements of Operations for the three and nine months ended September 30, 2015, respectively.

During the three months ended September 30, 2015, the Company compared the estimated fair value of the Women's Health component, less the costs to sell, to its respective carrying amount. As a result of this analysis, the Company recorded an additional asset impairment charge of $2.2 million, which was classified as Discontinued operations, net of tax in the Condensed Consolidated Statements of Operations. The fair value of the Women's Health component was estimated based on updated expressions of interest from third parties.

In addition, as a result of determining that the sale of the AMS disposal groups was probable, the Company re-assessed its permanent reinvestment assertion for certain components of the AMS business and recognized a corresponding tax benefit of $2.6 million and $161.8 million during the three and nine months ended September 30, 2015, respectively, which was recorded as Income tax (benefit) expense (a component of (loss) income from continuing operations) in the Condensed Consolidated Statements of Operations. In addition, due to the overall differences between the book and tax basis of the underlying assets sold during the third quarter, the Company recognized a tax expense of $228.0 million and $126.3 million during the three and nine months ended September 30, 2015, respectively, which was classified as Discontinued operations.

The following table provides the operating results of the Discontinued operations of AMS, net of tax for the three and nine months ended September 30 (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
Revenue	$ 43,705	$ 109,822	$ 282,310	$ 359,425
Litigation related and other contingencies, net	$ —	$ 470,207	$ 273,752	$ 1,128,358
Asset impairment charges	$ 2,200	$ —	$ 224,953	$ —
Gain on sale of business	$ 13,550	$ —	$ 13,550	$ —
Loss from discontinued operations before income taxes	$ (18,775)	$ (469,907)	$ (506,275)	$ (1,095,562)
Income tax expense (benefit)	$ 228,007	$ (168,905)	$ 126,349	$ (386,243)
Discontinued operations, net of tax	$ (246,782)	$ (301,002)	$ (632,624)	$ (709,319)

The following table provides the components of Assets and Liabilities held for sale of AMS as of September 30, 2015 and December 31, 2014 (in thousands):

	September 30, 2015	December 31, 2014
Current assets	$ 25,895	$ 165,075
Property, plant and equipment	5,467	41,122
Goodwill	—	862,960
Other intangibles, net	21,212	861,174
Other assets	—	7,533
Assets held for sale	$ 52,574	$ 1,937,864
Current liabilities	$ 11,744	$ 53,143
Deferred taxes	—	46,538
Other liabilities	—	3,657
Liabilities held for sale	$ 11,744	$ 103,338

The following table provides the Depreciation and amortization and Purchases of property, plant and equipment of AMS for the nine months ended September 30 (in thousands):

	Nine Months Ended September 30,	
	2015	2014
Cash flows from discontinued operating activities:		
Net loss	$ (632,624)	$ (709,319)
Depreciation and amortization	11,555	52,778
Cash flows from discontinued investing activities:		
Purchases of property, plant and equipment	$ (2,182)	$ (3,165)

HealthTronics

On December 28, 2013, the EHSI Board approved a plan to sell the HealthTronics business and the Company entered into a definitive agreement to sell the business on January 9, 2014 to Altaris Capital Partners LLC for an upfront cash payment of $85.0 million, subject to cash and other working capital adjustments. During the three months ended March 31, 2015, we received additional cash payments of $4.7 million from the purchaser of HealthTronics. In addition, as of September 30, 2015, EHSI has rights to additional cash payments of up to $30.0 million based on the operating performance of HealthTronics through December 31, 2015, for total potential consideration of up to $119.7 million. Additional cash payments, if any, will be recorded when earned. The sale was completed on February 3, 2014.

In 2014, the Company recorded a net gain of $3.6 million, representing the carrying amount of the assets sold less the amount of the net proceeds, including the $4.7 million described above, which the Company became entitled to receive during the fourth quarter of 2014.

Until it was sold on February 3, 2014, the assets of this business, previously known as the HealthTronics segment, and related liabilities were classified as held for sale in the Condensed Consolidated Balance Sheets. Depreciation and amortization expense were not recorded on assets held for sale. The operating results of this business are reported as Discontinued operations, net of tax, in the Condensed Consolidated Statements of Operations for the three and nine months ended September 30, 2014.

The following table provides the operating results of Discontinued operations of HealthTronics, net of tax for the nine months ended September 30, 2014 (in thousands). There was no impact on Discontinued operations from HealthTronics for the three months ended September 30, 2014.

	Nine Months Ended September 30,
	2014
Revenue	$ 14,442
Income from discontinued operations before income taxes	$ 1,721
Income tax expense (benefit)	(530)
Discontinued operations, net of tax	$ 2,251

There were no Assets or Liabilities held for sale relating to HealthTronics included in the Condensed Consolidated Balance Sheets as of September 30, 2015 and December 31, 2014.

NOTE 4. RESTRUCTURING

U.S. Generic Pharmaceuticals Restructuring

In connection with the acquisition of Par Pharmaceutical Holdings, Inc. (Par) on September 25, 2015, we implemented cost-rationalization and integration initiatives to capture operating synergies and generate cost savings across the Company. These measures included realigning the Company's U.S. Generic Pharmaceuticals segment sales, sales support, and management activities and staffing, which resulted in severance benefits to Par and Qualitest Pharmaceuticals (Qualitest) employees. The cost reduction initiatives included a reduction in headcount of approximately 6% of the former Par and Qualitest workforces. Under this restructuring initiative, severance is expensed over the requisite service period, if any, while retention is being expensed ratably over the respective retention period.

As a result of the U.S. Generic Pharmaceuticals restructuring initiative, the Company incurred restructuring expenses of $18.5 million during the three and nine months ended September 30, 2015, consisting of employee severance, retention and other benefit-

related costs. The Company anticipates there will be additional pre-tax restructuring expenses of $11.0 million related to employee severance, retention and other benefit-related costs and these actions are expected to be completed by October 31, 2016, with substantially all cash payments made by the end of 2016. In addition, the Company anticipates there will be additional pre-tax restructuring expenses of $9.9 million related to accelerated depreciation on certain assets. These restructuring costs are allocated to the U.S. Generic Pharmaceuticals segment, and are primarily included in Selling, general and administrative in the Condensed Consolidated Statements of Operations.

The liability related to the U.S. Generic Pharmaceuticals restructuring initiative totaled $18.5 million at September 30, 2015. At September 30, 2015, this liability is included in Accrued expenses in the Condensed Consolidated Balance Sheets.

Auxilium Restructuring

In connection with the acquisition of Auxilium Pharmaceuticals, Inc. (Auxilium) on January 29, 2015, the Company implemented cost-rationalization and integration initiatives to capture operating synergies and generate cost savings across the Company. These measures included realigning our sales, sales support, and management activities and staffing, which included severance benefits to former Auxilium employees, in addition to the closing of duplicative facilities. The cost reduction initiatives included a reduction in headcount of approximately 40% of the former Auxilium workforce. For former Auxilium employees that have agreed to continue employment with the Company for a merger transition period, the severance payable upon completion of their retention period is being expensed over their respective retention period.

As a result of the Auxilium restructuring initiative, the Company incurred restructuring expenses of $0.1 million and $45.3 million during the three and nine months ended September 30, 2015, respectively, consisting of $0.1 million and $30.4 million of employee severance, retention and other benefit-related costs during the three and nine months ended September 30, 2015, respectively. The expenses were also attributable to certain charges related to our Auxilium subsidiary's former corporate headquarters in Chesterbrook, Pennsylvania, including $7.0 million of asset impairment charges on certain related leasehold improvements during the first quarter of 2015, and $7.9 million recorded upon the facility's cease use date, representing the liability for our remaining obligations under the respective lease agreement, net of estimated sublease income, during the first quarter of 2015. There were no additional asset impairment charges and no additional expenses relating to the facility's cease use date recorded during the three months ended September 30, 2015. The Company anticipates there will be additional pre-tax restructuring expenses of $0.2 million related to employee severance, retention and other benefit-related costs and these actions are expected to be completed by December 31, 2015, with substantially all cash payments made by the end of 2016. These restructuring costs are allocated to the U.S. Branded Pharmaceuticals segment, and are primarily included in Selling, general and administrative in the Condensed Consolidated Statements of Operations.

A summary of expenses related to the Auxilium restructuring initiatives is included below for the three and nine months ended September 30, 2015 (in thousands):

	Three Months Ended September 30,	Nine Months Ended September 30,
	2015	2015
Employee Severance, Retention and Other Benefit-Related Costs	$ 83	$ 30,413
Asset Impairment Charges	—	7,000
Other Restructuring Costs	—	7,860
Total	$ 83	$ 45,273

The liability related to the Auxilium restructuring initiative totaled $18.2 million at September 30, 2015 and is included in Accrued expenses in the Condensed Consolidated Balance Sheets. Changes to this accrual during the nine months ended September 30, 2015 were as follows (in thousands):

	Employee Severance, Retention and Other Benefit-Related Costs	Other Restructuring Costs	Total
Liability balance as of January 1, 2015	$ —	$ —	$ —
Expenses	30,413	7,860	38,273
Cash payments	(19,377)	(703)	(20,080)
Liability balance as of September 30, 2015	$ 11,036	$ 7,157	$ 18,193

Other Restructuring Initiatives

The Company and certain of its subsidiaries have recently undertaken certain other restructuring initiatives that were individually not material to the Company's Condensed Consolidated Financial Statements for any of the periods presented. These charges, which primarily related to employee severance, retention and other benefit-related costs, are included in the following lines in the Condensed Consolidated Statements of Operations (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
Selling, general and administrative	$ 2,726	$ 2,459	$ 14,567	$ 10,580
Discontinued operations, net of tax	6,859	702	25,000	2,841
Total Other Restructuring	$ 9,585	$ 3,161	$ 39,567	$ 13,421

The liability related to these initiatives totaled $16.7 million and $17.0 million at September 30, 2015 and December 31, 2014, respectively, and is included in Accrued expenses in the Condensed Consolidated Balance Sheets. The change in the liability relates to recognition of the expenses mentioned in the preceding paragraph, partially offset by cash payments made during 2015.

NOTE 5. ACQUISITIONS

For each of the acquisitions described below, except for Boca Pharmacal LLC (Boca), Paladin, Sumavel® DosePro® (Sumavel®), Somar Grupo Farmacéutico Somar, Sociedad Anónima Promotora de Inversión de Capital Variable (Somar), DAVA Pharmaceuticals, Inc. (DAVA) and Natesto™, the estimated fair values of the net assets acquired below are provisional as of September 30, 2015 and are based on information that is currently available to the Company. Additional information is being gathered to finalize these provisional measurements. Accordingly, the measurement of the assets acquired and liabilities assumed may change upon finalization of the Company's valuations and completion of the purchase price allocations, all of which are expected to occur no later than one year from the respective acquisition dates.

Paladin Labs Inc. Acquisition

On February 28, 2014 (the Paladin Acquisition Date), the Company, through a Canadian subsidiary, acquired all of the shares of Paladin and a U.S. subsidiary of the Company merged with and into EHSI, with EHSI surviving the merger. As a result of these transactions, the former shareholders of EHSI and Paladin became the shareholders of Endo, a public limited company organized under the laws of Ireland, and both EHSI and Paladin became our indirect wholly-owned subsidiaries.

Under the terms of the transaction, former Paladin shareholders received 1.6331 shares of Endo stock, or 35.5 million shares, and C$1.16 in cash, for total consideration of $2.87 billion as of February 28, 2014. On the Paladin Acquisition Date, each then current EHSI shareholder received one ordinary share of Endo for each share of EHSI common stock owned upon closing. Immediately following the closing of the transaction, former EHSI shareholders owned approximately 79% of Endo, and former Paladin shareholders owned approximately 21%.

The acquisition consideration was as follows (in thousands, except for per share amounts):

Number of Paladin shares paid through the delivery of Endo International ordinary shares	20,765	
Exchange ratio	1.6331	
Number of ordinary shares of Endo International—as exchanged*	33,912	
Endo International ordinary share price on February 28, 2014	$ 80.00	
Fair value of ordinary shares of Endo International issued to Paladin Shareholders*		$ 2,712,956
Number of Paladin shares paid in cash	20,765	
Per share cash consideration for Paladin shares (1)	$ 1.09	
Cash distribution to Paladin shareholders*		22,647
Fair value of the vested portion of Paladin stock options outstanding—1.3 million at February 28, 2014 (2)		131,323
Total acquisition consideration		$ 2,866,926

* Amounts do not recalculate due to rounding.

(1) Represents the cash consideration per the arrangement agreement of C$1.16 per Paladin share translated into U.S. dollars utilizing an exchange rate of $0.9402.

(2) Represents the fair value of vested Paladin stock option awards attributed to pre-combination services that were outstanding on the Paladin Acquisition Date and settled on a cash-less exercise basis for Endo shares.

Paladin is a specialty pharmaceutical company headquartered in Montreal, Canada, focused on acquiring and in-licensing innovative pharmaceutical products for the Canadian and world markets. Paladin's key products serve growing therapeutic areas including attention deficit hyperactivity disorder (ADHD), pain, and urology. In addition to its Canadian operations, as of the Paladin Acquisition date, Paladin owned a controlling interest in Laboratorios Paladin de Mexico S.A. in Mexico and in publicly traded Litha Healthcare Group Limited (Litha) in South Africa.

The operating results of Paladin are included in the accompanying Condensed Consolidated Statements of Operations for the three and nine months ended September 30, 2015 and the operating results from the acquisition date of February 28, 2014 are included in the accompanying Condensed Consolidated Statements of Operations for the three and nine months ended September 30, 2014. The Condensed Consolidated Balance Sheets as of September 30, 2015 and December 31, 2014 reflect the acquisition of Paladin, effective February 28, 2014.

Our measurement period adjustments for Paladin were complete as of February 28, 2015. In connection with the finalization of our measurement period adjustments for Paladin, we recorded a decrease to certain deferred tax assets of $1.4 million, with a corresponding increase to goodwill. Other than these adjustments, there have been no changes to the fair values of the assets acquired and liabilities assumed at the Paladin Acquisition Date from what was disclosed in our Annual Report on Form 10-K for the year ended December 31, 2014, filed with the Securities and Exchange Commission on March 2, 2015. Goodwill arising from the Paladin acquisition has been assigned to multiple reporting units across each of the Company's reportable segments based on the relative incremental benefit expected to be realized by each impacted reporting unit.

The Company recognized acquisition-related transaction costs associated with the Paladin acquisition during the nine months ended September 30, 2014 totaling $33.4 million. These costs, which related primarily to bank fees, legal and accounting services, and fees for other professional services, are included in Acquisition-related and integration items in the accompanying Condensed Consolidated Statements of Operations. There were no acquisition-related transaction costs associated with the Paladin acquisition during the nine months ended September 30, 2015.

The amounts of Paladin Revenue and Net income attributable to Endo International plc included in the Company's Condensed Consolidated Statements of Operations from and including February 28, 2014 to September 30, 2014 are as follows (in thousands, except per share data):

Revenue	$	165,852
Net income attributable to Endo International plc	$	15,201
Basic net income per share	$	0.11
Diluted net income per share	$	0.10

The following supplemental unaudited pro forma information presents the financial results as if the acquisition of Paladin had occurred on January 1, 2014 for the nine months ended September 30, 2014. This supplemental pro forma information has been prepared for comparative purposes and does not purport to be indicative of what would have occurred had the acquisition been made on January 1, 2014, nor are they indicative of any future results.

		Nine Months Ended September 30, 2014
Unaudited pro forma consolidated results (in thousands, except per share data):		
Revenue	$	1,884,573
Net loss attributable to Endo International plc	$	(678,399)
Basic net (loss) per share	$	(4.69)
Diluted net (loss) per share	$	(4.35)

These amounts have been calculated after applying the Company's accounting policies and adjusting the results of Paladin to reflect factually supportable adjustments that give effect to events that are directly attributable to the Paladin acquisition assuming the Paladin acquisition had occurred January 1, 2014. These adjustments mainly include adjustments to interest expense and additional intangible amortization. The adjustments to interest expense, net of tax, related to borrowings to finance the acquisition which decreased the expense by $1.0 million for the nine months ended September 30, 2014. The adjustments to additional intangible amortization, net of tax, that would have been charged assuming the Company's estimated fair value of the intangible assets, increased the expense by $3.6 million for the nine months ended September 30, 2014.

Acquisition of Remaining Shares of Litha

In February 2015, Paladin acquired substantially all of Litha's remaining outstanding ordinary share capital that it did not own for consideration of approximately $40 million. At December 31, 2014, our Paladin subsidiary owned 70.3% of the issued ordinary share capital of Litha. In connection with this transaction, Paladin had deposited cash into an escrow account, primarily for the purpose of guaranteeing amounts required to be paid to Litha's security holders in connection with this acquisition. The balance in this account at December 31, 2014 of approximately $40 million was included in Restricted cash and cash equivalents in the Condensed Consolidated Balance Sheets and was subsequently paid in February 2015. Refer to Note 14. Shareholders' Equity for further information.

Boca Pharmacal LLC Acquisition

On February 3, 2014, the Company acquired Boca Pharmacal LLC for $236.6 million in cash. Boca is a specialty generics company that focuses on niche areas, commercializing and developing products in categories that include controlled substances, semisolids and solutions.

The fair values of the net identifiable assets acquired totaled $212.3 million, resulting in goodwill of $24.3 million, which was assigned to our U.S. Generic Pharmaceuticals segment. The amount of net identifiable assets acquired in connection with the Boca acquisition includes $140.9 million of identifiable intangible assets, including $112.3 million of developed technology to be amortized over an average life of approximately 11 years and $28.6 million of IPR&D.

The operating results of Boca are included in the accompanying Condensed Consolidated Statements of Operations for the three and nine months ended September 30, 2015 and the operating results from the acquisition date of February 3, 2014 are included in the accompanying Condensed Consolidated Statements of Operations for the three and nine months ended September 30, 2014. The Condensed Consolidated Balance Sheets as of September 30, 2015 and December 31, 2014 reflect the acquisition of Boca, effective February 3, 2014. Our measurement period adjustments were complete for Boca as of February 3, 2015.

Pro forma results of operations have not been presented because the effect of the Boca acquisition was not material.

Sumavel® DosePro®

On May 19, 2014, the Company acquired the worldwide rights to Sumavel® DosePro® for subcutaneous use, a needle-free delivery system for sumatriptan, from Zogenix, Inc. The Company is accounting for this transaction as a business combination in accordance with the relevant accounting literature. The Company acquired the product for consideration of $93.8 million, consisting of an upfront payment of $89.7 million and contingent cash consideration with an acquisition-date fair value of $4.1 million. See Note 7. Fair Value Measurements for further discussion of this contingent consideration. In addition, the Company provided Zogenix, Inc. with a $7.0 million non-interest bearing loan due 2023 for working capital needs and it assumed an existing third-party royalty obligation on net sales. Sumavel® is a prescription medicine given with a needle-free delivery system to treat adults who have been diagnosed with acute migraine or cluster headaches.

The fair values of the net identifiable assets acquired totaled $93.8 million, resulting in no goodwill. The amount of net identifiable assets acquired in connection with the Sumavel® acquisition includes $90.0 million of identifiable developed technology intangible assets to be amortized over an average life of approximately 13 years.

The operating results of Sumavel® are included in the accompanying Condensed Consolidated Statements of Operations for the three and nine months ended September 30, 2015 and the operating results from the acquisition date of May 19, 2014 are included in the accompanying Condensed Consolidated Statements of Operations for the three and nine months ended September 30, 2014. The Condensed Consolidated Balance Sheets as of September 30, 2015 and December 31, 2014 reflect the acquisition of Sumavel®, effective May 19, 2014. Our measurement period adjustments were complete for Sumavel as of May 19, 2015.

Pro forma results of operations have not been presented because the effect of the Sumavel® acquisition was not material.

Grupo Farmacéutico Somar Acquisition

On July 24, 2014, the Company acquired the representative shares of the capital stock of Grupo Farmacéutico Somar, Sociedad Anónima Promotora de Inversión de Capital Variable, a leading privately-owned specialty pharmaceuticals company based in Mexico City, for $270.1 million in cash consideration.

The fair values of the net identifiable assets acquired totaled $184.5 million, resulting in goodwill of $85.6 million, which was assigned to our International Pharmaceuticals segment. The amount of net identifiable assets acquired in connection with the Somar acquisition includes $167.9 million of identifiable intangible assets, including $148.3 million to be amortized over an average life of approximately 12 years and $19.6 million of IPR&D.

The operating results of Somar are included in the accompanying Condensed Consolidated Statements of Operations for the three and nine months ended September 30, 2015 and the operating results from the acquisition date of July 24, 2014 are included in the accompanying Condensed Consolidated Statements of Operations for the three and nine months ended September 30, 2014. The Condensed Consolidated Balance Sheets as of September 30, 2015 and December 31, 2014 reflect the acquisition of Somar, effective July 24, 2014. Our measurement period adjustments were complete for Somar as of July 24, 2015.

Pro forma results of operations have not been presented because the effect of the Somar acquisition was not material.

DAVA Pharmaceuticals, Inc. Acquisition

On August 6, 2014, the Company acquired DAVA Pharmaceuticals, Inc., a privately-held company specializing in marketed, pre-launch and pipeline generic pharmaceuticals based in Fort Lee, New Jersey, for consideration of $590.1 million. The consideration consisted of cash consideration of $585.0 million and contingent cash consideration with an acquisition-date fair value of $5.1 million. See Note 7. Fair Value Measurements for further discussion of this contingent consideration. DAVA's strategically-focused generics portfolio includes thirteen on-market products in a variety of therapeutic categories.

The operating results of DAVA are included in the accompanying Condensed Consolidated Statements of Operations for the three and nine months ended September 30, 2015 and the operating results from the acquisition date of August 6, 2014 are included in the accompanying Condensed Consolidated Statements of Operations for the three and nine months ended September 30, 2014. The Condensed Consolidated Balance Sheets as of September 30, 2015 and December 31, 2014 reflect the acquisition of DAVA, effective August 6, 2014. Our measurement period adjustments were complete for DAVA as of August 6, 2015.

Pro forma results of operations have not been presented because the effect of the DAVA acquisition was not material.

Natesto™

On December 9, 2014, the Company acquired the rights to Natesto™ (testosterone nasal gel), the first and only testosterone nasal gel for replacement therapy in adult males diagnosed with hypogonadism, from Trimel BioPharma SRL, a wholly-owned subsidiary of Trimel Pharmaceuticals Corporation. The Company will collaborate with Trimel on all regulatory and clinical development activities regarding Natesto™. The Company is accounting for this transaction as a business combination in accordance with the relevant accounting literature. Natesto™ was approved by the U.S. Food and Drug Administration (FDA) in May 2014. On March 16, 2015, Endo announced the commercial availability of Natesto™.

The Company acquired the product for consideration of $56.7 million, consisting of an upfront payment of $25.0 million, prepaid inventory of $5.0 million and contingent cash consideration with an acquisition-date fair value of $26.7 million, including the impact of a measurement period adjustment recorded during the first quarter of 2015. See Note 7. Fair Value Measurements for further discussion of this contingent consideration.

The preliminary fair values of the net identifiable assets acquired totaled $56.7 million, resulting in no goodwill. The amount of net identifiable assets acquired in connection with the Natesto™ acquisition includes $51.7 million of developed technology to be amortized over 10 years. The net identifiable assets acquired in connection with the Natesto™ acquisition were fully written off during the third quarter of 2015. See Note 9. Goodwill and Other Intangibles for further discussion of this impairment.

The operating results of Natesto™ are included in the accompanying Condensed Consolidated Statements of Operations for the three and nine months ended September 30, 2015. There are no results included in the accompanying Condensed Consolidated Statements of Operations for the three and nine months ended September 30, 2014. The Condensed Consolidated Balance Sheets as of September 30, 2015 and December 31, 2014 reflect the acquisition of Natesto™, effective December 9, 2014. Our measurement period adjustments were complete for Natesto as of September 30, 2015.

Pro forma results of operations have not been presented because the effect of the Natesto™ acquisition was not material.

Auxilium Pharmaceuticals, Inc.

On January 29, 2015 (the Auxilium Acquisition Date), the Company acquired all of the outstanding shares of common stock of Auxilium in a transaction valued at $2.6 billion, as enumerated in the table below.

Pursuant to the terms of the Merger Agreement, of the 55.0 million outstanding Auxilium shares eligible to make an election, 94.9% elected to receive transaction consideration equal to 0.4880 Endo shares per Auxilium share (the Stock Election Consideration), 0.4% elected to receive 100% cash, which equated to $33.25 of cash per Auxilium share (the Cash Election Consideration) and 4.7% elected or defaulted to receive a mix of $16.625 in cash and 0.2440 Endo shares per Auxilium share (the Standard Election Consideration). The result of the elections led to an oversubscription of the Stock Election Consideration and, in accordance with the proration method described in the Merger Agreement and proxy statement/prospectus provided to Auxilium shareholders, each Auxilium share for which an election was made to receive the Stock Election Consideration was instead entitled to receive approximately 0.3448 Endo shares and $9.75 in cash.

The acquisition consideration was as follows (in thousands, except for per share amounts):

Number of Endo ordinary shares issued pursuant to the Merger Agreement	18,610	
Endo share price on January 29, 2015	$ 81.64	
Fair value of Endo ordinary shares issued to Auxilium stockholders		$ 1,519,320
Cash distribution at closing (1)		1,021,864
Settlement of pre-existing relationships		28,400
Total acquisition consideration		$ 2,569,584

(1) Represents the cash paid directly to shareholders pursuant to the Merger Agreement, the fair value of Auxilium stock awards attributed to pre-combination services that were outstanding on the Auxilium Acquisition Date and settled in connection with the Auxilium acquisition, and amounts paid by Endo on behalf of Auxilium (including transactions costs incurred by Auxilium in connection with the acquisition and amounts paid to settle existing Auxilium indebtedness and related instruments).

Auxilium is a fully integrated specialty biopharmaceutical company with a focus on developing and commercializing innovative products for specific patients' needs. Auxilium, with a broad range of first- and second-line products across multiple indications, is an emerging leader in the men's healthcare sector and has strategically focused its product portfolio and pipeline in orthopedics, dermatology and other therapeutic areas.

The Company believes Auxilium is highly complementary to Endo's branded pharmaceuticals business. The Company further believes this transaction is well aligned with its growth strategy and the Company sees significant opportunities to leverage its leading presence in men's health, as well as the Company's R&D capabilities and financial resources to accelerate the growth of Auxilium's XIAFLEX® and its other products.

While the Auxilium acquisition was primarily equity based, Endo also made changes to its existing debt structure to complete the transaction, as further described in Note 11. Debt.

The operating results from the acquisition date of January 29, 2015 are included in the accompanying Condensed Consolidated Statements of Operations for the three and nine months ended September 30, 2015. The Condensed Consolidated Balance Sheet as of September 30, 2015 reflects the acquisition of Auxilium, effective January 29, 2015.

The following table summarizes the fair values of the assets acquired and liabilities assumed at the Auxilium Acquisition Date (in thousands):

	January 29, 2015 (As initially reported)	Measurement period adjustments	January 29, 2015 (As adjusted)
Cash and cash equivalents	$ 115,973	$ —	$ 115,973
Accounts receivable	75,849	—	75,849
Inventories	341,900	(44,699)	297,201
Prepaid expenses and other current assets	6,687	—	6,687
Property, plant and equipment	31,500	—	31,500
Intangible assets	2,838,000	(223,700)	2,614,300
Other assets	9,285	(999)	8,286
Total identifiable assets	$ 3,419,194	$ (269,398)	$ 3,149,796
Accounts payable and accrued expenses	$ 120,553	$ 14,426	$ 134,979
Deferred income taxes	164,379	(29,370)	135,009
Convertible debt, including equity component (1)	571,132	—	571,132
Other liabilities	171,400	(4,320)	167,080
Total liabilities assumed	$ 1,027,464	$ (19,264)	$ 1,008,200
Net identifiable assets acquired	$ 2,391,730	$ (250,134)	$ 2,141,596
Goodwill	177,854	250,134	427,988
Net assets acquired	$ 2,569,584	$ —	$ 2,569,584

(1) As further described in Note 11. Debt, this amount consists of $304.5 million and $266.6 million, representing the debt and equity components of the Auxilium convertible notes, respectively.

The estimated fair value of the Auxilium assets acquired and liabilities assumed are provisional as of September 30, 2015 and are based on information that is currently available to the Company. Additional information is being gathered to finalize these provisional measurements, particularly with respect to intangible assets, accrued expenses, deferred income taxes and income taxes payable. Accordingly, the measurement of the Auxilium assets acquired and liabilities assumed may change significantly upon finalization of the Company's valuations and completion of the purchase price allocation, both of which are expected to occur no later than one year from the acquisition date. During the three months ended September 30, 2015, the Company recorded an additional $4.4 million loss on extinguishment of debt related to the conversion of Auxilium's convertible debt, which occurred during the first quarter of 2015. This loss on extinguishment of debt represents differences between the fair values of the repurchased debt components and their carrying values.

The valuation of the intangible assets acquired and related amortization periods are as follows:

	Valuation (in millions)	Amortization period (in years)
Developed Technology:		
XIAFLEX®	$ 1,501.1	12
TESTOPEL®	584.3	15
Urology Retail	314.3	13
Other	128.9	15
Total	$ 2,528.6	
In Process Research & Development (IPR&D):		
XIAFLEX®—Cellulite	$ 85.7	n/a
Total	$ 85.7	n/a
Total other intangible assets	$ 2,614.3	n/a

The preliminary fair values of the developed technology and IPR&D assets were estimated using a discounted present value income approach. Under this method, an intangible asset's fair value is equal to the present value of the incremental after-tax cash flows (excess earnings) attributable solely to the intangible asset over its remaining useful life. To calculate fair value, the

Company used cash flows discounted at rates ranging from 9% to 11%, which were considered appropriate given the inherent risks associated with each type of asset. The Company believes that the level and timing of cash flows appropriately reflect market participant assumptions.

The goodwill recognized is attributable primarily to strategic and synergistic opportunities related to existing pharmaceutical businesses, the assembled workforce of Auxilium and other factors. Approximately $2.6 million of goodwill is expected to be deductible for income tax purposes.

Deferred tax assets and liabilities are related primarily to the difference between the book basis and tax basis of identifiable intangible assets and inventory step-up.

The Company recognized acquisition-related transaction costs associated with the Auxilium acquisition during the nine months ended September 30, 2015 totaling $23.1 million. These costs, which related primarily to bank fees, legal and accounting services, and fees for other professional services, are included in Acquisition-related and integration items in the accompanying Condensed Consolidated Statements of Operations.

The amounts of Auxilium Revenue and Net income attributable to Endo International plc included in the Company's Condensed Consolidated Statements of Operations from and including January 29, 2015 to September 30, 2015 are as follows (in thousands, except per share data):

Revenue	$	237,807
Net loss attributable to Endo International plc (1)	$	(257,597)
Basic & diluted net (loss) per share	$	(1.37)

(1) Net loss attributable to Endo International plc does not include any portion of the goodwill impairment charge recorded during the three months ended September 30, 2015 since it is not possible to distinguish the amount of the charge directly attributable to Auxilium.

The following supplemental unaudited pro forma information presents the financial results as if the acquisition of Auxilium had occurred on January 1, 2014 for the nine months ended September 30, 2015 and for the three and nine months ended September 30, 2014. This supplemental pro forma information has been prepared for comparative purposes and does not purport to be indicative of what would have occurred had the acquisition been made on January 1, 2014, nor are they indicative of any future results.

	Nine Months Ended September 30, 2015	Three Months Ended September 30, 2014	Nine Months Ended September 30, 2014
Unaudited pro forma consolidated results (in thousands, except per share data):			
Revenue	$ 2,218,596	$ 763,740	$ 1,998,967
Net loss attributable to Endo International plc	$ (1,395,162)	$ (308,003)	$ (862,232)
Basic net (loss) per share	$ (7.42)	$ (2.01)	$ (5.96)
Diluted net (loss) per share	$ (7.42)	$ (1.94)	$ (5.53)

These amounts have been calculated after applying the Company's accounting policies and adjusting the results of Auxilium to reflect factually supportable adjustments that give effect to events that are directly attributable to the Auxilium acquisition assuming the Auxilium acquisition had occurred January 1, 2014. These adjustments mainly include adjustments to interest expense and additional intangible amortization. The adjustments to interest expense, net of tax, related to borrowings to finance the acquisition increased the expense by $5.9 million for the three months ended September 30, 2014, and increased the expense by $1.1 million and $17.2 million for the nine months ended September 30, 2015 and September 30, 2014, respectively. In addition, the adjustments include additional intangible amortization, net of tax, that would have been charged assuming the Company's estimated fair value of the intangible assets, which increased the expense by $17.4 million for the three months ended September 30, 2014. An adjustment to the amortization expense for the nine months ended September 30, 2015 and September 30, 2014 increased the expense by $6.2 million and $52.0 million, respectively.

Acquisition of Par Pharmaceutical Holdings, Inc.

On September 25, 2015, the Company acquired Par for total consideration of $8.14 billion, including the assumption of Par debt. The consideration included 18,075,411 ordinary shares valued at $1.33 billion.

The acquisition consideration was as follows (in thousands, except for per share amounts):

Number of Endo ordinary shares issued pursuant to the Merger Agreement	18,075		
Endo opening share price on September 25, 2015	$ 73.34		
Fair value of Endo ordinary shares issued to Par stockholders (1)		$	1,325,651
Cash distribution at closing (2)			4,405,146
Fair value of Par debt settled at closing			2,404,857
Total acquisition consideration		$	8,135,654

(1) Amounts do not recalculate due to rounding.
(2) Amount includes transaction costs incurred by Par in connection with the acquisition.

Par is a specialty pharmaceutical company that develops, manufactures and markets, innovative and cost-effective pharmaceuticals that help improve patient quality of life. Par offers a line of high-barrier-to-entry generic drugs, while Par Specialty Pharmaceuticals provides niche, innovative brands. Par Sterile Products develops, manufactures and markets both branded and generic aseptic injectable pharmaceuticals. As a result, we believe Par's business is highly complementary to Endo's generic pharmaceuticals business. The Company also believes this transaction provides attractive long-term pipeline opportunities and significant financial synergies.

The operating results from Par's acquisition date of September 25, 2015 are included in the accompanying Condensed Consolidated Statements of Operations for the three and nine months ended September 30, 2015. The Condensed Consolidated Balance Sheet as of September 30, 2015 reflects the acquisition of Par, effective September 25, 2015.

The following table summarizes the fair values of the assets acquired and liabilities assumed at the Par Acquisition Date (in thousands):

	September 25, 2015
Cash and cash equivalents	$ 215,612
Accounts and other receivables	500,108
Inventories	359,000
Prepaid expenses and other current assets	34,582
Deferred income tax assets, current	6,387
Property, plant and equipment	239,983
Intangible assets	4,762,600
Other assets	11,421
Total identifiable assets	$ 6,129,693
Accounts payable and accrued expenses	$ 548,953
Deferred income tax liabilities	1,556,111
Other liabilities	14,286
Total liabilities assumed	$ 2,119,350
Net identifiable assets acquired	$ 4,010,343
Goodwill	4,125,311
Net assets acquired	$ 8,135,654

The estimated fair value of the Par assets acquired and liabilities assumed are provisional as of September 30, 2015 and are based on information that is currently available to the Company. Additional information is being gathered to finalize these provisional measurements, particularly with respect to property, plant and equipment, intangible assets, inventory, accrued expenses, deferred income taxes and income taxes payable. Accordingly, the measurement of the Par assets acquired and liabilities assumed may change significantly upon finalization of the Company's valuations and completion of the purchase price allocation, both of which are expected to occur no later than one year from the acquisition date.

The valuation of the intangible assets acquired and related amortization periods are as follows:

	Valuation (in millions)	Amortization period (in years)
Developed Technology:		
Vasostrict™	$ 965.5	12
Aplisol®	185.1	12
Propafenone	152.6	12
Nascobal®	140.2	12
Bupropion	133.2	12
Other	1,093.3	12
Total	$ 2,669.9	
In Process Research & Development (IPR&D):		
Other	$ 2,092.7	n/a
Total	$ 2,092.7	n/a
Total other intangible assets	$ 4,762.6	n/a

The goodwill recognized is attributable primarily to strategic and synergistic opportunities related to existing pharmaceutical businesses, the assembled workforce of Par and other factors. Approximately $33.8 million of goodwill is expected to be deductible for income tax purposes.

Deferred tax assets and liabilities are related primarily to the difference between the book basis and tax basis of identifiable intangible assets and inventory step-up.

The Company recognized acquisition-related transaction costs associated with the Par acquisition during the three and nine months ended September 30, 2015 totaling $36.3 million and $45.9 million, respectively. These costs, which related primarily to bank fees, legal and accounting services, and fees for other professional services, are included in Acquisition-related and integration items in the accompanying Condensed Consolidated Statements of Operations.

The amounts of Par Revenue and Net income attributable to Endo International plc included in the Company's Condensed Consolidated Statements of Operations from and including September 25, 2015 to September 30, 2015 are as follows (in thousands, except per share data):

Revenue	$ 23,413
Net loss attributable to Endo International plc	$ (17,441)
Basic and diluted net (loss) per share	$ (0.09)

The following supplemental unaudited pro forma information presents the financial results as if the acquisition of Par had occurred on January 1, 2014 for the three and nine ended September 30, 2015 and for the three and nine months ended September 30, 2014. This supplemental pro forma information has been prepared for comparative purposes and does not purport to be indicative of what would have occurred had the acquisition been made on January 1, 2014, nor are they indicative of any future results.

	Three Months Ended September 30, 2015	Nine Months Ended September 30, 2015	Three Months Ended September 30, 2014	Nine Months Ended September 30, 2014
Unaudited pro forma consolidated results (in thousands, except per share data):				
Revenue	$ 1,053,654	$ 3,194,413	$ 990,233	$ 2,638,412
Net loss attributable to Endo International plc	$ (1,043,715)	$ (1,370,007)	$ (310,258)	$ (831,091)
Basic net (loss) per share	$ (4.99)	$ (7.28)	$ (2.02)	$ (5.75)
Diluted net (loss) per share	$ (4.99)	$ (7.28)	$ (1.95)	$ (5.33)

These amounts have been calculated after applying the Company's accounting policies and adjusting the results of Par to reflect factually supportable adjustments that give effect to events that are directly attributable to the Par acquisition assuming the Par acquisition had occurred January 1, 2014. These adjustments mainly include adjustments to interest expense, and additional

intangible amortization. The adjustments to interest expense, net of tax, related to borrowings to finance the acquisition increased the expense by $4.9 million and $9.0 million for the three months ended September 30, 2015 and September 30, 2014, respectively, and increased the expense by $11.7 million and $28.7 million for the nine months ended September 30, 2015 and September 30, 2014, respectively. In addition, the adjustments include additional intangible amortization, net of tax, that would have been charged assuming the Company's estimated fair value of the intangible assets, which increased the expense by $13.4 million and $11.5 million for the three months ended September 30, 2015 and September 30, 2014, respectively. An adjustment to the amortization expense for the nine months ended September 30, 2015 and September 30, 2014 increased the expense by $31.2 million and $30.7 million, respectively.

Other Acquisitions

In addition to the business combinations disclosed above, the Company has acquired the rights to commercialize developed technology assets treated as business combinations, which were not individually material. During the nine months ended September 30, 2015, the Company entered into additional business combinations for total consideration of $121.3 million, consisting of upfront payments of $14.0 million and contingent cash consideration with acquisition-date fair values of $107.3 million. The fair values of the net identifiable intangible assets acquired totaled $119.8 million.

NOTE 6. SEGMENT RESULTS

On February 24, 2015, the Company's Board of Directors approved a plan to sell its AMS business, which comprises the entirety of our former Devices segment. Subsequently, the Company entered into a definitive agreement to sell the Men's Health and Prostate Health components of the AMS business to Boston Scientific Corporation. On August 3, 2015, the Company completed the sale of the Men's Health and Prostate Health components of its AMS business to Boston Scientific Corporation. The assets of this business segment and related liabilities are classified as held for sale in the Condensed Consolidated Balance Sheets for all periods presented. Depreciation and amortization expense are not recorded on assets held for sale. The operating results of this business segment are reported as Discontinued operations, net of tax, in the Condensed Consolidated Statements of Operations for all periods presented. For additional information, see Note 3. Discontinued Operations.

The three remaining reportable business segments in which the Company now operates are: (1) U.S. Branded Pharmaceuticals, (2) U.S. Generic Pharmaceuticals and (3) International Pharmaceuticals. These segments reflect the level at which executive management regularly reviews financial information to assess performance and to make decisions about resources to be allocated. Each segment derives revenue from the sales or licensing of its respective products and is discussed in more detail below.

We evaluate segment performance based on each segment's adjusted income (loss) from continuing operations before income tax, which we define as (loss) income from continuing operations before income tax before certain upfront and milestone payments to partners; acquisition-related and integration items, including transaction costs, earn-out payments or adjustments, changes in the fair value of contingent consideration and bridge financing costs; cost reduction and integration-related initiatives such as separation benefits, retention payments, other exit costs and certain costs associated with integrating an acquired company's operations; excess costs that will be eliminated pursuant to integration plans; asset impairment charges; amortization of intangible assets; inventory step-up recorded as part of our acquisitions; certain non-cash interest expense; litigation-related and other contingent matters; gains or losses from early termination of debt and hedging activities; foreign currency gains or losses on intercompany financing arrangements; and certain other items that the Company believes do not reflect its core operating performance.

Certain of the corporate general and administrative expenses incurred by the Company are not attributable to any specific segment. Accordingly, these costs are not allocated to any of the Company's segments and are included in the results below as "Corporate unallocated". The Company's consolidated adjusted income from continuing operations before income tax is equal to the combined results of each of its segment less these unallocated corporate costs.

U.S. Branded Pharmaceuticals

Our U.S. Branded Pharmaceuticals segment includes a variety of branded prescription products related to treating and managing pain as well as our urology and men's health, endocrinology and orthopedic products. The marketed products that are included in this segment include Lidoderm®, Opana® ER, Voltaren® Gel, Percocet®, Fortesta® Gel, Supprelin® LA, XIAFLEX®, STENDRA®, Aveed® and Testim®, among others.

U.S. Generic Pharmaceuticals

Our U.S. Generic Pharmaceuticals segment consists of products primarily focused in pain management through a differentiated portfolio of controlled substances and liquids that have one or more barriers to market entry, such as complex formulation, regulatory or legal challenges or difficulty in raw material sourcing. The product offerings of this segment include products in the pain management, urology, CNS disorders, immunosuppression, oncology, women's health and cardiovascular disease markets, among

others. Additionally, in May 2014, we launched an authorized generic lidocaine patch 5% (referred to as Lidoderm® authorized generic). The U.S. Generic Pharmaceuticals segment includes products acquired in connection with the acquisition of Par.

International Pharmaceuticals

Our International Pharmaceuticals segment includes a variety of specialty pharmaceutical products and certain medical devices for the Canadian, Mexican, South African and world markets, which we acquired from Paladin and Somar. Paladin's key products serve growing therapeutic areas including ADHD, pain, and urology. Somar develops, manufactures, and markets high-quality generic, branded generic and over-the-counter products across key market segments including dermatology and anti-infectives.

The following represents selected information for the Company's reportable segments for the three and nine months ended September 30 (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
Net revenues to external customers:				
U.S. Branded Pharmaceuticals	$ 304,778	$ 240,931	$ 905,198	$ 723,643
U.S. Generic Pharmaceuticals	367,933	319,399	1,063,221	803,467
International Pharmaceuticals (1)	73,016	93,786	226,602	190,696
Total net revenues to external customers	$ 745,727	$ 654,116	$ 2,195,021	$ 1,717,806
Adjusted income from continuing operations before income tax:				
U.S. Branded Pharmaceuticals	$ 157,478	$ 130,613	$ 486,474	$ 395,446
U.S. Generic Pharmaceuticals	$ 177,961	$ 139,497	$ 507,507	$ 318,528
International Pharmaceuticals	$ 10,884	$ 27,234	$ 31,975	$ 59,131

(1) Revenues generated by our International Pharmaceuticals segment are primarily attributable to Canada, Mexico and South Africa.

There were no material revenues from external customers attributed to an individual foreign country during the three and nine months ended September 30, 2015 and 2014. There were no material tangible long-lived assets in an individual foreign country as of September 30, 2015 or December 31, 2014.

The table below provides reconciliations of our segment adjusted income from continuing operations before income tax to our consolidated (loss) income from continuing operations before income tax, which is determined in accordance with U.S. GAAP, for the three and nine months ended September 30, 2015 and 2014 (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
Total segment adjusted income from continuing operations before income tax:	$ 346,323	$ 297,344	$ 1,025,956	$ 773,105
Corporate unallocated costs (1)	(129,684)	(96,442)	(342,260)	(246,050)
Upfront and milestone payments to partners	(9,261)	(13,448)	(14,063)	(34,953)
Asset impairment charges	(923,607)	—	(1,000,850)	—
Acquisition-related and integration items (2)	27,688	(2,732)	(51,177)	(67,619)
Separation benefits and other cost reduction initiatives (3)	(22,669)	(7,505)	(70,256)	(17,021)
Excise tax (4)	—	1,000	—	(54,300)
Amortization of intangible assets	(121,503)	(55,368)	(333,759)	(147,798)
Inventory step-up and certain excess manufacturing costs that will be eliminated pursuant to integration plans	(42,919)	(17,364)	(131,783)	(40,089)
Non-cash interest expense related to the 1.75% Convertible Senior Subordinated Notes	—	(1,992)	(1,632)	(11,307)
Loss on extinguishment of debt	(40,909)	(2,027)	(41,889)	(31,712)
Certain litigation-related charges, net	—	(3,131)	(19,875)	(7,085)
Foreign currency impact related to the remeasurement of intercompany debt instruments	5,693	5,740	23,991	5,740
Costs associated with unused financing commitments	(64,281)	—	(78,352)	—
Acceleration of Auxilium employee equity awards at closing	—	—	(37,603)	—
Charge related to the non-recoverability of certain non-trade receivables	—	—	—	(10,000)
Net gain on sale of certain early-stage drug discovery and development assets	—	150	—	4,000
Other than temporary impairment of equity investment	—	—	(18,869)	—
Charge for an additional year of the branded prescription drug fee in accordance with IRS regulations issued in the third quarter of 2014	—	(24,972)	—	(24,972)
Other, net	10,484	(160)	7,785	(161)
Total consolidated (loss) income from continuing operations before income tax	$ (964,645)	$ 79,093	$ (1,084,636)	$ 89,778

(1) Corporate unallocated costs include certain corporate overhead costs, interest expense, net, and certain other income and expenses.

(2) Acquisition-related and integration-items include costs directly associated with the closing of certain acquisitions of $52.6 million and $134.8 million, during the three and nine months ended September 30, 2015, respectively, compared to $2.7 million and $67.6 million during the three and nine months ended September 30, 2014, respectively. During the three and nine months ended September 30, 2015, these costs are net of a benefit due to changes in the fair value of contingent consideration of $80.3 million and $83.6 million, respectively.

(3) Separation benefits and other cost reduction initiatives include employee separation costs of $20.8 million and $58.1 million during the three and nine months ended September 30, 2015, respectively, compared to $0.8 million and $7.6 million during the three and nine months ended September 30, 2014, respectively. During the nine months ended September 30, 2015, a $7.9 million charge was recorded upon the cease use date of our Auxilium subsidiary's former corporate headquarters, representing the liability for our remaining obligations under the respective lease agreement, net of estimated sublease income. Amounts in the comparable 2014 period primarily consisted of employee separation costs and changes in estimates related to certain cost reduction initiative accruals. These amounts were primarily recorded as Selling, general and administrative expense in our Condensed Consolidated Statements of Operations. See Note 4. Restructuring for discussion of our material restructuring initiatives.

(4) This amount represents charges related to the expense for the reimbursement of directors' and certain employees' excise tax liabilities pursuant to Section 4985 of the Internal Revenue Code.

The following represents additional selected financial information for our reportable segments for the three and nine months ended September 30, 2015 and 2014 (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
Depreciation expense:				
U.S. Branded Pharmaceuticals	$ 3,982	$ 4,319	$ 14,603	$ 12,730
U.S. Generic Pharmaceuticals	4,837	4,514	14,318	12,392
International Pharmaceuticals	751	718	2,330	1,209
Corporate unallocated	1,699	2,091	5,387	6,104
Total depreciation expense	$ 11,269	$ 11,642	$ 36,638	$ 32,435

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
Amortization expense:				
U.S. Branded Pharmaceuticals	$ 75,299	$ 18,590	$ 203,460	$ 57,052
U.S. Generic Pharmaceuticals	36,556	24,818	87,391	63,588
International Pharmaceuticals	9,648	11,960	42,908	27,158
Total amortization expense	$ 121,503	$ 55,368	$ 333,759	$ 147,798

Interest income and expense are considered corporate items and included in Corporate unallocated. Asset information is not reviewed or included within our internal management reporting. Therefore, the Company has not disclosed asset information for each reportable segment.

NOTE 7. FAIR VALUE MEASUREMENTS

Financial Instruments

The financial instruments recorded in our Condensed Consolidated Balance Sheets include cash and cash equivalents, restricted cash and cash equivalents, accounts receivable, marketable securities, equity and cost method investments, accounts payable and accrued expenses, acquisition-related contingent consideration and debt obligations. Included in cash and cash equivalents and restricted cash and cash equivalents are money market funds representing a type of mutual fund required by law to invest in low-risk securities (for example, U.S. government bonds, U.S. Treasury Bills and commercial paper). Money market funds are structured to maintain the fund's net asset value at $1.00 per unit, which assists in providing adequate liquidity upon demand by the holder. Money market funds pay dividends that generally reflect short-term interest rates. Thus, only the dividend yield fluctuates. Due to their short-term maturity, the carrying amounts of non-restricted and restricted cash and cash equivalents (including money market funds), accounts receivable, accounts payable and accrued expenses approximate their fair values.

Fair value guidance establishes a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value. These tiers include:

- Level 1—Quoted prices in active markets for identical assets or liabilities.
- Level 2—Inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- Level 3—Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

Marketable Securities

Equity securities consist of investments in the stock of publicly traded companies, the values of which are based on quoted market prices and thus represent Level 1 measurements within the fair value hierarchy, as defined above. These securities are not held to support current operations and are therefore classified as non-current assets. Equity securities are included in Marketable securities in the Condensed Consolidated Balance Sheets at September 30, 2015 and December 31, 2014.

At the time of purchase, we classify our marketable securities as either available-for-sale securities or trading securities, depending on our intent at that time. Available-for-sale and trading securities are carried at fair value with unrealized holding gains and losses recorded within other comprehensive income or net income, respectively. The Company reviews unrealized losses associated with available-for-sale securities to determine the classification as a "temporary" or "other-than-temporary" impairment. A temporary impairment results in an unrealized loss being recorded in other comprehensive income. An impairment that is viewed as

other-than-temporary is recognized in net income. The Company considers various factors in determining the classification, including the length of time and extent to which the fair value has been less than the Company's cost basis, the financial condition and near-term prospects of the issuer or investee, and the Company's ability to hold the investment for a period of time sufficient to allow for any anticipated recovery in market value.

Loans Receivable

Our loans receivable at September 30, 2015 relate primarily to loans totaling $15.2 million to our joint venture investment owned through our Litha subsidiary. The joint venture investment is further described below. The majority of this amount is secured by certain of the assets of our joint venture. The fair values of these loans were based on anticipated cash flows, which approximate the carrying amount, and were classified in Level 2 measurements in the fair value hierarchy. These loans are included in Other assets in our Condensed Consolidated Balance Sheets.

Equity and Cost Method Investments

As of September 30, 2015, we have various investments that we account for using the equity or cost method of accounting totaling $16.6 million, including a joint venture investment owned through our Litha subsidiary. During the three months ended June 30, 2015, the Company recognized an other than temporary impairment of our Litha joint venture investment totaling $18.9 million, reflecting the excess carrying value of this investment over its estimated fair value. To estimate the fair value of this joint venture investment we relied primarily on a market approach based on the terms of the recently announced divestiture of that investment. With respect to our other equity or cost method investments, which are included in Other Assets in our Condensed Consolidated Balance Sheets at September 30, 2015 and December 31, 2014, the Company did not recognize any other-than-temporary impairments. We considered various factors, including the operating results of our equity method investments and the lack of an unrealized loss position on our cost method investments.

Acquisition-Related Contingent Consideration

Acquisition-related contingent consideration is measured at fair value on a recurring basis using unobservable inputs; hence these instruments represent Level 3 measurements within the fair value hierarchy. See Recurring Fair Value Measurements below for additional information on the fair value methodology used for the acquisition-related contingent consideration.

Voltaren® Gel Royalties due to Novartis

The initial fair value of the Minimum Voltaren® Gel royalties due to Novartis were determined using an income approach (present value technique) taking into consideration the level and timing of expected cash flows and an assumed discount rate. These assumptions are based on significant inputs not observable in the market and thus represent Level 3 measurements within the fair value hierarchy. The liability is currently being accreted up to the expected minimum payments, less payments made to date. We believe the carrying amount of this minimum royalty guarantee at September 30, 2015 and December 31, 2014 represents a reasonable approximation of the price that would be paid to transfer the liability in an orderly transaction between market participants at the measurement date. Accordingly, the carrying value approximates fair value as of September 30, 2015 and December 31, 2014.

Recurring Fair Value Measurements

The Company's financial assets and liabilities measured at fair value on a recurring basis at September 30, 2015 and December 31, 2014 were as follows (in thousands):

	Fair Value Measurements at Reporting Date using:			
September 30, 2015	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Assets:				
Money market funds	$ 216,478	$ —	$ —	$ 216,478
Equity securities	4,238	—	—	4,238
Total	$ 220,716	$ —	$ —	$ 220,716
Liabilities:				
Acquisition-related contingent consideration—short-term	$ —	$ —	$ 50,252	$ 50,252
Acquisition-related contingent consideration—long-term	—	—	92,071	92,071
Total	$ —	$ —	$ 142,323	$ 142,323

At September 30, 2015, money market funds include $65.3 million in Qualified Settlement Funds to be disbursed to mesh-related product liability claimants. See Note 12. Commitments and Contingencies for further discussion of our product liability cases.

	Fair Value Measurements at Reporting Date using:			
December 31, 2014	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Assets:				
Money market funds	$ 279,327	$ —	$ —	$ 279,327
Equity securities	2,321	—	—	2,321
Total	$ 281,648	$ —	$ —	$ 281,648
Liabilities:				
Acquisition-related contingent consideration—short-term	$ —	$ —	$ 4,282	$ 4,282
Acquisition-related contingent consideration—long-term	—	—	41,723	41,723
Total	$ —	$ —	$ 46,005	$ 46,005

At December 31, 2014, money market funds include $124.4 million in Qualified Settlement Funds to be disbursed to mesh-related product liability claimants. See Note 12. Commitments and Contingencies for further discussion of our product liability cases.

Acquisition-Related Contingent Consideration

On November 30, 2010 (the Qualitest Pharmaceuticals Acquisition Date), the Company acquired Generics International (US Parent), Inc. (doing business as Qualitest Pharmaceuticals), which was party to an asset purchase agreement with Teva Pharmaceutical Industries Ltd (Teva) (the Teva Agreement). Pursuant to the Teva Agreement, Qualitest Pharmaceuticals purchased certain pipeline generic products from Teva and could be obligated to pay consideration to Teva upon the achievement of certain future regulatory milestones (the Teva Contingent Consideration). The current range of the undiscounted amounts the Company could be obligated to pay in future periods under the Teva Agreement is between zero and $5.0 million after giving effect to payments made to date. The fair value of the contractual obligation to pay the Teva Contingent Consideration was determined to be $1.2 million at September 30, 2015 and $5.2 million at December 31, 2014. The decrease in the balance primarily relates to first and third quarter 2015 payments of $2.5 million each related to the achievement of certain regulatory milestones, partially offset by an increase due to certain regulatory conditions impacting the commercial potential of related products.

During the second quarter of 2014, in connection with the Company's acquisition of Sumavel®, we entered into an agreement to make contingent cash consideration payments to the former owner of Sumavel® of between zero and $20.0 million (the Sumavel® Contingent Consideration), based on certain factors relating primarily to the financial performance of Sumavel®. At the acquisition date, we estimated the fair value of this obligation to be $4.1 million based on a probability-weighted discounted cash flow model (income approach). Using this valuation technique, the fair value of the contractual obligation to pay the Sumavel® Contingent Consideration was determined to be approximately $0.6 million at September 30, 2015 and $4.7 million at December 31, 2014. The change in the balance primarily relates to certain market conditions impacting the commercial potential of the product.

In connection with our acquisition of DAVA, we agreed to make cash consideration payments of up to $25.0 million (the DAVA Contingent Consideration) contingent on the achievement of certain sales-based milestones. At the DAVA acquisition date, we estimated the fair value of this obligation to be $5.1 million based on a probability-weighted discounted cash flow model (income approach). Using this valuation technique, the fair value of the contractual obligation to pay the DAVA Contingent Consideration was determined to be zero at September 30, 2015 and $5.1 million at December 31, 2014. The change in the balance relates to certain market conditions impacting the commercial potential of related products.

In connection with the acquisition of Natesto™, we entered into an agreement to make contingent cash consideration payments to the former owners of Natesto™ based on certain potential clinical and commercial milestones of up to $165.0 million as well as royalties based on a percentage of potential future sales of Natesto™ (the Natesto™ Contingent Consideration). As of the Natesto acquisition date, Endo estimated the fair value of this obligation to be $31.0 million based on a probability-weighted discounted cash flow model (income approach). Using this valuation technique, the fair value of the contractual obligation to pay the Natesto™ Contingent Consideration was determined to be $6.8 million at September 30, 2015 and $31.0 million at December 31, 2014. The decrease in the balance primarily relates to certain market conditions impacting the commercial potential of the related product and a measurement period adjustment of $4.3 million to reduce the obligation.

On January 29, 2015, we acquired Auxilium, which is party to an agreement pursuant to which it could be obligated to make certain contingent cash consideration payments (the Actient Contingent Consideration). These payments relate primarily to potential sales-based royalties on edex® and TESTOPEL®, which Auxilium had previously acquired in connection with its 2013 acquisition of Actient Pharmaceuticals, LLC (Actient). As of the Auxilium acquisition date, Endo estimated the fair value of the Actient Contingent

Consideration to be $46.8 million. The fair value was estimated based on a probability-weighted discounted cash flow model (income approach). The fair value of the Actient Contingent Consideration was determined to be $27.7 million at September 30, 2015. The change in the balance primarily relates to certain market conditions impacting the commercial potential of the related products, 2015 payments of $5.3 million related to sales-based royalties and a measurement period adjustment of $3.9 million to reduce the obligation.

Auxilium is also party to an agreement with VIVUS, Inc. (VIVUS) to make contingent cash consideration payments consisting of royalties based on a percentage of net sales of STENDRA® as well as sales-based milestones of up to approximately $260 million (the STENDRA® Contingent Consideration). On January 29, 2015, the date Endo acquired Auxilium, Endo estimated the fair value of the STENDRA® Contingent Consideration to be $59.6 million. The fair value was estimated based on a probability-weighted discounted cash flow model (income approach). Using this valuation technique, the fair value of the STENDRA® Contingent Consideration was determined to be $5.6 million at September 30, 2015. The change in the balance primarily relates to certain market conditions impacting the commercial potential of the related product, 2015 payments of $1.3 million related to sales-based royalties and a measurement period adjustment of $2.5 million to reduce the obligation.

In connection with the acquisition of the exclusive license rights of certain products, we entered into agreements to make contingent cash consideration payments based on certain operational and commercial milestones, as well as payments based on a percentage of profits realized on the licensed products. At the acquisition date, we estimated the fair value of these obligations to be $108.0 million based on a probability-weighted discounted cash flow models (income approach). Using this valuation technique, the fair value of the contractual obligations to pay the contingent consideration was determined to be $100.4 million at September 30, 2015. The decrease in the balance primarily relates to 2015 payments of $10.1 million related to the achievement of certain commercial milestones, currency translation adjustment of $1.2 million and sales-based royalties and a measurement period adjustment of $0.9 million to reduce the obligations, partially offset by certain market conditions impacting the commercial potential of related products.

The fair values of contingent consideration amounts above were estimated based on assumptions and projections relevant to revenues and a discounted cash flow model using risk-adjusted discount rates ranging from 3.0% to 23.5%. The Company assesses these assumptions on an ongoing basis as additional information impacting the assumptions is obtained.

Amounts recorded for the short-term and long-term portions of acquisition related contingent consideration are included in Accrued expenses and Other liabilities, respectively, in the Condensed Consolidated Balance Sheets.

Fair Value Measurements Using Significant Unobservable Inputs

The following table presents changes to the Company's liability for acquisition-related contingent consideration, which is measured at fair value on a recurring basis using significant unobservable inputs (Level 3) for the three and nine months ended September 30 (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
Beginning of period	$ 189,082	$ 8,503	$ 46,005	$ 4,747
Amounts acquired	47,900	4,800	214,435	8,500
Amounts settled	(13,094)	—	(21,668)	—
Transfers (in) and/or out of Level 3	—	—	—	—
Measurement period adjustments	(78)	—	(11,634)	—
Changes in fair value recorded in earnings	(80,277)	14	(83,605)	70
Effect of currency translation	(1,210)	—	(1,210)	—
End of period	$ 142,323	$ 13,317	$ 142,323	$ 13,317

Changes in fair value recorded in earnings related to acquisition-related contingent consideration are included in the Condensed Consolidated Statements of Operations as Acquisition-related and integration items.

The following is a summary of available-for-sale securities held by the Company at September 30, 2015 and December 31, 2014 (in thousands):

	Available-for-sale			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized (Losses)	Fair Value
September 30, 2015				
Money market funds	$ 216,478	$ —	$ —	$ 216,478
Total included in cash and cash equivalents	$ 151,203	$ —	$ —	$ 151,203
Total included in restricted cash and cash equivalents	$ 65,275	$ —	$ —	$ 65,275
Equity securities	$ 805	$ —	$ (37)	$ 768
Total other short-term available-for-sale securities	$ 805	$ —	$ (37)	$ 768
Equity securities	$ 1,766	$ 1,704	$ —	$ 3,470
Long-term available-for-sale securities	$ 1,766	$ 1,704	$ —	$ 3,470

	Available-for-sale			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized (Losses)	Fair Value
December 31, 2014				
Money market funds	$ 279,327	$ —	$ —	$ 279,327
Total included in cash and cash equivalents	$ 154,959	$ —	$ —	$ 154,959
Total included in restricted cash and cash equivalents	$ 124,368	$ —	$ —	$ 124,368
Equity securities	$ 805	$ 10	$ —	$ 815
Total other short-term available-for-sale securities	$ 805	$ 10	$ —	$ 815
Equity securities	$ 1,766	$ —	$ (260)	$ 1,506
Long-term available-for-sale securities	$ 1,766	$ —	$ (260)	$ 1,506

Nonrecurring Fair Value Measurements

The Company's financial assets measured at fair value on a nonrecurring basis during the nine months ended September 30, 2015 were as follows (in thousands):

	Fair Value Measurements at Reporting Date using:			Total (Expense) Income for the Nine Months Ended September 30, 2015
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
Assets:				
Auxilium leasehold improvements (Note 4)	$ —	$ —	$ —	$ (7,000)
Endo equity investment	—	—	10,469	(18,869)
Certain U.S. Branded Pharmaceuticals intangible assets (Note 9)	—	—	59,354	(160,000)
Certain U.S. Generic Pharmaceuticals intangible assets (Note 9)	—	—	38,968	(142,609)
Certain International Pharmaceuticals intangible assets (Note 9)	—	—	3,903	(10,581)
Certain U.S. Branded Pharmaceuticals goodwill (Note 9)	—	—	165,300	(680,000)
Total	$ —	$ —	$ 277,994	$ (1,019,059)

There were no impairments during the nine months ended September 30, 2014.

NOTE 8. INVENTORIES

Inventories consist of the following at September 30, 2015 and December 31, 2014 (in thousands):

	September 30, 2015	December 31, 2014
Raw materials (1)	$ 222,467	$ 118,432
Work-in-process (1)	181,068	43,290
Finished goods (1)	543,115	261,599
Total	$ 946,650	$ 423,321

(1) The components of inventory shown in the table above are net of allowance for obsolescence.

Inventory that is in excess of the amount expected to be sold within one year, which relates primarily to XIAFLEX® inventory acquired in January 2015, is classified as long-term inventory and is not included in the table above. At September 30, 2015, $28.8 million of long-term inventory was included in Other assets in the Condensed Consolidated Balance Sheets.

NOTE 9. GOODWILL AND OTHER INTANGIBLES

Goodwill

Changes in the carrying amount of our goodwill for the nine months ended September 30, 2015 were as follows (in thousands):

	Carrying Amount			
	U.S. Branded Pharmaceuticals	U.S. Generic Pharmaceuticals	International Pharmaceuticals	Total Consolidated
Balance as of December 31, 2014:				
Goodwill	$ 1,131,932	$ 1,071,637	$ 696,018	$ 2,899,587
	$ 1,131,932	$ 1,071,637	$ 696,018	$ 2,899,587
Goodwill acquired during the period	427,988	4,107,977	1,153	4,537,118
Effect of currency translation	—	—	(89,537)	(89,537)
Goodwill impairment charges	(680,000)	—	—	(680,000)
Balance as of September 30, 2015:				
Goodwill	1,559,920	5,179,614	607,634	7,347,168
Accumulated impairment losses	(680,000)	—	—	(680,000)
	$ 879,920	$ 5,179,614	$ 607,634	$ 6,667,168

Other Intangible Assets

The following is a summary of other intangibles held by the Company at September 30, 2015 and December 31, 2014 (in thousands):

Cost basis:	**Balance as of December 31, 2014**	**Acquisitions (1)**	**Impairments (2)**	**Other (3)**	**Effect of Currency Translation**	**Balance as of September 30, 2015**
Indefinite-lived intangibles:						
In-process research and development	$ 184,598	$ 2,178,400	$ (17,774)	$ (26,311)	$ (9,999)	$ 2,308,914
Total indefinite-lived intangibles	$ 184,598	$ 2,178,400	$ (17,774)	$ (26,311)	$ (9,999)	$ 2,308,914
Definite-lived intangibles:						
Licenses (weighted average life of 10 years)	$ 664,367	$ —	$ —	$ —	$ —	$ 664,367
Tradenames (weighted average life of 12 years)	21,315	—	(13,591)	—	(168)	7,556
Developed technology (weighted average life of 13 years)	2,243,215	5,319,514	(281,825)	20,848	(87,852)	7,213,900
Total definite-lived intangibles (weighted average life of 12 years)	$ 2,928,897	$ 5,319,514	$ (295,416)	$ 20,848	$ (88,020)	$ 7,885,823
Total other intangibles	$ 3,113,495	$ 7,497,914	$ (313,190)	$ (5,463)	$ (98,019)	$ 10,194,737

Accumulated amortization:	**Balance as of December 31, 2014**	**Amortization**	**Impairments**	**Other**	**Effect of Currency Translation**	**Balance as of September 30, 2015**
Indefinite-lived intangibles:						
In-process research and development	$ —	$ —	$ —	$ —	$ —	$ —
Total indefinite-lived intangibles	$ —	$ —	$ —	$ —	$ —	$ —
Definite-lived intangibles:						
Licenses	$ (426,413)	$ (59,147)	$ —	$ —	$ —	$ (485,560)
Tradenames	(5,462)	(1,073)	—	—	12	(6,523)
Developed technology	(348,427)	(273,539)	—	—	7,515	(614,451)
Total definite-lived intangibles	$ (780,302)	$ (333,759)	$ —	$ —	$ 7,527	$ (1,106,534)
Total other intangibles	$ (780,302)	$ (333,759)	$ —	$ —	$ 7,527	$ (1,106,534)
Net other intangibles	$ 2,333,193					$ 9,088,203

(1) Includes intangible assets acquired primarily in connection with the acquisitions of Par, Auxilium and other acquisitions. See Note 5. Acquisitions for further information.

(2) Includes the impairment of certain intangible assets of our U.S. Branded Pharmaceuticals, U.S. Generic Pharmaceuticals and International Pharmaceuticals segments.

(3) During the nine months ended September 30, 2015, certain IPR&D assets totaling $26.3 million were put into service, partially offset by a reduction of $5.5 million relating to measurement period adjustments to certain intangible assets acquired in 2014. See Note 5. Acquisitions for further information on measurement period adjustments.

Amortization expense for the three and nine months ended September 30, 2015 totaled $121.5 million and $333.8 million, respectively. Amortization expense for the three and nine months ended September 30, 2014 totaled $55.4 million and $147.8 million, respectively. Estimated amortization of intangibles for the five fiscal years subsequent to December 31, 2014 is as follows (in thousands):

2015	$ 515,135
2016	$ 649,307
2017	$ 624,313
2018	$ 599,801
2019	$ 586,652

Changes in the gross carrying amount of our other intangibles for the nine months ended September 30, 2015 were as follows (in thousands):

	Gross Carrying Amount
December 31, 2014	$ 3,113,495
Auxilium acquisition	2,614,300
Par acquisition	4,762,400
Other acquisitions	121,214
Impairment of certain U.S. Branded Pharmaceuticals intangible assets	(160,000)
Impairment of certain U.S. Generic Pharmaceuticals intangible assets	(142,609)
Impairment of certain International Pharmaceuticals intangible assets	(10,581)
Measurement period adjustments relating to acquisitions closed during 2014	(5,463)
Effect of currency translation	(98,019)
September 30, 2015	$ 10,194,737

Goodwill and Intangible Asset Impairments

A sustained downturn in the short-acting testosterone replacement therapy (TRT) market has caused underperformance across several of our TRT products, including Testim® and Natesto™. In addition, we have also experienced underperformance with respect to STENDRA®. As a result of this underperformance and a re-alignment of investment priorities towards higher growth and higher value assets such as XIAFLEX® and Belbuca™, the Company concluded during the quarter that an impairment assessment was required to evaluate the recoverability of certain definite-lived intangible assets associated with these products. After performing this assessment, we recorded a pre-tax, non-cash impairment charge of approximately $152.0 million, representing a full impairment of our Natesto™ intangible asset and a partial impairment of our Testim® and STENDRA® intangible assets.

In addition to the above impairments, the Company identified impairment indicators on certain other indefinite and definite-lived intangible assets based on third quarter decisions to reallocate certain product portfolios and in-process research and development programs primarily across our legacy Generics business. This assessment resulted in a combined pre-tax, non-cash impairment charge of approximately $90.9 million, representing the difference between the carrying amount of the intangible assets and their estimated fair value at September 30, 2015.

Given the results of our intangible asset assessment across STENDRA® and certain TRT products, the Company initiated an interim goodwill impairment analysis of our Urology, Endocrinology and Oncology (UEO) reporting unit as of September 30, 2015. As a result of this interim analysis, the Company determined that the net book value of our UEO reporting unit exceeded its estimated fair value. The Company has prepared this analysis on a preliminary basis to estimate the amount of a provisional impairment charge as of September 30, 2015, and has determined that an impairment is probable and reasonably estimable. The preliminary fair value assessments were performed by the Company taking into consideration a number of factors, based upon the latest available information, including the preliminary results of a hypothetical purchase price allocation. As a result of the preliminary analysis, during the three months ended September 30, 2015, the Company recorded a provisional pre-tax, non-cash impairment charge of $680.0 million in the Condensed Consolidated Statements of Operations, representing the difference between the estimated implied fair value of the UEO reporting unit’s goodwill and its respective net book value. The Company expects to finalize the impairment analysis in the fourth quarter of 2015 and the Company will adjust higher or lower, if necessary, the estimated impairment charge at that time. As of September 30, 2015, the remaining balance of goodwill for the UEO reporting unit was approximately $165.3 million.

We estimated the fair value of our intangible assets and UEO reporting units through an income approach using discounted cash flow models. Our discounted cash flow models are highly reliant on various assumptions, such as estimates of future cash flows (including long-term growth rates and the variations in the amount and timing of such cash flows), discount rates, and the probability of achieving the estimated cash flows. These assumptions are based on significant inputs not observable in the market and thus represent Level 3 measurements within the fair value hierarchy. The discount rates applied to the estimated cash flows for our interim goodwill and intangible asset impairment tests ranged from 9.5% to 13.5%, depending on the overall risk associated with the particular assets and other market factors. We believe the discount rates and other inputs and assumptions are consistent with those that a market participant would use.

NOTE 10. LICENSE AND COLLABORATION AGREEMENTS

Our subsidiaries have entered into certain license, collaboration and discovery agreements with third parties for product development. These agreements require our subsidiaries to share in the development costs of such products and grant marketing rights to our subsidiaries for such products.

The Company and its subsidiaries are generally required to make upfront payments as well as other payments upon successful completion of regulatory or sales milestones. In addition, these agreements generally require our subsidiaries to pay royalties on sales of the products arising from these agreements. These agreements generally permit our subsidiaries to terminate the agreement with no significant continuing obligation.

Commercial Products

Novartis AG and Novartis Consumer Health, Inc./Sandoz, Inc.

EPI is party to a License and Supply Agreement (the Voltaren® Gel Agreement) with and among Novartis AG and Novartis Consumer Health, Inc. (Novartis) to obtain the exclusive U.S. marketing rights for the prescription medicine Voltaren® Gel (Voltaren® Gel or the Licensed Product). Voltaren® Gel royalties incurred during the nine months ended September 30, 2015 and 2014 were $22.5 million and $22.5 million, respectively, representing minimum royalties pursuant to the Voltaren® Gel Agreement.

EPI is required to incur a minimum amount of annual advertising and promotional expenses (A&P Expenditures) on the commercialization of the Licensed Product, which may be reduced under certain circumstances including Novartis's failure to supply the Licensed Product. During the period beginning on July 1, 2013 and extending through June 30, 2014, EPI agreed to spend $5.9 million on A&P Expenditures. During the period beginning on July 1, 2014 and extending through June 30, 2015, EPI agreed to spend $8.4 million on A&P Expenditures. In subsequent Agreement Years, the minimum A&P Expenditures set forth in the Voltaren® Gel Agreement are determined based on a percentage of net sales of Voltaren® Gel, which may be reduced under certain circumstances, including Novartis's failure to supply Voltaren® Gel. Amounts incurred for such A&P Expenditures were $3.3 million and $5.3 million for the nine months ended September 30, 2015 and 2014, respectively. Effective March 1, 2015, Novartis Consumer Health, Inc. assigned the Voltaren Gel Agreement to its affiliate, Sandoz, Inc.

BioSpecifics Technologies Corp.

The Company, through an affiliate, is party to a development and license agreement, as amended (the BioSpecifics Agreement) with BioSpecifics Technologies Corp. (BioSpecifics). The BioSpecifics Agreement was originally entered into by Auxilium in June 2004 to obtain exclusive worldwide rights to develop, market and sell certain products containing BioSpecifics' enzyme, which we refer to as XIAFLEX® (Xiapex® in the European Union). The licensed rights concern the development and commercialization of products for the treatment of Dupuytren's contracture (DC), Peyronie's Disease (PD), Adhesive Capsulitis (aka, Frozen Shoulder syndrome), cellulite, and canine lipoma, but specifically excluding, dermal formulations labeled for topical administration. The Company, through an affiliate, may further expand the BioSpecifics Agreement, at our option, to cover other indications as they are developed by the Company and its affiliates or BioSpecifics.

The BioSpecifics Agreement extends, on a country-by-country and product-by-product basis, for the longer of the patent life, the expiration of any regulatory exclusivity period or twelve years. Either party may terminate the BioSpecifics Agreement as a result of the other party's breach or bankruptcy. We may terminate the BioSpecifics Agreement with 90 days' written notice.

Under the BioSpecifics Agreement, we are responsible, at our own cost and expense, for developing the formulation and finished dosage form of products and arranging for the clinical supply of products.

We must pay BioSpecifics on a country-by-country and product-by-product basis a specified percentage within a range of 5% to 15% of net sales for products covered by the BioSpecifics Agreement. This royalty applies to net sales by the Company or its sublicensees, including Actelion Pharmaceuticals Ltd (Actelion), Asahi Kasei Pharma Corporation (Asahi Kasei) and Swedish Orphan Biovitrum AB (Sobi). We are also obligated to pay a percentage of any future regulatory or commercial milestone payments received from such sublicensees. In addition, the Company and its affiliates pays BioSpecifics an amount equal to a specified mark-up on the cost of goods related to supply of XIAFLEX® (which mark-up is capped at a specified percentage within the range of 5% to 15% of the cost of goods of XIAFLEX® for the applicable country) for products sold by the Company and its affiliates or its sublicensees.

XIAFLEX® and XIAPEX® Out-license Agreements

Our Endo Ventures Limited subsidiary is party to certain out-licensing agreements with Actelion, Asahi Kasei and Sobi (the XIAFLEX® Sublicensees), pursuant to which the XIAFLEX® Sublicensees have marketing, development and/or commercial rights for XIAFLEX® and XIAPEX® (the European Union trade name for XIAFLEX®) in a variety of countries outside of the U.S.

These agreements were entered into from 2011 to 2013 and extend, pursuant to the terms of each respective agreement and subject to each party's termination rights, as follows:

- The agreement with Actelion extends on a product-by-product and country-by-country basis from the date of the agreement until the last to occur of (i) the date on which the product is no longer covered by a valid claim of a patent or patent

application controlled by the Company in such country, (ii) the 15th anniversary of the first commercial sale of the product in such country after receipt of required regulatory approvals, (iii) the achievement of a specified market share of generic versions of the product in such country, or (iv) the loss of certain marketing rights or data exclusivity in such country.

- The agreement with Asahi Kasei extends on a product-by-product basis from the date of the agreement until the last to occur of (i) the date on which the product is no longer covered by a valid claim of a patent, (ii) the 15th anniversary of the first commercial sale of the product, or (iii) the entry of a generic to XIAFLEX® in the Japanese market.
- The agreement with Sobi extends on a product-by-product basis from the date of the agreement until its 10th anniversary. The term will be automatically extended for sequential two year periods unless a notice of non-renewal is provided in writing to the other party at least six months prior to expiration of the then current term.

Under the Actelion and Sobi agreements, the Company, through its affiliates, is entitled to receive royalties based on net sales of the licensed product by the XIAFLEX® Sublicensees. These royalties are tiered as follows:

- Actelion—15%-25%, 20%-30%, and 25%-35% based on net sales of the licensed product;
- Sobi—45%-55%, 50%-60% and 55%-65% based on net sales of the licensed product, which also include payments for product supply and which percentages will decrease by approximately 10% upon the occurrence of certain manufacturing milestones or July 1, 2016, whichever is earlier.

The applicable royalty percentages increase from tier to tier upon the achievement of a specified threshold of aggregate annual net sales of the licensed product and may decrease if a generic is marketed in the applicable territory. Pursuant to each of these out-licensing agreements, the Company will be responsible for all clinical and commercial drug manufacturing and supply and, in certain cases, for development costs. The Company has determined that these contractual responsibilities, together with the development and commercialization rights provided by the Company, constitute multiple deliverables. In accordance with the accounting guidance on revenue recognition for multiple-element agreements, certain elements of these agreements meet the criteria for separation and are treated as a single unit of accounting, with the corresponding revenue recognized when earned. Deliverables that do not have stand-alone value to the XIAFLEX® Sublicensees are being accounted for as one unit of accounting, with the related revenue being recorded on a straight-line basis over the respective performance period.

The Japanese Ministry of Health, Labour and Welfare (MHLW) approved XIAFLEX® for manufacturing and marketing in Japan on July 3, 2015 for the indication of Dupuytren's contracture with a palpable cord and was subsequently listed on the Japanese National Health Insurance drug price standard on August 31, 2015. The Company’s partner, Asahi Kasei Pharma Corporation, commercially launched the product in Japan in September 2015. Under the terms of the Asahi Kasei agreement, Endo received a $20.0 million gross milestone payment in October 2015 as a result of the first commercial sale of XIAFLEX® in Japan. The Company will recognize the $20.0 million of milestone revenue on a straight-line basis over the remaining term of the license agreement.

Revenue recognized related to these agreements was not material to the Condensed Consolidated Financial Statements for any of the periods presented.

VIVUS, Inc.

Our Auxilium subsidiary is party to a license and commercialization agreement (the STENDRA® License Agreement) with VIVUS, Inc. (VIVUS). Under the STENDRA® License Agreement, Auxilium has the exclusive right to commercialize VIVUS’s pharmaceutical product STENDRA® for the treatment of any urological disease or condition in humans, including male erectile dysfunction, in the U.S. and Canada and their respective territories. Subject to each party’s termination rights, the STENDRA® License Agreement will remain in effect until the later of, on a country-by-country basis, (i) 10 years from the date STENDRA® launches in such country and (ii) the expiration of the last to expire patent covering the product in such country. Upon the expiration of the term of the STENDRA® License Agreement, the license grant by VIVUS to Auxilium will become fully paid-up, royalty-free, perpetual and irrevocable.

In connection with the STENDRA® License Agreement, Auxilium could become obligated to make certain contingent cash consideration payments to VIVUS consisting of royalties based on a percentage of net sales of STENDRA® as well as sales-based milestones of up to approximately $260 million. Refer to Note 7. Fair Value Measurements for further discussion.

Auxilium makes royalty payments to VIVUS based on tiered percentages of the aggregate annual net sales of STENDRA®. The percentage of the Auxilium’s aggregate annual net sales to be paid to VIVUS increases in accordance with the achievement of specified thresholds of aggregate annual net sales of the product. The royalty percentage could range from 5%-20% and could be reduced following the entry of a generic product to the market. Royalties paid to VIVUS were not material to the Condensed Consolidated Financial Statements for any of the periods presented.

BioDelivery Sciences International, Inc.

EPI is party to a worldwide license and development agreement (the BioDelivery Agreement) with BioDelivery Sciences International, Inc. (BioDelivery) for the exclusive rights to develop and commercialize Belbuca™ (buprenorphine HCl) Buccal Film. The drug is a transmucosal form of buprenorphine, a partial mu-opiate receptor agonist, which incorporates a bioerodible mucoadhesive (BEMA®) technology. The NDA for Belbuca™ was submitted in December 2014 and accepted by the U.S. Food and

Drug Administration (FDA) in February 2015. On October 23, 2015, the FDA approved Belbuca™ for the management of severe pain.

During each of the first, second and fourth quarters of 2014, $10.0 million of milestones were incurred related to the achievement of certain clinical milestones, resulting in a total of $30.0 million recorded as Research and development expense during 2014. As a result of the FDA approval of Belbuca™, EPI is obligated to pay a final regulatory milestone of $50.0 million, which is expected to occur during the fourth quarter of 2015. In addition, EPI will pay royalties based on net sales of the drug and could be obligated to pay additional commercial milestones of up to $55.0 million.

Products in Development

BioSpecifics Technologies Corp.

As disclosed above, the Company, through an affiliate, is party to a development and license agreement, as amended, with BioSpecifics to obtain exclusive worldwide rights to develop, market and sell certain products containing BioSpecifics' collagenase clostridium histolyticum enzyme (CCH), which we refer to as XIAFLEX®. The Company is responsible, at its own cost and expense, for developing the formulation and finished dosage form of products and arranging for the clinical supply of products.

Following the completion of a Phase 2a study by Auxilium in July 2014 and a subsequent FDA advice meeting in December 2014 regarding the cellulite indication, the Company plans to initiate a Phase 2b study which incorporates feedback obtained from the December 2014 FDA meeting. In March 2015 the Company completed a XIAFLEX® Phase II trial for a Frozen Shoulder syndrome indication. The study for the Frozen Shoulder syndrome indication did not meet its prospective defined primary or secondary efficacy endpoints, primarily as a consequence of an unexpected marked placebo response. The safety profile was as previously seen, with the majority of the adverse events being mild to moderate, transient and related to the local administration of XIAFLEX®. The Company is currently conducting additional analyses to determine the path forward for continued progression in this indication.

BioSpecifics is currently conducting a CCH Phase II clinical trial for the treatment of lipomas in humans. The Company has the option to license development and marketing rights to the CCH human lipoma indication based on a full analysis of the data from the Phase II clinical trial, which would transfer responsibility for the future development costs to the Company and trigger an opt-in payment and potential future milestone and royalty payments to BioSpecifics. In 2013, BioSpecifics also concluded a CCH Phase II clinical trial for the treatment of lipomas in canines. The trial did not meet its primary endpoint of a statistically significant post-treatment difference in the mean percent change in lipoma; however, statistical significance was shown in secondary endpoints. The Company is currently managing the development of CCH in canine lipomas.

NOTE 11. DEBT

The following table presents the carrying amounts and estimated fair values of the Company's total indebtedness at September 30, 2015 and December 31, 2014 (in thousands):

	September 30, 2015		December 31, 2014	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
1.75% Convertible Senior Subordinated Notes due 2015	$ —		$ 98,818	
Unamortized discount on 1.75% Convertible Senior Subordinated Notes due 2015	—		(1,759)	
1.75% Convertible Senior Subordinated Notes due 2015, net	$ —	$ —	$ 97,059	$ 98,317
7.00% Senior Notes due 2019	—	—	499,875	522,813
7.00% Senior Notes due 2020	400,000		400,000	
Unamortized initial purchaser's discount	(2,136)		(2,338)	
7.00% Senior Notes due 2020, net	$ 397,864	415,500	$ 397,662	422,250
7.25% Senior Notes due 2022	400,000	422,500	400,000	429,278
5.75% Senior Notes due 2022	700,000	694,313	700,000	707,000
5.375% Senior Notes due 2023	750,000	720,000	750,000	735,469
6.00% Senior Notes due 2023	1,635,000	1,611,497	—	—
6.00% Senior Notes due 2025	1,200,000	1,171,500	—	—
Term Loan A Facility Due 2019	1,031,250		1,069,063	
Unamortized initial purchaser's discount	(2,524)		—	
Term Loan A Facility Due 2019, net	$ 1,028,726	1,026,713	$ 1,069,063	1,062,889
Term Loan B Facility Due 2021	2,800,000		421,812	
Unamortized initial purchaser's discount	(7,000)		—	
Term Loan B Facility Due 2021, net	$ 2,793,000	2,796,360	$ 421,812	409,685
Mandatorily Redeemable Preferred Stock Outstanding Due 2035	60,000	60,000	—	—
Other debt	14,739	15,200	22,822	22,886
Total long-term debt, net	$ 8,979,329	$ 8,933,583	$ 4,358,293	$ 4,410,587
Less current portion, net	89,835	89,835	155,937	154,226
Total long-term debt, less current portion, net	$ 8,889,494	$ 8,843,748	$ 4,202,356	$ 4,256,361

As of December 31, 2014, the fair value of our 1.75% Convertible Senior Subordinated Notes was based on an income approach, which incorporated certain inputs and assumptions, including scheduled coupon and principal payments, the inherent conversion and put features in the notes and share price volatility assumptions based on historic volatility of the Company's ordinary shares and other factors. These fair value measurements are based on significant inputs not observable in the market and thus represent Level 3 measurements within the fair value hierarchy.

The fair values of the various term loan facilities and senior notes were based on market quotes and transactions proximate to the valuation date. Based on this valuation methodology, we determined these debt instruments represent Level 2 measurements within the fair value hierarchy.

Credit Facility

Upon closing of the Paladin acquisition on February 28, 2014, certain subsidiaries of the Company entered into a credit agreement (the 2014 Credit Agreement) with Deutsche Bank AG New York Branch, as administrative agent, collateral agent, issuing bank and swingline lender and certain other lenders, which provided for a five-year senior secured term loan A facility in an aggregate principal amount of $1.1 billion (the 2014 Term Loan A Facility), a seven-year senior secured term loan B facility in an aggregate principal amount of $425.0 million (the 2014 Term Loan B Facility), and a five-year revolving credit facility in an aggregate principal amount of $750.0 million (the 2014 Revolving Credit Facility). The 2014 Credit Agreement was entered into to refinance certain of our existing indebtedness, including our prior credit facility, and for general corporate purposes, including acquisitions.

In June 2015, certain subsidiaries of the Company entered into Amendment No. 1 to Credit Agreement (Amendment No. 1), with Deutsche Bank and certain other lenders, pursuant to which we amended the 2014 Credit Agreement to, among other things, (i) permit the acquisition by Endo Designated Activity Company, formerly known as Endo Limited (Endo DAC) or its affiliates of Par

and (ii) permit an incremental revolving facility in an aggregate principal amount of $250.0 million (the Incremental Revolving Facility), and one or more incremental term B loan facilities in an aggregate principal amount up to $5.0 billion, in each case, in connection with the Par acquisition. Loans incurred under the 2014 Term Loan A Facility, the 2014 Term Loan B Facility and the Incremental Term Loan B Facility (as defined below) are recorded net of the unamortized portion of the original purchaser's discount. This discount is amortized to interest expense over the term of the Amended Credit Agreement (as defined below).

Simultaneously with the closing of the Par acquisition, on September 25, 2015, we entered into the Incremental Amendment to Credit Agreement, with Deutsche Bank and certain other lenders (the Incremental Amendment), pursuant to which we (i) increased our revolving capacity to $1,000.0 million pursuant to the Incremental Revolving Facility (ii) incurred an incremental term loan B facility (the Incremental Term Loan B Facility) in an aggregate principal amount of $2,800 million (together with the Incremental Revolving Facility, the Par Incremental Facilities) and (iii) repaid in full the amount outstanding under the 2014 Term Loan B Facility. We refer to the 2014 Credit Agreement, as amended by Amendment No. 1 and the Incremental Amendment, and as further amended, restated, supplemented or otherwise modified, as the Amended Credit Agreement. We have $998.1 million of remaining credit available through credit facilities as of September 30, 2015.

In connection with the Incremental Revolving Facility and the Incremental Term Loan B Facility, we incurred new debt issuance costs of approximately $125.1 million, of which $59.0 million was deferred and will be amortized as interest expense over the term of the Incremental Revolving Facility and the Incremental Term Loan B Facility. The remaining $66.1 million and previously deferred debt issuance costs of $7.9 million associated with the original Term Loan B Facility were charged to expense. These expenses were included in the Condensed Consolidated Statements of Operations as Other Expense (Income), Net and Loss on extinguishment of debt, respectively.

In addition to the Incremental Revolving Facility and the Incremental Term Loan B Facility, the Amended Credit Agreement also permits us to obtain (i) incremental revolving and/or term loan commitments of $1.0 billion plus (ii) an unlimited amount of incremental revolving and/or term loan commitments if the Secured Leverage Ratio (as defined in the Amended Credit Agreement), at the time of incurrence of such incremental commitments and after giving effect thereto on a pro forma basis, is less than or equal to 3.00 to 1.00 (assuming for purposes of such calculation that any incremental revolving commitments incurred at the time of such calculation are fully drawn and without netting cash proceeds of any incremental facilities or, in lieu of loans under any incremental facilities, pari passu or junior secured or unsecured notes or junior secured term loans) from one or more of the existing lenders (or their affiliates) or other lenders (with the consent of the administrative agent) and, subject to compliance by the borrowers with the documentation and other requirements under the Amended Credit Agreement, without the need for consent from any of the existing lenders under the Amended Credit Agreement (other than those existing lenders that have agreed to provide such incremental facilities).

The Amended Credit Agreement contains affirmative and negative covenants that the Company believes to be usual and customary for a senior secured credit facility. The negative covenants include, among other things, limitations on capital expenditures, asset sales, mergers and acquisitions, indebtedness, liens, dividends, investments and transactions with the Company's affiliates. As of September 30, 2015, we were in compliance with all such covenants.

6.00% Senior Notes Due 2025

On January 27, 2015, Endo DAC, Endo Finance LLC and Endo Finco Inc. (collectively, the Issuers) issued $1.20 billion in aggregate principal amount of 6.00% senior notes due 2025 (the 2025 Notes). The 2025 Notes were issued in a private offering for resale to qualified institutional buyers pursuant to Rule 144A under the Securities Act of 1933, as amended. In connection with the 2025 Notes, we incurred new debt issuance costs of $24.4 million, which were deferred and will be amortized over the term of the 2025 Notes.

The 2025 Notes are senior unsecured obligations of the Issuers and are guaranteed on a senior unsecured basis by certain of the Company's subsidiaries. Interest on the 2025 Notes is payable semiannually in arrears on February 1 and August 1 of each year, beginning on August 1, 2015. The 2025 Notes will mature on February 1, 2025, subject to earlier repurchase or redemption in accordance with the terms of the 2025 Notes indenture incorporated by reference herein.

The 2025 Notes were issued to (i) finance its acquisition of Auxilium, (ii) refinance certain indebtedness of Auxilium and (iii) pay related transaction fees and expenses.

On or after February 1, 2020, the Issuers may on any one or more occasions redeem all or a part of the 2025 Notes, at the redemption prices (expressed as percentages of principal amount) set forth below, plus accrued and unpaid interest and additional interest, if any, if redeemed during the twelve-month period beginning on February 1 of the years indicated below:

Payment Dates (between indicated dates)	Redemption Percentage
From February 1, 2020 to and including January 31, 2021	103.000 %
From February 1, 2021 to and including January 31, 2022	102.000 %
From February 1, 2022 to and including January 31, 2023	101.000 %
From February 1, 2023 and thereafter	100.000 %

In addition, at any time prior to February 1, 2020, the Issuers may on any one or more occasions redeem all or a part of the 2025 Notes at a specified redemption price set forth in the indenture, plus accrued and unpaid interest and additional interest, if any. In addition, prior to February 1, 2018, the Issuers may redeem up to 35% of the aggregate principal amount of the 2025 Notes with the net cash proceeds from specified equity offerings at a redemption price equal to 106.000% of the aggregate principal amount of the 2025 Notes redeemed, plus accrued and unpaid interest. If Endo DAC experiences certain change of control events, the Issuers must offer to repurchase the 2025 Notes at 101% of their principal amount, plus accrued and unpaid interest and additional interest, if any.

The 2025 Notes indenture contains covenants that, among other things, restrict Endo DAC's ability and the ability of its restricted subsidiaries to incur certain additional indebtedness and issue preferred stock, make restricted payments, sell certain assets, agree to payment restrictions on the ability of restricted subsidiaries to make payments to Endo DAC, create certain liens, merge, consolidate or sell substantially all of Endo DAC's assets, or enter into certain transactions with affiliates. These covenants are subject to a number of important exceptions and qualifications, including the fall away or revision of certain of these covenants upon the 2025 Notes receiving investment grade credit ratings.

Also on January 27, 2015, the Issuers and the guarantors of the 2025 Notes entered into a registration rights agreement under which they will be required to use their commercially reasonable efforts to (i) file with the SEC by March 31, 2016 an exchange offer registration statement pursuant to which they will offer, in exchange for the 2025 Notes, new notes having terms substantially identical in all material respects to those of the 2025 Notes (except the new notes will not contain terms with respect to transfer restrictions) (the A/B Exchange Offer), (ii) complete the A/B Exchange Offer by July 1, 2016 or, under specified circumstances, (iii) file a shelf registration statement with the SEC covering resales of the 2025 Notes. The Issuers may be required to pay additional interest if they fail to comply with the registration and exchange requirements set forth in the registration rights agreement.

1.50% Convertible Senior Notes Due 2018

On January 29, 2015, in connection with the consummation of the Merger Agreement between Endo and Auxilium, Endo entered into an agreement relating to Auxilium's $350.0 million of 1.50% convertible senior notes due 2018 (the Auxilium Notes), pursuant to which the Auxilium Notes are no longer convertible into shares of Auxilium common stock and instead are convertible into cash and ordinary shares of Endo based on the weighted average of the cash and Endo ordinary shares received by Auxilium stockholders that affirmatively made an election in connection with the Merger. As a result of such elections, for each share of Auxilium common stock a holder of Auxilium Notes was previously entitled to receive upon conversion of Notes, such holder instead became entitled to receive $9.88 in cash and 0.3430 Endo ordinary shares. Pursuant to this agreement, Endo became a co-obligor of Auxilium's obligations under the Auxilium Notes and expressly agreed to assume, jointly and severally with Auxilium, liability for (a) the due and punctual payment of the principal (and premium, if any) and interest, if any, on all of the Auxilium Notes issued under the corresponding indenture, (b) the due and punctual delivery of Endo ordinary shares and/or cash upon conversion of the Auxilium Notes by note holders and (c) the due and punctual performance and observance of all of the covenants and conditions of the corresponding indenture to be performed by Auxilium.

As further described in Note 5. Acquisitions, and as a result of the variability in the number of ordinary shares to be issued, the Auxilium Notes were initially recorded at their estimated fair value of $571.1 million upon the acquisition of Auxilium. In accordance with accounting guidance for debt with conversion and other options, we separately accounted for the liability and equity components of the Auxilium Notes by allocating the proceeds between the liability component and the embedded conversion option, or equity component, due to our ability to settle the Auxilium Notes in a combination of cash and ordinary shares, with $304.5 million allocated to debt and $266.6 million allocated to Additional paid-in capital. The fair value of the liability component was determined using a discounted cash flow model with a discount rate consistent with that of a similar liability that does not have an associated convertible feature, based on comparable market transactions. Fair value of the equity component was determined using an integrated lattice valuation, which incorporates the conversion option and assumptions related to default.

Subsequent to the closing of the acquisition on January 29, 2015, during the first quarter of 2015, holders of the Auxilium Notes converted substantially all of the Auxilium Notes and received aggregate consideration consisting of $148.9 million of cash and 5.2

million ordinary shares valued at $408.6 million. The value of the ordinary shares issued resulted in an increase to Additional paid-in capital of $408.6 million. In connection with these conversions, we charged $5.4 million to expense, representing the differences between the fair value of the repurchased debt components and their carrying amounts. The expense was included in the Condensed Consolidated Statements of Operations as a Loss on extinguishment of debt. Additionally, we recorded a combined decrease to Additional paid-in capital in the amount of $247.4 million during the first quarter of 2015, representing the fair value of the equity component of the repurchased Auxilium Notes.

1.75% Convertible Senior Subordinated Notes Due 2015

At December 31, 2014, our indebtedness included 1.75% Convertible Senior Subordinated Notes due April 15, 2015 (the Convertible Notes). In April 2015, we settled $98.7 million aggregate principal amount of the Convertible Notes, which was the remaining outstanding principal balance of the Convertible Notes, for $316.4 million, which included the issuance of 2,261,236 ordinary shares.

In connection with the April 2015 Convertible Notes settlement activity, we entered into an agreement with the note hedge counterparty to settle the related call options for the receipt of 2,261,236 of our ordinary shares. These shares were subsequently canceled by the Company. In addition, we entered into an agreement to terminate the related warrants in exchange for our agreement to deliver to the warrant counterparty approximately 1,792,379 ordinary shares, which we delivered in June 2015.

6.00% Senior Notes Due 2023

In July 2015, the Issuers issued $1.64 billion in aggregate principal amount of 6.00% senior notes due July 2023 (the 2023 Notes). The 2023 Notes were issued in a private offering for resale to qualified institutional buyers pursuant to Rule 144A under the Securities Act of 1933, as amended.

In connection with the 2023 Notes issuance, we incurred new debt issuance costs of approximately $29.1 million, which were deferred and are being amortized as interest expense over the term of the 2023 Notes.

The 2023 Notes are senior unsecured obligations of the Issuers and are guaranteed on a senior unsecured basis by certain of the Company's subsidiaries. Interest on the 2023 Notes is payable semiannually in arrears on January 15 and July 15 of each year, beginning on January 15, 2016. The 2023 Notes will mature on July 15, 2023, subject to earlier repurchase or redemption in accordance with the terms of the 2023 Notes indenture incorporated by reference herein.

On or after July 15, 2018, the Issuers may on any one or more occasions redeem all or a part of the 2023 Notes, at the redemption prices (expressed as percentages of principal amount) set forth below, plus accrued and unpaid interest, if redeemed during the twelve-month period beginning on July 15 of the years indicated below:

Payment Dates (between indicated dates)	Redemption Percentage
From July 15, 2018 to and including July 14, 2019	104.500 %
From July 15, 2019 to and including July 14, 2020	103.000 %
From July 15, 2020 to and including July 14, 2021	101.500 %
From July 15, 2021 and thereafter	100.000 %

In addition, at any time prior to July 15, 2018, the Issuers may on any one or more occasions redeem all or a part of the 2023 Notes at a specified redemption price set forth in the indenture, plus accrued and unpaid interest. In addition, prior to July 15, 2018, the Issuers may redeem up to 35% of the aggregate principal amount of the 2023 Notes with the net cash proceeds from specified equity offerings at a redemption price equal to 106.000% of the aggregate principal amount of the 2023 Notes redeemed, plus accrued and unpaid interest. If Endo DAC experiences certain change of control events, the Issuers must offer to repurchase the 2023 Notes at 101% of their principal amount, plus accrued and unpaid interest.

The 2023 Notes indenture contains covenants that, among other things, restrict Endo DAC's ability and the ability of its restricted subsidiaries to incur certain additional indebtedness and issue preferred stock, make restricted payments, sell certain assets, agree to payment restrictions on the ability of restricted subsidiaries to make payments to Endo DAC, create certain liens, merge, consolidate or sell substantially all of Endo DAC's assets, or enter into certain transactions with affiliates. These covenants are subject to a number of important exceptions and qualifications, including the fall away or revision of certain of these covenants upon the 2023 Notes receiving investment grade credit ratings.

Redemption of 2019 Senior Notes

In July 2015, the Company's wholly-owned subsidiaries, Endo Finance LLC and Endo Finco Inc., redeemed all $481.9 million aggregate principal amount outstanding of their 7.00% Senior Notes due 2019 (2019 Endo Finance Notes) and the Company's wholly-owned subsidiary, EHSI, redeemed all $18.0 million aggregate principal amount outstanding of its 7.00% Senior Notes due 2019 (2019 EHSI Notes). The aggregate redemption price included a redemption fee of $17.5 million, or 3.5% of the aggregate principal amount of the 2019 Endo Finance Notes and the 2019 EHSI Notes, plus accrued and unpaid interest to, but not including, the redemption date. In connection with the redemption, we expensed the previously deferred debt issuance costs of $11.1 million and the redemption fee of $17.5 million. These expenses totaled $28.6 million and were included in the Condensed Consolidated Statements of Operations as a Loss on extinguishment of debt.

Mandatorily Redeemable Preferred Stock due 2035

In conjunction with the sale of the Men's Health and Prostate Health component of AMS to Boston Scientific Corporation, Boston Scientific Corporation purchased 60,000 shares of mandatorily redeemable Series B Senior Preferred Stock issued by AMSH from EPI. The aggregate purchase price of these shares was $60.0 million. The Series B Senior Preferred Stock, of which there are 100,000 authorized shares, is non-voting. All of the voting shares were retained by Endo. The Company has classified the Series B Senior Preferred Stock as a liability in accordance with FASB ASC Topic No. 480, "*Distinguishing Liabilities from Equity*", which states that mandatorily redeemable financial instruments should be classified as liabilities and the related dividend payments and amortization of issuance costs are treated as a component of interest expense in the accompanying Condensed Consolidated Statements of Operations.

The Series B Senior Preferred Stock has a $0.001 par value and a liquidation preference of, collectively, $1,000 per share plus an amount equal to accrued and unpaid dividends and distributions thereon (whether or not declared) to the date of such payment. Payment of the full liquidation preference to holders of the Series B Senior Preferred Stock constitutes a redemption of the Series B Senior Preferred Stock. The holder of the shares shall be entitled to cumulative cash dividends at a per annum rate of 7.25% of the liquidation preference, increasing 0.25% per year starting January 1, 2018 up to 11.50%. The holder of these shares shall have no voting, information or governance rights except as required by law. The holder of the shares shall have no right to convert the shares into any other security. Any shares remaining outstanding on February 1, 2035 are mandatorily redeemable, in cash, for the liquidation preference.

While the preferred stock remains outstanding, AMS will be subject to certain affirmative and negative covenants, including an obligation to maintain assets in excess of the liquidation preference of the preferred stock, and restrictions on the sale of assets and the incurrence of certain indebtedness.

Accrued dividends and amortization of issuance costs totaling $1.0 million during the three months ending September 30, 2015 are included in interest expense in the accompanying Condensed Consolidated Statements of Operations.

NOTE 12. COMMITMENTS AND CONTINGENCIES

Manufacturing, Supply and Other Service Agreements

Our subsidiaries contract with various third party manufacturers, suppliers and service providers to provide raw materials used in our subsidiaries' products and semi-finished and finished goods, as well as certain packaging and labeling services. The most significant of these agreements are with Novartis Consumer Health, Inc. and Novartis AG (collectively, Novartis), Teikoku Seiyaku Co., Ltd., Noramco, Inc., Grünenthal GmbH, Sharp Corporation, VIVUS, Inc., Jubilant HollisterStier Laboratories LLC and UPS Supply Chain Solutions, Inc. If, for any reason, we are unable to obtain sufficient quantities of any of the finished goods or raw materials or components required for their products or services needed to conduct their business, it could have a material adverse effect on our business, financial condition, results of operations and cash flows.

In addition to the manufacturing and supply agreements described above, we have agreements with various companies for clinical development services. Although we have no reason to believe that the parties to these agreements will not meet their obligations, failure by any of these third parties to honor their contractual obligations may have a material adverse effect on our business, financial condition, results of operations and cash flows.

Teikoku Seiyaku Co., Ltd.

Under the terms of EPI's agreement (the Teikoku Agreement) with Teikoku Seiyaku Co. Ltd. (Teikoku), during the nine months ended September 30, 2015 and 2014, we recorded $10.8 million and $13.5 million of royalties to Teikoku, respectively. These amounts were included in our Condensed Consolidated Statements of Operations as Cost of revenues. At September 30, 2015, $4.3

million was recorded as a royalty payable and included in Accounts payable in the accompanying Condensed Consolidated Balance Sheets.

The Teikoku Agreement will not expire until December 31, 2021, unless terminated in accordance with its terms. After December 31, 2021, the Teikoku Agreement shall be automatically renewed on the first day of January each year unless terminated in accordance with its terms. Either party may terminate the Teikoku Agreement, following a 45-day cure period, in the event that EPI fails to issue firm purchase orders for the annual minimum quantity for each year after 2017. EPI is the exclusive licensee for any authorized generic for Lidoderm® until the later of August 15, 2017 or the date of the first commercial sale of the second non-Teikoku generic version of Lidoderm®.

Grünenthal GmbH

Pursuant to the terms of EPI's December 2007 License, Development and Supply Agreement with Grünenthal, EPI made payments to Grünenthal during the nine months ended September 30, 2015 and 2014 totaling $21.0 million and $24.6 million, respectively. These payments are originally recorded in inventory, and upon sale are recorded in Cost of revenues in our Condensed Consolidated Financial Statements.

UPS Supply Chain Solutions, Inc.

Under the terms of this agreement, EPI utilizes UPS Supply Chain Solutions (UPS) to provide customer service support and warehouse, freight and distribution services for certain of its products in the U.S. The term of the agreement extends through June 30, 2020. The agreement may be terminated by either EPI or UPS (1) without cause upon prior written notice to the other party; (2) with cause in the event of an uncured material breach by the other party; and (3) if the other party becomes insolvent or bankrupt. In the event of termination of services provided under the Warehouse Distribution Services Schedule to the agreement (i) by EPI without cause or (ii) by UPS due to EPI's breach, failure by EPI to make payments when due, or EPI's insolvency, EPI would be required to pay UPS certain termination costs. Such termination costs would not be material to the Company's Consolidated Statements of Operations. On February 21, 2012, EPI amended this agreement to provide for a reduced pricing structure, which included new monthly fees, new variable fees and new termination fees. On August 16, 2013, EPI further amended this agreement to add another mode of transport permissible under the agreement. On June 19, 2015, EPI further amended this agreement to, among other things, extend the terms of certain service schedules and replace certain exhibits to the service schedules.

VIVUS, Inc.

Our Auxilium subsidiary is party to a commercial supply agreement (the STENDRA® Supply Agreement) with VIVUS. Under the STENDRA® Supply Agreement, VIVUS is the exclusive supplier to Auxilium for STENDRA® and manufactures STENDRA®, directly or through one or more third party subcontractors. The Company pays to VIVUS its manufacturing cost plus a certain percentage mark up for each unit of STENDRA®. For 2015 and each subsequent year during the term, should Auxilium fail to purchase an agreed minimum amount of the product from VIVUS, it will reimburse VIVUS for the shortfall as it relates to VIVUS's out-of-pocket costs to acquire certain raw materials needed to manufacture STENDRA®.

Subject to each party's termination rights, the term of the STENDRA® Supply Agreement will remain until December 31, 2018. At a time selected by Auxilium, but no later than the third anniversary of the effective date of the STENDRA® License Agreement, Auxilium may elect to transfer control of the supply chain for STENDRA® to itself or its designee (the Supply Chain Transfer). The STENDRA® Supply Agreement will automatically terminate upon the completion of the Supply Chain Transfer.

Amounts purchased under the STENDRA® Supply Agreement during the period from January 29, 2015 to September 30, 2015 totaled $16.6 million. These payments are originally recorded in inventory, and upon sale are recorded in Cost of revenues in our Condensed Consolidated Financial Statements.

Jubilant HollisterStier Laboratories LLC

On January 29, 2015, we acquired Auxilium, which is party to a supply agreement (the JHS Agreement) with Jubilant HollisterStier Laboratories LLC (JHS). Pursuant to the JHS Agreement, which was initially entered into in June 2008, JHS fills and lyophilizes the XIAFLEX® bulk drug substance, which is manufactured by Auxilium, and produces sterile diluent. The initial term of the agreement was three years, with automatic renewal provisions thereafter for subsequent two-year terms, unless or until either party provides notification prior to expiration of the then current term of the contract. Auxilium is required to purchase a specified percentage of its total forecasted volume of XIAFLEX® from JHS each year, unless JHS is unable to supply XIAFLEX® within the timeframe established under such forecasts. Auxilium currently is the sole supplier of the active pharmaceutical ingredient for commercial supply of XIAFLEX®, but it is currently in the process of qualifying a new secondary manufacturer for XIAFLEX®.

Amounts purchased pursuant to the JHS Agreement were not material for any of the periods presented.

Legal Proceedings

We and certain of our subsidiaries are involved in various claims, legal proceedings and governmental investigations that arise from time to time in the ordinary course of our business, including relating to product liability, intellectual property, regulatory

compliance and commercial matters. While we cannot predict the outcome of these legal proceedings and we and our subsidiaries intend to defend vigorously our and their position, an adverse outcome in any of these proceedings could have a material adverse effect on our current and future financial position, results of operations and cash flows.

As of September 30, 2015, the Company's reserve for loss contingencies totaled $1.47 billion, of which $1.40 billion relates to the Company's product liability accrual for vaginal mesh cases. During 2014, the Company announced that it had reached master settlement agreements with several of the leading plaintiffs' law firms to resolve claims relating to vaginal mesh products sold by the Company's AMS subsidiary. The agreements were entered into solely by way of compromise and settlement and are not in any way an admission of liability or fault. Although the Company believes there is a reasonable possibility that a loss in excess of the amount recognized exists, we are unable to estimate the possible loss or range of loss in excess of the amount recognized at this time.

Product Liability

We and certain of our subsidiaries have been named as defendants in numerous lawsuits in various federal and state courts, as well as in Canada and other countries outside the United States, alleging personal injury resulting from the use of certain of our products and the products of our subsidiaries. These matters are described in more detail below.

The Company believes that certain settlements and judgments, as well as legal defense costs, relating to certain product liability matters are or may be covered in whole or in part under its product liability insurance policies with a limited number of insurance carriers. In certain circumstances, insurance carriers reserve their rights with respect to coverage, or contest or deny coverage. The Company and its subsidiaries intend to contest vigorously all such disputes with respect to their insurance coverage and to enforce their rights under the terms of these insurance policies, and accordingly, the Company will record receivables with respect to amounts due under these policies, only when the resolution of any dispute has been reached and realization of the potential claim for recovery is considered probable. Amounts recovered under the Company's product liability insurance policies will be less than the stated coverage limits and may not be adequate to cover damages and/or costs relating to claims. In addition, there is no guarantee that insurers will pay claims or that coverage will otherwise be available.

Vaginal Mesh Cases. On October 20, 2008, the FDA issued a Public Health Notification regarding potential complications associated with transvaginal placement of surgical mesh to treat pelvic organ prolapse (POP) and stress urinary incontinence (SUI). The notification provides recommendations and encourages physicians to seek specialized training in mesh procedures, to advise their patients about the risks associated with these procedures and to be diligent in diagnosing and reporting complications.

In July 2011, the FDA issued an update to the October 2008 Public Health Notification regarding mesh to further advise the public and the medical community of the potential complications associated with transvaginal placement of surgical mesh to treat POP and SUI. In this July 2011 update, the FDA maintained that adverse events are not rare, as previously reported, and questioned the relative effectiveness of transvaginal mesh as a treatment for POP as compared to non-mesh surgical repair. The July 2011 notification continued to encourage physicians to seek specialized training in mesh procedures, to consider and to advise their patients about the risks associated with these procedures and to be diligent in diagnosing and reporting complications. The FDA also convened an advisory panel which met on September 8-9, 2011 to further address the safety and effectiveness of transvaginal surgical mesh used to treat POP and SUI. At the conclusion of the meetings, the advisory panel recommended reclassifying transvaginal mesh products used to treat POP to Class III devices (premarket approval) and recommended that manufacturers of these products be required to conduct additional post-market surveillance studies. The advisory panel recommended that transvaginal surgical mesh products used to treat SUI remain as Class II devices. Regarding retropubic and transobturator (TOT) slings, the advisory panel recommended that no additional post-market surveillance studies are necessary. Regarding mini-slings, the advisory panel recommended premarket studies for new devices and additional post-market surveillance studies.

On January 3, 2012, the FDA ordered manufacturers of transvaginal surgical mesh used for POP and of single incision mini-slings for urinary incontinence, such as our subsidiary AMS, to conduct post-market safety studies and to monitor adverse event rates relating to the use of these products. AMS received a total of nineteen class-wide post-market study orders regarding its pelvic floor repair and mini-sling products; however, the FDA agreed to place sixteen of these study orders on hold for a variety of reasons. Three of these post-market study orders remain active and AMS is continuing the process of complying with these orders. In these orders, the FDA also noted that it is still considering the recommendation of the September 9, 2011 advisory committee that urogynecological surgical mesh for transvaginal repair of POP be reclassified from Class II to Class III.

On April 29, 2014, the FDA issued a statement proposing to reclassify surgical mesh for transvaginal pelvic organ prolapse repair from Class II to Class III. Further, the FDA proposed to reclassify urogynecologic surgical mesh instrumentation from Class I to Class II, and to establish special controls for surgical instrumentation for use with urogynecologic surgical mesh. The FDA stated that it was proposing these changes based on the tentative determination that general controls by themselves are insufficient to provide reasonable assurance of the safety and effectiveness of these devices. Although this proposal was subject to a 90-day comment period, to date the FDA has not taken further action regarding these proposals.

Since 2008, AMS, and more recently, in certain cases the Company or certain of its subsidiaries, have been named as defendants in multiple lawsuits in various state courts, a multidistrict litigation (MDL) in the Southern District of West Virginia (MDL No. 2325), as well as in Canada, where various class action and individual complaints are pending, and other countries outside the United States alleging personal injury resulting from the use of transvaginal surgical mesh products designed to treat POP and SUI. Plaintiffs in these suits allege various personal injuries including chronic pain, incontinence and inability to control bowel function and permanent deformities.

As of September 30, 2015, AMS and certain plaintiffs' counsel representing mesh-related product liability claimants have entered into various Master Settlement Agreements (MSAs) regarding settling up to approximately 46,600 filed and unfiled mesh claims handled or controlled by the participating counsel. These MSAs, which were executed at various times from June 14, 2013 through September 30, 2015, were entered into solely by way of compromise and settlement and are not in any way an admission of liability or fault by the Company or AMS. All MSAs are subject to a process that includes guidelines and procedures for administering the settlements and the release of funds. In certain cases, the MSAs provide for the creation of Qualified Settlement Funds (QSFs) into which funds may be deposited pursuant to certain schedules set forth in those agreements. All MSAs have participation thresholds requiring participation by the majority of claims represented by each law firm. If certain participation thresholds are not met, then AMS will have the right to terminate the settlement with that law firm. In addition, one agreement gives AMS a unilateral right of approval regarding which claims may be eligible to participate under that settlement. To the extent fewer claims than are authorized under an agreement participate, the total settlement payment under that agreement will be reduced by an agreed-upon amount for each such non-participating claim. Funds deposited in Qualified Settlement Funds are included in Restricted cash and cash equivalents in the September 30, 2015 Condensed Consolidated Balance Sheets.

Charges related to vaginal mesh product liability are reported in Discontinued operations, net of tax in our Condensed Consolidated Statements of Operations. Our estimated liability includes a reduction factor applied to the maximum number of potentially eligible claims resulting in a liability that is lower than the maximum payouts under the MSAs. This reduction factor is based on our estimate of likely duplicative claims and claims that will not ultimately obtain recovery under the Company's MSAs or otherwise. As previously disclosed, the reduction factor remains at approximately 18% of the aggregate contractual obligations under the MSAs. The Company and AMS expect that valid claims under the MSAs will continue to be settled. However, the Company and AMS intend to vigorously contest pending and future claims that are invalid or in excess of the maximum claim amounts under the MSAs. The Company and AMS are also aware of a substantial number of additional claims or potential claims, some of which may be invalid or contested, for which the Company lacks sufficient information to determine whether any potential liability is probable, and such claims have not been included in the Company's product liability accrual. As of the date of this report, the Company believes that the current product liability accrual includes all known claims for which liability is probable and estimable. However, it is currently not possible to determine the validity or outcome of any additional or potential claims and such claims may result in additional losses that could have a material adverse effect on the Company's business, financial condition, results of operations and cash flow. The Company will continue to monitor the situation, including with respect to any additional claims of which the Company may later become aware, and, if appropriate, make further adjustments to the applicable reduction factor and product liability accrual based on new information.

Distribution of funds to any individual claimant is conditioned upon the receipt of documentation substantiating the validity of the claim, a full release and a dismissal of the entire action or claim as to all AMS parties and affiliates. Prior to receiving funds, an individual claimant shall represent and warrant that liens, assignment rights, or other claims that are identified in the claims administration process have been or will be satisfied by the individual claimant. The amount of settlement awards to participating claimants, the claims evaluation process and procedures used in conjunction with award distributions, and the negotiations leading to the settlement shall be kept confidential by all parties and their counsel.

The following table presents the changes in the vaginal mesh Qualified Settlement Funds and product liability balance during the nine months ended September 30, 2015 (in thousands):

	Qualified Settlement Funds	Product Liability
Balance as of December 31, 2014	$ 485,229	$ 1,655,195
Additional charges	—	273,752
Cash distributions to Qualified Settlement Funds	526,785	—
Cash distributions to settle disputes from Qualified Settlement Funds	(509,563)	(509,563)
Cash distributions to settle disputes	—	(16,312)
Balance as of September 30, 2015	$ 502,451	$ 1,403,072

As of September 30, 2015, the entire liability is classified as short-term because the combination of amounts that could be released from the Qualified Settlement Funds in the next twelve months plus the contractual maximum payments under the MSAs in the next twelve months is greater than the total balance.

AMS expects to fund the payments under all settlement agreements by December 31, 2017. As the funds are disbursed out of the Qualified Settlement Funds from time to time, the product liability accrual will be reduced accordingly with a corresponding reduction to Restricted cash and cash equivalents. In addition, the Company may pay cash distributions to settle disputes separate from the Qualified Settlement Funds, which will also decrease the product liability accrual but will not decrease Restricted cash and cash equivalents.

In addition, we have been contacted regarding a civil investigation that has been initiated by a number of state attorneys general into mesh products, including transvaginal surgical mesh products designed to treat POP and SUI. In November 2013, we received a subpoena relating to this investigation from the state of California, and have subsequently received additional subpoenas from other states. We are cooperating fully with this investigation. At this time, we cannot predict or determine the outcome of this investigation or reasonably estimate the amount or range of amounts of fines or penalties, if any, that might result from a settlement or an adverse outcome from this investigation.

MCP Cases. Qualitest, and in certain cases the Company or certain of its subsidiaries, along with several other pharmaceutical manufacturers, have been named as defendants in numerous lawsuits in various federal and state courts alleging personal injury resulting from the use of the prescription medicine metoclopramide. Plaintiffs in these suits allege various personal injuries including tardive dyskinesia, other movement disorders and death. Qualitest and the Company intend to contest all of these cases vigorously and to explore other options as appropriate in the best interests of the Company and Qualitest.

Litigation similar to that described above may also be brought by other plaintiffs in various jurisdictions. However, we cannot predict the timing or outcome of any such litigation, or whether any additional litigation will be brought against the Company or its subsidiaries. As of November 2, 2015, approximately 644 MCP cases, some of which may have been filed on behalf of multiple plaintiffs, are currently pending against Qualitest and/or the Company or certain of its subsidiaries.

In 2014, the Company and its subsidiaries reached an agreement with certain plaintiffs' counsel to resolve substantially all of these pending MCP cases, and a Master Settlement Agreement (MSA) was executed in October 2015. The agreement was entered into solely by way of compromise and settlement and is not in any way an admission of liability or fault by the Company or any of its subsidiaries. An essential element of these settlements will be participation by the majority of plaintiffs involved in pending litigation. If certain participation thresholds are not met, the Company will have the right to terminate the agreements.

Distribution of funds to any individual plaintiff will be conditioned upon, among other things a full release and a dismissal with prejudice of the entire action or claim as to the Company and/or each of its subsidiaries. Prior to receiving an award, an individual claimant shall represent and warrant that liens, assignment rights, or other claims that are identified in the claims administration process have been or will be satisfied by the individual claimant. The amount of settlement awards to participating plaintiffs, claimants, the claims evaluation process and procedures used in conjunction with award distributions, and the negotiations leading to the settlement shall be kept confidential by all parties and their counsel.

Propoxyphene Cases. Qualitest and, in certain cases, the Company or certain of its subsidiaries, along with several other pharmaceutical manufacturers, have been named as defendants in numerous lawsuits originally filed in various federal and state courts alleging personal injury resulting from the use of prescription pain medicines containing propoxyphene. Plaintiffs in these suits allege various personal injuries including cardiac impairment, damage and death. In August 2011, a multidistrict litigation (MDL) was formed, and certain transferable cases pending in federal court were coordinated in the Eastern District of Kentucky as part of MDL No. 2226. The MDL Judge's dismissal with prejudice of the claims asserted against generic manufacturers, including Qualitest and the

Company, was affirmed by the Sixth Circuit on June 27, 2014, as part of a consolidated appeal. In November 2012, additional cases were filed in various California state courts. While many of these cases were initially remanded to a state court coordinated proceeding in Los Angeles, the Ninth Circuit sitting *en banc* reversed these remands, finding federal subject matter jurisdiction. As a result, these actions were returned to the federal courts to which they were initially removed. Subsequently, many of these actions have been transferred to the Eastern District of Kentucky and assigned to U.S. District Judge Danny C. Reeves. On November 18, 2014, additional multi-plaintiff cases were filed in state court in Oklahoma. The Oklahoma state court actions were also removed to federal court and are currently pending in the Western District of Oklahoma. Litigation similar to that described above may also be brought by other plaintiffs in various jurisdictions. However, we cannot predict the timing or outcome of any such litigation, or whether any additional litigation will be brought against the Company or its subsidiaries, but Qualitest and the Company intend to contest the litigation vigorously and to explore all options as appropriate in the best interests of Qualitest and the Company. As of November 2, 2015, approximately 44 propoxyphene cases, some of which may have been filed on behalf of multiple plaintiffs, are currently pending against Qualitest and/or the Company. The Company and its subsidiaries are unable to predict the outcome of this matter or the ultimate legal and financial liability, if any, and at this time cannot reasonably estimate the possible loss or range of loss, if any, for this matter.

Testosterone Cases. EPI, and in certain cases the Company or certain of its subsidiaries, including Auxilium Pharmaceuticals, Inc., along with other pharmaceutical manufacturers, have been named as defendants in lawsuits alleging personal injury resulting from the use of prescription medications containing testosterone, including Fortesta® Gel, Delatestryl®, Testim®, TESTOPEL® and Striant®. Plaintiffs in these suits allege various personal injuries including pulmonary embolism, stroke, and other vascular and/or cardiac injuries. In June 2014, an MDL was formed to include claims involving all testosterone replacement therapies filed against EPI, Auxilium, and other manufacturers of such products, and certain transferable cases pending in federal court were coordinated in the Northern District of Illinois as part of MDL No. 2545. In addition to the federal cases filed against EPI and Auxilium that have been transferred to the Northern District of Illinois as tag-along actions to MDL No. 2545, litigation has also been filed against EPI in the Court of Common Pleas Philadelphia County and in certain other state courts. Litigation similar to that described above may also be brought by other plaintiffs in various jurisdictions, and cases brought in federal court will be transferred to the Northern District of Illinois as tag-along actions to MDL No. 2545. However, we cannot predict the timing or outcome of any such litigation, or whether any such additional litigation will be brought against the Company and/or its subsidiaries. The Company and its subsidiaries intend to contest the litigation vigorously and to explore all options as appropriate in the best interests of the Company. As of November 2, 2015, approximately 576 cases are currently pending against the Company and/or its subsidiaries; some of which may have been filed on behalf of multiple plaintiffs, and including a class action complaint filed in Canada.

In addition, on November 5, 2014, a civil class action complaint was filed in the Northern District of Illinois against EPI, Auxilium, and various other manufacturers of testosterone products on behalf of a proposed class of health insurance companies and other third party payers that had paid for certain testosterone products, alleging that the marketing efforts of EPI, Auxilium, and other defendant manufacturers with respect to certain testosterone products constituted racketeering activity in violation of 18 U.S.C. §1962(c), and other civil RICO claims. Further, the complaint alleges that EPI, Auxilium, and other defendant manufacturers violated various state consumer protection laws through their marketing of certain testosterone products. On June 10, 2015 plaintiffs in that action filed a Second Amendment Complaint. The Company and/or its subsidiaries are unable to predict the outcome of this matter or the ultimate legal and financial liability, if any, and at this time cannot reasonably estimate the possible loss or range of loss for this matter, if any.

Department of Health and Human Services Subpoena and Related Matters

As previously reported, in January 2007 and April 2011, the Company received subpoenas issued by the Office of the Inspector General of the Department of Health and Human Services (HHS-OIG) and the U.S. Department of Justice (DOJ), respectively. The subpoenas requested documents relating to Lidoderm® (lidocaine patch 5%), focused primarily on the sale, marketing and promotion of Lidoderm®. As previously reported, the Company resolved potential claims of the federal government and numerous states related to potential claims regarding the sale, marketing and promotion of Lidoderm®.

As previously reported, EPI is in the process of responding to a Civil Investigative Demand (CID) issued by the State of Texas relating to Lidoderm® (lidocaine patch 5%), focused primarily on the sale, marketing and promotion of Lidoderm® in Texas. EPI and the Company are cooperating with the State's investigation. The Company and its subsidiaries are unable to predict the outcome of this matter or the ultimate legal and financial liability and at this time cannot reasonably estimate the possible loss or range of loss for this matter but will explore all options as appropriate in the best interests of EPI and the Company.

Litigation similar to that described above may also be brought by other plaintiffs in various jurisdictions. However, we cannot predict the timing or outcome of any such litigation, or whether any such litigation will be brought against the Company or its subsidiaries.

Qualitest Pharmaceuticals Civil Investigative Demands

In April 2013, the Company's subsidiaries, EPI and Qualitest, received CIDs from the U.S. Attorney's Office for the Southern District of New York. The CIDs request documents and information regarding the manufacture and sale of chewable fluoride tablets

and other products sold by Qualitest. EPI and Qualitest are cooperating with the government's investigation. Discussions between EPI and Qualitest and the U.S. Attorney's Office for the Southern District of New York have taken place, and the Company believes that a range of loss for this matter is reasonably estimable at this time. The estimated cost of this settlement has been incorporated into our legal loss contingency reserve. However, it is not possible at this time to determine with certainty the ultimate outcome of this matter. It is possible that the outcome of this matter could result in an additional loss that could have a material effect on our business, financial condition, results of operations and cash flows.

Unapproved Drug Litigation

In September 2013, the State of Louisiana filed a Petition for Damages against EPI, Qualitest and Boca and over 50 other pharmaceutical companies alleging the defendants or their subsidiaries marketed products that were not approved by the FDA. See *State of Louisiana v. Abbott Laboratories, Inc., et al*., C624522 (19th Jud. Dist. La.). The State of Louisiana sought damages, fines, penalties, attorneys' fees and costs under various causes of action. On October 2, 2015, the court ordered judgment for Defendants on their exception for no right of action. The State is in the process of appealing that decision.

EPI, Qualitest and Boca intend to contest the above case vigorously and to explore other options as appropriate in the best interests of the Company, EPI, Qualitest and Boca. Litigation similar to that described above may also be brought by other plaintiffs in various jurisdictions. However, we cannot predict the timing or outcome of any such litigation, or whether any such litigation will be brought against the Company or its subsidiaries. The Company and its subsidiaries are unable to predict the outcome of this matter or the ultimate legal and financial liability, if any, and at this time cannot reasonably estimate the possible loss or range of loss for this matter, if any.

Opioid-Related Litigations, Subpoenas and Document Requests

In June 2014, Corporation Counsel for the City of Chicago filed suit in Illinois state court against multiple defendants, including the Company's Endo Health Solutions Inc. (EHSI) and EPI subsidiaries, for alleged violations of city ordinances and other laws relating to defendants' alleged opioid sales and marketing practices. On June 12, 2014, the case was removed to the U.S. District Court for the Northern District of Illinois. On October 14, 2014, Plaintiff amended its Complaint to, among other things, add EPI as a defendant. On December 19, 2014, defendants moved to dismiss the Amended Complaint. On May 8, 2015, the Court issued an order granting that motion in part, dismissing the case as to EHS and EPI. On August 26, 2015, Plaintiff filed its Second Amended Complaint against multiple defendants, including ESHI and EPI.

In May 2014, a lawsuit was filed in California Superior Court (Orange County) in the name of the People of the State of California, acting by and through County Counsel for Santa Clara County and the Orange County District Attorney, against multiple defendants, including the Company's subsidiary EHSI. The complaint was amended on June 9, 2014, to include allegations against EPI, among other changes. The amended complaint asserts violations of California's statutory Unfair Competition and False Advertising laws, as well as asserting a claim for public nuisance, based on alleged misrepresentations in connection with sales and marketing of opioids, including Opana®. Plaintiff seeks declaratory relief, restitution, civil penalties (including treble damages), abatement, an injunction, and attorneys' fees and costs. Defendants, including the Company, filed various motions attacking the pleadings, including one requesting that the Court refrain from proceeding under the doctrines of primary jurisdiction and equitable abstention. That motion was granted on August 28, 2015, and the case has been stayed pending further proceedings and findings by the FDA.

In September 2013, the Company's subsidiaries, EPI and EHSI received a subpoena from the State of New York Office of Attorney General seeking documents and information regarding the sales and marketing of Opana®. In October 2014, EPI and EHSI received a Subpoena Ad Testificandum seeking testimony regarding the sales and marketing of Opana®. In January 2014, the Company's subsidiaries, EPI and EHSI received a set of informal document requests from the Office of the U.S. Attorney for the Eastern District of Pennsylvania seeking documents and information regarding the sales and marketing of Opana® ER. In September 2014, the Company's subsidiaries, EPI and EHSI received a Request for Information from the State of Tennessee Office of the Attorney General and Reporter seeking documents and information regarding the sales and marketing of opioids, including Opana® ER. In August 2015, the Company's subsidiaries, EPI and EHSI received a subpoena from the State of New Hampshire Office of the Attorney General seeking documents and information regarding the sales and marketing of opioids, including Opana® ER.

The Company is cooperating with the State of New York Office of Attorney General, the Office of the U.S. Attorney for the Eastern District of Pennsylvania, the State of Tennessee Office of the Attorney General and Reporter, and the State of New Hampshire Office of the Attorney General in their respective investigations. With respect to both the litigations brought on behalf of the City of Chicago and the People of the State of California, the Company and its subsidiaries intend to contest those matters vigorously and to explore all options as appropriate in the best interests of the Company. The Company and its subsidiaries are unable to predict the outcome of these matters or the ultimate legal and financial liability, if any, and at this time cannot reasonably estimate the possible loss or range of loss, if any, for these matters but will explore all options as appropriate in the best interests of EHSI, EPI and the Company.

Antitrust Litigation and Investigations

Multiple direct and indirect purchasers of Lidoderm® have filed a number of cases against EPI and co-defendants Teikoku Seiyaku Co., Ltd., Teikoku Pharma USA, Inc. (collectively, Teikoku) and Actavis plc (now doing business as Allergan plc) and a number of its subsidiaries (collectively referred to herein as Allergan, Actavis or Watson). Certain of these actions have been asserted on behalf of classes of direct and indirect purchasers, while others are individual cases brought by one or more alleged direct or indirect purchasers. The complaints in these cases generally allege that Endo, Teikoku and Actavis entered into an anticompetitive conspiracy to restrain trade through the settlement of patent infringement litigation concerning U.S. Patent No. 5,827,529 (the '529 patent) and other patents. Some of the complaints also allege that Teikoku wrongfully listed the '529 patent in the Orange Book as related to Lidoderm®, that Endo and Teikoku commenced sham patent litigation against Actavis and that Endo abused the FDA citizen petition process by filing a citizen petition and amendments solely to interfere with generic companies' efforts to obtain FDA approval of their versions of Lidoderm®. The cases allege violations of Sections 1 and 2 of the Sherman Act (15 U.S.C. §§ 1, 2) and various state antitrust and consumer protection statutes as well as common law remedies in some states. These cases generally seek damages, treble damages, disgorgement of profits, restitution, injunctive relief and attorneys' fees.

The U.S. Judicial Panel on Multidistrict Litigation, pursuant to 28 U.S.C. § 1407, issued an order on April 3, 2014, transferring these cases as *In Re Lidoderm Antitrust Litigation*, MDL No. 2521, to the U.S. District Court for the Northern District of California.

Litigation similar to that described above may also be brought by other plaintiffs in various jurisdictions, and cases brought in federal court will be transferred to the Northern District of California as tag-along actions to *In Re Lidoderm Antitrust Litigation*.

The cases are in the discovery phase of the litigation in accordance with the pre-trial schedule. Trial is currently scheduled to begin in 2017.

Multiple direct and indirect purchasers of Opana® ER have filed cases against EHSI, EPI, Penwest Pharmaceuticals Co., and Impax Laboratories Inc., all of which have been transferred and coordinated for pretrial proceedings in the Northern District of Illinois by the Judicial Panel on Multidistrict Litigation. Some of these cases have been filed on behalf of putative classes of direct and indirect purchasers, while others have been filed on behalf of individual retailers. These cases generally allege that the agreement reached by EPI and Impax to settle patent infringement litigation concerning multiple patents pertaining to Opana® ER and EPI's introduction of the re-formulation of Opana® ER violated antitrust laws. The complaints allege violations of Sections 1 and 2 of the Sherman Act (15 U.S.C. §§ 1, 2), various state antitrust and consumer protection statutes, as well as state common law. These cases generally seek damages, treble damages, disgorgement of profits, restitution, injunctive relief and attorneys' fees. The defendants have filed motions to dismiss these actions and discovery is currently stayed pending the outcome of these motions. We cannot predict whether or not additional cases similar to those described above will be filed by other plaintiffs or the timing or outcome of any such litigation.

The Company and its subsidiaries are unable to predict the outcome of these matters or the ultimate legal and financial liability, if any, and at this time cannot reasonably estimate the possible loss or range of loss for these matters, if any, but will explore all options as appropriate in the best interests of EPI and the Company.

On February 25, 2014, the Company's subsidiary, EPI received a CID (the February 25 CID) from the U.S. Federal Trade Commission (the FTC). The FTC issued a second CID to EPI on March 25, 2014 (the March 25 CID). The February 25 CID requests documents and information concerning EPI's settlement agreements with Actavis and Impax settling the Opana® ER patent litigation, EPI's Development and Co-Promotion Agreement with Impax, and its settlement agreement with Actavis settling the Lidoderm® patent litigation, as well as information concerning the marketing and sales of Opana® ER and Lidoderm®. The March 25 CID requests documents and information concerning EPI's acquisition of U.S. Patent No. 7,852,482 (the '482 patent), as well as additional information concerning certain litigation relating to, and the marketing and sales of Opana® ER. The FTC also issued subpoenas for investigational hearings (similar to depositions) to Company employees and former Company employees.

On November 3, 2014, EPI received a CID from the State of Florida Office of the Attorney General issued pursuant to the Florida Antitrust Act of 1980, Section 542.28 and seeking documents and other information concerning EPI's settlement agreement with Actavis settling the Lidoderm® patent litigation, as well as information concerning the marketing and sales of Lidoderm®.

On February 9, 2015, EPI and EHSI received a CID for Production of Documents and Information from the State of Alaska Office of Attorney General issued pursuant to Alaska's Antitrust and Unfair Trade Practices and Consumer Protection law seeking documents and other information concerning settlement agreements with Actavis and Impax settling the Opana ER patent litigation as well as information concerning EPI's settlement agreement with Actavis settling the Lidoderm patent litigation, as well as information concerning the marketing and sales of Lidoderm.

On December 5, 2014, the Company's subsidiary, Par, received a Subpoena to Testify Before Grand Jury from the Antitrust Division of the DOJ and issued by the U.S. District Court for the Eastern District of Pennsylvania. The subpoena requests documents and information focused primarily on product and pricing information relating to Par's authorized generic version of Lanoxin

(digoxin) oral tablets and Par's generic doxycycline products, and on communications with competitors and others regarding those products. Par is cooperating fully with the investigation.

On January 30, 2009, the U.S. Federal Trade Commission filed a lawsuit against the Company's subsidiary, Par, in the U.S. District Court for the Central District of California, which was subsequently transferred to the U.S. District Court for the Northern District of Georgia, and which alleged violations of antitrust law arising out of Par's settlement of certain patent litigation concerning the generic version of Androgel. The FTC complaint generally seeks a finding that Par's settlement agreement violates Section 5(a) of the Federal Trade Commission Act, and a permanent injunction against Par's ability to engaged in certain types of patent settlements in the future. Beginning in February 2009, certain private plaintiffs, including distributors and retailers filed similar litigation. Generally, the private plaintiff suits seek equitable relief, unspecified damages and costs.

On February 23, 2010, the District Court granted a motion to dismiss the FTC's claims and granted in part and denied in part a motion to dismiss the claims of the private plaintiffs. On April 25, 2012, the U.S. Court of Appeals for the 11th Circuit affirmed the District Court's decision on the motion to dismiss the FTC's claims. On September 28, 2012, the District Court granted a motion for summary judgment against the private plaintiffs' claims of sham litigation. On June 17, 2013, the Supreme Court of the United States reversed the Court of Appeals and District Court's decisions and remanded the case to the District Court for further proceedings. The Company and its subsidiaries intend to contest this litigation vigorously and to explore all options as appropriate in the best interests of the Company and its subsidiaries.

On February 3, 2015, the Company's subsidiary, Par, received a CID from the Office of the Attorney General for the State of Alaska seeking production of certain documents and information regarding Par's settlement of the Androgel patent litigation as well as documents produced in the on-going litigation filed by the FTC.

On February 9, 2015, the Company's subsidiary, Par, received a CID from the FTC, requesting production of documents related to a license agreement and manufacturing and supply agreement between Par and Concordia Pharmaceuticals, Inc. (the "Concordia Agreements") relating to clonidine hydrochloride extended release tablets, the generic version of Concordia's Kapvay. In August 2015, Par agreed to resolve this investigation through an Agreement Containing Consent Order, pursuant to which Par is prohibited from enforcing any provision of the Concordia Agreements that would impair Concordia's ability to market an authorized generic version of Kapvay and prohibiting future agreements between Par and any brand name company that would prevent the brand name company from marketing an authorized generic version of a brand name drug during any period when there is no patent in effect and listed in the FDA Orange Book covering the brand name drug. The Consent Order also subjects Par to certain antitrust compliance and reporting requirements. Following a public comment period, the FTC issued a final order in this matter in October 2015.

The Company and its subsidiaries are cooperating with the FTC, the DOJ, the State of Florida Office of the Attorney General, and the State of Alaska Office of the Attorney General in their respective investigations. The Company and its subsidiaries are unable to predict the outcome of these investigations or the ultimate legal and financial liability, if any, and at this time cannot reasonably estimate the possible loss or range of loss for these investigations, if any, but will explore all options as appropriate in the best interests of the Company and its subsidiaries.

AWP Litigation

On August 11, 2014, plaintiffs Peggy Lautenschlager and Bauer & Bach, LLC filed a state law qui tam action under seal in the Dane County Circuit Court for the State of Wisconsin against the Company's subsidiary, Par, among other companies, alleging generally that the defendants defrauded the state Medicaid system by purportedly reporting or causing the reporting of "Average Wholesale Price" (AWP) and/or "Wholesale Acquisition Cost" (WAC) that exceeded the actual selling price of the defendants' prescription drugs. Similar complaints had previously been filed by these plaintiffs and dismissed. The State of Wisconsin declined to intervene on December 19, 2014. On January 13, 2015, the court unsealed the complaint. The complaint generally seeks (i) a judgment for qui tam plaintiffs; (ii) a declaration that defendants' actions violated Wis. Stat. § 20.931; (iii) an award of treble damages to the State; (iv) an order that defendants pay civil penalties for statutory violations of not less than $5,000 for each violation; and (v) an award of an appropriate share of the proceeds to qui tam plaintiffs. We intend to vigorously defend this lawsuit. At this time, the Company and its subsidiaries are unable to predict the outcome of this matter or the ultimate legal and financial liability, if any, and at this time cannot reasonably estimate the possible loss or range of loss for this matter, if any.

On September 18, 2014, the State of Mississippi notified EPI that it intended to assert claims against EPI similar to claims the state brought against it in 2005 and later voluntarily dismissed. In its 2005 lawsuit, the state alleged that EPI reported false pricing information in connection with certain drugs that are reimbursable under Medicaid. Preliminary discussions between EPI and the State of Mississippi have taken place, and the Company believes that a loss is probable and a range of loss for this matter is reasonably estimable at this time. The estimated cost of this settlement has been incorporated into our legal loss contingency reserve. However, it is not possible at this time to determine with certainty the ultimate outcome of this matter. It is possible that the outcome of this matter could result in an additional loss that could have a material effect on our business, financial condition, results of operations and cash flows. Litigation similar to that described above may also be brought by other plaintiffs in various jurisdictions. However, we cannot

predict the timing or outcome of any such litigation, or whether any such litigation will be brought against the Company or its subsidiaries.

False Claims Act Litigation

The Attorneys General of Florida, Indiana and Virginia and the U.S. Office of Personnel Management (the "USOPM") have issued subpoenas, and the Attorneys General of Michigan, Tennessee, Texas, and Utah have issued CIDs, to the Company's subsidiary, Par, among other companies. The demands generally request documents and information pertaining to allegations that certain of Par's sales and marketing practices caused pharmacies to substitute ranitidine capsules for ranitidine tablets, fluoxetine tablets for fluoxetine capsules, and two 7.5 mg buspirone tablets for one 15 mg buspirone tablet, under circumstances in which some state Medicaid programs at various times reimbursed the new dosage form at a higher rate than the dosage form being substituted. Par has provided documents in response to these subpoenas to the respective Attorneys General and the USOPM. The aforementioned subpoenas and CIDs culminated in the federal and state law qui tam action brought on behalf of the United States and several states by Bernard Lisitza. The complaint was unsealed on August 30, 2011. Lisitza's corrected second amended complaint generally seeks (i) a finding that defendants violated and be enjoined from future violations of the federal False Claims Act and state false claims acts; (ii) treble damages and maximum civil penalties for each violation of the federal False Claims Act and state false claims acts; (iii) an applicable percentage share of the proceeds; and (iv) expenses, fees, and costs. The United States intervened in this action on July 8, 2011 and filed a separate complaint on September 9, 2011, alleging claims for violations of the Federal False Claims Act and common law fraud. The United States' second corrected complaint generally seeks (i) treble damages and civil penalties for violations under the federal False Claims Act and (ii) compensatory and punitive damages for common law fraud. The states of Michigan and Indiana have also intervened as to claims arising under their respective state false claim acts, common law fraud, and unjust enrichment. Michigan's complaint generally seeks (i) treble damages and civil penalties and (ii) common law compensatory and punitive damages. Indiana's amended complaint generally seeks treble damages, costs, and attorney's fees. We intend to vigorously defend these lawsuits. At this time, the Company and its subsidiaries are unable to predict the outcome of this matter or the ultimate legal and financial liability, if any, and at this time cannot reasonably estimate the possible loss or range of loss for this matter, if any.

Paragraph IV Certifications on Lidoderm®

As previously reported, the Company's subsidiary, EPI and the holders of the Lidoderm® New Drug Application and relevant patents, Teikoku, received a Paragraph IV Certification Notice under 21 U.S.C. 355(j) (a Paragraph IV Notice) from Watson advising of its filing of an ANDA for a generic version of Lidoderm® (lidocaine topical patch 5%), which resulted in litigation under the Hatch-Waxman Act.

On May 28, 2012, EPI entered into a Settlement and License Agreement (the Watson Settlement Agreement) among EPI and Teikoku, on the one hand, and Watson, on the other hand. The Watson Settlement Agreement settled all ongoing patent litigation among the parties relating to Watson's generic version of Lidoderm®. Under the terms of the Watson Settlement Agreement, the parties dismissed their respective claims and counterclaims without prejudice. As part of the settlement, Watson agreed not to challenge the validity or enforceability of EPI's and Teikoku's patents relating to Lidoderm® with respect to Watson's generic version of Lidoderm®. Watson received FDA approval of its generic version of Lidoderm® in August 2012 and began selling its generic version of Lidoderm® on September 16, 2013 (the Start Date) pursuant to a license granted by EPI and Teikoku under the Watson Settlement Agreement. The license to Watson was exclusive as to EPI's launch of an authorized generic version of Lidoderm® until May 1, 2014. EPI received an at market royalty equal to 25% of the gross profit generated on Watson's sales of its generic version of Lidoderm® during its period of exclusivity. During the three months ended September 30, 2014 no Watson royalty income was recorded, however, during the nine months ended September 30, 2014, we recorded Watson royalty income of $51.3 million, which is included in Other revenues in our Condensed Consolidated Statements of Operations. We recorded no Watson royalty income during the three and nine months ended September 30, 2015.

On May 16, 2012, EPI and Teikoku received a Paragraph IV Notice from Noven Pharmaceuticals, Inc. (Noven) advising of its filing of an ANDA for a generic version of Lidoderm®, which resulting in litigation under the Hatch-Waxman Act. On April 15, 2014, EPI entered into a Settlement and License Agreement (the Noven Settlement Agreement) among EPI and Teikoku, on the one hand, and Noven, on the other hand. The Noven Settlement Agreement settled all ongoing patent litigation among the parties relating to Noven's generic version of Lidoderm®. Under the terms of the Noven Settlement Agreement, the parties dismissed their respective claims and counterclaims without prejudice. As part of the settlement, Noven agreed not to challenge the validity or enforceability of EPI's and Teikoku's patents relating to Lidoderm® with respect to Noven's generic version of Lidoderm®. Under the terms of the Noven Settlement Agreement, should Noven receive FDA approval, Noven may begin selling its generic version of Lidoderm®.

On May 24, 2012, EPI and Teikoku received a Paragraph IV Notice from TWi Pharmaceuticals, Inc. (TWi) advising of its filing of an ANDA for a generic version of Lidoderm®, which resulted in litigation under the Hatch-Waxman Act. On April 18, 2014, EPI entered into a Settlement and License Agreement (the TWi Settlement Agreement) among EPI and Teikoku, on the one hand, and TWi, on the other hand. The TWi Settlement Agreement settled all ongoing patent litigation among the parties relating to TWi's generic version of Lidoderm®. Under the terms of the TWi Settlement Agreement, the parties dismissed their respective claims and

counterclaims without prejudice. As part of the settlement, TWi agreed not to challenge the validity or enforceability of EPI's and Teikoku's patents relating to Lidoderm® with respect to TWi's generic version of Lidoderm®. Under the terms of the TWi Settlement Agreement, should TWi receive FDA approval, TWi may begin selling its generic version of Lidoderm®.

In addition to the above litigation, it is possible that another generic manufacturer may also seek to launch a generic version of Lidoderm®.

Paragraph IV Certifications on Opana® ER

As previously reported, starting in December 2007 through December 2011, EPI received Paragraph IV Notices from various generic drug manufacturers, including Impax Laboratories, Inc. (Impax), Actavis South Atlantic LLC (Actavis), Sandoz, Inc. (Sandoz), Barr Laboratories, Inc. (Teva), Watson Laboratories, Inc. (Watson), Roxane Laboratories, Inc. (Roxane) and most recently, Ranbaxy Inc. (Ranbaxy) advising of the filing by each such company of an ANDA for a generic version of the non-crush-resistant formulation of Opana® ER (oxymorphone hydrochloride extended-release tablets CII). To date, EPI settled all of the Paragraph IV litigation relating to the non-crush-resistant formulation of Opana® ER other than those cases discussed in the next paragraph. Under the terms of the settlements, each generic manufacturer agreed not to challenge the validity or enforceability of patents relating to the non-crush-resistant formulation of Opana® ER. As a result, Actavis launched its generic version of non-crush-resistant Opana® ER 7.5 and 15 mg tablets on July 15, 2011, and Impax launched its generic version of non-crush-resistant Opana® ER 5, 7.5, 10, 15, 20, 30 and 40 mg tablets on January 2, 2013. Pursuant to the terms of the respective settlement agreements, Sandoz, Teva, Watson, Roxane and Actavis were granted licenses to patents listed in the Orange Book at the time each generic filed its ANDA.

In late 2012, two patents (U.S. Patent Nos. 8,309,122 and 8,329,216) were issued to EPI covering Opana® ER. On December 11, 2012, EPI filed a complaint against Actavis in U.S. District Court for the Southern District of New York for patent infringement based on its ANDA for a non-crush-resistant generic version of Opana® ER. Between May 22 and June 21, 2013, EPI filed similar suits in the U.S. District Court for the Southern District of New York against the following applicants for non-crush-resistant Opana® ER: Par, Teva Pharmaceuticals, Mallinckrodt LLC, Sandoz, Roxane and Ranbaxy. Those suits allege infringement of U.S. Patent Nos. 7,851,482, 8,309,122, and 8,329,216. In July 2013, Actavis and Roxane were granted FDA approval to market all strengths of their respective non-crush-resistant formulations of Opana® ER. In June 2014, Mallinckrodt LLC was granted FDA approval to market all strengths of their respective non-crush-resistant formulations of Opana® ER. On August 1, 2013, EPI dismissed its suit against Teva Pharmaceuticals based on Teva's demonstration to EPI that Teva does not, at this time, intend to pursue an ANDA for non-crush-resistant Opana® ER. On October 18, 2013, EPI dismissed its suit against Sandoz based on its demonstration to EPI that it does not, at this time, intend to pursue an ANDA for non-crush-resistant Opana® ER. On December 18, 2013, EPI dismissed its suit against Mallinckrodt LLC based on a settlement allowing Mallinckrodt LLC to launch its non-crush-resistant formulation of Opana ER in October 2017, under certain circumstances. A trial in this case was held from March 23, 2015 through April 24, 2015 in the U.S. District Court for the Southern District of New York. On August 13, 2015, the Court issued an Opinion holding that all defendants infringed the claims of U.S. Patent Nos. 8,309,122 and 8,329,216. The Opinion also held that the defendants had failed to show that U.S. Patent Nos. 8,309,122 and 8,329,216 were invalid. The Court also issued an Order enjoining the defendants from launching their generic products until the expiration of U.S. Patent Nos. 8,309,122 and 8,329,216. That Order further ordered that Actavis withdraw its generic product within 60 days. On October 8, 2015 the court issued an order tolling the 60 day period until it decides two post-trial motions before it. We cannot anticipate the timing of that decision. The time for appealing the Opinion and Order has not yet expired and we expect the defendants to appeal the decision. We intend to continue to vigorously assert our intellectual property and oppose appeals by the defendants.

EPI intends to defend vigorously its intellectual property rights and to pursue all available legal and regulatory avenues in defense of the non-crush-resistant formulation Opana® ER, including enforcement of the product's intellectual property rights and approved labeling. However, there can be no assurance that EPI will be successful. If EPI is unsuccessful, competitors that already have obtained, or are able to obtain, FDA approval of their products may be able to launch their generic versions of non-crush-resistant Opana® ER prior to the applicable patents' expirations. Additionally, we cannot predict or determine the timing or outcome of related litigation but will explore all options as appropriate in the best interests of the Company and EPI. In addition to the above litigation, it is possible that another generic manufacturer may also seek to launch a generic version of non-crush-resistant Opana® ER and challenge the applicable patents.

From September 21, 2012 through October 30, 2013, EPI and its partner Grünenthal received Paragraph IV Notices from each of Teva Pharmaceuticals USA, Inc. (Teva), Amneal Pharmaceuticals, LLC (Amneal), Sandoz Inc. (Sandoz), ThoRx Laboratories, Inc. (ThoRx), Par, Actavis South Atlantic LLC (Actavis), Impax Pharmaceuticals (Impax) and Ranbaxy Laboratories Limited (Ranbaxy), advising of the filing by each such company of an ANDA for a generic version of the formulation of Opana® ER designed to be crush-resistant. These Paragraph IV Notices refer to U.S. Patent Nos. 8,075,872, 8,114,383, 8,192,722, 7,851,482, 8,309,060, 8,309,122 and 8,329,216, which variously cover the formulation of Opana® ER, a highly pure version of the active pharmaceutical ingredient and the release profile of Opana® ER. EPI filed lawsuits against each of these filers in the U.S. District Court for the Southern District of New York. Each lawsuit was filed within the 45-day deadline to invoke a 30-month stay of FDA approval pursuant to the Hatch-Waxman legislative scheme. On January 30, 2015, EPI informed all defendants that it no longer intends to assert U.S. Patent 7,851,482. EPI intends, and has been advised by Grünenthal that it too intends, to defend vigorously the intellectual property rights covering the

formulation of Opana® ER designed to be crush-resistant and to pursue all available legal and regulatory avenues in defense of crush-resistant Opana® ER, including enforcement of the product's intellectual property rights and approved labeling. On March 20, 2015, EPI dismissed its suit against Par based on a settlement. The effect of that settlement will vary depending on the outcome of the other lawsuits in this case. On March 23, 2015, EPI dismissed its suit against Sandoz Inc. based on Sandoz's change of the PIV certification to a PIII certification. A trial in this case was held from March 23, 2015 through April 24, 2015 in the U.S. District Court for the Southern District of New York against the remaining filers. On August 13, 2015, the Court issued an Opinion holding that all defendants infringed the claims of U.S. Patent Nos. 8,309,060, 8,309,122 and 8,329,216. The Opinion also held that the defendants had shown that U.S. Patent No. 8,309,060 was invalid, but that the defendants had failed to show that U.S. Patent Nos. 8,309,122 and 8,329,216 were invalid. The Court also issued an Order enjoining the defendants from launching their generic products until the expiration of U.S. Patent Nos. 8,309,122 and 8,329,216. The time for appealing that Opinion and Order has not yet expired and we expect the defendants to appeal the decision. We intend to continue to vigorously assert our intellectual property and oppose appeals by the defendants. However, there can be no assurance that EPI and Grünenthal will be successful. If we are unsuccessful and Teva, Amneal, Sandoz, ThoRx, Par, Actavis or Impax is able to obtain FDA approval of its product, generic versions of crush-resistant Opana® ER may be launched prior to the applicable patents' expirations in 2023 through 2029. Additionally, we cannot predict or determine the timing or outcome of this defense but will explore all options as appropriate in the best interests of the Company and EPI. In addition to the above litigation, it is possible that another generic manufacturer may also seek to launch a generic version of crush-resistant Opana® ER and challenge the applicable patents.

On August 19, 2014 and October 20, 2014, the U.S. Patent Office issued U.S. Patent Nos. 8,808,737 and 8,871,779 respectively, which cover a method of using Opana® ER and a highly pure version of the active pharmaceutical ingredient of Opana® ER. On November 7, 2014, EPI filed lawsuits against Teva, ThoRx, Par, Actavis, Impax, Ranbaxy, Roxane, Amneal, and Sandoz in the U.S. District Court for the District of Delaware alleging infringement of these new patents, which expire in 2027 and 2029, respectively.

Paragraph IV Certification on Fortesta® Gel

On January 18, 2013, EPI and its licensor Strakan Limited received a notice from Watson advising of the filing by Watson of an ANDA for a generic version of Fortesta® (testosterone) Gel. On February 28, 2013, EPI filed a lawsuit against Watson in the U.S. District Court for the Eastern District of Texas, Marshall division. Because the suit was filed within the 45-day period under the Hatch-Waxman Act for filing a patent infringement action, we believe that it triggered an automatic 30-month stay of approval under the Act. A two-day trial was held February 26 and 27, 2015. On August 27, 2015 the court issued an Order holding that the asserted patents are not invalid and are infringed by Watson's ANDA. As a result, the court ordered that that the effective date for the approval of Watson's ANDA to be the date no sooner than the latest expiration date of the '913 Patent and the '865 Patent in November of 2018. Watson filed an appeal in October 2015.

EPI intends, and has been advised by Strakan Limited that it too intends, to defend vigorously Fortesta® Gel and to pursue all available legal and regulatory avenues in defense of Fortesta® Gel, including enforcement of the product's intellectual property rights and approved labeling. However, there can be no assurance that EPI and Strakan will be successful. If EPI and Strakan are unsuccessful and Watson is able to obtain FDA approval of its product, Watson may be able to launch its generic version of Fortesta® Gel prior to the applicable patents' expirations in 2018. Additionally, we cannot predict or determine the timing or outcome of this litigation but will explore all options as appropriate in the best interests of the Company. In addition to the above litigation, it is possible that another generic manufacturer may also seek to launch a generic version of Fortesta® Gel and challenge the applicable patents.

Megace ES® (megestrol acetate oral suspension) Cases

On September 1, 2011, Par, the Company's subsidiary, along with EDT Pharma Holdings Ltd. (Elan) (now known as Alkermes Pharma Ireland Limited), filed a complaint against TWi Pharmaceuticals, Inc. (TWi) in the U.S. District Court for the District of Maryland alleging infringement of U.S. Patent No. 7,101,576 because TWi filed an ANDA with a Paragraph IV certification seeking FDA approval of a generic version of Megace® ES. A bench trial was held in October 2013. In February 2014, the District Court issued a decision in favor of TWi, finding all asserted claims of the 7,101,576 patent invalid for obviousness. Par appealed. In August 2014, the District Court issued a preliminary injunction enjoining TWi's launch of its generic product pending disposition of the appeal. In December 2014, the Federal Circuit reversed the District Court's decision, remanding for further findings of fact. In March 2015, the District Court issued another preliminary injunction enjoining TWi's launch of its generic product pending disposition of the case on remand. In July 2015, the District Court issued a new decision in favor of TWi, finding all of the asserted claims invalid, and TWi launched its generic product. Par appealed again, and its appeal is pending. The Company will continue to vigorously pursue its appeal. The Company and its subsidiaries are unable to predict the outcome of these matters or the ultimate legal and financial liability, if any, and at this time cannot reasonably estimate the possible loss or range of loss for these investigations, if any, but will explore all options as appropriate in the best interests of the Company and its subsidiaries.

On June 21, 2013, Par, along with Alkermes Pharma Ireland Limited, filed a complaint against Breckenridge Pharmaceutical, Inc. in the U.S. District Court for the District of Delaware, alleging infringement of U.S. Patent Nos. 6,592,903 and 7,101,576 because Breckenridge filed an ANDA with a Paragraph IV certification seeking FDA approval of a generic version of Megace® ES. The

complaint seeks (i) a finding of infringement, validity, and/or enforceability; and (ii) a permanent injunction be entered, terminating at the expiration of the patents-in-suit. A stipulation to stay the proceedings was entered on July 22, 2014. The Company intends to vigorously assert its intellectual property rights.

In June 2015, Par, along with Alkermes Pharma Ireland Limited, filed a complaint against Breckenridge Pharmaceutical, Inc., TWi Pharmaceuticals, Inc., and TWi Pharmaceuticals USA, Inc. in the U.S. District Court for the District of Delaware alleging infringement of U.S. Patent No. 9,040,088 because the defendants had filed ANDAs seeking FDA approval of generic versions of Megace® ES. In August 2015, Par and Alkermes Pharma Ireland Limited filed an additional complaint in the same court against TWi and Breckenridge alleging infringement of U.S. Patent Nos. 9,101,540 and 9,101,549, followed by a third complaint in Delaware District Court alleging infringement of U.S. Patent No. 9,107,827. Our complaint seeks (i) a finding of infringement, validity and/or enforceability; and (ii) a permanent injunction. The Company intends to continue to vigorously assert its intellectual property rights.

Other Legal Proceedings

In addition to the above proceedings, proceedings similar to those described above may also be brought in the future. Additionally, we and our subsidiaries are involved in, or have been involved in, arbitrations or various other legal proceedings that arise from the normal course of our business. We cannot predict the timing or outcome of these claims and other proceedings. Currently, neither we nor our subsidiaries are involved in any other legal proceedings that we expect to have a material effect on our business, financial condition, results of operations and cash flows.

NOTE 13. OTHER COMPREHENSIVE LOSS

The following table presents the tax effects allocated to each component of Other comprehensive loss for the three months ended September 30 (in thousands):

	Three Months Ended September 30,					
	2015			2014		
	Before-Tax Amount	Tax Benefit (Expense)	Net-of-Tax Amount	Before-Tax Amount	Tax Benefit (Expense)	Net-of-Tax Amount
Net unrealized loss on securities:						
Unrealized loss arising during the period	$ (607)	$ 204	$ (403)	$ (2,384)	$ 248	$ (2,136)
Less: reclassification adjustments for loss realized in net loss	—	—	—	14	—	14
Net unrealized losses	(607)	204	(403)	(2,370)	248	(2,122)
Net unrealized gain (loss) on foreign currency:						
Foreign currency translation loss arising during the period	(86,187)	1,235	(84,952)	(87,869)	19	(87,850)
Less: reclassification adjustments for loss realized in net loss	25,557	158	25,715	—	—	—
Foreign currency translation loss	(60,630)	1,393	(59,237)	(87,869)	19	(87,850)
Other comprehensive loss	$ (61,237)	$ 1,597	$ (59,640)	$ (90,239)	$ 267	$ (89,972)

The following table presents the tax effects allocated to each component of Other comprehensive loss for the nine months ended September 30 (in thousands):

	Nine Months Ended September 30,					
	2015			2014		
	Before-Tax Amount	Tax (Expense) Benefit	Net-of-Tax Amount	Before-Tax Amount	Tax Benefit (Expense)	Net-of-Tax Amount
Net unrealized gain (loss) on securities:						
Unrealized gain (loss) arising during the period	$ 2,042	$ (731)	$ 1,311	$ (589)	$ 147	$ (442)
Less: reclassification adjustments for loss realized in net loss	—	—	—	14	—	14
Net unrealized gains (losses)	2,042	(731)	1,311	(575)	147	(428)
Net unrealized gain (loss) on foreign currency:						
Foreign currency translation loss arising during the period	(207,050)	(1,249)	(208,299)	(38,385)	5	(38,380)
Less: reclassification adjustments for loss realized in net loss	25,557	158	25,715	—	—	—
Foreign currency translation loss	(181,493)	(1,091)	(182,584)	(38,385)	5	(38,380)
Other comprehensive loss	$ (179,451)	$ (1,822)	$ (181,273)	$ (38,960)	$ 152	$ (38,808)

Reclassification adjustments out of Other comprehensive loss are reflected in the Condensed Consolidated Statement of Operations as Other expense (income) net, with respect to the realized loss on securities or Discontinued operations, net of tax, with respect to the realized loss from foreign currency translation.

The following is a summary of the accumulated balances related to each component of Other comprehensive loss, net of taxes, at September 30, 2015 and December 31, 2014 (in thousands):

	September 30, 2015	December 31, 2014
Net unrealized gains (losses)	$ 827	$ (484)
Foreign currency translation loss	(309,511)	(123,604)
Accumulated other comprehensive loss	$ (308,684)	$ (124,088)

NOTE 14. SHAREHOLDERS' EQUITY

Changes in Shareholder's Equity

The following table displays a reconciliation of our beginning and ending balances in shareholders' equity for the nine months ended September 30, 2015 (in thousands):

	Attributable to:		
	Endo International plc	Noncontrolling interests	Total Shareholders' Equity
Shareholders' equity at January 1, 2015	$ 2,374,757	$ 33,456	$ 2,408,213
Net loss	(1,376,579)	(153)	(1,376,732)
Other comprehensive loss	(180,692)	(581)	(181,273)
Compensation related to share-based awards	48,537	—	48,537
Tax withholding for restricted shares	(15,268)	—	(15,268)
Exercise of options	25,068	—	25,068
Buy-out of noncontrolling interests, net of contributions	(6,876)	(32,732)	(39,608)
Ordinary shares issued in connection with the Par acquisition	1,325,652	—	1,325,652
Ordinary shares issued in connection with the Auxilium acquisition	1,519,320	—	1,519,320
Fair value of equity component of acquired Auxilium Notes	266,649	—	266,649
Conversion of Auxilium Notes	160,892	—	160,892
Issuance of ordinary shares related to the employee stock purchase plan	3,328	—	3,328
Ordinary shares issued	2,300,000	—	2,300,000
Equity issuance fees	(66,956)	—	(66,956)
Other	18,232	—	18,232
Shareholders' equity at September 30, 2015	$ 6,396,064	$ (10)	$ 6,396,054

On June 10, 2015, we completed the sale of 27,627,628 ordinary shares, including 3,603,603 ordinary shares sold upon the exercise in full by the underwriters of their option to purchase additional ordinary shares from us, at a price of $83.25 per share, for aggregate gross proceeds to us of $2,300.0 million, before fees, in order to finance a portion of the Par acquisition (described in more detail in Note 5. Acquisitions).

On September 25, 2015, the Company acquired Par for total consideration of $8.14 billion, including the assumption of Par debt. The consideration included 18,075,411 ordinary shares valued at $1.33 billion.

During the nine months ended September 30, 2015, the Company completed a buy-out of the noncontrolling interest associated with our Litha subsidiary. The following table reflects the effect on the Company's equity for the nine months ended September 30, 2015 (in thousands):

Adjustment to Accumulated other comprehensive loss related to the reallocation (from noncontrolling to controlling interests) of foreign currency translation loss attributable to our noncontrolling interest in Litha	$ (3,904)
Decrease in noncontrolling interests for buy-out of Litha	(32,732)
Decrease in additional paid-in capital for buy-out of Litha	(2,972)
Total cash consideration paid related to buy-out of Litha	$ (39,608)

The following table displays a reconciliation of our beginning and ending balances in shareholders' equity for the nine months ended September 30, 2014 (in thousands):

	Attributable to:		
	Endo International plc	Noncontrolling interests	Total Shareholders' Equity
Shareholders' equity at January 1, 2014	$ 526,018	$ 59,198	$ 585,216
Net (loss) income	(667,836)	2,895	(664,941)
Other comprehensive (loss) income	(39,171)	363	(38,808)
Compensation related to share-based awards	23,150	—	23,150
Tax withholding for restricted shares	(23,920)	—	(23,920)
Exercise of options	36,124	—	36,124
Distributions to noncontrolling interests	—	(6,144)	(6,144)
Buy-out of noncontrolling interests, net of contributions	—	(82)	(82)
Addition of Paladin noncontrolling interests due to acquisition	—	40,600	40,600
Removal of HealthTronics, Inc. noncontrolling interests due to disposition	—	(57,359)	(57,359)
Ordinary shares issued in connection with the Paladin acquisition	2,844,279	—	2,844,279
Repurchase of convertible senior subordinated notes due 2015	(309,829)	—	(309,829)
Settlement of ordinary share warrants	(284,454)	—	(284,454)
Settlement of the hedge on convertible senior subordinated notes due 2015	356,265	—	356,265
Other	30,095	—	30,095
Shareholders' equity at September 30, 2014	$ 2,490,721	$ 39,471	$ 2,530,192

As part of the reorganization upon consummation of the Paladin acquisition, EHSI Common stock and Treasury stock in the amounts of $1.5 million and $763.1 million, respectively, were retired and reclassified into Additional paid-in capital.

Share-Based Compensation

In June 2015, the Company's shareholders approved the 2015 Stock Incentive Plan (the 2015 Plan). Under the 2015 Plan, 10.0 million ordinary shares, which included the transfer of 5.0 million shares available to be granted under the 2010 Stock Incentive Plan as of the date the 2015 Plan became effective, have been reserved for the grant of stock options (including incentive stock options), stock appreciation rights, restricted stock awards, performance awards and other share based awards, which may be issued at the discretion of the Company's board of directors from time to time. Upon the 2015 Plan becoming effective, all other existing stock incentive plans were terminated.

As further discussed in Note 3. Discontinued Operations the operating results of the Company's AMS and HealthTronics businesses are reported as Discontinued operations, net of tax in the Condensed Consolidated Statements of Operations for all periods presented. Amounts below related to share-based compensation have not been adjusted to exclude the impact of these businesses.

The Company recognized share-based compensation expense of $23.8 million and $86.1 million during the three and nine months ended September 30, 2015, respectively, compared to $8.8 million and $23.2 million during the three and nine months ended September 30, 2014, respectively. The share-based compensation expense recognized during the nine months ended September 30, 2015 includes a charge related to the acceleration of Auxilium employee equity awards at closing of $37.6 million. The share-based compensation expense during the three and nine months ended September 30, 2015 includes $11.0 million of expense related to certain AMS equity awards modified in conjunction with the anticipated sale of the business. As of September 30, 2015, the total remaining unrecognized compensation cost related to all non-vested share-based compensation awards amounted to $57.1 million. As of September 30, 2015, the weighted average remaining requisite service period of the non-vested stock options was 2.2 years and 1.8 years for non-vested restricted stock units.

NOTE 15. OTHER EXPENSE (INCOME), NET

The components of Other expense (income), net for the three and nine months ended September 30 are as follows (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
Net gain on sale of certain early-stage drug discovery and development assets	$ —	$ (150)	$ —	$ (4,000)
Foreign currency gain, net	(4,095)	(6,204)	(24,651)	(1,933)
Equity loss (earnings) from unconsolidated subsidiaries, net	1,899	839	3,650	(6,301)
Other than temporary impairment of equity investment	—	—	18,869	—
Legal settlement	(12,500)	—	(12,500)	—
Costs associated with unused financing commitments	64,281	—	78,352	—
Other miscellaneous	506	(209)	(1,131)	(6,494)
Other expense (income), net	$ 50,091	$ (5,724)	$ 62,589	$ (18,728)

During the three months ended June 30, 2015, the Company recognized an other than temporary impairment of our Litha joint venture investment totaling $18.9 million, reflecting the excess carrying value of this investment over its estimated fair value.

During the three and nine months ended September 30, 2015, the Company incurred $64.3 million and $78.4 million, respectively, related to unused commitment fees associated primarily with financing for the Par acquisition.

NOTE 16. INCOME TAXES

During the three months ended September 30, 2015, we recognized an income tax benefit of $160.9 million on $964.6 million of loss from continuing operations before income tax, compared to $30.1 million of tax expense on $79.1 million of income from continuing operations before income tax during the comparable 2014 period. The tax benefit for the current period is primarily related to benefits resulting from current period losses from continued operations. Tax expense for the comparable 2014 period was primarily related to income from continuing operations before income tax for the period.

During the nine months ended September 30, 2015, we recognized an income tax benefit of $340.5 million on $1,084.6 million of loss from continuing operations before income tax, compared to $47.7 million of tax expense on $89.8 million of income from continuing operations before income tax during the comparable 2014 period. The tax benefit for the current period is primarily related to current period losses from continued operations combined with benefits resulting from the realization of deferred tax assets related to certain components of our AMS business, which we classified as held for sale in the first quarter 2015 and sold in the third quarter of 2015. Tax expense for the comparable 2014 period was primarily related to income from continuing operations before income tax for the period.

NOTE 17. NET (LOSS) INCOME PER SHARE

The following is a reconciliation of the numerator and denominator of basic and diluted net loss per share for the three and nine months ended September 30 (in thousands, except per share data):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
Numerator:				
(Loss) income from continuing operations	$ (803,706)	$ 48,953	$ (744,108)	$ 42,127
Less: Net (loss) income from continuing operations attributable to noncontrolling interests	(46)	35	(153)	(639)
(Loss) income from continuing operations attributable to Endo International plc ordinary shareholders	(803,660)	48,918	(743,955)	42,766
Loss from discontinued operations attributable to Endo International plc ordinary shareholders, net of tax	(246,782)	(301,002)	(632,624)	(710,602)
Net loss attributable to Endo International plc ordinary shareholders	$ (1,050,442)	$ (252,084)	$ (1,376,579)	$ (667,836)
Denominator:				
For basic per share data—weighted average shares	209,274	153,309	188,085	144,604
Dilutive effect of ordinary share equivalents	—	2,102	—	2,770
Dilutive effect of various convertible notes and warrants	—	3,564	—	8,528
For diluted per share data—weighted average shares	209,274	158,975	188,085	155,902

Basic net loss per share data is computed based on the weighted average number of ordinary shares outstanding during the period. Diluted loss per share data is computed based on the weighted average number of ordinary shares outstanding and, if there is net income from continuing operations attributable to Endo ordinary shareholders during the period, the dilutive impact of ordinary share equivalents outstanding during the period. Ordinary share equivalents are measured under the treasury stock method.

All stock options and stock awards were excluded from the diluted share calculation for the three months ended September 30, 2015 because their effect would have been anti-dilutive. For the three months ended September 30, 2014, stock options and stock awards of 0.8 million were excluded from the diluted share calculation because their effect would have been anti-dilutive. All stock options and stock awards were excluded from the diluted share calculation for the nine months ended September 30, 2015 because their effect would have been anti-dilutive. For the nine months ended September 30, 2014, stock options and awards of 0.8 million were excluded from the diluted share calculation because their effect would have been anti-dilutive.

The 1.75% Convertible Senior Subordinated Notes due April 15, 2015 were only included in the dilutive net loss per share calculations using the treasury stock method during periods in which the average market price of our ordinary shares was above the applicable conversion price of the Convertible Notes, or $29.20 per share, and the impact would not have been anti-dilutive. In these periods, under the treasury stock method, we calculated the number of shares issuable under the terms of these notes based on the average market price of the shares during the period, and included that number in the total diluted shares outstanding for the period.

We entered into convertible note hedge and warrant agreements, which have subsequently been settled, that, in combination, had the economic effect of reducing the dilutive impact of the Convertible Notes. However, we separately analyzed the impact of the convertible note hedge and the warrant agreements on diluted weighted average shares outstanding. As a result, the purchases of the convertible note hedges were excluded because their impact would have been be anti-dilutive. The treasury stock method was applied when the warrants were in-the-money with the proceeds from the exercise of the warrant used to repurchase shares based on the average share price in the calculation of diluted weighted average shares. Until the warrants were in-the-money, they had no impact to the diluted weighted average share calculation.

The dilutive impact of the Auxilium Notes was calculated using the if-converted method, assuming the notes were converted at the time of issuance.

NOTE 18. SUBSEQUENT EVENTS

Aspen Holdings

On October 1, 2015, Litha Pharma (Pty) Limited, a subsidiary of the Company, acquired a broad portfolio of branded and generic injectable and established products focused on pain, anti-infectives, cardiovascular and other specialty therapeutics areas from a subsidiary of Aspen Holdings, a leading publicly-traded South African company that supplies branded and generic products in more

than 150 countries, and from GlaxoSmithKline plc (GSK) for total consideration of approximately $127.5 million. The transaction is expected to expand Endo’s presence in South Africa.

Item 2. ***Management's Discussion and Analysis of Financial Condition and Results of Operations***

The following Management's Discussion and Analysis of Financial Condition and Results of Operations describes the principal factors affecting the results of operations, liquidity and capital resources and critical accounting estimates at Endo International plc. This discussion should be read in conjunction with the accompanying quarterly unaudited Condensed Consolidated Financial Statements and our Annual Report on Form 10-K, for the year ended December 31, 2014 (Annual Report). Our Annual Report includes additional information about our significant accounting policies, practices and the transactions that underlie our financial results, as well as a detailed discussion of the most significant risks and uncertainties associated with our financial and operating results. Except for the historical information contained in this Report, including the following discussion, this Report contains forward-looking statements that involve risks and uncertainties. See "Forward-Looking Statements" beginning on page i of this Report.

In prior periods, our Condensed Consolidated Financial Statements present the accounts of Endo Health Solutions Inc. and all of its subsidiaries (EHSI). Endo International plc was incorporated in Ireland on October 31, 2013 as a private limited company and re-registered effective February 18, 2014 as a public limited company. It was established for the purpose of facilitating the business combination between EHSI and Paladin Labs Inc. (Paladin). On February 28, 2014, it became the successor registrant of EHSI and Paladin in connection with the consummation of certain transactions further described elsewhere in our Condensed Consolidated Financial Statements included in Part I, Item 1. of this Quarterly Report on Form 10-Q. In addition, on February 28, 2014, the shares of Endo International plc began trading on the NASDAQ under the symbol "ENDP," the same symbol under which EHSI's shares previously traded, as well as on the Toronto Stock Exchange under the symbol "ENL". Unless otherwise indicated or required by the context, references throughout to "Endo", the "Company", "we", "our" or "us" refer to financial information and transactions of Endo Health Solutions Inc. and its consolidated subsidiaries prior to February 28, 2014 and Endo International plc and its consolidated subsidiaries thereafter.

The majority of the assets and liabilities of the American Medical Systems Holdings, Inc. (AMS) business (now doing business as Astora Womens Health), previously known as the Devices segment, are classified as held for sale in the Condensed Consolidated Balance Sheets. Certain of AMS's assets and liabilities, primarily with respect to its product liability accrual for all known pending and estimated future claims related to vaginal mesh cases, the related Qualified Settlement Funds and certain intangible and fixed assets, are not classified as held for sale based on management's current expectation that these assets and liabilities will remain with the Company. The operating results of this business are reported as Discontinued operations, net of tax in the Condensed Consolidated Statements of Operations for all periods presented.

Until it was sold on February 3, 2014, the assets and liabilities of the HealthTronics business, previously known as the HealthTronics segment, were classified as held for sale in the Condensed Consolidated Balance Sheets. The operating results of this business are reported as Discontinued operations, net of tax in the Condensed Consolidated Statements of Operations for all periods presented.

EXECUTIVE SUMMARY

The following significant events and transactions occurred during the nine months ended September 30, 2015, as discussed in further detail in the Condensed Consolidated Financial Statements included in Part I, Item 1. of this Quarterly Report on Form 10-Q. For a complete list of Company events see the Investors section of the Company website at www.endo.com.

- On January 27, 2015, certain of the Company's subsidiaries issued $1.20 billion in aggregate principal amount of 6.00% senior notes due 2025 (the 2025 Notes). The 2025 Notes were issued to (i) finance its acquisition of Auxilium Pharmaceuticals, Inc. (Auxilium), (ii) refinance certain indebtedness of Auxilium and (iii) pay related transaction fees and expenses.
- On January 29, 2015, the Company's Endo U.S., Inc. subsidiary acquired Auxilium, a fully integrated specialty biopharmaceutical company with a focus on developing and commercializing innovative products for specific patient's needs, for equity and cash consideration of $2.6 billion.
- On January 29, 2015, in connection with the consummation of the merger, Endo and Auxilium entered into an agreement relating to Auxilium's $350.0 million of 1.50% convertible senior notes due 2018 (the Auxilium Notes), pursuant to which Endo became a co-obligor of Auxilium's obligations under the Auxilium Notes. From the closing of the acquisition on January 29, 2015, during the first quarter of 2015, holders of the Auxilium Notes converted substantially all of the Auxilium Notes.
- In February 2015, Paladin acquired substantially all of Litha Healthcare Group Limited's (Litha's) remaining outstanding ordinary share capital that it did not own for consideration of approximately $40 million.
- In April 2015, the Company settled all of the remaining outstanding 1.75% Convertible Senior Subordinated Notes Due 2015 with a remaining aggregate principal amount of $98.7 million, paid related accrued interest and settled the remaining amount of the associated call options. In June 2015, the Company settled the remaining amount of the associated warrants.
- In June 2015, the Company issued 27,627,628 ordinary shares at $83.25 per share for a total of $2,300.0 million, before fees, in order to finance a portion of the acquisition of Par Pharmaceuticals Holdings, Inc. (Par).

- In July 2015, the Company issued $1.64 billion in aggregate principal amount of 6.00% senior notes due 2023 (the 2023 Notes). The 2023 Notes were issued in a private offering for resale to qualified institutional buyers pursuant to Rule 144A under the Securities Act of 1933, as amended. The 2023 Notes were issued to (i) finance its acquisition of Par, (ii) refinance certain indebtedness of Par and (iii) pay related transaction fees and expenses.
- In July 2015, the Company's wholly-owned subsidiaries, Endo Finance LLC and Endo Finco Inc., redeemed all $481.9 million aggregate principal amount outstanding of their 7.00% Senior Notes due 2019 (2019 Endo Finance Notes) and the Company's wholly-owned subsidiary, EHSI, redeemed all $18.0 million aggregate principal amount outstanding of its 7.00% Senior Notes due 2019 (2019 EHSI Notes). The aggregate redemption price included a redemption fee of $17.5 million, or 3.5% of the aggregate principal amount of the 2019 Endo Finance Notes and the 2019 EHSI Notes, plus accrued and unpaid interest to, but not including, the redemption date.
- On August 3, 2015, the Company completed the sale of the Men's Health and Prostate Health components of its AMS business to Boston Scientific Corporation.
- On September 25, 2015, the Company acquired Par for total consideration of $8.14 billion, including the assumption of Par debt. Par is a specialty pharmaceutical company that develops, manufactures and markets, innovative and cost-effective pharmaceuticals that help improve patient quality of life.
- On September 25, 2015, the Company increased its revolving capacity to an aggregate principal amount of $1,000 million pursuant to the Incremental Revolving Facility. In addition the Company incurred an incremental term loan B facility in an aggregate principal amount of $2,800 million and repaid in full the amount outstanding under the 2014 Term Loan B Facility.
- On October 1, 2015, Litha Pharma (Pty) Limited, a subsidiary of the Company, acquired a broad portfolio of branded and generic injectable and established products focused on pain, anti-infectives, cardiovascular and other specialty therapeutics areas from a subsidiary of Aspen Holdings and from GlaxoSmithKline plc (GSK) for total consideration of $127.5 million.
- On October 23, 2015 the FDA approved Belbuca™ (buprenorphine HCl) Buccal Film for the management of severe pain.

RESULTS OF OPERATIONS

Our quarterly results have fluctuated in the past, and may continue to fluctuate. These fluctuations are primarily due to (1) the timing of mergers, acquisitions and other business development activity, (2) the timing of new product launches, (3) purchasing patterns of our customers, (4) market acceptance of our products, (5) the impact of competitive products and products we recently acquired, (6) pricing of our products and (7) litigation-related charges. These fluctuations are also attributable to charges incurred for compensation related to share-based payments, amortization of intangible assets, asset impairment charges and certain upfront, milestone and other payments made or accrued pursuant to acquisition or licensing agreements.

Consolidated Results Review

Total Revenues. Total revenues for the three and nine months ended September 30, 2015 increased 14% to $745.7 million and 28% to $2,195.0 million, respectively, from the comparable 2014 period. This revenue increase was primarily attributable to growth in our U.S. Generic Pharmaceuticals segment and revenues related to our February 2014 acquisition of Paladin, July 2014 acquisition of Grupo Farmacéutico Somar, Sociedad Anónima Promotora de Inversión de Capital Variable (Somar), January 2015 acquisition of Auxilium and September 2015 acquisition of Par. The increases were partially offset by decreased revenues from our U.S. Branded Pharmaceuticals segment, driven mainly by decreased Lidoderm® revenues related to generic competition.

Gross margin, costs and expenses. The following table sets forth costs and expenses for the three and nine months ended September 30, 2015 and 2014 (dollars in thousands):

	Three Months Ended September 30,				Nine Months Ended September 30,			
	2015		2014		2015		2014	
	$	% of Revenue	$	% of Revenue	$	% of Revenue	$	% of Revenue
Cost of revenues	$ 442,459	59	$ 341,193	52	$ 1,265,583	58	$ 857,317	50
Selling, general and administrative	163,221	22	148,901	23	529,290	24	433,333	25
Research and development	21,327	3	20,813	3	58,208	3	82,165	5
Litigation-related and other contingencies, net	—	—	3,131	—	19,875	1	7,085	—
Asset impairment charges	923,607	124	—	—	1,000,850	46	—	—
Acquisition-related and integration items	(27,688)	(4)	2,732	—	51,177	2	67,619	4
Total costs and expenses*	$ 1,522,926	204	$ 516,770	79	$ 2,924,983	133	$ 1,447,519	84

* Percentages may not add due to rounding.

Cost of revenues and gross margin. Cost of revenues for the three and nine months ended September 30, 2015 increased 30% to $442.5 million and 48% to $1,265.6 million, respectively, from the comparable 2014 periods. These increases were primarily attributable to increased costs related to our acquisitions of Paladin, Sumavel® DosePro® (Sumavel), Somar, DAVA Pharmaceuticals, Inc. (DAVA), Auxilium and Par. Gross margins for the three months ended September 30, 2015 decreased to 41% from 48% in the comparable 2014 period. Gross margins for the nine months ended September 30, 2015 decreased to 42% from 50% in the comparable 2014 period. These decreases were primarily attributable to growth in lower margin generic pharmaceutical product sales, increased intangible asset amortization and inventory step-up amortization as a result of recent acquisitions and a decline in higher margin branded pharmaceutical product sales due to generic competition on certain products.

Selling, general and administrative expenses. Selling, general and administrative expenses for the three and nine months ended September 30, 2015 increased 10% to $163.2 million and 22% to $529.3 million, respectively, from the comparable 2014 periods. These increases were primarily a result of the acquisitions of Paladin, Sumavel, Somar, DAVA, Auxilium and Par, including a charge during the first quarter of 2015 related to the acceleration of Auxilium employee equity awards at closing of $37.6 million and restructuring charges related to the Auxilium and Par acquisitions. These increases were partially offset by a $54.3 million charge during the nine months ended September 30, 2014 for the reimbursement of directors' and certain employee's excise tax liabilities pursuant to Section 4985 of the Internal Revenue Code, which were approved by the Company's shareholders on February 26, 2014. These liabilities resulted from the shareholder gain from the merger between Endo and Paladin.

Research and development expenses. Research and development (R&D) expenses for the three and nine months ended September 30, 2015 increased 2% to $21.3 million and decreased 29% to $58.2 million, respectively, from the comparable 2014 periods. The increase in expenses during the three months ended September 30, 2015 was mainly related to the acquisitions of Somar, DAVA, Auxilium and Par. The decrease in expenses during the nine months ended September 30, 2015 was primarily attributable to a $20.0 million milestone charge incurred during the nine months ended September 30, 2014 related to the achievement of certain Belbuca™ clinical milestones and decreases to branded pharmaceutical product expenses as we focused our efforts on a limited number of key products in development.

Litigation-related and other contingencies, net. Charges for Litigation-related and other contingencies, net for the nine months ended September 30, 2015 totaled $19.9 million, compared to $3.1 million for the three months and $7.1 million for the nine months in the comparable 2014 periods, respectively. There were no charges for Litigation-related and other contingencies, net for the three months ended September 30, 2015. These amounts mainly relate to fluctuations in charges associated with certain litigation matters. The Company's legal proceedings and other contingent matters are described in more detail in Note 12. Commitments and Contingencies of the Condensed Consolidated Financial Statements included in Part I, Item 1. of this Quarterly Report on Form 10-Q.

Asset impairment charges. Asset impairment charges for the three and nine months ended September 30, 2015 totaled $923.6 million and $1,000.9 million, respectively, compared to no charges in the comparable 2014 periods. These increases primarily relate to a third quarter provisional pre-tax, non-cash impairment charge of $680.0 million, representing the difference between the estimated implied fair value of the UEO reporting unit's goodwill and its respective net book value. Goodwill in our UEO reporting unit, prior to the impairment, was approximately $850 million with approximately $750 million stemming from the Paladin and Auxilium acquisitions. As disclosed in the Company's Annual Report on Form 10-K for the year ended December 31, 2014, we assigned the goodwill arising from the Paladin acquisition to multiple reporting units across each of our reportable segments. This assignment was based on the relative incremental benefit expected to be realized by each impacted reporting unit. The level of goodwill created by the Paladin and Auxilium acquisitions was impacted by the increase in our share price from the acquisition announcement date to the date the acquisition closed. During the third quarter, the Company's revised expectations of certain TRT products and other elements of the UEO business due to current and expected market conditions coupled with the new investment opportunities resulting from the FDA approval of Belbuca™ and other strategic priorities resulted in a shift in investment strategy. As a result of these factors, there was a decline in the fair value of the UEO reporting unit. In addition to the goodwill impairment charge, the Company also recorded pre-tax, non-cash impairment charges of approximately $242.9 million on certain intangible assets primarily from our U.S. Branded Pharmaceuticals and U.S. Generic Pharmaceuticals segments, second quarter asset impairment charges of $70.2 million on certain intangible assets of our U.S. Generic Pharmaceuticals segment and a first quarter impairment charge of $7.0 million on certain leasehold improvements associated with our Auxilium subsidiary's former headquarters.

Acquisition-related and integration items. Acquisition-related and integration items for the three and nine months ended September 30, 2015 decreased to $(27.7) million and decreased 24% to $51.2 million, respectively, from the comparable 2014 periods. In the third quarter of 2015, the Company recorded $80.3 million of income, net, resulting from the change in the fair value of certain contingent consideration. The change in contingent consideration is due to certain market conditions impacting the commercial potential of the underlying products. This income was partially offset by an increase in overall acquisition-related and integration costs associated with our acquisition of Auxilium, which closed during the first quarter of 2015, and acquisition of Par, which closed during the third quarter of 2015.

Interest expense, net. The components of Interest expense, net for the three and nine months ended September 30, 2015 and 2014 are as follows (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
Interest expense	$ 98,701	$ 62,435	$ 253,530	$ 170,096
Interest income	(2,255)	(485)	(3,334)	(2,571)
Interest expense, net	$ 96,446	$ 61,950	$ 250,196	$ 167,525

Interest expense for the three and nine months ended September 30, 2015 increased 58% to $98.7 million and 49% to $253.5 million, respectively, from the comparable 2014 periods. These increases were primarily attributable to increases in our average total indebtedness to $7.2 billion during the three months ended September 30, 2015 from $4.4 billion in the comparable 2014 period and to $6.1 billion during the nine months ended September 30, 2015 from $4.1 billion in the comparable 2014 period.

Loss on extinguishment of debt. Loss on extinguishment of debt totaled $40.9 million and $41.9 million during the three and nine months ended September 30, 2015, respectively. This compares to $2.0 million and $31.7 million, respectively, during the comparable 2014 periods. These amounts relate to our various debt-related transactions in 2015 and 2014. See Note 11. Debt of the Condensed Consolidated Financial Statements included in Part I, Item 1. of this Quarterly Report on Form 10-Q.

Other expense (income), net. The components of Other expense (income), net for the three and nine months ended September 30, 2015 and 2014 are as follows (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
Net gain on sale of certain early-stage drug discovery and development assets	—	(150)	—	(4,000)
Foreign currency gain, net	$ (4,095)	$ (6,204)	$ (24,651)	$ (1,933)
Equity loss (earnings) from unconsolidated subsidiaries, net	1,899	839	3,650	(6,301)
Other than temporary impairment of equity investment	—	—	18,869	—
Legal settlement	(12,500)	—	(12,500)	—
Costs associated with unused financing commitments	64,281	—	78,352	—
Other miscellaneous	506	(209)	(1,131)	(6,494)
Other expense (income), net	$ 50,091	$ (5,724)	$ 62,589	$ (18,728)

During the three months ended June 30, 2015, the Company recognized an other than temporary impairment of our Litha joint venture investment totaling $18.9 million, reflecting the excess carrying value of this investment over its estimated fair value.

During the three and nine months ended September 30, 2015, the Company incurred $64.3 million and $78.4 million, respectively, related to unused commitment fees primarily associated with financing for the Par acquisition.

Income tax (benefit) expense. During the three months ended September 30, 2015, we recognized an income tax benefit of $160.9 million on $964.6 million of loss from continuing operations before income tax, compared to $30.1 million of tax expense on $79.1 million of income from continuing operations before income tax during the comparable 2014 period. The tax benefit for the current period is primarily related to benefits resulting from current period losses from continued operations. Tax expense for the comparable 2014 period was primarily related to income from continuing operations before income tax for the period.

During the nine months ended September 30, 2015, we recognized an income tax benefit of $340.5 million on $1,084.6 million of loss from continuing operations before income tax, compared to $47.7 million of tax expense on $89.8 million of income from continuing operations before income tax during the comparable 2014 period. The tax benefit for the current period is primarily related to current period losses from continued operations combined with benefits resulting from the realization of deferred tax assets related to certain components of our AMS business, which we classified as held for sale in the first quarter 2015 and sold in the third quarter of 2015. Tax expense for the comparable 2014 period was primarily related to income from continuing operations before income tax for the period.

Discontinued operations, net of tax. As a result of our plan to sell our AMS business, which comprises the entirety of our former Devices segment, as well as our February 2014 sale of our HealthTronics business, the operating results of these businesses are reported as Discontinued operations, net of tax in the Condensed Consolidated Statements of Operations for all periods presented. The results of our discontinued operations totaled $246.8 million of loss and $632.6 million of loss, net of tax, during the three and nine months ended September 30, 2015 compared to $301.0 million and $707.1 million of loss, net of tax, in the comparable 2014 periods.

The fluctuation in Discontinued operations, before income tax during the three months ended September 30, 2015 compared to the prior period was mainly related to $470.2 million of expense in the prior period associated with mesh-related product liability claimants and a gain on the sale of the Men's Health and Prostate Health components of the AMS business to Boston Scientific in the current period of approximately $13.6 million, partially offset by a decrease in income from operations due to the sale of the Men's Health and Prostate Health components. The overall increase in income tax expense (benefit) of $396.9 million relates to the tax impact of underlying differences between book and tax basis of the underlying assets sold as part of the transaction.

The fluctuation in Discontinued operations, before income tax during the nine months ended September 30, 2015 compared to the prior period was mainly related to $854.6 million of expense in the prior period associated with mesh-related product liability claimants and a gain on the sale of the Men's Health and Prostate Health components of approximately $13.6 million in the current period partially offset by an increase in impairment charges of $225.0 million and a decrease in income from operations due to the sale of the Men's Health and Prostate Health components. The overall increase in income tax expense (benefit) of $512.6 million relates to the tax impact of the underlying differences between book and tax basis of the underlying assets sold as part of the transaction.

Net (loss) income attributable to noncontrolling interests. The Company historically owned majority controlling interests in certain entities through HealthTronics and its subsidiaries and Paladin and its subsidiaries, including Litha. In February 2015, Paladin acquired substantially all of Litha's remaining outstanding ordinary share capital that it did not own for consideration of approximately $40 million. Additionally, prior to the sale of our HealthTronics business in February 2014, HealthTronics, Inc. owned interests in various partnerships and limited liability corporations (LLCs) where HealthTronics, Inc., as the general partner or managing member, exercised effective control. In accordance with the accounting consolidation principles, we consolidated various entities which neither we nor our subsidiaries owned 100%. Net (loss) income attributable to noncontrolling interests relates to the portion of the net income of these entities not attributable, directly or indirectly, to our ownership interests. The Company recognized $0.0 million and $0.2 million of loss during the three and nine months ended September 30, 2015 compared to $0.0 million of income and $2.9 million of income in the comparable 2014 periods as a result of the HealthTronics and Paladin transactions mentioned above.

2015 Outlook

We estimate that our 2015 total revenues will be between $3.22 billion and $3.27 billion. This estimate is based on our expectation of growth for company revenues from our core products and the full year impact of our 2014 acquisitions, as well as revenues from the acquisition of Auxilium and Par, which closed on January 29, 2015 and September 25, 2015, respectively. The estimate reflects results from the Women's Health component of the AMS business classified as Discontinued Operations. We consistently apply our lean operating model principles to streamline general and administrative expenses, optimize commercial spend and focus research and development efforts onto lower-risk projects and higher-return investments to Endo's current business and in the identification of value-creation from strategic acquisitions. The Company also intends to seek growth both internally and through acquisitions in order to support our objective of transforming Endo into a leading global specialty pharmaceuticals company. There can be no assurance that the Company will achieve these results.

Business Segment Results Review

As a result of the Company's first quarter 2015 announcement of its plan to sell its AMS business, the results of our former Devices segment are included in Discontinued operations, net of tax in our Condensed Consolidated Statements of Operations. The three reportable business segments in which the Company now operates are: (1) U.S. Branded Pharmaceuticals, (2) U.S. Generic Pharmaceuticals and (3) International Pharmaceuticals. These segments reflect the level at which executive management regularly reviews financial information to assess performance and to make decisions about resources to be allocated. Each segment derives revenue from the sales or licensing of its respective products and is discussed in more detail below.

We evaluate segment performance based on each segment's adjusted income (loss) from continuing operations before income tax, a financial measure not determined in accordance with U.S. GAAP, which we define as (loss) income from continuing operations before income tax before certain upfront and milestone payments to partners; acquisition-related and integration items, including transaction costs, earn-out payments or adjustments, changes in the fair value of contingent consideration and bridge financing costs; cost reduction and integration-related initiatives such as separation benefits, retention payments, other exit costs and certain costs associated with integrating an acquired company's operations; excess costs that will be eliminated pursuant to integration plans; asset impairment charges; amortization of intangible assets; inventory step-up recorded as part of our acquisitions; certain non-cash interest expense; litigation-related and other contingent matters; gains or losses from early termination of debt and hedging activities; foreign currency gains or losses on intercompany financing arrangements; and certain other items that the Company believes do not reflect its core operating performance.

Certain of the corporate general and administrative expenses incurred by the Company are not attributable to any specific segment. Accordingly, these costs are not allocated to any of the Company's segments and are included in the results below as "Corporate unallocated", including interest expense. The Company's consolidated adjusted income from continuing operations before income tax is equal to the combined results of each of its segments less these unallocated corporate costs.

We refer to adjusted income (loss) from continuing operations before income tax in making operating decisions because we believe it provides meaningful supplemental information regarding the Company's operational performance. For instance, we believe that this measure facilitates its internal comparisons to its historical operating results and comparisons to competitors' results. The Company believes this measure is useful to investors in allowing for greater transparency related to supplemental information used by us in our financial and operational decision-making. In addition, we have historically reported similar financial measures to our investors and believe that the inclusion of comparative numbers provides consistency in our financial reporting at this time. Further, we believe that adjusted income (loss) from continuing operations before income tax may be useful to investors as we are aware that certain of our significant shareholders utilize adjusted income (loss) from continuing operations before income tax to evaluate our financial performance. Finally, adjusted income (loss) from continuing operations before income tax is utilized in the calculation of adjusted diluted income per share, which is used by the Compensation Committee of the Company's Board of Directors in assessing the performance and compensation of substantially all of our employees, including our executive officers.

There are limitations to using financial measures such as adjusted income (loss) from continuing operations before income tax. Other companies in our industry may define adjusted income (loss) from continuing operations before income tax differently than we do. As a result, it may be difficult to use adjusted income (loss) from continuing operations before income tax or similarly named adjusted financial measures that other companies may use to compare the performance of those companies to our performance. Because of these limitations, adjusted income (loss) from continuing operations before income tax should not be considered as a measure of the income generated by our business or discretionary cash available to us to invest in the growth of our business. The Company compensates for these limitations by providing reconciliations of our segment adjusted income from continuing operations before income tax to our consolidated (loss) income from continuing operations before income tax, which is determined in accordance with U.S. GAAP and included in our Condensed Consolidated Statements of Operations.

Revenues. The following table displays our revenue by reportable segment for the three and nine months ended September 30, 2015 and 2014 (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
Net revenues to external customers:				
U.S. Branded Pharmaceuticals	$ 304,778	$ 240,931	$ 905,198	$ 723,643
U.S. Generic Pharmaceuticals	367,933	319,399	1,063,221	803,467
International Pharmaceuticals (1)	73,016	93,786	226,602	190,696
Total net revenues to external customers	$ 745,727	$ 654,116	$ 2,195,021	$ 1,717,806

(1) Revenues generated by our International Pharmaceuticals segment are primarily attributable to Canada, Mexico and South Africa.

U.S. Branded Pharmaceuticals. The following table displays the significant components of our U.S. Branded Pharmaceuticals revenues to external customers for the three and nine months ended September 30, 2015 and 2014 (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
Pain:				
Lidoderm®	$ 29,689	$ 41,602	$ 85,035	$ 117,684
Opana® ER	42,206	49,800	132,162	150,862
Percocet®	31,898	30,709	100,641	91,232
Voltaren® Gel	48,515	46,302	144,992	129,658
	$ 152,308	$ 168,413	$ 462,830	$ 489,436
Urology Retail:				
Fortesta® Gel, including Authorized Generic	$ 11,074	$ 17,573	$ 40,102	$ 40,720
Testim®, including Authorized Generic	10,513	—	31,358	—
	$ 21,587	$ 17,573	$ 71,460	$ 40,720
Specialty:				
Supprelin® LA	$ 19,095	$ 17,762	$ 53,173	$ 48,568
XIAFLEX®	40,000	—	107,918	—
	$ 59,095	$ 17,762	$ 161,091	$ 48,568
Branded Other Revenues	71,788	37,183	209,817	93,591
Actavis Royalty	—	—	—	51,328
Total U.S. Branded Pharmaceuticals	$ 304,778	$ 240,931	$ 905,198	$ 723,643

Pain

Net sales of Lidoderm® for the three and nine months ended September 30, 2015 decreased 29% to $29.7 million and 28% to $85.0 million, respectively, from the comparable 2014 periods. Net sales were negatively impacted by the September 16, 2013 launch of Actavis's lidocaine patch 5%, a generic form of Lidoderm®, the May 2014 launch by the Company's U.S. Generic Pharmaceuticals of its authorized generic of Lidoderm and the August 2015 generic launch by Mylan. To the extent additional competitors are able to launch generic versions of Lidoderm®, our revenues could decline.

Net sales of Opana® ER for the three and nine months ended September 30, 2015 decreased 15% to $42.2 million and 12% to $132.2 million, respectively, from the comparable 2014 periods. Net sales continue to be impacted by competing generic versions of the non-crush resistant formulation of Opana® ER, which launched beginning in early 2013. To the extent additional competitors are able to launch generic versions of the non-crush-resistant formulation Opana® ER, our revenues could decline further.

Net sales of Percocet® for the three and nine months ended September 30, 2015 increased 4% to $31.9 million and 10% to $100.6 million, respectively, from the comparable 2014 periods. These revenue increases were primarily attributable to price increases.

Net sales of Voltaren® Gel for the three and nine months ended September 30, 2015 increased 5% to $48.5 million and 12% to $145.0 million, respectively, from the comparable 2014 periods. These revenue increases were primarily attributable to increased volumes resulting from an increased sales and marketing emphasis on the product. Subject to FDA approval, we believe one or more competing products could potentially enter the market during 2015, negatively impacting future sales of Voltaren® Gel.

Urology Retail

Net sales of Fortesta® Gel, including Authorized Generic for the three and nine months ended September 30, 2015 decreased 37% to $11.1 million and 2% to $40.1 million, respectively, from the comparable 2014 periods. These revenue decreases were primarily attributable to reduced volume of branded Fortesta® Gel sales, partially offset by the launch of the authorized generic in September 2014.

Net sales of Testim®, including Authorized Generic for the three months ended September 30, 2015 and for the period from January 29, 2015 to September 30, 2015 were $10.5 million and $31.4 million, respectively, and were a result of the acquisition of Auxilium.

Specialty

Net sales of Supprelin® LA for the three and nine months ended September 30, 2015 increased 8% to $19.1 million and 9% to $53.2 million, respectively, from the comparable 2014 periods. These revenue increases were primarily attributable to price increases.

Net sales of XIAFLEX® for the treatment of Peyronie's disease and Dupuytren's contracture for the three months ended September 30, 2015 and for the period from January 29, 2015 to September 30, 2015 were $40.0 million and $107.9 million, respectively, and were a result of the acquisition of Auxilium.

Branded Other

Net sales of Branded Other products for the three and nine months ended September 30, 2015 increased 93% to $71.8 million and 124% to $209.8 million, respectively, from the comparable 2014 periods. These revenue increases were primarily attributable to the acquisitions of Sumavel® and Auxilium, which we acquired in April 2014 and January 2015, respectively.

Actavis Royalty

Actavis royalty revenue decreased to zero during the three and nine months ended September 30, 2015 from the comparable 2014 periods. These revenue decreases were related to a decrease in royalty income from Actavis, under the terms of the Watson Settlement Agreement, based on Actavis's gross profit generated on sales of its generic version of Lidoderm®, which royalty commenced on September 16, 2013 and ceased in May 2014, upon Endo's launch of its Lidoderm® authorized generic by Qualitest.

U.S. Generic Pharmaceuticals. Net sales of our generic products for the three and nine months ended September 30, 2015 increased 15% to $367.9 million and 32% to $1,063.2 million, respectively, from the comparable 2014 periods. These revenue increases were primarily attributable to an additional $16.4 million and $56.0 million, respectively, of revenue due to acquisitions, including DAVA and Par, new product launches and an increase in demand for generic pain products. In addition, our revenues for the third quarter of 2015 benefited from sales incentives offered to customers in anticipation of additional competitive entrants expected in the fourth quarter of 2015. We noted through review of external data that these incentive actions did not have a significant impact on wholesaler inventories as of September 30, 2015. Although we do not expect these pricing actions to materially impact future periods, if wholesaler inventories were to exceed retail demand, we could experience reduced sales revenue in subsequent periods or product returns due to overstocking, lower end-user demand or product expiration.

International Pharmaceuticals. Revenues from our International Pharmaceuticals segment for the three and nine months ended September 30, 2015 decreased 22% to $73.0 million and increased 19% to $226.6 million, respectively, from the comparable 2014 periods. Revenues decreased during the three months ended September 30, 2015 as a result of the negative impact of foreign currency exchange rate changes and decreased sales volumes primarily due to additional competitive entrants. Revenues increased during the nine months ended September 30, 2015 mainly as a result of a full nine months of revenues from Somar, which we acquired in July 2014.

Adjusted income (loss) from continuing operations before income tax. The following table displays our adjusted income (loss) from continuing operations before income tax by reportable segment for the three and nine months ended September 30, 2015 and 2014 (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
Adjusted income (loss) from continuing operations before income tax:				
U.S. Branded Pharmaceuticals	$ 157,478	$ 130,613	$ 486,474	$ 395,446
U.S. Generic Pharmaceuticals	$ 177,961	$ 139,497	$ 507,507	$ 318,528
International Pharmaceuticals	$ 10,884	$ 27,234	$ 31,975	$ 59,131
Corporate unallocated	$ (129,684)	$ (96,442)	$ (342,260)	$ (246,050)

U.S. Branded Pharmaceuticals. Adjusted income from continuing operations before income tax for the three and nine months ended September 30, 2015 increased 21% to $157.5 million and 23% to $486.5 million, respectively, from the comparable 2014 periods. These increases were primarily attributable to the acquisition of Auxilium.

U.S. Generic Pharmaceuticals. Adjusted income from continuing operations before income tax for the three and nine months ended September 30, 2015 increased 28% to $178.0 million and 59% to $507.5 million, respectively, from the comparable 2014 periods. In 2015, revenues and gross margins increased primarily due to the DAVA acquisition, the May 2014 launch of our authorized generic of Lidoderm® and overall increases in demand.

International Pharmaceuticals. Adjusted income from continuing operations before income tax for the three and nine months ended September 30, 2015 decreased 60% to $10.9 million and 46% to $32.0 million, respectively, from the comparable 2014 periods. These decreases were primarily attributable to increased operating expenses associated with the expansion of our global operations.

Corporate unallocated. Corporate unallocated adjusted loss from continuing operations before income tax for the three and nine months ended September 30, 2015 increased 34% to $129.7 million and 39% to $342.3 million, respectively, from the comparable 2014 periods. These increases were primarily attributable to the previously discussed increase in interest expense.

Reconciliation to GAAP. The table below provides reconciliations of our segment adjusted income from continuing operations before income tax to our consolidated (loss) income from continuing operations before income tax, which is determined in accordance with U.S. GAAP, for the three and nine months ended September 30, 2015 and 2014 (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
Total segment adjusted income from continuing operations before income tax:	$ 346,323	$ 297,344	$ 1,025,956	$ 773,105
Corporate unallocated costs (1)	(129,684)	(96,442)	(342,260)	(246,050)
Upfront and milestone payments to partners	(9,261)	(13,448)	(14,063)	(34,953)
Asset impairment charges	(923,607)	—	(1,000,850)	—
Acquisition-related and integration items (2)	27,688	(2,732)	(51,177)	(67,619)
Separation benefits and other cost reduction initiatives (3)	(22,669)	(7,505)	(70,256)	(17,021)
Excise tax (4)	—	1,000	—	(54,300)
Amortization of intangible assets	(121,503)	(55,368)	(333,759)	(147,798)
Inventory step-up and certain excess manufacturing costs that will be eliminated pursuant to integration plans	(42,919)	(17,364)	(131,783)	(40,089)
Non-cash interest expense related to the 1.75% Convertible Senior Subordinated Notes	—	(1,992)	(1,632)	(11,307)
Loss on extinguishment of debt	(40,909)	(2,027)	(41,889)	(31,712)
Certain litigation-related charges, net	—	(3,131)	(19,875)	(7,085)
Foreign currency impact related to the remeasurement of intercompany debt instruments	5,693	5,740	23,991	5,740
Costs associated with unused financing commitments	(64,281)	—	(78,352)	—
Acceleration of Auxilium employee equity awards at closing	—	—	(37,603)	—
Charge related to the non-recoverability of certain non-trade receivables	—	—	—	(10,000)
Net gain on sale of certain early-stage drug discovery and development assets	—	150	—	4,000
Other than temporary impairment of equity investment	—	—	(18,869)	—
Charge for an additional year of the branded prescription drug fee in accordance with IRS regulations issued in the third quarter of 2014	—	(24,972)	—	(24,972)
Other, net	10,484	(160)	7,785	(161)
Total consolidated (loss) income from continuing operations before income tax	$ (964,645)	$ 79,093	$ (1,084,636)	$ 89,778

(1) Corporate unallocated costs include certain corporate overhead costs, interest expense, net, and certain other income and expenses.

(2) Acquisition-related and integration-items include costs directly associated with the closing of certain acquisitions of $52.6 million and $134.8 million, during the three and nine months ended September 30, 2015, respectively, compared to $2.7 million and $67.6 million during the three and nine months ended September 30, 2014, respectively. During the three and nine months ended September 30, 2015, these costs were net of a benefit due to changes in the fair value of contingent consideration of $80.3 million and $83.6 million, respectively.

(3) Separation benefits and other cost reduction initiatives include employee separation costs of $20.8 million and $58.1 million for the three and nine months ended September 30, 2015, respectively, compared to $0.8 million and $7.6 million for the three and nine months ended September 30, 2014. Also included for the nine months ended September 30, 2015 was a $7.9 million charge recorded upon the cease use date of our Auxilium subsidiary's former corporate headquarters, representing the liability for our remaining obligations under the respective lease agreement, net of estimated sublease income. Amounts in the comparable 2014 period primarily consisted of employee separation costs and changes in estimates related to certain cost reduction initiative accruals. These amounts were primarily recorded as Selling, general and administrative expense in our Condensed Consolidated Statements of Operations. See Note 4. Restructuring for discussion of our material restructuring initiatives.

(4) This amount represents charges related to the expense for the reimbursement of directors' and certain employees' excise tax liabilities pursuant to Section 4985 of the Internal Revenue Code.

LIQUIDITY AND CAPITAL RESOURCES

Our principal source of liquidity is cash generated from operations. Our principal liquidity requirements are for working capital for operations, licenses, milestone payments, capital expenditures and debt service payments. The Company continues to maintain a sufficient level of working capital, which was $839.2 million at September 30, 2015 compared to $1,930.8 million at December 31, 2014. Working capital at September 30, 2015 includes restricted cash and cash equivalents of $502.5 million held in Qualified Settlement Funds for mesh product liability settlement agreements, which is expected to be paid to qualified claimants within the next twelve months. Working capital at December 31, 2014 included restricted cash and cash equivalents of $485.2 million held in Qualified Settlement Funds for mesh product liability settlement agreements.

We have historically had broad access to financial markets that provide liquidity. Cash and cash equivalents, which primarily consisted of bank deposits, time deposits and money market accounts, totaled $836.1 million at September 30, 2015 compared to $408.8 million at December 31, 2014.

During 2015, we expect cash generated from operations, excluding cash payments related to mesh litigation settlements, together with our cash, cash equivalents and revolving credit facility to be sufficient to cover cash needs for working capital and general corporate purposes, certain contingent liabilities, payment of contractual obligations, principal and interest payments on our indebtedness, capital expenditures, ordinary share repurchases and any regulatory and/or sales milestones that may become due. We may need to obtain additional funding for future transactions in 2015, should they occur.

Beyond 2015, we expect cash generated from operations together with our cash, cash equivalents and revolving credit facility to continue to be sufficient to cover cash needs for working capital and general corporate purposes, certain contingent liabilities, payment of contractual obligations, principal and interest payments on our indebtedness, capital expenditures, ordinary share repurchases and any regulatory and/or sales milestones that may become due. At this time, we cannot accurately predict the effect of certain developments on the rate of sales growth, such as the degree of market acceptance, patent protection and exclusivity of our products, the impact of competition, the effectiveness of our sales and marketing efforts and the outcome of our current efforts to develop, receive approval for and successfully launch our near-term product candidates. Additionally, we may not be successful in implementing, or may face unexpected changes or expenses in connection with our lean operating model and strategic direction, including the potential for opportunistic corporate development transactions. Any of the above could adversely affect our future cash flows. We may need to obtain additional funding for future transactions, to repay our outstanding indebtedness, or for our future operational needs, and we cannot be certain that funding will be available on terms acceptable to us, or at all. Any issuances of equity securities or convertible securities could have a dilutive effect on the ownership interest of our current shareholders and may adversely impact net income per share in future periods. An acquisition may be accretive or dilutive and, by its nature, involves numerous risks and uncertainties. As a result of our acquisition efforts we are likely to experience significant charges to earnings for merger and related expenses (whether or not our efforts are successful) that may include transaction costs, closure costs or costs of restructuring activities.

Borrowings. At September 30, 2015, the Company’s indebtedness includes the Amended Credit Agreement with combined outstanding principal borrowings of $3,831.3 million and additional availability under $1,000.0 million of revolving credit facilities, substantially all of which is available at September 30, 2015.

The Amended Credit Agreement contains affirmative and negative covenants that the Company believes to be usual and customary for a senior secured credit facility. The negative covenants include, among other things, limitations on capital expenditures, asset sales, mergers and acquisitions, indebtedness, liens, dividends, investments and transactions with the Company’s affiliates. As of September 30, 2015, we were in compliance with all such covenants.

At September 30, 2015, the Company’s indebtedness includes senior notes with aggregate principal amounts totaling $5.1 billion. These notes mature between 2020 and 2025, subject to earlier repurchase or redemption in accordance with the terms of the respective indentures. Interest rates on these notes range from 5.375% to 7.25%. These notes are senior unsecured obligations of the Company’s subsidiaries and are guaranteed on a senior unsecured basis by certain of the Company’s subsidiaries.

The indentures governing our various senior notes contain affirmative and negative covenants that the Company believes to be usual and customary for senior unsecured credit agreements. The negative covenants, among other things, restrict the Company's ability and the ability of its restricted subsidiaries to incur certain additional indebtedness and issue preferred stock, make restricted payments, sell certain assets, agree to any restrictions on the ability of restricted subsidiaries to make payments to us, create certain liens, merge, consolidate, or sell substantially all of the Company's assets, or enter into certain transactions with affiliates. As of September 30, 2015, we were in compliance with all covenants.

In connection with the Auxilium acquisition, in late January 2015, the Company issued $1.20 billion in aggregate principal amount of 6.00% senior notes due 2025 and also entered into an agreement pursuant to which it became a co-obligor of Auxilium's $350.0 million 1.50% convertible senior notes due 2018. Subsequent to the closing of the acquisition on January 29, 2015, during the first quarter of 2015, holders of the Auxilium Notes converted substantially all of the Auxilium Notes.

In April 2015, we settled $98.7 million aggregate principal amount of the Convertible Notes, which was the remaining outstanding principal amount of the Convertible Notes, for $316.4 million, which included the issuance of 2,261,236 ordinary shares. In addition, the Company settled the remaining amount of the associated call options and warrants in April 2015 and June 2015, respectively.

In June 2015, the Company completed the sale of 27,627,628 ordinary shares for aggregate gross proceeds of $2,300.0 million in order to finance a portion of the Par acquisition.

In July 2015, Endo Designated Activity Company, formerly known as Endo Limited (Endo DAC), Endo Finance LLC and Endo Finco Inc. (collectively, the Issuers) issued $1.64 billion in aggregate principal amount of 6.00% senior notes due July 2023 (the 2023 Notes). The 2023 Notes were issued in a private offering for resale to qualified institutional buyers pursuant to Rule 144A under the Securities Act of 1933, as amended.

The 2023 Notes are senior unsecured obligations of the Issuers and are guaranteed on a senior unsecured basis by certain of the Company's subsidiaries. Interest on the 2023 Notes is payable semiannually in arrears on January 15 and July 15 of each year, beginning on January 15, 2016. The 2023 Notes will mature on July 15, 2023, subject to earlier repurchase or redemption in accordance with the terms of the 2023 Notes indenture incorporated by reference herein.

On September 25, 2015, the Company acquired Par for total consideration of $8.14 billion, including the assumption of Par debt. The consideration included 18,075,411 ordinary shares valued at $1.33 billion.

Simultaneously with the closing of the Par acquisition in September 2015, we increased our revolving capacity to an aggregate principal amount of $1,000.0 million pursuant to the Incremental Revolving Facility. In addition, we incurred an incremental term loan B facility in an aggregate principal amount of $2,800 million and repaid in full the amount outstanding under the 2014 Term Loan B Facility.

Proceeds from the issuance of the 2023 Notes, together with proceeds from the Incremental Term Loan B Facility and cash on hand were used to (i) partially fund the purchase price of the Par acquisition, as well as for repayments of indebtedness of Par and certain transaction expenses, (ii) refinance the Company's existing 2014 Term Loan B Facility, and (iii) redeem all $499.9 million aggregate principal amount outstanding of the 7.00% Senior Notes due 2019, which redemption occurred in July 2015.

In conjunction with the sale of the Men's Health and Prostate Health component of AMS on August 3, 2015, Boston Scientific Corporation paid $60.0 million in exchange for 60,000 shares of American Medical Systems Holdings, Inc. (AMSH) Series B Non-Voting Preferred Stock (Series B Senior Preferred Stock) sold by our subsidiary Endo Pharmaceuticals Inc. (EPI). The Series B Senior Preferred Stock, of which there are 100,000 authorized shares, is non-voting. All of the voting shares were retained by Endo.

The Series B Senior Preferred Stock has a $0.001 par value and a liquidation preference of, collectively, $1,000 per share plus an amount equal to accrued and unpaid dividends and distributions thereon (whether or not declared) to the date of such payment. Payment of the full liquidation preference to holders of the Series B Senior Preferred Stock constitutes a redemption of the Series B Senior Preferred Stock. The holder of the shares shall be entitled to cumulative cash dividends at a per annum rate of 7.25% of the liquidation preference, increasing 0.25% per year starting January 1, 2018 up to 11.50%. The holder of these shares shall have no voting, information or governance rights except as required by law. The holder of the shares shall have no right to convert the shares into any other security. Any shares remaining outstanding on February 1, 2035 are mandatorily redeemable, in cash, for the liquidation preference.

While the preferred stock remains outstanding, AMS will be subject to certain affirmative and negative covenants, including an obligation to maintain assets in excess of the liquidation preference of the preferred stock, and restrictions on the sale of assets and the incurrence of certain indebtedness.

On November 6, 2015, the Company announced that it will enter into a program to repurchase up to $250 million of its ordinary shares under the previously authorized $2.5 billion 2015 Share Buyback Program. It is anticipated that the purchases will be completed by the end of 2015 and will be funded through available liquidity. The timing and actual number of shares repurchased will

depend on a variety of factors including the market price of Endo's ordinary shares, regulatory, legal, and contractual requirements, corporate cash generation and other market conditions and factors.

Credit ratings. The Company's corporate credit ratings assigned by Moody's Investors Service and Standard & Poor's are Ba3 with a negative outlook and B+ with a stable outlook, respectively.

Working capital. The components of our working capital and our liquidity at September 30, 2015 and December 31, 2014 are below (dollars in thousands):

	September 30, 2015	December 31, 2014
Total current assets	$ 4,799,476	$ 5,080,261
Less: total current liabilities	(3,960,255)	(3,149,440)
Working capital	$ 839,221	$ 1,930,821
Current ratio	1.2:1	1.6:1
Days sales outstanding	53	48

Working capital decreased by $1,091.6 million from December 31, 2014 to September 30, 2015. This decrease related to cash used to fund the Par acquisition, an increase in the current portion of the legal settlement accrual, cash used for deferred financing costs and cash used for the purchases of property, plant and equipment. This decrease was partially offset by cash received, net of fees, from the equity and debt issuances to finance the Par acquisition, working capital acquired in the Par and Auxilium acquisitions and cash from the exercise of options.

The following table summarizes our Condensed Consolidated Statements of Cash Flows for the nine months ended September 30, 2015 and 2014 (in thousands):

	Nine Months Ended September 30,	
	2015	2014
Net cash flow (used in) provided by:		
Operating activities	$ (177,432)	$ 232,204
Investing activities	(5,960,496)	(378,843)
Financing activities	6,570,546	312,705
Effect of foreign exchange rate	(5,260)	(1,547)
Net increase in cash and cash equivalents	$ 427,358	$ 164,519

Net cash (used in) provided by operating activities. Net cash used in operating activities was $177.4 million for the nine months ended September 30, 2015 compared to $232.2 million provided by operating activities in the comparable 2014 period.

Net cash (used in) provided by operating activities represents the cash receipts and cash disbursements from all of our activities other than investing activities and financing activities. Changes in cash from operating activities reflect, among other things, the timing of cash collections from customers, payments to suppliers, managed care organizations, government agencies, collaborative partners and employees, as well as tax payments in the ordinary course of business.

The $409.6 million fluctuation in Net cash (used in) provided by operating activities for the nine months ended September 30, 2015 compared to the comparable 2014 period was primarily the result of the timing of cash collections and cash payments.

Significant pre-tax cash outlays made during 2015 include $525.9 million, representing amounts paid out of the mesh product liability Qualified Settlement Funds; $98.9 million of transaction costs paid associated with our 2015 acquisitions; $78.3 million related to unused commitment fees paid associated primarily with financing for the Par acquisition; $60.0 million of cash paid related to restructuring initiatives and $17.5 million related to a redemption fee paid of 3.5% of the aggregate principal amount of the 2019 Endo Finance Notes and the 2019 EHSI Notes.

Significant pre-tax cash outlays made during 2014 include payments to settle various litigation matters of $214.2 million, which included the Department of Justice settlement related to its investigation into the sale, marketing and promotion of Lidoderm®, $61.1 million of transaction costs paid associated with our 2014 acquisitions; $54.3 million related to the cash reimbursement of directors' and certain employees' excise tax liabilities pursuant to Section 4985 of the Internal Revenue Code and $28.0 million of cash paid related to restructuring initiatives.

Net cash used in investing activities. Net cash used in investing activities was $5,960.5 million for the nine months ended September 30, 2015 compared to $378.8 million used in investing activities in the comparable 2014 period.

This $5,581.7 million increase in cash used in investing activities for the nine months ended September 30, 2015 compared to the comparable 2014 period relates primarily to an increase in cash used for acquisitions in 2015 related primarily to the acquisitions of Par and Auxilium of $6,461.8 million. Cash previously held in escrow of $770.0 million was released upon the close of the Paladin transaction during the nine months ended September 30, 2014, which resulted in a corresponding cash inflow for investing activities. This amount was partially offset by an increase of $1,534.3 million in proceeds from sale of business, primarily relating to the sale of the Men's Health and Prostate Health components of the AMS business, $509.6 million of cash released from the Qualified Settlement Funds for mesh settlements, and approximately $40 million of cash released from the escrow account associated with the acquisition of the remaining outstanding share capital of Litha during the nine months ended September 30, 2015. We also paid $526.8 million into the Qualified Settlement Funds for mesh settlements during the nine months ended September 30, 2015, resulting in a cash outflow for investing activities. Payments related to our Qualified Settlement Funds are further described in Note 12. Commitments and Contingencies of the Condensed Consolidated Financial Statements included in Part I, Item 1. of this Quarterly Report on Form 10-Q.

Net cash provided by financing activities. Net cash provided by financing activities was $6,570.5 million for the nine months ended September 30, 2015 compared to $312.7 million provided by financing activities in the comparable 2014 period.

Items contributing to the $6,257.8 million increase in cash provided by financing activities for the nine months ended September 30, 2015 compared to the comparable 2014 period include an increase in issuance of ordinary shares of $2,300.0 million to finance the Par acquisition, an increase in proceeds from the issuance of term loans of $1,275.0 million, a decrease in principal payments on term loan indebtedness of $959.1 million, an increase in proceeds from the issuance of notes of $2,085.0 million, a decrease in the repurchase of convertible senior subordinated notes of $340.0 million, and a decrease in payments to settle ordinary share warrants of $284.5 million, partially offset by an increase in principal payments on notes of $499.9 million, a decrease in proceeds from the settlement of the hedge on convertible senior subordinated notes of $356.3 million, an increase in payments related to the issuance of ordinary shares of $62.2 million, and an increase in cash buy-outs of noncontrolling interests of $39.5 million related to the acquisition of the remaining outstanding share capital of Litha.

Fluctuations. Our quarterly results have fluctuated in the past and may continue to fluctuate. These fluctuations may be due to the timing of new product launches, purchasing patterns of our customers, market acceptance of our products, the impact of competitive products and pricing, asset impairment charges, restructuring costs, including separation benefits, business combination transaction costs, upfront, milestone and certain other payments made or accrued pursuant to licensing agreements and changes in the fair value of financial instruments and contingent assets and liabilities recorded as part of a business combination. Further, a substantial portion of our total revenues are through three wholesale drug distributors who in turn supply our products to pharmacies, hospitals and physicians. Accordingly, we are potentially subject to a concentration of credit risk with respect to our trade receivables.

Contractual Obligations. During the nine months ended September 30, 2015, the Company increased its product liability accrual due primarily to (1) its recently becoming aware of previously unknown U.S. mesh claims, both under and outside the MSAs which the Company and AMS believe are due in large part to certain verdicts being awarded in a number of cases taken through trial by other mesh manufacturers and a resulting increase in advertising by plaintiffs' counsel seeking additional claimants; and (2) with respect to known claims under the MSAs, a decrease in the applicable reduction factor from approximately 20% to 18%. By decreasing the reduction factor from approximately 20% to 18%, and thereby increasing the product liability accrual, the Company is reflecting its current estimate that fewer claims will be excluded from the MSAs than previously anticipated. The Company will continue to monitor the situation, including with respect to any additional claims of which the Company may later become aware, and, if appropriate, make further adjustments to the applicable reduction factor and product liability accrual based on new information. For further discussion of our vaginal mesh product liability accrual see Note 12. Commitments and Contingencies of the Condensed Consolidated Financial Statements included in Part I, Item 1. of this Quarterly Report on Form 10-Q.

As of September 30, 2015, other than the product liability accrual and debt-related transactions described above and in Note 11. Debt of the Condensed Consolidated Financial Statements included in Part I, Item 1. of this Quarterly Report on Form 10-Q, there were no material changes in our contractual obligations from those disclosed in the Company's Annual Report on Form 10-K for the year ended December 31, 2014, filed with the Securities and Exchange Commission on March 2, 2015.

Inflation. We do not believe that inflation had a material adverse effect on our financial statements for the periods presented.

Off-balance sheet arrangements. We have no off-balance sheet arrangements as defined in Item 303(a)(4) of Regulation S-K.

CRITICAL ACCOUNTING ESTIMATES

Our critical accounting estimates have not changed materially since December 31, 2014. For additional discussion of the Company's critical accounting estimates, see "Critical Accounting Estimates" in Item 7 of our Annual Report on Form 10-K for the year ended December 31, 2014, filed with the Securities and Exchange Commission on March 2, 2015.

RECENT ACCOUNTING PRONOUNCEMENTS

For discussion of recent accounting pronouncements, refer to Note 2. Recent Accounting Pronouncements in the Condensed Consolidated Financial Statements included in Part I, Item 1. of this Quarterly Report on Form 10-Q.

Item 3. ***Quantitative and Qualitative Disclosures About Market Risk***

Market risk is the potential loss arising from adverse changes in the financial markets, including interest rates and foreign currency exchange rates.

Interest Rate Risk

Our exposure to interest rate risk relates primarily to our variable rate indebtedness associated with the term loan portion of our Amended Credit Agreement. To the extent we utilize amounts under our Amended Credit Agreement, we would be exposed to additional interest rate risk. At September 30, 2015, our Term Loan Facility includes principal amount of floating-rate debt of $3,831.3 million. Based on this amount, a 1% rise in interest rates would result in $38.3 million in incremental annual interest expense.

As of September 30, 2015 and 2014, we had no other assets or liabilities with significant interest rate sensitivity.

Investment Risk

At September 30, 2015 and 2014, we had immaterial investments in available-for-sale securities, primarily associated with equity securities of publicly traded companies. Any decline in value below our original investments will be evaluated to determine if the decline in value is considered temporary or other-than-temporary. An other-than-temporary decline in fair value would be included as a charge to earnings.

Foreign Currency Exchange Risk

We operate and transact business in various foreign countries and are therefore subject to risks associated with foreign currency exchange rate fluctuations. The Company manages this foreign currency risk, in part, through operational means including managing foreign currency revenues in relation to same currency costs as well as managing foreign currency assets in relation to same currency liabilities. The Company is also exposed to the potential earnings effects from intercompany foreign currency assets and liabilities that arise from normal trade receivables and payables and other intercompany loans. Additionally, certain of the Company's subsidiaries maintain their books of record in currencies other than their respective functional currencies. These subsidiaries' financial statements are remeasured into their respective functional currencies using current or historical exchange rates. Such remeasurement adjustments could have an adverse effect on the Company's results of operations.

All assets and liabilities of our international subsidiaries, which maintain their financial statements in local currency, are translated to U.S. dollars at period-end exchange rates. Translation adjustments arising from the use of differing exchange rates are included in accumulated other comprehensive income in shareholders' equity. Gains and losses on foreign currency transactions and short term inter-company receivables from foreign subsidiaries are included in Other expense (income), net.

Fluctuations in foreign currency rates resulted in net gains of $4.1 million and $24.7 million, respectively, during the three and nine months ended September 30, 2015. This compares to net gains of $6.2 million and $1.9 million, respectively, during the three and nine months ended September 30, 2014.

In addition, we purchase Lidoderm® in U.S. dollars from Teikoku Seiyaku Co., Ltd., a Japanese manufacturer. As part of the purchase agreement with Teikoku, there is a price adjustment feature that prevents the cash payment in U.S. dollars from falling outside of a certain pre-defined range in Japanese yen even if the spot rate is outside of that range.

Inflation

We do not believe that inflation has had a significant impact on our revenues or operations.

Item 4. **Controls and Procedures**

Evaluation of Disclosure Controls and Procedures

The Company's management, with the participation of the Company's Chief Executive Officer and Principal Financial Officer, has evaluated the effectiveness of the Company's disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) of the Securities Exchange Act of 1934, as of September 30, 2015. Based on that evaluation, the Company's Chief Executive Officer and Principal Financial Officer concluded that the Company's disclosure controls and procedures were effective as of September 30, 2015.

Changes in Internal Control over Financial Reporting

The Company acquired certain entities during the nine months ended September 30, 2015. Particularly as it relates to the Par acquisition, as permitted by the Securities and Exchange Commission, management has elected to exclude this acquisition from its assessment of the effectiveness of its internal controls over financial reporting as of December 31, 2015. The Company began to integrate these acquired companies into its internal control over financial reporting structure subsequent to their respective acquisition

dates and expects to complete this integration in 2016. As such, there have been changes during the nine months ended September 30, 2015 associated with the establishment and continued integration of internal control over financial reporting with respect to these acquired companies.

Additionally, in August of 2015, the Company completed the sale of its AMS Men's Health and Prostate Health components to Boston Scientific. As such, there have been changes during the three months ended September 30, 2015 to the internal control over financial reporting at the remaining Women's Health business as a result of this divestiture.

Additionally, in 2013, we began the implementation of a new Enterprise Resource Planning (ERP) system. This implementation was planned in phases to correspond with the needs of the Company. Due to this implementation, internal controls have changed in various functional areas within the company. Management has taken steps so that the appropriate controls are designed and implemented as each functional area of the system is enacted. This implementation is anticipated to continue through 2015.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

The disclosures under Note 12. Commitments and Contingencies of the Condensed Consolidated Financial Statements included in Part I, Item 1. of this Quarterly Report on Form 10-Q are incorporated into this Part II, Item 1. by reference.

Item 1A. Risk Factors

Risk factors disclosed in Item 1A. "Risk Factors" of the Company's Annual Report on Form 10-K for the year ended December 31, 2014 filed with the Securities and Exchange Commission on March 2, 2015, as supplemented by risk factors disclosed in Item 1A. of Part II of our Quarterly Report on Form 10-Q for the quarter ended March 31, 2015 are incorporated into this document by reference. Except as set forth below, there have been no material changes to the risk factors disclosed therein.

We may experience pricing pressure on the price of our products due to social or political pressure to lower the cost of drugs, which would reduce our revenue and future profitability.

We may experience downward pricing pressure on the price of our products due to social or political pressure to lower the cost of drugs, which would reduce our revenue and future profitability. Recent events have resulted in increased public and governmental scrutiny of the cost of drugs, especially in connection with price increases following companies' acquisitions of the rights to certain drug products. In particular, U.S. federal prosecutors recently issued subpoenas to a pharmaceutical company seeking information about its drug pricing practices, among other issues, and members of the U.S. Congress have sought information from certain pharmaceutical companies relating to post-acquisition drug-price increases. Our revenue and future profitability could be negatively affected if these inquiries were to result in legislative or regulatory proposals that limit our ability to increase the prices of our products.

Pressure from social activist groups and future government regulations may also put downward pressure on the price of drugs, which could result in downward pressure on the prices of our products in the future.

If we fail to obtain exclusive marketing rights for our generic pharmaceutical products or fail to introduce these generic products on a timely basis, our revenues, gross margin and operating results may decline.

The Hatch-Waxman amendments to the Federal Food, Drug, and Cosmetic Act provide for a period of 180 days of generic marketing exclusivity for any applicant that is first-to-file an ANDA containing a certification of invalidity, non-infringement or unenforceability related to a patent listed with respect to the corresponding brand-name drug (commonly referred to as a "Paragraph IV certification"). The holder of an approved ANDA containing a Paragraph IV certification that is successful in challenging the applicable brand-name drug patent(s) is often able to price the applicable generic drug to yield relatively high gross margins during this 180-day marketing exclusivity period. A large portion of our revenues for our U.S. Generic Pharmaceuticals segment have been derived from the sales of generic drugs during such 180-day marketing exclusivity period and from the sale of other generic products for which there otherwise is limited competition. ANDAs that contain Paragraph IV certifications challenging patents, however, generally become the subject of patent litigation that can be both lengthy and costly. There is no certainty that we will prevail in any such litigation, that we will be the first-to-file and granted the 180-day marketing exclusivity period, or, if we are granted the 180-day marketing exclusivity period, that we will not forfeit such period. Even where we are awarded marketing exclusivity, we may be required to share our exclusivity period with other ANDA applicants who submit Paragraph IV certifications. In addition, brand-name pharmaceutical companies often authorize a generic version of the corresponding brand-name drug to be sold during any period of marketing exclusivity that is awarded (described further below), which reduces gross margins during the marketing exclusivity period. Brand-name pharmaceutical companies may also reduce their price of their brand-name product to compete directly with generics entering the market, which would similarly have the effect of reducing gross margins. Furthermore, timely commencement of the litigation by the patent owner imposes an automatic stay of ANDA approval by the FDA for 30 months, unless the case is decided in the ANDA applicant's favor during that period. Finally, if the court decision is adverse to the ANDA applicant, the ANDA approval will be delayed until the challenged patent expires, and the applicant will not be granted the 180-day marketing exclusivity.

The future profitability of our U.S. Generic Pharmaceutical segment depends, to a significant extent, upon our ability to introduce, on a timely basis, new generic products that are either the first-to-market (or among the first-to-market) or that otherwise can gain significant market share. The timeliness of our products is dependent upon, among other things, the timing of regulatory approval of our products, which to a large extent is outside of our control, as well as the timing of competing products. As additional distributors introduce comparable generic pharmaceutical products, price competition intensifies, market access narrows, and product sales prices and gross margins decline, often significantly and rapidly. Accordingly, our revenues and future profitability are dependent, in large part, upon our ability or the ability of our development partners to file ANDAs with the FDA timely and effectively or to enter into contractual relationships with other parties that have obtained marketing exclusivity. No assurances can be given that we will be able to develop and introduce successful products in the future within the time constraints necessary to be successful. If we or our development partners are unable to continue to timely and effectively file ANDAs with the FDA or to partner with other parties that have obtained marketing exclusivity, our revenues, gross margin and operating results may decline significantly, and our prospects and business may be materially adversely affected.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

There were no purchases of equity securities by the Company during the three months ended September 30, 2015.

On April 28, 2015, our Board of Directors resolved to approve a share buyback program (the 2015 Share Buyback Program), authorizing the Company to redeem in the aggregate up to $2.50 billion of its outstanding ordinary shares. In accordance with Irish Law and the Company’s Articles of Association, all ordinary shares redeemed shall be cancelled upon redemption. Redemptions under this program may be made from time to time in open market or negotiated transactions or otherwise, as determined by the Transactions Committee of the Board of Directors. This program does not obligate the Company to redeem any particular amount of ordinary shares. Future redemptions, if any, will depend on factors such as levels of cash generation from operations, cash requirements for investment in the Registrant's business, repayment of future debt, if any, the then current share price, market conditions, legal limitations and other factors. The 2015 Share Buyback Program may be suspended, modified or discontinued at any time.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

None.

Item 6. Exhibits

The information called for by this item is incorporated by reference to the Exhibit Index of this Report.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

ENDO INTERNATIONAL PLC

(Registrant)

/s/ RAJIV DE SILVA

Name: **Rajiv De Silva**
Title: **President and Chief Executive Officer**
(Principal Executive Officer)

/s/ SUKETU P. UPADHYAY

Name: **Suketu P. Upadhyay**
Title: **Executive Vice President and Chief Financial Officer**
(Principal Financial Officer)

Date: November 9, 2015

Exhibit Index

Exhibit No.	Title
2.1	Agreement and Plan of Merger dated as of January 17, 2014 by and among JHP Group Holdings, Inc., Par Pharmaceutical Companies, Inc., Juniper Mergeco, Inc. and WP JHP Representative, LLC, solely in its capacity as the Representative - previously filed as an exhibit to our Current Report on Form 8-K dated January 17, 2014 and incorporated herein by reference.
10.31	License and Supply Agreement by and by and among Novartis, AG, Novartis Consumer Health, Inc. and Endo Pharmaceuticals dated as of March 4, 2008
10.31.1	Amendment No. 1 to the License and Supply Agreement by and by and among Novartis, AG, Novartis Consumer Health, Inc. and Endo Pharmaceuticals dated as of March 28, 2008
10.31.2	Amendment No. 2 to License and Supply Agreement, by and among Novartis AG, Novartis Consumer Health, Inc. and Endo Pharmaceuticals dated as of December 31, 2012
10.299	Incremental Amendment, dated as of September 25, 2015, by and among Endo Designated Activity Company, Endo Management Limited, Endo Luxembourg Holding Company S.à r.l., Endo Luxembourg Finance Company I S.à.r.l., as borrower, Endo LLC, as borrower, the subsidiary guarantors party thereto, the lenders party thereto and Deutsche Bank AG New York Branch, as administrative agent (incorporated herein by reference to Exhibit 10.1 to the Current Report on Form 8-K filed by Endo International plc on September 28, 2015)
10.300	Supplemental Indenture, dated September 30, 2015, among Par Pharmaceutical Companies, Inc., Par Pharmaceutical, Inc., Anchen Incorporated, Par, Inc., Anchen Pharmaceuticals, Inc., JHP Group Holdings, Inc., JHP Acquisition, LLC, Par Sterile Products, LLC, Kali Laboratories, Inc., Innoteq, Inc., Par Laboratories Europe, Ltd., and Endo Finance IV Limited, subsidiaries of Endo DAC, the Issuers, the other Guarantors and Wells Fargo Bank, National Association, as trustee, relating to the 7.00% Senior Notes due 2020
10.301	Counterpart to Registration Rights Agreement, dated September 30, 2015, with respect to the Registration Rights Agreement, dated May 6, 2014 by and among Endo Finance LLC and Endo Finco Inc., the Guarantors party thereto, RBC Capital Markets, LLC and Deutsche Bank Securities Inc., relating to the 7.00% Senior Notes due 2020
10.302	Supplemental Indenture, dated September 30, 2015, among Par Pharmaceutical Companies, Inc., Par Pharmaceutical, Inc., Anchen Incorporated, Par, Inc., Anchen Pharmaceuticals, Inc., JHP Group Holdings, Inc., JHP Acquisition, LLC, Par Sterile Products, LLC, Kali Laboratories, Inc., Innoteq, Inc., Par Laboratories Europe, Ltd., and Endo Finance IV Limited, subsidiaries of Endo DAC, the Issuers, the other Guarantors and Wells Fargo Bank, National Association, as trustee, relating to the 7.25% Senior Notes due 2022
10.303	Counterpart to Registration Rights Agreement, dated September 30, 2015, with respect to the Registration Rights Agreement, dated May 6, 2014 by and among Endo Finance LLC and Endo Finco Inc., the Guarantors party thereto, RBC Capital Markets, LLC and Deutsche Bank Securities Inc., relating to the 7.25% Senior Notes due 2022
10.304	Supplemental Indenture, dated September 30, 2015, among Par Pharmaceutical Companies, Inc., Par Pharmaceutical, Inc., Anchen Incorporated, Par, Inc., Anchen Pharmaceuticals, Inc., JHP Group Holdings, Inc., JHP Acquisition, LLC, Par Sterile Products, LLC, Kali Laboratories, Inc., Innoteq, Inc., Par Laboratories Europe, Ltd., and Endo Finance IV Limited, subsidiaries of Endo DAC, the Issuers, the other Guarantors and Wells Fargo Bank, National Association, as trustee, relating to the 5.375% Senior Notes due 2023
10.305	Counterpart to Registration Rights Agreement, dated September 30, 2015, with respect to the Registration Rights Agreement, dated June 30, 2014 by and among Endo Finance LLC and Endo Finco Inc., the Guarantors party thereto, Citigroup Global Markets Inc. and RBC Capital Markets, relating to the 5.375% Senior Notes due 2023
10.306	Supplemental Indenture, dated September 30, 2015, among Par Pharmaceutical Companies, Inc., Par Pharmaceutical, Inc., Anchen Incorporated, Par, Inc., Anchen Pharmaceuticals, Inc., JHP Group Holdings, Inc., JHP Acquisition, LLC, Par Sterile Products, LLC, Kali Laboratories, Inc., Innoteq, Inc., Par Laboratories Europe, Ltd., and Endo Finance IV Limited, subsidiaries of Endo DAC, the Issuers, the other Guarantors and Wells Fargo Bank, National Association, as trustee, relating to the 6.00% Senior Notes due 2025
10.307	Counterpart to Registration Rights Agreement, dated September 30, 2015, with respect to the Registration Rights Agreement, dated January 27, 2015 by and among Endo Finance LLC, Endo Finco Inc., Endo DAC, the Guarantors party thereto, RBC Capital Markets, LLC and Citigroup Global Markets Inc., relating to the 6.00% Senior Notes due 2025
10.308	Supplemental Indenture, dated September 30, 2015, among Par Pharmaceutical Companies, Inc., Par Pharmaceutical, Inc., Anchen Incorporated, Par, Inc., Anchen Pharmaceuticals, Inc., JHP Group Holdings, Inc., JHP Acquisition, LLC, Par Sterile Products, LLC, Kali Laboratories, Inc., Innoteq, Inc., Par Laboratories Europe, Ltd., and Endo Finance IV Limited, subsidiaries of Endo DAC, the Issuers, the other Guarantors and Wells Fargo Bank, National Association, as trustee, relating to the 5.75% Senior Notes due 2022

10.309	Supplemental Indenture, dated September 30, 2015, among Par Pharmaceutical Companies, Inc., Par Pharmaceutical, Inc., Anchen Incorporated, Par, Inc., Anchen Pharmaceuticals, Inc., JHP Group Holdings, Inc., JHP Acquisition, LLC, Par Sterile Products, LLC, Kali Laboratories, Inc., Innoteq, Inc., Par Laboratories Europe, Ltd., and Endo Finance IV Limited, subsidiaries of Endo DAC, the Issuers, the other Guarantors and Wells Fargo Bank, National Association, as trustee, relating to the 6.000% Senior Notes due 2023
10.310	Executive Employment Agreement between Endo Health Solutions, Inc. and Paul V. Campanelli, effective as of September 25, 2015
31.1	Certification of the President and Chief Executive Officer of Endo pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2	Certification of the Chief Financial Officer of Endo pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1	Certification of the President and Chief Executive Officer of Endo pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2	Certification of the Chief Financial Officer of Endo pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101	The following materials from Endo International plc's Report on Form 10-Q for the quarter ended September 30, 2015, formatted in XBRL (eXtensible Business Reporting Language): (i) the Condensed Consolidated Balance Sheets, (ii) the Condensed Consolidated Statements of Operations, (iii) the Condensed Consolidated Statements of Comprehensive Loss, (iv) the Condensed Consolidated Statements of Cash Flows and (v) the Notes to the Condensed Consolidated Financial Statements

Exhibit 10.31

EXECUTION VERSION

LICENSE AND SUPPLY AGREEMENT

by and among

NOVARTIS, AG,

NOVARTIS CONSUMER HEALTH, INC.

and

ENDO PHARMACEUTICALS INC.

Dated as of March 4, 2008

SFNJ1\1219554

SCHEDULES

LICENSE AND SUPPLY AGREEMENT

THIS LICENSE AND SUPPLY AGREEMENT (this "Agreement"), dated as of March 4, 2008 (the "Execution Date"), by and among NOVARTIS, AG, a Swiss corporation having a principal place of business in Basel, Switzerland ("NOVARTIS AG"), NOVARTIS CONSUMER HEALTH, INC., a Delaware corporation having a principal place of business at 200 Kimball Drive, Parsippany, New Jersey 07054 ("NOVARTIS," and collectively with NOVARTIS AG, the "NOVARTIS Parties") and ENDO PHARMACEUTICALS INC., a Delaware corporation having a principal place of business at 100 Endo Drive, Chadds Ford, Pennsylvania 19317 ("ENDO"). Each of NOVARTIS and ENDO is referred to herein individually as a "Party" and collectively as the "Parties."

WHEREAS, the NOVARTIS Parties have certain rights in the Territory in and to the Licensed Product;

WHEREAS, NOVARTIS desires to grant a license to another Person to Commercialize the Licensed Product for use in the Territory and in the Field on the terms and conditions set forth herein; and

WHEREAS, ENDO desires to obtain such a license on the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the following mutual promises and obligations, and for other good and valuable consideration the adequacy and sufficiency of which are hereby acknowledged, the Parties agree as follows:

SECTION 1
DEFINITIONS

Capitalized terms used in this Agreement, whether used in the singular or plural, except as otherwise expressly set forth herein, shall have the meanings set forth below:

1.1 "A&P Expenses" shall mean, to the extent incurred, recorded and executed in connection with the Accounting Standards, Out-of-Pocket Costs for the following items, to the extent incurred in connection with advertising and promotion of the Licensed Product in accordance with this Agreement:

(a) professional advertising (including agency fees);

(b) consumer advertising (including agency fees);

(c) Detail aids, leave-behinds and similar materials;

(d) materials and programs for training of the Sales Force, including Launch meetings and annual sales meetings, Promotional Materials, telemarketing, symposia, conventions, Managed Markets initiatives, market research (not to exceed ten percent

(10%) of total A&P Expenses in respect to any Agreement Year), speaker and activity programs including medical meetings, exhibits, and direct mail, internet and other non-personal promotion; and

(e) samples and sample alternatives of the Licensed Product and costs relating to storage and distribution of samples to Sales Representatives.

Notwithstanding the foregoing, in no event will any of the following constitute A&P Expenses: Field Force Expenses; Managed Markets, MSL or other personnel costs; costs of clinical studies; or distribution costs.

1.2 "Accounting Standards" with respect to a Person shall mean that such Person shall maintain records and books of accounts in accordance with U.S. Generally Accepted Accounting Principles; provided, that with respect to NOVARTIS AG or any non-U.S. Affiliate of NOVARTIS, Accounting Standards shall mean that it shall maintain records and books of accounts in accordance with IFRS (International Financial Reporting Standards).

1.3 "Act" shall mean the U.S. Food, Drug and Cosmetic Act, as amended from time to time (21 U.S.C. § 301 et seq.), together with any rules and regulations promulgated thereunder.

1.4 "Actual Royalties" shall have the meaning set forth in Section 7.2(c).

1.5 "Adverse Event" shall mean any untoward medical occurrence in a patient, consumer or clinical investigation subject associated with the use of the Licensed Product that does not necessarily have a causal relationship with this treatment. An Adverse Event can therefore be any unfavorable and unintended sign (including an abnormal laboratory finding), symptom, or disease temporally associated with the use of Licensed Product, whether or not related to Licensed Product. In addition, all cases of apparent drug-drug interaction, pregnancy (with or without outcome), exposure during breastfeeding, paternal exposure, lack of efficacy, overdose, drug abuse and misuse, drug maladministration or accidental exposure and dispensing errors are collected and databased even if no Adverse Event has been reported.

1.6 "Affiliate" shall mean any Person who directly or indirectly controls or is controlled by or is under common control with a Party. For purposes of this definition, "control" or "controlled" shall mean ownership directly or through one or more Affiliates, of more than fifty percent (50%) of the shares of stock entitled to vote for the election of directors, in the case of a corporation, or more than fifty percent (50%) of the equity interests in the case of any other type of legal entity, status as a general partner in any partnership, or any other arrangement whereby a Party controls or has the right to control the Board of Directors or equivalent governing body of a corporation or other entity, or the ability to cause the direction of the management or policies of a corporation or other entity.

1.7 "Agreement" shall have the meaning set forth in the introductory paragraph.

1.8 "Agreement Quarter" shall mean, with respect to the first Agreement Quarter, the period beginning on the Effective Date and ending on the last day of the first full calendar quarter following the Effective Date, and each calendar quarter thereafter. For the purpose of clarity, the term "calendar quarter" refers to each three-month quarter in a calendar year (*i.e.*, January through March, April through June, July through September and October through December).

1.9 "Agreement Semester" shall mean each six (6) month period in an Agreement Year, with the first Agreement Semester consisting of the first two (2) Agreement Quarters of the Agreement Year and the second Agreement Semester consisting of the third (3rd) and fourth (4th) Agreement Quarters of the Agreement Year. Notwithstanding the foregoing, the first Agreement Semester shall commence on the Effective Date and end on December 31, 2008.

1.10 "Agreement Year" shall mean, with respect to the first Agreement Year, the period beginning on the Effective Date and ending on June 30, 2009, and with respect to each Agreement Year thereafter, the 12-month period ending on each anniversary of June 30, 2009 during the Term of this Agreement.

1.11 "Alliance Manager" shall have the meaning set forth in Section 3.4.

1.12 "Approval" shall mean any approval, registration, license or authorization from any Governmental Authority in any jurisdiction required for the manufacture, development, marketing, promotion, sale, storage or transport of a product in such jurisdiction.

1.13 "Approval Application" shall mean the submission to the relevant Governmental Authority of an appropriate application seeking any Approval.

1.14 "Audit Rights Holder" shall have the meaning set forth in Section 12.2(a).

1.15 "Audit Team" shall have the meaning set forth in Section 12.2(b).

1.16 "Auditee" shall have the meaning set forth in Section 12.2(a).

1.17 "Binding Forecast" shall have the meaning set forth in Section 5.3.

1.18 "Business Day" shall mean any day other than a Saturday, a Sunday or a day on which commercial banks in New York City are authorized or required by Law to remain closed.

1.19 "BTC Product" shall mean an OTC Product that has been approved by the FDA for sale to consumers without a prescription subject to the requirement that such product be placed "behind-the-counter" in the pharmacy and dispensed by a pharmacy employee.

1.20 "Commercialization Expenses" shall mean all direct and indirect expenses incurred or to be incurred in connection with Commercializing the Licensed Product in the Territory, including A&P Expenses, Field Force Expenses, MSL expenses, costs associated with Managed Markets activities, market research costs, distribution costs and submission fees

payable to DDMAC for review of Promotional Materials, to the extent such fees are now or hereafter payable pursuant to the Act or other applicable Laws.

1.21 "Commercialization Plan" shall mean each Commercialization plan for Commercialization of the Licensed Product, as described in Section 4.2, prepared by ENDO and reviewed by the JCC.

1.22 "Commercialization Report" shall have the meaning set forth in Section 4.15.

1.23 "Commercialize" shall mean to market, promote, distribute, offer to sell, sell and/or have sold a product and/or conduct other commercialization activities, and "Commercialization" means commercialization activities relating to a product, including activities relating to marketing, promoting, distributing, offering for sale, and/or selling of such product or having such product sold to trade, institutional, prescriber, payer, pharmacist and patient customers or otherwise.

1.24 "Committee" shall mean any of the JCC (or any other committee or sub-committee contemplated hereby or established in accordance with this Agreement).

1.25 "Competing Topical NSAID" shall have the meaning set forth in Section 10.2.

1.26 "Confidential Information" shall mean all information or materials possessed or developed by either Party or their respective Affiliates, whether before or after the Execution Date, related to such Party's or its Affiliates' business, including the manufacture, Development and/or Commercialization of any pharmaceutical products hereunder, including any information or materials on substances, formulations, techniques, technology, equipment, data, reports, Know-How, sources for and methods of supply, patent position and business plans; provided, however, that Confidential Information shall not include information or material that (i) is already in the receiving Party's or its Affiliate's lawful possession at the time of disclosure by the disclosing Party, as established by relevant documentary evidence; (ii) is already in the public domain as of the Execution Date by reason of prior publication or otherwise; (iii) is received by a receiving Party or an Affiliate thereof on an unrestricted basis from a Third Party other than the disclosing Party, where such Third Party is authorized to disclose such information; (iv) becomes part of the public domain after the Execution Date through no act, omission or fault of the receiving Party; or (v) is similar in nature to the purported confidential information but which the receiving Party can demonstrate has been independently created, as established by relevant documentary evidence.

1.27 "Contract Sales Organization" or "CSO" shall mean a Third Party primarily engaged in providing sales representatives to promote and Detail pharmaceutical products.

1.28 "Control" or "Controlled" shall mean with respect to any intellectual property right of a Person, that the Person owns or has a license to such intellectual property right and has the ability to grant access, a license, or a sublicense to such intellectual property right as provided for in this Agreement without violating an agreement with, or infringing any rights of, a Third Party.

1.29 "Corporate Names" shall have the meaning set forth in Section 11.1(a).

1.30 "Damages" shall have the meaning set forth in Section 15.1(a).

1.31 "DDMAC" shall mean the United States Office of Medical Policy, Division of Drug Marketing, Advertising and Communications.

1.32 "Delivery Location" shall have the meaning set forth in Section 5.5(c).

1.33 "Detail" or "Detailing" shall have the meaning set forth in Section 4.4(a).

1.34 "Develop" or "Development" shall mean development activities with respect to a pharmaceutical product, including pre-clinical research and development, clinical development (including Phase IV Clinical Studies), regulatory development, product approval and registration.

1.35 "Development Costs" shall mean direct and indirect costs and expenses incurred in connection with the Development of a pharmaceutical product, including the costs of clinical studies, the preparation, collation and/or validation of data from such clinical studies, preparation of medical writing and publishing and the preparation and filing of Approval Applications (including FDA user fees) and all other costs incurred in seeking Approvals with respect to the product. Without limitation of the foregoing, Development Costs shall include:

(a) all Out-of-Pocket Costs incurred with respect to any of the foregoing;

(b) the direct and indirect costs of internal scientific, medical or technical regulatory personnel (including personnel expense, travel expenses and infrastructure costs) engaged in Development activities with respect to the product, which costs shall be determined based on the FTE Rate;

(c) the costs of clinical supply, including: (i) costs of clinical supplies; (ii) expenses incurred to purchase and/or package comparator drugs; and (iii) costs and expenses of the disposal of clinical samples; and

(d) the costs of identification, synthesis, qualification and/or validation of the drug substance.

1.36 "Development Plan" shall mean each Development plan for Development of the Licensed Product, as described in Section 8.2, prepared by NOVARTIS or ENDO, as the case may be, and reviewed (and approved, in the case of a Development Plan submitted by ENDO) by the JCC.

1.37 "Disputed Product" shall have the meaning set forth in Section 5.8(c).

1.38 "DTC" shall have the meaning set forth in Section 4.11.

1.39 "Effective Date" shall mean the Execution Date.

1.40 "ENDO" shall have the meaning set forth in the introductory paragraph.

1.41 "ENDO Competing Product" shall have the meaning set forth in Section 10.2(b).

1.42 Reserved.

1.43 "Execution Date" shall have the meaning set forth in the introductory paragraph.

1.44 "Failure of Supply" shall have the meaning set forth in Section 7.2(d)(i).

1.45 "FDA" shall mean the United States Food and Drug Administration and any successor agency thereto.

1.46 "Field" shall mean use in the treatment of pain associated with osteoarthritis in joints amenable to topical treatment, subject to Section 8.1(b).

1.47 "Field Force" shall mean ENDO's field force(s) of Sales Representatives, which may include both internal and contract sales force(s).

1.48 "Field Force Expenses" shall mean costs and expenses incurred by ENDO and its Sales Representatives in connection with providing Details hereunder.

1.49 "Firm Order" shall have the meaning set forth in Section 5.4(c).

1.50 "Force Majeure" shall have the meaning set forth in Section 16.

1.51 "FTE Rate" shall mean a rate of $250,000 per annum for the time of a full-time equivalent person year.

1.52 "Generic Diclofenac Product" shall mean any diclofenac topical 1% Rx Product approved by the FDA for sale as an AB-rated generic version of the Licensed Product or any other designation adopted by the FDA that allows such product to be fully substitutable for the Licensed Product at the pharmacy level without additional approval of the prescriber.

1.53 "Good Manufacturing Practices" or "GMP" or "GMP Requirements" shall mean current Good Manufacturing Practices as such term is defined from time to time by the FDA or other relevant Governmental Authority having jurisdiction over the manufacture or sale of the Licensed Product pursuant to its regulations, guidelines or otherwise.

1.54 "Governmental Authority" shall mean any court, agency, authority, department, regulatory body or other instrumentality of any government or country or of any national, federal, state, provincial, regional, county, city or other political subdivision of any such government or any supranational organization of which any such country is a member, which has competent and binding authority to decide, mandate, regulate, enforce, or otherwise control the activities of the Parties or their Affiliates contemplated by this Agreement.

1.55 "Guaranteed Minimum Royalties" shall have the meaning set forth in Section 7.2(b).

1.56 "HIPAA" shall mean the Health Insurance Portability and Accountability Act.

1.57 "Indemnified Party" shall have the meaning set forth in Section 15.1(a).

1.58 "Indemnifying Party" shall have the meaning set forth in Section 15.1(a).

1.59 "Initial Term" shall have the meaning set forth in Section 17.1(a).

1.60 "Invent" shall mean inventorship, as determined by U.S. patent statutes, regulations, and supporting case law.

1.61 "Joint Commercialization Committee" or "JCC" shall mean the Joint Commercialization Committee, as described in Section 3.

1.62 "Know-How" shall mean unpatented and proprietary technical information, know-how, data, knowledge, techniques, discoveries, inventions, specifications, designs, clinical design and measurement, test results, regulatory filings and approvals, trade secrets and other information (whether or not patentable). As used in this definition, "unpatented" shall mean that the subject matter of such Know-How is not claimed in a Patent. As used in this definition, "Patent" shall not include pending, non-published patent applications.

1.63 "Launch" shall mean, with respect to a pharmaceutical product, the launch of such product for commercial sale in the Territory, with the date of Launch being the first date of commercial sale of such product in the Territory.

1.64 "Law" or "Laws" shall mean all laws, statutes, rules, regulations, orders, judgments, injunctions and/or ordinances of any Governmental Authority, including the PhRMA Code and the rules, regulations, guidelines and other requirements of DDMAC.

1.65 "Licensed Product" shall mean Voltaren® Gel (diclofenac sodium topical gel 1%) as approved by the FDA under the Licensed Product NDA for sale as an Rx Product in the Field in the Territory.

1.66 "Licensed Product NDA" shall mean the NOVARTIS Voltaren® Gel NDA #22-122 as approved by the FDA on October 17, 2007, and any subsequent supplements or amendments related to the maintenance thereof.

1.67 "Licensed Product Warranties" shall have the meaning set forth in Section 5.8(a).

1.68 "Line Extension" shall have the meaning set forth in Section 10.1(a)(i).

1.69 "Managed Markets" shall mean the segments of the U.S. Healthcare system for the Licensed Product composed of managed market entities and institutional customers (e.g., pharmacy benefit managers, health plans, wholesale distributors, retail chains, long term care pharmacy providers, employers, the United States Government, and state and local governments).

1.70 "Managed Markets Information Service" shall mean MediMedia (or if MediMedia is no longer providing such reports, a similar Third Party information service mutually acceptable to the Parties); provided that, in the event that data reported by such service are the basis for triggering any reduction or adjustment in minimum A&P Expenses, minimum Details and/or Guaranteed Minimum Royalties hereunder or for triggering the right of ENDO to terminate this Agreement in accordance with Section 17.3(d), then NOVARTIS shall have the right to request that such data be confirmed by IMS Plan Track or Fingerpoint Formulary (or if either of such entities is no longer providing such reports, a similar Third Party information service mutually acceptable to the Parties). In the event that the two information services do not agree as to whether there has been a decrease of twenty five percent (25%) or more in "covered lives," a Third Party mutually designated by the Parties shall verify with the Managed Markets as to whether the Licensed Product is reimbursed. For the avoidance of doubt, if any such service is no longer providing the referenced reports such that a successor service is used, the number of "covered lives" in both periods being compared shall be those reported by the successor service.

1.71 "Material Adverse Effect" shall have the meaning set forth in Section 13.3(a).

1.72 "Minimum Details Shortfall Fee" shall mean the amounts payable by ENDO to NOVARTIS pursuant to Section 4.4(c) in respect of ENDO's failure to deliver the minimum Details required.

1.73 "MSL" shall mean Medical Science Liaison.

1.74 "NDA" shall mean a New Drug Application, as described in the FDA regulations, 21 CFR § 314.50, including all amendments and supplements to the application.

1.75 "Net Sales" with respect to a product shall mean the gross amount invoiced by or on behalf of a Party or its Affiliates, licensees or sublicensees for such product sold to Third Parties other than licensees or sublicensees in bona fide, arm's-length transactions, less the following deductions, determined in accordance with such Party's standard accounting methods as generally and consistently applied by such Party, to the extent included in the gross invoiced sales price of the product or otherwise directly paid or incurred by such Party, its Affiliates, licensees or sublicensees acting on its behalf with respect to the sale of such product:

(i) normal and customary trade and quantity discounts actually allowed and properly taken directly with respect to sales of the product;

(ii) amounts repaid or credited by reasons of defects, recalls, returns, rebates and allowances of goods or because of retroactive price reductions specifically identifiable to the product;

(iii) chargebacks, rebates (or the equivalent thereof) and other amounts paid on sale or dispensing of the product;

(iv) rebates (or the equivalent thereof) and administrative fees paid to medical healthcare organizations, to group purchasing organizations or to trade customers in line with approved contract terms or other normal and customary understandings and arrangements;

(v) amounts payable resulting from governmental (or agency thereof) mandated rebate programs or chargeback programs;

(vi) tariffs, duties, excise, sales, value-added and other taxes (other than taxes based on income) and charges of Governmental Authorities;

(vii) cash discounts for timely payment;

(viii) rebates paid to wholesalers for inventory management programs;

(ix) amounts repaid or credited or provisions made for uncollectible amounts on previously sold products; and

(x) required distribution commissions/fees (such as fees related to services provided pursuant to distribution service agreements with major wholesalers) payable to any Third Party providing distribution services to such Party so long as such commissions/fees are consistent with the distribution commissions/fees payable in respect to other branded Rx Products commercialized by ENDO;

all as determined in accordance with such Party's usual and customary accounting methods, which shall be in accordance with the Accounting Standards. Sales from a Party to its Affiliates, licensees or sublicensees shall be disregarded for purposes of calculating Net Sales. Any of the items set forth above that would otherwise be deducted from the invoice price in the calculation of Net Sales but which are charged to Third Parties shall not be deducted from the invoice price in the calculation of Net Sales.

Further:

(a) In the case of any sale or other disposal of a product between or among a Party and its Affiliates, licensees and sublicensees, for resale, Net Sales shall be calculated as above only on the value charged or invoiced on the first arm's-length sale thereafter to a Third Party;

(b) In the case of any sale which is not invoiced or is delivered before invoice, Net Sales shall be calculated at the time of shipment or when the product is paid for, if paid for before shipment or invoice; and

(c) In the case of any sale or other disposal for value, such as barter or counter-trade, of any product, or part thereof, other than in an arm's-length transaction exclusively for money and excluding any patient assistance programs, Net Sales shall be

calculated as above on the value of the non-cash consideration received or the fair market price (if higher) of the product in the country of sale or disposal.

1.76 "Non-Primary Detail" shall mean a Detail during which the Licensed Product is the second (2nd) most prominent item presented in the call and comprises, on average, approximately thirty percent (30%) of the time and cost of the call.

1.77 "Notice of Rejection" shall have the meaning set forth in Section 5.8(b).

1.78 "NOVARTIS" shall have the meaning set forth in the introductory paragraph.

1.79 "NOVARTIS AG Know-How" shall mean all Know-How Controlled by NOVARTIS AG or its Affiliates that relates to the Licensed Product or the manufacture, use, Development or Commercialization thereof.

1.80 "NOVARTIS AG Patents" shall mean all Patents Controlled by NOVARTIS AG or its Affiliates which include at least one claim which would be infringed (or, in the case of a patent application, if issued, would be infringed) by the manufacture, use, Development or Commercialization of the Licensed Product.

1.81 "NOVARTIS AG Technology" shall mean NOVARTIS AG Patents and NOVARTIS AG Know-How, except for the NOVARTIS Technology.

1.82 "NOVARTIS Technology" shall mean the Licensed Product NDA and all clinical studies conducted by NOVARTIS in support of the Licensed Product NDA.

1.83 "NOVARTIS Warehouse" shall have the meaning set forth in Section 5.5(b).

1.84 "NSAID" shall mean a non-steroidal anti-inflammatory drug.

1.85 1.85 "OTC Equivalent Product" shall mean any diclofenac topical dispersible product approved by the FDA for sale in the Territory as an OTC Product, whether or not the Launch of such product results in the declassification of the Licensed Product as an Rx Product.

1.86 "OTC Product" shall mean a pharmaceutical product for use in humans that has been approved by the FDA for sale to customers and/or patients in the Territory without a prescription. For the avoidance of doubt, a BTC Product shall constitute an OTC Product.

1.87 "OTC Switch" shall have the meaning set forth in Section 9.1.

1.88 "Out-of-Pocket Costs" shall mean direct expenses paid or payable to Third Parties and specifically identifiable as relating to and incurred to manufacture, Develop or Commercialize the Licensed Product.

1.89 "Party" shall have the meaning set forth in the introductory paragraph.

1.90 "Patents" shall mean (a) patents and patent applications (including provisional applications and applications for certificates of invention); (b) any patents issuing from such patent applications (including certificates of invention); (c) all patents and patent applications based on, corresponding to, or claiming the priority date(s) of any of the foregoing; (d) any reissues, substitutions, confirmations, registrations, validations, re-examinations, additions, continuations, continued prosecution applications, continuations-in-part, or divisions of or to any of the foregoing; and (e) term extensions, supplementary protection certificates and the like.

1.91 "PDMA" shall mean the Prescription Drug Marketing Act of 1987, as amended, and the regulations promulgated thereunder.

1.92 "Person" shall mean and include an individual, partnership, joint venture, limited liability company, a corporation, a firm, a trust, an unincorporated organization and a government or other department or agency thereof.

1.93 "Pharmacovigilance Agreement" shall mean the Pharmacovigilance Agreement to be entered into between the Parties within sixty (60) days of the execution and delivery of this Agreement.

1.94 "Phase IV Clinical Study" shall mean any post-marketing Approval clinical study, whether initiated by a Party or at the request of an applicable Governmental Authority, to delineate additional information about a drug's risks, benefits, and optimal use, including safety surveillance studies, pharmacoeconomic studies, pharmacoepidemiology studies, studies relating to different dosing or schedules of administration, studies of the use of the drug in other patient populations or other stages of the disease, or studies of the use of the drug over a longer period of time.

1.95 "PhRMA Code" shall mean the PhRMA Code on Interacting with Healthcare Professionals, as in effect from time to time. The current PhRMA Code is attached hereto as Schedule 1.95.

1.96 "PPI Adjusted Purchase Price" shall have the meaning set forth in Section 5.9(b)(i).

1.97 "Primary Detail" shall mean a Detail during which the Licensed Product is the most prominent item presented in the call and comprises, on the average, approximately seventy percent (70%) of the time and cost of the call.

1.98 "Producer Price Index Figure" means the producer price index industry data figure for pharmaceutical preparations (PCU 2834) as published by the Bureau of Labor Statistics of the United States Department of Labor (Internet website address: http://www.bls.gov/data/home.htm).

1.99 "Product Brand Equity" shall mean Voltaren® brand essence, brand personality and brand look and feel used in advertising and promotion for the Licensed Product as provided by NOVARTIS to ENDO on March 4, 2008 and as updated by NOVARTIS from time to time.

Anything in this Agreement to the contrary notwithstanding, ENDO shall make changes in the manner it performs its obligations hereunder that are affected by updates in the Product Brand Equity as soon as commercially reasonable.

1.100 "Product Liability Claims" shall have the meaning set forth in Section 15.2.

1.101 "Product Trademark" shall mean the Voltaren® trademark, U.S. Registration No. 960282, the Man and Path design trademark, U.S. Trademark Application No. 77/258978, the JOY OF MOVEMENT TM, U.S. Trademark Application No. 77/053235, and any accompanying logos, trade dress and/or indicia of origin, including applicable branding, color, palette, typeface, tagline and icon.

1.102 "Professionals" shall mean physicians and other health care practitioners who are permitted under the Laws of the United States to prescribe the Licensed Product.

1.103 "Promotional Materials" shall have the meaning set forth in Section 4.6.

1.104 "Recall Expenses" shall have the meaning set forth in Section 5.10(c)(ii).

1.105 "Regulatory Exclusivity Period" shall mean the period of any regulatory exclusivity granted by the FDA with respect to the Licensed Product.

1.106 "Rejected Products" shall have the meaning set forth in Section 5.8(b).

1.107 "Renewal Term" shall have the meaning set forth in Section 17.1(a).

1.108 "Representatives" shall mean, with respect to a Person, the employees, consultants, officers, directors, representatives and permitted sublicensees and subcontractors of such Person, including, in the case of ENDO, all CSOs, MSLs and field-based Managed Market personnel.

1.109 "Required Phase IV Clinical Studies" shall mean Phase IV Clinical Studies required by the FDA to be conducted as a condition to its Approval of the Licensed Product NDA.

1.110 "Rolling Forecast" shall have the meaning set forth in Section 5.3.

1.111 "Rx Product" shall mean a pharmaceutical product for use in humans that has been approved by the FDA for sale to customers and/or patients in the Territory with a prescription written by a Professional.

1.112 "Sales Force" shall mean the Sales Representatives utilized by ENDO (including Sales Representatives of a Contract Sales Organization) to Detail the Licensed Product in accordance with this Agreement.

1.113 "Sales Representative" shall mean an individual, whether employed or engaged by ENDO, its Affiliates or Representatives, including a CSO, who engages in Detailing and other promotional efforts with respect to the Licensed Product and who has been appropriately trained and equipped, in accordance with the terms of Sections 4.3 and 4.5, to make sales

calls concerning the Licensed Product and its approved indications in accordance with this Agreement.

1.114 "Senior Officers" shall mean the respective Chief Executive or Operating Officers (or any designee thereof) of Novartis Over-the-Counter business unit and ENDO.

1.115 "Specifications" shall mean the requirements and standards, including packaging requirements, for Licensed Product as set forth on Schedule 5.2, as amended or supplemented from time to time by Law.

1.116 "Target Prescriber" shall mean, with respect to the Licensed Product, one of the specifically identified Professionals within a Sales Representative's territory to be called upon by the Sales Representative based on ENDO's proprietary analysis of physician opportunities as set forth in ENDO's call plan, as described on Schedule 4.4(d).

1.117 "Technology" shall mean Patents and Know-How.

1.118 "Term of this Agreement" shall have the meaning set forth in Section 17.1(b).

1.119 "Territory" shall mean the United States.

1.120 "Third Party" shall mean any Person other than a Party or any Affiliate of a Party.

1.121 "Third Party Dispute Resolution Procedures" shall mean the procedures described in Schedule 7.2(d).

1.122 "United States" or "U.S." shall mean the United States of America, its territories and possessions, including the Commonwealth of Puerto Rico.

1.123 "Upfront Payment" shall have the meaning set forth in Section 7.1.

1.124 Interpretation.

(a) When used in this Agreement the words "include", "includes" and "including" shall be deemed to be followed by the words "without limitation."

(b) Any terms defined in the singular shall have a comparable meaning when used in the plural, and vice-versa.

(c) All references to recitals, Articles, Sections, Exhibits, Schedules and Appendices shall be deemed references to recitals, Articles, Sections, Exhibits, Schedules and Appendices to this Agreement.

(d) This Agreement shall be deemed drafted jointly by all the parties hereto and shall not be specifically construed against a Party hereto based on any claim that such Party or its counsel drafted this Agreement.

SECTION 2
GRANT

2.1 License. Subject to the terms and conditions of this Agreement, the NOVARTIS Parties hereby grant to ENDO the exclusive right and license to Develop (solely to the extent expressly permitted in Section 8) and Commercialize the Licensed Product as an Rx Product under the NOVARTIS AG Technology and the NOVARTIS Technology and the Product Trademark in the Field in the Territory in accordance with this Agreement. Except as expressly provided in this Agreement (such as ENDO's right to engage a CSO), the rights and licenses granted to ENDO under this Agreement shall not be sublicensed, assigned or transferred. Nothing in this Agreement shall prevent ENDO from performing any of its obligations through subcontractors, except that ENDO may not subcontract its control over marketing of the Licensed Product. ENDO shall remain responsible for performance of any obligations that it subcontracts.

2.2 Compliance With Law. Each of NOVARTIS and ENDO shall, and shall cause their Affiliates and respective Representatives to, perform their obligations under this Agreement in accordance with applicable Law. No Party or any of its Affiliates shall, or shall be required to, undertake any activity under or in connection with this Agreement which violates, or which it believes, in good faith, may violate, any applicable Law.

2.3 Reservation of Rights; NOVARTIS Know-How.

(a) ENDO acknowledges that, notwithstanding any other provision of this Agreement, all rights of NOVARTIS and its Affiliates not specifically granted herein to ENDO are expressly reserved to NOVARTIS or its Affiliates, as applicable. Without limiting the foregoing, in no event is ENDO granted any rights or licenses to or with respect to any generic pharmaceutical product, any OTC Product (subject to Section 9.2) or any other diclofenac topical gel (subject to Section 10.1 with respect to Line Extensions).

(b) ENDO acknowledges and agrees that, notwithstanding the license grant in Section 2.1, neither NOVARTIS nor any Affiliate thereof shall be under any obligation to disclose to ENDO any NOVARTIS Know-How, including the Licensed Product NDA or any data therein, all of which shall constitute NOVARTIS Confidential Information.

SECTION 3
GOVERNANCE

3.1 Committees/Management. The Parties agree to establish, for the purposes specified herein, a Joint Commercialization Committee and such other Committees as the Parties may from time to time determine to be necessary or desirable. The Parties acknowledge and agree that, notwithstanding any other provision hereof, none of the Committees formed or to be formed under this Agreement shall have the power to amend, modify, waive compliance with or otherwise alter any of the terms or conditions of this Agreement.

3.2 The Joint Commercialization Committee.

(a) The Joint Commercialization Committee shall be established by the Parties and shall be composed of six (6) members. Promptly, but in no event more than thirty (30) days, after the Execution Date, NOVARTIS shall appoint three (3) representatives and ENDO shall appoint three (3) representatives to the JCC. A Party may change any of its representatives at any time by giving written notice to the other Party. One representative from each Party shall serve as the co-chair of the JCC. The JCC co-chairs shall approve the agenda set for each meeting by the Alliance Managers. In addition, the co-chairs shall appoint a person who shall be responsible for recording, preparing and, within a reasonable time, issuing minutes of each JCC meeting, which meeting minutes shall be submitted for approval by the co-chairs of the JCC.

(b) The JCC shall meet once each Agreement Quarter, unless otherwise mutually agreed in writing by the Parties. If possible, the meetings shall be held in person or where appropriate, by video or telephone conference. Unless otherwise agreed, face-to-face meetings of the JCC shall be hosted by the Parties on an alternating basis. The Parties shall determine the form of the meeting. All decisions of the JCC shall be made unanimously, with each Party collectively having one (1) vote to be made by their respective appointees regardless of the number of representatives present or voting; provided, that no such vote shall be valid unless each Party is represented by at least one member either by proxy or actual presence at the meeting at which the vote is taken. Voting by proxy is permissible. Subject to appropriate confidentiality undertakings where applicable and approval of the other Party, additional participants may be invited by any member of the JCC to attend meetings where appropriate (e.g., representatives of a CSO or other outside consultants). Such additional participants shall not be deemed, or have any rights or responsibilities of, a member of the JCC.

(c) Where the JCC is unable to reach unanimity regarding any matter, such dispute shall be resolved in accordance with the provisions of Section 3.5.

3.3 Responsibilities of the JCC. Except as otherwise set forth herein, the JCC shall supervise all Commercialization and Development activities of the Parties with respect to the Licensed Product under this Agreement. The responsibilities of the JCC shall be exercised subject to the other terms of this Agreement and shall include the following:

(a) reviewing the annual Commercialization Plan submitted to the JCC by ENDO prior to the beginning of each Agreement Year and updates thereof;

(b) reviewing any Development Plan submitted to the JCC and, in the case of any Development Plan submitted by ENDO, approving such Development Plan;

(c) monitoring compliance with the Commercialization Plan and, in connection therewith, approving any material change in a Commercialization Plan;

(d) monitoring compliance with any Development Plan, including reviewing any material change in such Development Plan, and, in the case of any Development Plan submitted by ENDO, approving any such material change;

(e) monitoring overall performance of the Commercialization activities contemplated by this Agreement;

(f) approval of all creative concepts and oversight of the development of core advertising strategies and Promotional Materials, subject to legal, medical and regulatory review in accordance with Section 4.6;

(g) monitoring and ensuring the continuity of quality, function and effectiveness of the Sales Force and compliance with Detailing obligations hereunder;

(h) reviewing ENDO's reports of activities under this Agreement and suggesting any changes to reporting procedures;

(i) reviewing Target Prescribers in accordance with Section 4.4(d);

(j) conducting sales and operations planning review, during which supply and demand for the Licensed Product and ENDO demand forecasts will be discussed;

(k) review and approval of any use or presentation of the Product Trademark and Product Brand Equity;

(l) reviewing quarterly Managed Markets Information Service reports identifying the number of "covered lives";

(m) review and approval of scientific articles, reference publications and healthcare economic information if intended for distribution by ENDO from time to time in connection with the Licensed Product; and

(n) establishing such new Committees as it deems necessary.

3.4 Alliance Manager. Each of NOVARTIS and ENDO shall appoint a senior representative who possesses a general understanding of clinical, regulatory, sales and marketing issues to act as its Alliance Manager ("Alliance Manager"). Each Alliance Manager shall be charged with creating and maintaining a collaborative work environment within the Committee. Each Alliance Manager will also be responsible for:

(a) coordinating the various functional representatives of NOVARTIS or ENDO, as appropriate, in an effort to ensure consistency and efficiency;

(b) providing single-point communication for seeking consensus both internally within the respective Party's organization and together regarding key strategy and other material issues;

(c) assisting in the integration of teams across functional areas;

(d) planning and coordinating internal and external communications; and

(e) planning agenda for and scheduling JCC meetings, provided, that the agenda shall include any matter reasonably requested by either Party.

In furtherance of the foregoing, each Alliance Manager shall be required to dedicate such time as may be reasonably necessary to fulfill his or her obligations under this Agreement. The Alliance Manager may, but is not required to be, a member of the JCC.

3.5 Resolution of Disputes. In the event that the JCC is, after a period of twenty (20) days, unable to make a decision due to a lack of required unanimity of the Parties, either Party may submit the matter being considered to the Senior Officers for a joint decision. In such event, the Party submitting the matter to the Senior Officers shall formally request the dispute be resolved by the Senior Officers, specifying the nature of the dispute with sufficient specificity to permit adequate consideration by such Senior Officers. The Senior Officers shall diligently and in good faith, attempt to resolve the referred dispute expeditiously and, in any event, within twenty (20) days of receiving such written notification. In the event the Senior Officers are unable to reach a resolution of any referred dispute within such time period, the Senior Officer of NOVARTIS shall make the final decision (which shall constitute JCC approval) in respect of such dispute to the extent such dispute relates to (i) use or presentation of the Product Trademark or Product Brand Equity; (ii) creative concept decisions, which shall be informed by market research-based rationale and subject to Section 4.6, (iii) Development (subject to Section 8), (iv) manufacturing and supply of the Licensed Product, (v) legal issues relating to the Licensed Product, but not to interpretation or enforcement of this Agreement, or medical or regulatory issues relating to the Licensed Product or (vi) Development and Commercialization of any OTC Equivalent Product. The Senior Officer of ENDO shall make the final decision (which shall constitute JCC approval) in respect of any such dispute to the extent such dispute relates to any matter concerning Commercialization of the Licensed Product and which is not a matter on which NOVARTIS makes the final decision pursuant to the preceding sentence. For the avoidance of doubt, in the event that a disputed matter involves both matters on which NOVARTIS has the final decision and matters on which ENDO has the final decision, and the matters are so intertwined that they cannot be separately resolved, the determination of NOVARTIS will control. Notwithstanding any other provision hereof, any disputes referred to the Senior Officers for resolution pursuant to this Section 3.5 (other than disputes related to compliance with this Agreement or the validity, breach, termination or interpretation of this Agreement) shall not be subject to any dispute resolution mechanism or procedure other than pursuant to this Section 3.5.

SECTION 4
COMMERCIALIZATION

4.1 Commercialization. ENDO shall be solely responsible to Commercialize the Licensed Product under the Product Trademark in the Field in the Territory during the Term of this Agreement. All Commercialization activities shall be conducted in accordance with the terms of this Agreement and the then-applicable Commercialization Plan. Subject to the preceding sentence, ENDO shall use commercially reasonable efforts to Commercialize the Licensed Product in the Territory. ENDO shall be solely responsible for all Commercialization Expenses.

4.2 Commercialization Plans. The Commercialization Plan for Agreement Year 1 shall be attached hereto as Schedule 4.2 within four (4) weeks after the Execution Date. Subject to the terms of Section 3, ENDO shall annually develop the Commercialization Plan for each subsequent Agreement Year and shall submit it to the JCC for review at least ninety (90) days prior to the beginning of the applicable Agreement Year. Each Commercialization Plan shall incorporate a budget for Commercialization Expenses and will set forth the plan for the Commercialization of the Licensed Product in accordance with this Agreement for the applicable Agreement Year, including: (a) strategies for Detailing and otherwise Commercializing the Licensed Product; (b) anticipated marketing, sales and promotion efforts by ENDO (including number of Details and sampling activities); (c) market and sales and Licensed Product demand forecasts providing projected sales by month; (d) advertising, public relations and other promotional programs, including professional symposia and sampling, to be used in Commercialization; (e) Managed Markets strategies and (f) the call plan strategy. Each Commercialization Plan and performance by ENDO against the Commercialization Plan shall be reviewed by the JCC annually and any significant updates to the Commercialization Plan shall be reviewed by the JCC from time to time as necessary, but no less frequently than quarterly.

4.3 Field Force

(a) Field Force Activities. In Commercializing the Licensed Product under this Agreement, ENDO shall provide a Field Force of Sales Representatives to Detail the Licensed Product, and such internal administrative and logistical support of such Sales Representatives as is usual and customary in the pharmaceutical industry in the Territory. Such Sales Representative support shall include:

(i) training, maintaining and managing Sales Representatives to Detail health care Professionals and potential purchasers, including Target Prescribers;

(ii) distributing samples and literature through ENDO’s Sales Representatives or other customary methods;

(iii) disseminating Professionals’ educational materials;

(iv) subject to Section 6, responding to inquiries regarding the Licensed Product (other than consumer and medical inquiries);

(v) providing adequate administrative support services (such as an electronic territory management system); and

(vi) setting, monitoring and executing Sales Representative incentives related to the Commercialization of the Licensed Product.

(b) Contract Sales Organization.

(i) Engagement of CSO. ENDO shall be entitled to discharge any of its Detailing requirements under this Agreement by engaging the services of a Contract Sales Organization. ENDO shall notify NOVARTIS within a reasonable period of time prior to engaging a CSO in order to enable NOVARTIS to consider and provide ENDO with its opinion regarding the proposed engagement of such CSO. ENDO will consider NOVARTIS' opinion on such CSO in good faith. If ENDO retains a Contract Sales Organization, such retention shall be pursuant to a written agreement that provides, among other things, that (A) the Contract Sales Organization agrees to comply with the terms and conditions of this Agreement, including all compliance, confidentiality, record keeping, reporting and auditing provisions hereof, (B) the Contract Sales Organization shall not be entitled to assign or subcontract any of its obligations thereunder, and (C) such agreement shall be assignable by ENDO pursuant to Section 17.5(c) (and shall be assigned to NOVARTIS at NOVARTIS' written request, without further consent or approval of ENDO, pursuant to Section 17.5(c)). Other than with respect to any period after ENDO's agreement with the Contract Sales Organization is assigned pursuant to Section 17.5(c), ENDO will be responsible for the Contract Sales Organization's compliance with this Agreement, including the training and monitoring thereof.

(ii) CSO Competitive Activities. In the event ENDO engages the services of a Contract Sales Organization in accordance with the foregoing, the Field Force of CSO sales representatives so engaged shall not include any individual who also engages in the detailing or promotion of any topical pain product, other than Lidoderm® and any topical NSAID product set forth on Schedule 4.3(b)(ii).

(c) Compliance with Laws.

(i) Without limiting its other obligations hereunder, ENDO covenants and agrees to ensure that (A) no Sales Representative utilized by ENDO hereunder shall have been (1) convicted of an offense related to any federal or state health care program; (2) excluded or otherwise rendered ineligible for Federal or State health care program participation or (3) debarred under Subsection (a)

or (b) of Section 306 of the Act, and (B) no person on any FDA Clinical Investigator enforcement lists will participate in the Commercialization of the Licensed Product by or on behalf of ENDO, including the following: (1) Disqualified/Totally Restricted List, (2) Restricted List and (3) Adequate Assurances List. ENDO further covenants that, if at any time it becomes aware that any Sales Representative who participated or is participating in the Commercialization of the Licensed Product is on, or is being added to the FDA Debarment List or any FDA Clinical Investigator Enforcement Lists, ENDO will provide notice of this to NOVARTIS within forty-eight (48) hours of its becoming aware of this fact and shall, subject to applicable Law, immediately terminate such person from conducting any activity under this Agreement.

(ii) In connection with any activity under this Agreement, ENDO and all Sales Representatives shall comply in all material respects with the Office of Inspector General Compliance Program Guidance for Pharmaceutical Manufacturers, April 2003, PDMA, state Laws and regulations governing the storage and distribution of pharmaceutical samples and aggregate spending on physician gifts, entertainment and expenses, the PhRMA Code, Sec. 1128B(b) of the Social Security Act, the AMA Guidelines on Gifts to Physicians from Industry, the Office of Inspector General Compliance Program Guidance for Pharmaceutical Manufacturers, HIPAA and all other applicable Laws.

(d) Field Force Expenses. ENDO shall be solely responsible for all Field Force Expenses.

4.4 Detailing.

(a) Detailing. Without limitation as to the types of promotional efforts ENDO may undertake, ENDO Sales Representatives shall each conduct face-to-face one-on-one discussions with Professionals, during which a promotional message involving the Licensed Product is given, for the purpose of promoting the Licensed Product to such Professionals in accordance with this Agreement (each such discussion being a "Detail" and the holding of such meetings being "Detailing"). For the avoidance of doubt, (i) a reminder presentation or a sample drop shall not constitute a Detail, a Primary Detail or a Non-Primary Detail; and (ii) presentations to groups, medical conventions or institutions shall not constitute a Detail, a Primary Detail or a Non-Primary Detail.

(b) Minimum Detailing Requirements. With respect to each Agreement Year, ENDO shall, at a minimum, perform the number of Details and the number of Primary Details within such number of Details, as set forth below:

Agreement Year	Details	Portion of Details Required to be Primary Details
Year 1	650,000	650,000
Year 2	650,000	520,000
Year 3	650,000	520,000
Year 4	650,000	455,000
Year 5	650,000	455,000
Each Renewal Term	650,000	325,000

In order to count against the minimum Details above, a Detail must be either a Primary Detail or a Non-Primary Detail. The Detail and Primary Detail requirements for Agreement Year 1 shall be from the time of Launch through the end of such Agreement Year. The Detail and Primary Detail requirements in respect of each Agreement Semester shall be determined by the JCC and set forth in the applicable Commercialization Plan, subject to the Agreement Year requirements set forth above. Any changes to the number of Details and Primary Details set forth in this Section 4.4(b) shall be subject to prior written approval by NOVARTIS.

(c) Detailing Shortfalls.

(i) ENDO shall make up any shortfall in the minimum Detail requirements set forth in Section 4.4(b) in an Agreement Semester during the first Agreement Quarter of the next succeeding Agreement Semester. If ENDO adequately corrects any shortfall during such Agreement Quarter, ENDO's Detailing obligation for the preceding Agreement Semester shall be deemed fully satisfied without further penalty or obligation. In the event that ENDO fails to perform 85% of the minimum number of total Details or Primary Details to Target Prescribers for any Agreement Semester, ENDO shall be obligated to pay to NOVARTIS a fee of $20 for each missed Detail below the 85% threshold at the end of the applicable Agreement Year within thirty (30) days of written notice by NOVARTIS to ENDO.

(ii) In the event that ENDO fails to meet the required minimum Details to Target Prescribers for any Agreement Semester and adequately corrects such shortfall in accordance with Section 4.4(c)(i), the amount of any Minimum Details Shortfall Fee paid for such previous Agreement Semester shall be reimbursed to ENDO as a credit against royalties.

(iii) For the avoidance of doubt, for the purpose of calculating any Detailing Shortfalls in accordance with this Section 4.4(c), a missed Detail shall not be counted more than once.

(d) Identification of Target Prescribers. A description of Target Prescribers in the Territory to be Detailed during Agreement Year 1 of the Term of this Agreement, broken down by prescription decile, is attached hereto as Schedule 4.4(d). For each subsequent Agreement Year, a description of Target Prescribers in the Territory to be Detailed during such subsequent Agreement Year, broken down by prescription decile, shall be submitted by ENDO to the JCC for review as part of the Commercialization Plan. For the avoidance of doubt, at least 70% of Target Prescribers during Agreement Year 1 will be on the list of prescribers provided by NOVARTIS to ENDO prior to the Execution Date.

(e) Record Keeping. ENDO shall retain records of its Detailing of the Licensed Product in the Territory as necessary to comply with applicable Law and its reporting obligations pursuant to Section 4.15 below and in order to permit audits pursuant to Section 12.2.

(f) In the Field. ENDO's Field Force shall be trained and shall commence Detailing on the later of (i) nine (9) weeks of the Effective Date of this Agreement; or (ii) six (6) weeks from ENDO's receipt of at least ninety percent (90%) of the supplies of the Licensed Product and samples suitable for Launch as ordered by ENDO in accordance with Section 5 in order to support Launch of the Licensed Product.

4.5 Training.

(a) ENDO will be solely responsible for training its Sales Representatives in the Detailing and promotion of the Licensed Product, at its expense (including the cost of training materials). Launch materials for training Sales Representatives will be those developed by NOVARTIS and provided to ENDO at no additional cost to ENDO, and thereafter all training materials will be developed by ENDO and approved by the respective Parties.

(b) As part of their overall training program, ENDO Sales Representatives shall complete and comply with the Adverse Event reporting instructions provided by ENDO, a copy of which shall be provided to NOVARTIS. Sales Representatives shall be trained by ENDO in connection with compliance with applicable Law, including the requirements of Section 4.3(c)(ii), prior to engaging in promotion of the Licensed Product.

4.6 Promotional Materials. ENDO shall be responsible for developing and disseminating all promotional, advertising, communication and educational materials relating to the Commercialization of the Licensed Product hereunder, other than Launch materials developed by NOVARTIS which shall be provided in electronic format by NOVARTIS, at no additional cost to ENDO, by the Effective Date (collectively, "Promotional Materials"). All Promotional Materials shall comply with applicable Law and must comply with the Product Trademark, Product Brand Equity and NOVARTIS' Voltaren® gel style and branding guidelines that were sent to ENDO by NOVARTIS on March 4, 2008. As between NOVARTIS and ENDO, NOVARTIS shall own all right, title, and interest in and to any

such Promotional Materials, including applicable copyrights and trademarks. NOVARTIS shall have the right to review all Promotional Materials. ENDO shall consider all comments of NOVARTIS in good faith and NOVARTIS shall have final approval rights with respect to matters involving Product Trademark or Product Brand Equity. However, creative concepts that are used in the advertising and promotion for the Licensed Product shall require approval of both Parties, and in the event both Parties do not agree, the concept that tests higher in Third Party concept-testing shall be the concept that is adopted; provided, that both Parties have jointly developed the concepts to be tested and have approved the action standards, such approval not to be unreasonably withheld or delayed. For the avoidance of doubt, NOVARTIS shall not be responsible for any Out-of-Pocket Costs incurred with respect to jointly developed creative concepts so long as any such costs incurred by or on behalf of NOVARTIS have been reviewed and approved by ENDO before they are incurred. Further, no Promotional Materials to be submitted to DDMAC under the Licensed Product NDA shall be used if NOVARTIS reasonably objects based on legal, medical or regulatory grounds. NOVARTIS shall review and submit comments to Promotional Materials promptly. Subject to the next sentence, if ENDO has not received comments within five (5) Business Days for Promotional Materials which, in the aggregate including all pieces under review at the same time, are under ten (10) pages in length or within ten (10) Business Days for longer Promotional Materials, such Promotional Materials will be deemed to have been approved by NOVARTIS. All Promotional Materials shall be provided to NOVARTIS sufficiently in advance of first use so as to enable it to file such materials with DDMAC and otherwise comply with its reporting obligations.

4.7 Licensed Product Claims. ENDO shall not (and shall cause its Affiliates and Representatives, including Sales Representatives, not to) make any medical or promotional claim for the Licensed Product beyond the scope of the relevant Approval(s) then in effect in the Territory for the Licensed Product. ENDO may distribute information concerning the Licensed Product or its use, including scientific articles, reference publications and healthcare economic information, in accordance with applicable Laws, including section 401 of the FDA Modernization Act of 1997, and subject to regulatory review and approval of the JCC.

4.8 Sample Accountability Policies and Procedures. During the Term of this Agreement, all of ENDO's Sales Representatives shall comply with the Sample Accountability Policies and Procedures of ENDO, as updated by ENDO from time to time. ENDO shall provide to NOVARTIS copies of all such policies and procedures in effect as of the Execution Date, and any modifications thereto shall be delivered to NOVARTIS promptly. The ENDO Sample Accountability Policies and Procedures, as in effect on the Execution Date, were sent by ENDO to NOVARTIS on March 4, 2008.

4.9 A&P Expenses. With respect to each Agreement Year during the Term of this Agreement, ENDO shall expend a minimum amount of annual A&P Expenses on the Commercialization of the Licensed Product in the Territory as set forth below:

Minimum A&P Expenses Requirements

Agreement Year 1	Agreement Year 2	Agreement Year 3	Agreement Year 4	Agreement Year 5 and Renewal Terms
$15,000,000	$20,000,000	15% of prior Agreement Year's Net Sales but not to exceed $30,000,000	13% of prior Agreement Year's Net Sales but not to exceed $30,000,000	6% of prior Agreement Year's Net Sales but not to exceed $30,000,000

In the event that ENDO does not meet at least ninety percent (90%) of its annual minimum expenditures of A&P Expenses in Agreement Years 1 though 3 and eighty percent (80%) in each Agreement Year thereafter during the Term, ENDO shall expend the amount of such shortfall on A&P Expenses in the first two Agreement Quarters of the subsequent Agreement Year. If ENDO is able to satisfy the shortfall in the first two Agreement Quarters of the subsequent Agreement Year, it shall be deemed to have satisfied its A&P Expense obligation for the previous Agreement Year and shall not be subject to any further penalties or obligations with respect thereto. In the event that ENDO does not meet at least the applicable percentage (as set forth above) of its annual minimum expenditures of A&P Expenses in two (2) consecutive Agreement Years (including the cure periods associated with such years), each royalty rate tier set forth in Section 7.2(a) for the two (2) subsequent Agreement Years, including any Renewal Terms, shall be increased by five percent (5%); provided, however, that if any such subsequent Agreement Year is beyond the then-applicable Term of this Agreement, ENDO shall pay NOVARTIS, as its sole and exclusive remedy, in respect to such subsequent Agreement Year that is beyond the then-applicable Term of this Agreement, an amount equal to five percent (5%) of the Net Sales of the Licensed Product during the last Agreement Year during the Term.

4.10 Limitations to Minimum Detail and A&P Expense Requirements. ENDO's obligations to perform the minimum Details set forth in Section 4.4(b) and to meet the annual minimum A&P Expenses set forth in Section 4.9 are subject to adjustment as follows:

(i) in the event of a Failure of Supply, ENDO shall not be obligated to perform the minimum number of Details or to meet the minimum A&P Expenses for the period of time of the Failure of Supply, with the annual minimum Detail and A&P Expenses applicable to the Agreement Year in which the Failure of Supply occurs being reduced by 2/365 for each day of the Failure of Supply. However, if the Failure of Supply continues for a period in excess of forty five (45) days, ENDO and NOVARTIS shall meet as promptly as possible and attempt, in good faith, to agree on additional reductions to ENDO's future obligations with respect to the minimum number of Details and minimum A&P Expenses. In the event the Parties are unable to agree, the matter shall be resolved in accordance with the Third Party Dispute Resolution Procedures set forth on Schedule 7.2(d);

(ii) in the event of the Launch in the Territory of any Generic Diclofenac Product by any Person or OTC Equivalent Product by NOVARTIS or any of its Affiliates, ENDO shall no longer be obligated to perform the minimum number of Details or to meet the minimum A&P Expenses for the remainder of the Term of this Agreement effective as of the date of such Launch, with the amount of minimum Details and A&P Expenses applicable to the portion of the Agreement Year in which such event occurs preceding such event being reduced on a pro rated basis (based on the number of days preceding such event out of a 365 day year);

(iii) in the event of the Launch in the Territory of any OTC Equivalent Product by any Third Party, and

(I) during the first six calendar months following such Launch (the "OTC Launch Six Month Reference Period"), Net Sales of the Licensed Product have declined, as compared to Net Sales during the six calendar months immediately preceding such Launch, (x) by five percent (5%) or more and less than twenty five percent (25%), ENDO's minimum Detailing requirements and minimum A&P Expense requirements shall thereafter be permanently reduced (subject to further reduction under clause (II) below) by fifty percent (50%), or (y) by twenty five percent (25%) or more, ENDO shall no longer be obligated to perform the minimum number of Details or to meet the minimum A&P Expenses for the remainder of the Term of this Agreement, in either case, effective as of the end of such OTC Launch Six Month Reference Period; or

(II) at the expiration of either of the first two three-calendar month periods (each, an "OTC Launch Three Month Reference Period") after the OTC Launch Six Month Reference Period, Net Sales for such OTC Launch Three Month Reference Period have declined, as compared to Net Sales during the three-calendar month period before such Launch, by twenty five percent (25%) or more, or at the last day of such OTC Launch Three Month Reference Period, the number of "covered lives" eligible for third party reimbursement in respect to purchases of Licensed Product as referenced by the Managed Markets Information Service in its most recent report have declined by twenty five percent (25%) or more as compared to the number of "covered lives" immediately prior to such Launch, ENDO shall no longer be obligated to perform the minimum number of Details or to meet the minimum A&P Expenses for the remainder of the Term of this Agreement effective as of the end of the applicable OTC Launch Three Month Reference Period; and

(iv) in the event that the trailing twelve (12) month Net Sales as of the last day of any month in calendar year 2010 or any subsequent calendar year are below eighty million dollars ($80,000,000) and ENDO has met all prior minimum Detailing requirements, prior minimum A&P Expense requirements, and prior Guaranteed Minimum Royalty requirements (pursuant to Section 7), the minimum Detailing requirements, minimum A&P

Expense requirements and Guaranteed Minimum Royalty requirements for the applicable Agreement Year immediately following such year shall be reduced by the percentage equal to (x) one hundred million dollars ($100,000,000) less actual Net Sales divided by (y) one hundred million dollars ($100,000,000); provided, however, that in no event shall the minimum Detailing requirements, the minimum A&P Expense requirements or the Guaranteed Minimum Royalty requirements be reduced by more than fifty percent (50%) insofar as such reduction relates to this Section 4.10(iv).

Except as expressly set forth in this Agreement, minimum Details and A&P Expenses shall not be reduced or limited for any reason.

4.11 Direct to Consumer Advertising. During the Term of this Agreement, ENDO shall determine whether or not to develop direct to consumer advertising ("DTC") plans and the execution thereof. ENDO shall coordinate with NOVARTIS regarding DTC advertising strategies and plans, but final decision making authority and the cost and expense associated with such DTC advertising shall be borne by ENDO. For the avoidance of doubt, all Promotional Materials and use of Product Trademark and Product Brand Equity in connection with any DTC advertising shall be subject to approval by NOVARTIS.

4.12 Medical Science Liaisons. ENDO shall provide and direct all activities of MSLs for the Licensed Product and shall bear all costs related to MSLs. All activities under this Section 4.12 shall comply with the NOVARTIS MSL Guidance Document attached as Schedule 4.12.

4.13 Managed Markets Field Activities; Costs. ENDO shall be solely responsible for all Managed Markets field activities for the Licensed Product in the Territory, at its sole cost and expense.

4.14 Call Centers. NOVARTIS or an Affiliate thereof shall implement a call center for providing medical information services to hospitals, physicians, health care providers and patients. NOVARTIS shall bear all costs related to the call center, subject to reimbursement in accordance with Section 6.6.

4.15 Commercialization Report. Within forty five (45) days following the end of each Agreement Quarter during the Term of this Agreement, ENDO shall provide to NOVARTIS and the JCC a report (each, a "Commercialization Report") summarizing in reasonable detail the material activities undertaken by ENDO in connection with the then-applicable Commercialization Plan, including the following on a quarterly and Agreement Year-to-date basis: (i) total number of Details, providing separate numbers for Primary Details and total Details; (ii) total number of Details to Target Prescribers, providing separate numbers for Primary Details and total Details; (iii) national level data for total prescriptions (TRx) and new prescriptions (NRx) within market definition for the Licensed Product; (iv) physician level data by specialty; (v) share of Voice data at least quarterly; (vi) planned track data and/or Managed Market data at least quarterly; (vii) number of field based programs executed, any planned or executed medical education activities and communication plans (including press releases) and (viii) A&P Expenses incurred. Notwithstanding the foregoing,

during calendar year 2008, ENDO shall provide to NOVARTIS on a monthly basis such information with respect to its Commercialization activities under this Agreement as ENDO provides to its management in the ordinary course of its business, an example of which is attached hereto as Schedule 4.15. Furthermore, for six (6) months immediately following Launch by ENDO or any Affiliate thereof of a Competing Topical NSAID, ENDO will make available to NOVARTIS on a monthly basis any management report with respect to such Launch as ENDO typically generates with respect to such activities. Notwithstanding the foregoing, nothing in this Section 4.15 shall obligate ENDO to provide any information to NOVARTIS that it does not provide to its own management in the ordinary course of ENDO's business. All information included in such reports provided by ENDO pursuant to this Section 4.15 shall constitute ENDO Confidential Information.

4.16 Pricing; Booking of Sales; Distribution; Diversion.

(a) ENDO shall have the sole right and responsibility to determine pricing for Licensed Product sold in the Territory.

(b) ENDO shall have the sole right and responsibility to record, fill orders and perform related services (such as all aspects of order processing, invoicing and collection) for all sales of the Licensed Product in the Territory. Notwithstanding any other provision of this Agreement to the contrary, ENDO hereby agrees that it shall not include or bundle Licensed Product as part of a multiple product offering with any other products or services, except with the prior written consent of NOVARTIS.

(c) ENDO shall have the sole right and responsibility to warehouse and distribute the Licensed Product.

(d) ENDO is prohibited from selling any topical gel product containing one percent (1%) diclofenac outside of the Territory and NOVARTIS is prohibited from selling any topical gel product containing one percent (1%) diclofenac (other than a Line Extension, subject to Section 10.1, or any OTC Equivalent Product, subject to Section 9.1) inside of the Territory. ENDO shall use commercially reasonable efforts to ensure that the Licensed Product is not sold to known diverters and NOVARTIS shall use commercially reasonable efforts to ensure that any Rx topical gel product containing one percent (1%) diclofenac (other than a Line Extension, subject to Section 10.1, or any OTC Equivalent Product, subject to Section 9.1) is not sold to known diverters. In furtherance of the foregoing, ENDO agrees to use procedures to prevent diversion of the Licensed Product, and NOVARTIS agrees to use procedures to prevent diversion of any NOVARTIS topical gel product containing one percent (1%) diclofenac (other than a Line Extension, subject to Section 10.1, or any OTC Equivalent Product, subject to Section 9.1), in each case which are no less stringent than procedures generally used on their respective other products.

SECTION 5
MANUFACTURE AND SUPPLY

5.1 Engagement. During the Term and subject to the terms and conditions set forth herein, ENDO hereby agrees to purchase all of its requirements for Licensed Product from NOVARTIS, and NOVARTIS agrees to manufacture, supply and sell to ENDO, all of ENDO's orders for Licensed Product which ENDO submits to NOVARTIS from time to time and which NOVARTIS accepts in accordance with Section 5.4.

5.2 Warranty. All Licensed Product supplied by NOVARTIS to ENDO hereunder shall, at the time it is delivered to the carrier by NOVARTIS at the NOVARTIS Warehouse (as defined in Section 5.5(b) below), (a) comply with the Specifications, (b) be consistent, as applicable, with the Licensed Product NDA, and (c) have been manufactured in a facility and in a manner compliant with GMP Requirements and all applicable Laws.

5.3 Forecasts; Maximum and Minimum Purchases. In order to assist NOVARTIS in the planning of production runs for Licensed Product, ENDO will, at least thirty (30) days in advance of the commencement of each calendar month during each Agreement Year, provide NOVARTIS with a twelve (12) month (or such number of months remaining in the Term) rolling production forecast (the "Rolling Forecast") of the quantities of Licensed Product that ENDO estimates it will order during such period. The Rolling Forecast shall be updated by ENDO monthly by the tenth (10^{th}) Business Day of the first month covered by the Rolling Forecast. The current month and the subsequent four (4) months (or such lesser number of months remaining in the Term) of each such Rolling Forecast, as so updated, for Licensed Product will be binding (the "Binding Forecast") on ENDO and NOVARTIS. ENDO shall purchase or pay for, in each case, in accordance with this Agreement, all Licensed Product covered by each Binding Forecast. The forecast for any month included within the Binding Forecast may not be changed in any subsequent forecast without prior NOVARTIS approval. ENDO will forecast Licensed Product by number of lots. Each forecast will be made by ENDO in good faith, taking into account reasonable projections of requirements for Licensed Product. Notwithstanding the foregoing, for each Binding Forecast, the aggregate forecasted quantities of Licensed Product will not be more than the greater of (A) ten percent (10%) or (B) one (1) lot, over or under the forecasted amounts, as set forth in the immediately preceding Binding Forecast delivered hereunder.

5.4 Orders.

(a) ENDO will place orders by way of written purchase orders for Licensed Product at least twelve (12) weeks in advance of ENDO's requested dates for delivery at the Delivery Location, with the exception of the initial new production order which will require twenty (20) weeks due to the need to acquire packaging components and active pharmaceutical ingredients. Each purchase order will specifically refer to this Agreement and will specify the amount of Licensed Product ordered, the requested delivery date (subject to the immediately preceding sentence), the transportation method and carrier and any special instructions requested. The minimum size of any order of Licensed Product placed by ENDO will be one (1) lot and orders for Licensed

Product will be in full lot increments and will specify presentation. In addition, with respect to a given month, ENDO shall not, without NOVARTIS' approval, submit purchase orders for Licensed Product that aggregate more than one (1) lot over the forecasted amounts for such month contained in the most recent Binding Forecast delivered hereunder, and, in any event, shall not submit orders for Licensed Product that exceed NOVARTIS maximum supply capacity unless prior written approval is received from NOVARTIS. NOVARTIS' maximum supply capacity for calendar year 2008 is set forth on Schedule 5.4(a). NOVARTIS shall provide an updated maximum supply capacity chart to ENDO at the beginning of each subsequent calendar year throughout the Term of the Agreement. ENDO shall not submit any purchase orders with respect to any month beyond the Term.

(b) The purchase orders will be delivered to such location as NOVARTIS designates in writing to ENDO from time to time. Each purchase order will be deemed received on the date that NOVARTIS actually receives the relevant purchase order.

(c) NOVARTIS will accept all purchase orders that comply with this Section 5 and the applicable Binding Forecast. NOVARTIS may reject any purchase order that does not comply with this Section 5.4 and the applicable Binding Forecast. Purchase orders will be accepted via formal written acknowledgement by NOVARTIS to ENDO. Acknowledgment will be sent to ENDO within ten (10) Business Days from NOVARTIS' receipt of the purchase order, if NOVARTIS accepts the purchase order. If acknowledgment accepting the purchase order is not received by ENDO, NOVARTIS and ENDO will cooperate in good faith to resolve promptly the issues that give rise to the basis for NOVARTIS' rejection thereof. Any purchase order accepted by NOVARTIS in accordance with the foregoing shall constitute a "Firm Order."

(d) NOVARTIS will supply Licensed Product pursuant to each Firm Order accepted in a timely manner, subject to Sections 5.5(a) and 5.7; provided, that each Firm Order will be deemed to have been fully satisfied, as to quantity, if the quantity of Licensed Product actually delivered to ENDO is equal to or greater than ninety percent (90%) of the quantity of Licensed Product set forth in the relevant Firm Order; provided, further that NOVARTIS will use commercially reasonable efforts to supply one hundred percent (100%) of the quantity of Licensed Product ordered.

(e) Immediately upon execution of this Agreement, ENDO will submit a purchase order, in the manner set forth in this Section 5.4, for all current and planned for in production inventory of 20 gram samples and 100 gram finished stock and packaging components purchased to support Launch quantities as outlined in Schedule 5.4(e). Such Purchase Order shall constitute a Firm Order hereunder.

(f) Except for initial inventory ordered pursuant to Section 5.4(e), ENDO shall not be required to take receipt at NOVARTIS' Warehouse of a lot of Licensed Product with less than eighteen (18) months of expiry or eighty percent (80%) of the original shelf life (rounded up to the nearest whole month), whichever is greater; provided that

ENDO and NOVARTIS may nonetheless negotiate in good faith for ENDO to purchase any such lot.

5.5 Delivery.

(a) NOVARTIS will supply Licensed Product to ENDO pursuant to Firm Orders placed by ENDO and accepted by NOVARTIS, in each case, in accordance with the terms of this Agreement. Delivery dates as set forth in any Firm Order will be deemed to be estimated only until NOVARTIS confirms acceptance of the order in writing in accordance with Section 5.4(c). NOVARTIS shall deliver with each such shipment a Certificate of Analysis in the form attached hereto as Schedule 5.5(a), signed by an authorized employee of NOVARTIS stating that the relevant shipment of Licensed Product meets the Specifications and other customary documentation, including a bill of lading and packing list.

(b) The terms of delivery for the Licensed Product shall be FCA Origin NOVARTIS' Wehr, Germany manufacturing or warehousing facility (the "NOVARTIS Warehouse").

(c) ENDO will reimburse NOVARTIS for all related freight, insurance charges, taxes, import and export duties, inspection fees and other charges applicable to the sale and transport of Licensed Product purchased by ENDO, as well as costs of transportation and loss of Licensed Product due to damage or destruction occurring at any time after the Licensed Product has been delivered to the common carrier mutually selected by the Parties at the NOVARTIS Warehouse. NOVARTIS will provide ENDO with an itemized list of charges. Upon receipt of the Licensed Product from NOVARTIS, the designated common carrier, as licensee of ENDO with respect to delivery of the Licensed Product from the NOVARTIS Warehouse to ENDO's designated distribution center in Memphis, Tennessee or other location designated by ENDO (the "Delivery Location"), shall conduct a visual inspection for any external physical damage to the goods delivered by NOVARTIS before transport to the Delivery Location. Title to and risk of loss of or damage to Licensed Product shall remain with NOVARTIS and pass to ENDO only upon delivery to the common carrier at the NOVARTIS Warehouse. All shipments shall be accompanied by appropriate transportation and other agreed upon documentation.

(d) All units of Licensed Product supplied to ENDO hereunder shall be properly prepared for safe and lawful shipment and shall be supplied in finished for sale form, which are sealed in sales unit packages and contained in outer shipping containers ready for sale. Any change in packaging for Licensed Product may be requested by ENDO, and NOVARTIS shall use its commercially reasonable efforts to accommodate the request, provided, that (i) any proposed packaging change shall comply with Applicable Law and NOVARTIS standard operating procedures, as in effect and disclosed to ENDO from time to time, (ii) all Licensed Product packaged in existing packaging material is first purchased by ENDO prior to implementing any packaging change, and (iii) ENDO shall fully reimburse NOVARTIS for all direct and indirect

costs (including materials and labor) of implementing the packaging change, including the cost of obsolescence of existing stocks and raw materials, equipment and increased production costs going forward (within a budget that ENDO has previously reviewed and approved). Any change in packaging may be requested by NOVARTIS (including changes requested by appropriate personnel in the NOVARTIS Warehouse), subject to the approval of ENDO, such approval not to be unreasonably withheld or delayed and the cost of which will be borne by NOVARTIS. Until new trade dress for the Licensed Product has been approved and can be reasonably implemented (as mutually agreed by the Parties pursuant to an implementation plan), ENDO will accept all of NOVARTIS' inventory on hand and supply in production in their current trade dress.

5.6 Raw Materials. NOVARTIS will be entitled to order sufficient quantities of long lead time components, including raw materials, to meet ENDO's Binding Forecasts. NOVARTIS will use commercially reasonable efforts to order and obtain such long lead time components (raw materials) to enable it to manufacture and supply Licensed Product to ENDO pursuant to this Agreement. Any obsolescence costs and disposal fees occurring as the result of any forecast, labeling or packaging changes will be the responsibility of ENDO, except as provided in Section 5.5(d).

5.7 Standard of Performance. Notwithstanding anything to the contrary contained in this Agreement, NOVARTIS' obligation to supply Licensed Product in response to a Firm Order will be to use the same diligence in its efforts to manufacture and supply such Licensed Product to ENDO pursuant to this Agreement that NOVARTIS uses to manufacture and supply like product for itself and its Affiliates.

5.8 Quality Assurance.

(a) Non-Conforming Licensed Product. NOVARTIS will, at its expense, arrange for all Licensed Product which does not comply with the warranties in Section 5.2 (the "Licensed Product Warranties") to be destroyed in accordance with applicable Laws and NOVARTIS policy. Notwithstanding any other provisions of this Agreement, ENDO agrees, if so requested by NOVARTIS in writing, to return to NOVARTIS, at NOVARTIS' expense, any such Licensed Product.

(b) Rejection of Delivered Licensed Product. Within twenty (20) days following delivery of Licensed Product to the Delivery Location in accordance with Section 5.5(c) above, ENDO may perform or cause to be performed such samplings and tests using validated and compendial test methods described in the Licensed Product NDA to determine whether Licensed Product meets the Specifications and the Licensed Product Warranties. Licensed Product may be rejected solely for failure to meet the Specifications and Licensed Product Warranties, and/or for failure to meet the requirements set forth in Section 5.4(f), in each case, at the time of delivery to the common carrier at the NOVARTIS Warehouse. Any Licensed Product not rejected by ENDO within such twenty (20) day period or, in the case of latent defects in the Licensed Product, within thirty (30) days from the date that ENDO actually discovers

defects in the Licensed Product, will be deemed accepted by ENDO; provided that such time period shall be extended in the event ENDO had not timely received all necessary documentation related to the shipment of such Licensed Product and notifies NOVARTIS. If ENDO wishes to reject Licensed Product (the "Rejected Products"), ENDO will (i) within such twenty (20) day period, notify NOVARTIS of its rejection of the Licensed Product and the reason therefor or (ii) within thirty (30) days from the date that ENDO actually discovers defects (in the case of latent defects) in the Licensed Product, notify NOVARTIS of its rejection of the Licensed Product and the reason therefor (each notice referred to in clause (i) and (ii), a "Notice of Rejection"). In the event that ENDO rejects delivery of Licensed Product, NOVARTIS shall have thirty (30) days following receipt of a Notice of Rejection to confirm or object to such Notice of Rejection. In the event that NOVARTIS confirms (or is deemed to have confirmed) a Notice of Rejection, as ENDO's sole and exclusive remedy for such non-conforming product, NOVARTIS will either replace the Rejected Products or pay over to ENDO the replacement cost of the Rejected Products (assuming that such Rejected Products had been fully conforming).

(c) Disputed Products. If NOVARTIS timely objects to a Notice of Rejection, an independent laboratory which is acceptable to both Parties will test the Rejected Products in dispute (the "Disputed Product") using the validated and compendial test methods set forth in the Licensed Product NDA and any other applicable GMP test method used by NOVARTIS at the time the Disputed Product was manufactured, all of which test methods will be validated. If such laboratory finds that the Disputed Product meets the Specifications, ENDO will pay the fees of such laboratory related to such testing and validation of testing and will promptly pay for the Disputed Product and reimburse all amounts paid by NOVARTIS to ENDO with respect to such Disputed Product pursuant to Section 5.8(b). If such laboratory finds that the Disputed Product fails to meet the Specifications, NOVARTIS will pay the fees of such laboratory related to such testing and validation of testing and will promptly provide a refund or replace the Disputed Product in each case in accordance with Section 5.8(b) above. Both Parties agree to accept and be bound by the findings of such independent laboratory.

5.9 Pricing and Payments.

(a) Prices. The prices payable by ENDO for Licensed Product purchased hereunder are set forth below and will be subject to adjustment as provided in Section 5.9(b):

Size	Price Per Tube
100 grams	$4.00
Sample (20 grams)	$1.00

(b) Purchase Price Adjustments.

(i) The prices for Licensed Product as set forth in Section 5.9(a) above will be modified at the commencement of each Agreement Year after Agreement Year 1 as set forth in this Section 5.9(b). The price for each Agreement Year after Agreement Year 1 will be determined by multiplying the applicable price set forth above by a fraction, the denominator of which will be the Producer Price Index Figure published on or nearest to January 1, 2008, and the numerator of which will be the Producer Price Index Figure published on or nearest to the first day of the Agreement Year for which the price is being determined (as so adjusted from time to time, the "PPI Adjusted Purchase Price").

(ii) The PPI Adjusted Purchase Price shall be subject to increase in the event that NOVARTIS experiences any documented increase of more than five percent (5%) in the cost of any raw materials (including active pharmaceutical ingredient), packaging or other Licensed Product components used in the manufacture of Licensed Product; provided, however, that the PPI Adjusted Purchase Price shall only be increased to the extent that raw material price increases exceed, in the aggregate, all increases in the Producer Price Index Figure since the Execution Date of the Agreement. Correspondingly, the PPI Adjusted Purchase Price shall be subject to decrease in order to reflect any change in production cost for Licensed Product as a result of the decrease in the cost of any raw materials (including active pharmaceutical ingredient, packaging or other Licensed Product components). NOVARTIS shall, at ENDO's request, provide reasonable documentation evidencing such changes in production costs.

(c) Taxes, etc. ENDO will bear the cost of any taxes, levies, duties or fees of a similar kind, nature or description whatsoever applicable to the sale and transportation of Licensed Product sold by NOVARTIS to ENDO hereunder (other than taxes in the nature of franchise or income taxes of NOVARTIS), and ENDO will pay to NOVARTIS all such sums within thirty (30) days of receipt of demand for payment by NOVARTIS.

(d) Separate Sale. Each shipment of Licensed Product to ENDO will constitute a separate sale, obligating ENDO to pay therefor, whether said shipment is in whole or only partial fulfillment of any order or confirmation issued in connection therewith.

5.10 Regulatory Matters; Records.

(a) Inspections. NOVARTIS will be responsible for handling and responding to any FDA or other Governmental Entity audits or inspections with respect to the manufacture of Licensed Product hereunder. To the extent NOVARTIS requires the assistance of ENDO in connection with any such audit or inspection, ENDO agrees to cooperate and assist NOVARTIS.

(b) Reporting. NOVARTIS will be responsible for any reporting of matters regarding the manufacture of Licensed Product hereunder to the FDA or other Governmental Authority. NOVARTIS will advise ENDO of any occurrences or information that arises out of the manufacturing activities of NOVARTIS or its contractors that have or could reasonably be expected to have adverse regulatory compliance or reporting consequences concerning Licensed Product.

(c) Recalls.

(i) Recalls. Each of the Parties agrees to maintain or cause to be maintained such traceability records as are necessary to permit a recall, withdrawal, field alert or field correction of Licensed Product. In the event NOVARTIS believes that it is required to initiate a recall, field alert, withdrawal or field correction with respect to any Licensed Product provided under this Agreement, NOVARTIS will immediately notify ENDO in writing. In the event that ENDO believes that a recall, field alert, withdrawal, or field correction is necessary for Licensed Product provided under this Agreement, ENDO will immediately notify NOVARTIS. Determination of a voluntary recall, field alert, withdrawal, or field correction shall be made by NOVARTIS in its sole discretion following reasonable, in light of the circumstances, consultation with and consideration of ENDO's views.

(ii) Cost of Recall. In the event that any Licensed Product supplied hereunder is recalled or quarantined, or is subject to stop-sale action, whether voluntary or by governmental action, it is agreed and understood that any expenses of such action, including administrative costs, reasonable fees of any experts or attorneys that may be utilized by either Party, and any government fines or penalties related to such recall, quarantine or stop-sale ("Recall Expenses") will be borne by the Party upon whose act or omission is the cause of the recall, quarantine or stop-sale action.

5.11 Alternate Supply. In the event that NOVARTIS is unable to supply Licensed Product to ENDO in accordance with Section 5, NOVARTIS shall use commercially reasonable efforts to identify and qualify an alternate supplier capable of supplying Licensed Product on substantially the same terms and conditions set forth herein, which may or may not be NOVARTIS' Lincoln, Nebraska manufacturing facility, for the period that NOVARTIS is unable to supply the Licensed Product. During any such period in which an alternate source of supply is being provided through a Third Party, NOVARTIS' obligations under this Section 5 shall be suspended. Within a reasonable time after the Execution Date, NOVARTIS shall use commercially reasonable efforts to cause its manufacturing facility in Lincoln, Nebraska to be qualified.

5.12 Allocation of Licensed Product. In the event that NOVARTIS, subject to the terms and conditions of this Agreement, manufactures any 1% diclofenac gel product for use or distribution outside of the Territory, and without limiting NOVARTIS' obligations under this Agreement and ENDO's rights to enforce such obligations as set forth herein, in the

event of a prospective shortage of capacity, NOVARTIS shall use commercially reasonable efforts to cause its manufacturing Affiliate to reasonably allocate, based on historical and forecasted needs, quantities of all 1% diclofenac gel product among ENDO, NOVARTIS, NOVARTIS Affiliates and any other Person that has licensed any 1% diclofenac gel product from NOVARTIS outside of the Territory.

5.13 Safety Stock. In order to prepare for any Licensed Product shortfall due to any Failure of Supply as contemplated by this Agreement, ENDO shall maintain at the Delivery Location safety stock of Licensed Product in a minimum amount equal to twelve (12) weeks of prospective customer demand based on the then-applicable Rolling Forecast, which amount may be adjusted from time to time upon the mutual agreement of NOVARTIS and ENDO based upon historical experience and performance.

SECTION 6
REGULATORY AFFAIRS

6.1 Regulatory Affairs. Notwithstanding any other provision of this Agreement, NOVARTIS shall retain exclusive authority and responsibility for all interactions with Governmental Authorities and other Persons with regard to all regulatory matters relating to the Licensed Product, including obtaining, maintaining and updating the Licensed Product NDA and product labeling as required by applicable Law. Without limiting the foregoing, NOVARTIS shall retain exclusive authority and responsibility for: (i) filing all supplement and Approval Applications and supporting documentation necessary for obtaining Approvals or otherwise complying with applicable Law; (ii) all contacts with Governmental Authorities responsible for granting such Approvals; (iii) reporting of any adverse drug reactions to such Governmental Authorities; and (iv) controlling any disputes or legal proceedings regarding the regulatory status of the Licensed Product. NOVARTIS shall promptly submit all applicable materials, including Promotional Materials, prepared or required to be prepared by ENDO to the DDMAC. ENDO and its Affiliates shall cooperate and provide to NOVARTIS and its Affiliates any assistance reasonably required by NOVARTIS or its Affiliates in connection with its obligations under this Section 6.1.

6.2 Complaints Regarding Licensed Product. Licensed Product complaint reports received by ENDO which are not deemed to be an Adverse Event shall be reported to NOVARTIS within thirty (30) days of receipt by ENDO. Licensed Product complaint reports received by NOVARTIS which are not deemed to be an Adverse Event shall be reported to ENDO within thirty (30) days of receipt by NOVARTIS. ENDO also will provide a written response on each complaint to each complainant with a simultaneous copy to NOVARTIS to the extent such complaint relates to the manufacture of Licensed Product by NOVARTIS hereunder, to the extent required by applicable Law.

6.3 Adverse Event Reporting; Cooperation. ENDO agrees to provide to NOVARTIS all reasonable assistance and take all actions reasonably requested by NOVARTIS that are necessary to enable NOVARTIS to comply with any Law applicable to the Licensed Product and any conditions or obligations relating to any Approval, including NOVARTIS' meeting

of its reporting and other obligations under Section 6.1. Such assistance and actions shall include execution of and compliance with the Pharmacovigilance Agreement to be negotiated in good faith and reasonably acceptable to the Parties within sixty (60) days of the Execution Date. The Pharmacovigilance Agreement will supersede any Adverse Event provisions in this Agreement.

ENDO shall forward to NOVARTIS any information, including, but not limited to, initial and follow up reports, that becomes known to ENDO from any source in any form relating to any Adverse Event or any Adverse Event with an associated product quality complaint for the Licensed Product as soon as it becomes available, but in any event within twenty-four (24) hours of becoming aware of such information, by transmitting it to the Customer Relationship Center at 1-800-452-0051. The Customer Relationship Center is available 24 hours per day, 7 days per week.

ENDO shall notify NOVARTIS of any communication received from any Governmental Authority relating to any Adverse Event or other safety issue for the Licensed Product, within twenty-four (24) hours of receiving such communication, by transmitting any written communication documentation and a written synopsis of any oral communication to NOVARTIS' Global Head, Drug Safety and Pharmacovigilance

6.4 Ownership. Notwithstanding any other provision of this Agreement, all Approval Applications and Approvals relating to the Licensed Product shall be owned by NOVARTIS or its Affiliates. Any such Approval Applications, Approvals, supporting documentation and data shall be treated by the Parties as Confidential Information of NOVARTIS.

6.5 Regulatory Notification; Notification to ENDO of FDA Meetings. Each Party shall notify the other Party promptly upon receiving any regulatory communication from the FDA or any other Governmental Authority, with respect to any: (i) substantial safety or efficacy issue with respect to the Licensed Product; (ii) advertising or promotional claims with respect to the Licensed Product; or (iii) labeling with respect to the Licensed Product. NOVARTIS shall notify ENDO in the event that NOVARTIS has any major meeting (such as an end of Phase II meeting) with the FDA with respect to obtaining OTC Equivalent Product approval in respect of the Licensed Product or the Development and/or Commercialization of any OTC Equivalent Product, conducting studies for new indications with respect to the Licensed Product, Line Extensions in relation to the Licensed Product and/or Development and/or Commercialization of any Generic Diclofenac Product, or files for any Approval with respect to the foregoing.

6.6 Support Costs. ENDO shall reimburse NOVARTIS for the cost of fully dedicated incremental support for all regulatory and medical affairs related to the Licensed Product at the FTE Rate. The actual number of FTEs shall be determined by NOVARTIS and reviewed and approved by ENDO; provided, however, the number of FTEs shall not exceed five (5) in any Agreement Year.

SECTION 7
COMPENSATION

In addition to the other obligations of ENDO hereunder, ENDO shall pay the NOVARTIS Parties the amounts set forth in this Section 7 as consideration for the rights granted to ENDO under this Agreement.

7.1 Up-Front Payment. ENDO shall pay NOVARTIS AG an amount equal to FIFTY ONE MILLION Dollars ($51,000,000) and shall pay NOVARTIS an amount equal to THIRTY FOUR MILLION DOLLARS, for a total of EIGHTY FIVE MILLION Dollars ($85,000,000) within one (1) Business Day following the Execution Date (the "Upfront Payment"). The Upfront Payment and the royalty payments set forth in Section 7.2 to NOVARTIS AG shall be in consideration for the license of the NOVARTIS AG Technology and the Product Trademark granted to ENDO in accordance with this Agreement. The Upfront Payment to NOVARTIS shall be in consideration for the license of the NOVARTIS Technology and the Promotional Materials developed by NOVARTIS for the Launch of the Licensed Product. The Upfront Payment shall be non-refundable, non-recoupable and non-creditable against any other amounts payable hereunder.

7.2 Royalties.

(a) Royalty Rates. ENDO shall pay royalties to NOVARTIS AG on annual Net Sales of Licensed Product by ENDO, its Affiliates and their respective permitted sublicensees at the applicable rates set forth below.

Aggregate Annual Net Sales of Licensed Product during any Agreement Year	Royalty Rate
The Portion of annual Net Sales less than $150 million in each of Agreement Years 1-2 and the first three Agreement Quarters of Agreement Year 3	0%
The Portion of annual Net Sales less than $150 million in the fourth Agreement Quarter of Agreement Year 3	7.5%
The Portion of annual Net Sales less than $150 million in each of Agreement Years 4 and thereafter	15.0%
The Portion of annual Net Sales between $150 million and $200 million	15.0%
The Portion of annual Net Sales between $200 million and $300 million	20.0%
The Portion of annual Net Sales over $300 million	25.0%

The first five percent (5%) of royalties due in an Agreement Year shall be due and owing to NOVARTIS, but may be paid by ENDO to NOVARTIS AG, as agent for NOVARTIS for this limited purpose.

(b) (Guaranteed Minimum Royalties. (i) ENDO shall pay to NOVARTIS AG the following amounts as guaranteed minimum annual royalty payments ("Guaranteed Minimum Royalties"):

Agreement Year	Guaranteed Amount
Year 1	$0
Year 2	$0
Year 3	$0
Year 4	$30,000,000
Year 5	$30,000,000
Each Renewal Term	$30,000,000

(ii) Guaranteed Minimum Royalties shall be applied against royalty payments on an Agreement Year basis such that ENDO's obligation with respect to each Agreement Year is to pay the greater of (i) royalties payable pursuant to Section 7.2(a) or (ii) the Guaranteed Minimum Royalty for such Agreement Year. In furtherance thereof, with respect to each Agreement Quarter, ENDO shall pay NOVARTIS AG an amount equal to (A) the greater of (1) Section 7.2(a) royalties calculated on an Agreement Year-to-date basis or (2) the Guaranteed Minimum Royalty for such Agreement Year-to-date period (applying 25% of the Guaranteed Minimum Royalty for such Agreement Year to each Agreement Quarter) minus (B) all royalties previously paid for that Agreement Year (or if such amount is a negative number, there will be no royalty payment due).

(c) Royalty Reports and Payments. Within forty-five (45) days after each Agreement Quarter during the Term of this Agreement, ENDO will provide to NOVARTIS a written report showing each of: (a) the actual Net Sales of the Licensed Product during such quarter by ENDO, its Affiliates and permitted sublicensees (including gross sales and deductions taken to calculate Net Sales), (b) the portion of the Guaranteed Minimum Royalty applicable to such quarter, (c) the royalties which accrued under Section 7.2(a) with respect to such Net Sales ("Actual Royalties") and the basis of calculating such Actual Royalties, and (d) the amount due in accordance with Section 7.2(b)(ii) for such Agreement Quarter. Such report shall be accompanied by payment of the amount owed for such Agreement Quarter in accordance with Section 7.2(b)(ii). If any error in the calculation of Net Sales in accordance with this Agreement or other adjustment, discount, credit or rebate in

the calculation of Net Sales in accordance with this Agreement results in an adjustment (up or down) in the amount of royalties due, the amount of such adjustment shall be reflected in the next royalty payment; provided, that if this Agreement is no longer in effect, the applicable Party shall pay to the other Party the amount of such adjustment promptly following written notice thereof. ENDO shall notify NOVARTIS within thirty (30) days after it agrees to any increase in distribution commissions/fees referred to in clause (x) of the definition of Net Sales in Section 1.75.

(d) Certain Adjustments. The obligation to make Guaranteed Minimum Royalty payments is absolute and such payments shall be non-refundable, except as follows:

(i) in the event of any failure of NOVARTIS to fulfill Firm Orders for Licensed Product in accordance with Section 5 resulting in a Licensed Product "out of stock" such that ENDO has no inventory of Licensed Products on hand in any of its distribution centers or warehouses for fourteen (14) consecutive days during any Agreement Year, provided, that for purposes of this Section 7.2(d)(i), Firm Orders shall be deemed fulfilled upon delivery of the applicable shipment of Licensed Product to the designated common carrier at the NOVARTIS Warehouse ("Failure of Supply"), and such out of stock is not attributable to a Force Majeure, then the Guaranteed Minimum Royalty for such Agreement Year shall be reduced by an amount equal to the result obtained by the following equation: (i) the Guaranteed Minimum Royalty divided by 365 multiplied by (ii) two times the number of days during the Failure of Supply in excess of such fourteen (14) day period;

(ii) in the event a Failure of Supply continues for a period in excess of forty five (45) days, ENDO and NOVARTIS shall meet as promptly as possible and attempt, in good faith, to agree on additional reductions to ENDO's future obligations hereunder, including Guaranteed Minimum Royalties to the extent necessary to appropriately reflect the impact on Net Sales of the Licensed Product, if any, caused directly by such Failure of Supply, and appropriate reductions in minimum Details and minimum A&P Expenses based thereon. In the event the Parties are unable to agree, the matter shall be resolved in accordance with the Third Party Dispute Resolution Procedures;

(iii) in the event of the Launch in the Territory of any Generic Diclofenac Product by any Person or OTC Equivalent Product by NOVARTIS or any of its Affiliates, then the obligation to pay Guaranteed Minimum Royalties shall terminate for the remainder of the Term of the Agreement effective as of the date of such Launch, with the amount of Guaranteed Minimum Royalties applicable to the portion of the Agreement Year in which such event occurs preceding such event being reduced on a pro rated basis (based on the number of days preceding such event out of a 365 day year);

(iv) in the event of the Launch in the Territory of any OTC Equivalent Product by any Third Party,

(I) the obligation to pay Guaranteed Minimum Royalties shall be reduced by fifty percent (50%) for the remainder of the Term of the Agreement (except as set forth below) effective as of the date of such Launch;

(II) if at the expiration of the OTC Launch Six Month Reference Period, Net Sales of the Licensed Product have not declined by at least five percent (5%) as compared to Net Sales during the six calendar month before such Launch, the obligation to pay Guaranteed Minimum Royalties at the rate set forth in Section 7.2(b) shall be permanently (except as set forth below) restored and any reduced Guaranteed Minimum Royalty paid by ENDO under clause (I) shall be paid to NOVARTIS, if applicable, within thirty (30) days;

(III) if at the expiration of either of the OTC Launch Three Month Reference Periods, Net Sales for such OTC Launch Three Month Reference Period have declined, as compared to Net Sales during the three calendar month period before such Launch, by twenty five percent (25%) or more, or if at the last day of such OTC Launch Three Month Reference Period the number of "covered lives" eligible for third party reimbursement in respect to purchases of Licensed Product as referenced by the Managed Markets Information Service in its most recent report have declined by twenty five percent (25%) or more as compared to the number of "covered lives" immediately prior to such Launch, ENDO shall no longer be obligated to pay any Guaranteed Minimum Royalties for the remainder of the Term of the Agreement effective as of the end of the applicable OTC Launch Three Month Reference Period and ENDO shall not be obligated to repay any amount referred to in clause (II);and

(v) as provided in Section 4.10(iv).

Except as expressly set forth in this Agreement, Guaranteed Minimum Royalties shall not be reduced, limited, recouped or credited for any reason.

7.3 Sales Milestone. ENDO shall pay NOVARTIS AG a non-refundable, non-recoupable, non-creditable sales milestone of $25,000,000 upon the first achievement of Agreement Year Net Sales in excess of $300,000,000. The above sales milestone, if payable, shall be payable only once. If payable, payment of the above sales milestone shall be due to NOVARTIS AG within forty-five (45) days after the end of the Agreement Quarter in which the milestone was reached.

SECTION 8
DEVELOPMENT OF THE LICENSED PRODUCT AND NEW INDICATIONS

8.1 Development.

(a) Licensed Product. NOVARTIS shall be solely responsible for all Development of the Licensed Product, at its discretion, subject to Section 8.3. NOVARTIS is under no obligation to conduct any Development of the Licensed Product, other than Required Phase IV Studies. ENDO and its Affiliates shall not, directly or through any Third Party, initiate, sponsor, fund or otherwise conduct any clinical study or Development activities with respect to the Licensed Product, except as otherwise permitted by this Section 8. ENDO shall cooperate and provide to NOVARTIS any assistance reasonably required by NOVARTIS in connection with Development of the Licensed Product.

(b) Development by ENDO. Notwithstanding Section 8.1(a), ENDO shall be entitled to conduct clinical studies with respect to the Licensed Product, provided that it pays all Development Costs related thereto and conducts any such study in accordance with a Development Plan submitted for review and approval of the JCC. The JCC shall be entitled to reject any proposed clinical study if, among other reasons, such study may have an adverse impact on the Development or Commercialization of the Licensed Product, any Line Extension, any OTC Equivalent Product or any other new indication study. The Field shall be expanded to include any approved new indications for the Licensed Product in the Territory based on the results of such clinical studies. NOVARTIS shall have full access and reference rights on an exclusive basis to clinical studies and related Technology to enable NOVARTIS to effect an OTC Switch and to Commercialize the resulting OTC Product.

(c) New Indications Developed by NOVARTIS. In addition, in the event that NOVARTIS proposes to Develop the Licensed Product for use in an indication outside the Field and ENDO pays for the Development Costs incurred or to be incurred by or on behalf of NOVARTIS in order to obtain FDA Approval for such new indication in accordance with the allocations and limitations set forth in Section 8.3, then, upon Approval by the FDA of such new indication for the Licensed Product, the Field shall be expanded to include such new indication, provided that NOVARTIS shall have the OTC Switch rights with respect to the Licensed Product for such new indication as set forth in Section 9 and full access rights to such results to enable NOVARTIS to effect an OTC Switch. NOVARTIS shall provide reasonable written notice to ENDO in the event that it determines to pursue any new indication for the Licensed Product.

8.2 Development Plans; Clinical Studies. Prior to initiating any clinical studies of the Licensed Product in the Territory for which ENDO is obligated to provide funding pursuant to Section 8.3, a Party shall submit a Development Plan for review (and approval, in the case of a Development Plan submitted by ENDO) by the JCC. Thereafter, an updated Development Plan shall be submitted by the applicable Party to the JCC at least ninety (90) days prior to

the beginning of each Agreement Year. Each Development Plan will incorporate a Development budget and will set forth the plan for the Development of the Licensed Product for use in the Territory for the applicable year, including: (a) costs and expenses to be incurred in connection with the Development of the Licensed Product; (b) clinical studies and regulatory plans for the Development of the Licensed Product; (c) protocols for, or description of studies related to, the Development of the Licensed Product; (d) quality control and quality assurance standards for the Development of the Licensed Product; and (e) standards for product safety and regulatory compliance in connection with the Development of the Licensed Product. For the avoidance of doubt, NOVARTIS shall not be required to submit a Development Plan for any clinical studies that ENDO is not required to fund pursuant to Section 8.3.

8.3 Development Costs.

(a) Development Costs incurred in connection with Development of the Licensed Product shall be allocated between the Parties as follows:

	ENDO	**NOVARTIS**
Required Phase IV Studies	100% up to Maximum Amount of $5 million	100% of excess over Maximum Amount
Competitive Defense Study	100% up to Maximum Amount of $6 million	100% of excess over Maximum Amount
Pediatric Exclusivity Study	100% up to Maximum Amount of $4 million	100% of excess over Maximum Amount
Other clinical studies requested by the FDA for the Rx Product that NOVARTIS elects to conduct	50%	50%
Other clinical studies initiated by NOVARTIS not at the request of the FDA	0	100%
Clinical studies which are either initiated by ENDO or initiated by NOVARTIS for which ENDO has agreed to pay for new indications for the Licensed Product	100%	0

(b) ENDO shall reimburse NOVARTIS for Development Costs for which it is responsible in accordance with and subject to the foregoing allocations and limitations. For the purpose of clarity, NOVARTIS shall be solely responsible for all Development Costs in excess of any relevant Maximum Amount set forth in Section 8.3(a). Except with respect to Required Phase IV Studies, for which NOVARTIS will retain ultimate authority, and except as set forth below with respect to a Pediatric Exclusivity Study, ENDO shall have final decision-making authority as to whether any clinical study it is obligated to fund will be conducted; provided,

that (i) NOVARTIS shall have sole decision-making authority with respect to all other aspects of any such clinical study and (ii) once ENDO approves initiation of a clinical study, it shall not withdraw such approval. ENDO will pay for a Pediatric Exclusivity Study if it receives confirmation in the form of a written FDA communication which identifies a pediatric study which can reasonably be conducted and submitted in sufficient time to obtain regulatory exclusivity for the Licensed Product.

SECTION 9
OTC SWITCH RIGHTS

9.1 OTC Switch of Licensed Product. Subject to the final sentence of this Section 9.1, NOVARTIS and/or its Affiliates shall have the exclusive right, at its sole discretion, to effect a switch of the Licensed Product from an Rx Product to an OTC Product in the Territory (an "OTC Switch") by filing an amendment or supplement to the Licensed Product NDA or taking any other action necessary or advisable in connection therewith to effect the OTC Switch, and thereafter to Commercialize such OTC Product. For the avoidance of doubt, an OTC Switch may be effected for one or more indications included in the Field from time to time. ENDO shall cooperate fully with NOVARTIS in connection with an OTC Switch, including, providing any materials required by NOVARTIS to support the OTC Switch. Notwithstanding the foregoing, NOVARTIS shall not Launch an OTC Equivalent Product prior to the fourth (4th) anniversary of the Launch of the Licensed Product, and NOVARTIS shall not take any action that results in the loss of Rx Product status for the Licensed Product prior to such time. NOVARTIS shall notify ENDO when it submits a filing to the FDA in respect of an OTC Equivalent Product.

9.2 Royalty. In the event this Agreement is terminated pursuant to Section 17.2 as a result of the Launch by NOVARTIS or its Affiliates of an OTC Equivalent Product in the Territory that results in the declassification of the Licensed Product as an Rx Product, then, from the date of such Launch and for a five (5) year period thereafter, NOVARTIS will make quarterly royalty payments to ENDO on Net Sales of such OTC Equivalent Product in the Territory by NOVARTIS, its Affiliates and their respective licensees or sublicensees at the rates set forth below, provided that, as a condition to the payment of any and all such royalties, Net Sales of the Licensed Product in the Territory shall have exceeded $175,000,000 for the twelve (12) month period prior to the Launch of (i) the OTC Equivalent Product by NOVARTIS or its Affiliates, (ii) an OTC Equivalent Product by any other Person or (iii) a Generic Diclofenac Product. Notwithstanding the foregoing, if a Third Party obtains regulatory exclusivity for at least three years on an OTC Equivalent Product prior to any Launch by NOVARTIS or its Affiliates, no royalties shall be payable pursuant to this Section 9.2.

Year Following Launch of the OTC Equivalent Product by NOVARTIS	Royalty Rate
1	5.0%
2	10.0%
3	15.0%
4	10.0%
5	5.0%

Notwithstanding any other provision hereof, ENDO shall not be entitled to any compensation with respect to the OTC Switch or OTC Equivalent Product except for the foregoing royalties, if applicable.

9.3 Right of First Negotiation on Certain ENDO Products. Prior to ENDO offering such rights to any Third Party, the Parties shall negotiate in good faith for a period of ninety (90) days from written notice by ENDO to NOVARTIS with respect to the terms and conditions of a license or collaboration between the Parties on the marketing, promotion, distribution and/or sale in the Territory of Frova® or Lidoderm® as an OTC Product. If the Parties are unable to agree upon terms and conditions of such a license or collaboration on or before the expiration of such ninety (90) day period, then ENDO shall thereafter have the right to Develop and Commercialize itself or enter into a license or other collaboration with any Third Party with respect to such OTC Product and NOVARTIS shall have no rights with respect thereto, provided that any license or collaboration that ENDO enters into or proposes to enter into within the 180-day period following the end of such negotiation period must be on terms and conditions in the aggregate no more favorable to such Third Party than those last offered to NOVARTIS during the negotiation period.

SECTION 10
LINE EXTENSIONS; NON-COMPETE

10.1 Line Extensions.

(a) (i) For the purposes of this Agreement, the Licensed Product for new indications funded by NOVARTIS without reimbursement from ENDO or any diclofenac topical dispersible product in formulations different from the Licensed Product or concentrations other than 1% to be Developed and Commercialized as an Rx Product, shall be deemed to be a “Line Extension.” NOVARTIS retains all rights to research, Develop, and, subject to receipt of applicable Approvals, Commercialize Line Extensions inside and outside the Territory, subject only to ENDO’s rights set forth in this Section 10.

(ii) Notwithstanding the foregoing, NOVARTIS shall not Commercialize a Line Extension in the Territory during the Initial Term.

(b) The Parties shall negotiate in good faith for a period of ninety (90) days from the Execution Date with respect to the terms and conditions of a license to Line Extensions currently planned for Development by NOVARTIS. If the Parties are unable to agree upon terms and conditions of such a license on or before the expiration of such ninety (90) day period, then NOVARTIS shall thereafter have the right to Develop or Commercialize itself or enter into a license or other collaboration with any Third Party with respect to any such Line Extension, in each case subject to the limitations set forth in this Agreement, provided that any license or collaboration that NOVARTIS enters into or proposes to enter into within the 180-day period following the end of such negotiation period must be on terms and conditions in the aggregate no more favorable to such Third Party than those last offered to ENDO during the negotiation period.

10.2 Non-Compete.

(a) During the Initial Term of this Agreement, neither of the Parties nor any of their Affiliates shall, nor shall any of them license or collaborate with a Third Party to, market, promote, advertise or sell in the Territory any NSAID Rx Product that is sprayable, spreadable or dispersible in any form (excluding patches) used for the localized treatment of pain in humans (each, a "Competing Topical NSAID"), other than (i) the Licensed Product pursuant to this Agreement, and (ii) any Competing Topical NSAID Commercialized by Novartis (or its Affiliates) and used for treatment of the eye or any Competing Topical NSAID Commercialized by Sandoz AG (or its subsidiaries), provided that NOVARTIS shall not in any way facilitate, assist or cooperate with Sandoz AG or its subsidiaries, including by providing Sandoz AG or its subsidiaries with a right of reference to the Licensed Product NDA, including the chemistry, manufacturing and control (CMC) section thereof.

(b) In the event that any merger, acquisition or similar transaction (other than the acquisition of any rights or business primarily related to a Competing Topical NSAID which shall be governed solely by the preceding paragraph (a)) results in ENDO or any of its Affiliates controlling any Competing Topical NSAID, other than any topically applied diclofenac gel product (which shall be governed solely by the preceding paragraph (a)), and which is then being Commercialized in the Territory or which is subsequently Commercialized (an "ENDO Competing Product"), then, from and after the later of consummation of such transaction or Launch of such ENDO Competing Product, and until the earlier of (i) the expiration of the Initial Term, (ii) immediately upon completion of ENDO's divestiture of the ENDO Competing Product, or (iii) ninety (90) days after ENDO permanently ceases detailing and incurring expenses in the nature of A&P Expenses in respect of the ENDO Competing Product, ENDO shall pay to NOVARTIS a royalty on Net Sales of the ENDO Competing Product calculated in accordance with Section 7.2(a), with Net Sales of the Licensed Product and Net Sales of the ENDO Competing Product being aggregated for purposes of determining the applicable royalty rate pursuant to Section 7.2(a). Net Sales of the ENDO Competing Product shall not be applied

towards meeting Guaranteed Minimum Royalties. For the avoidance of doubt, in the event that ENDO enters into any transaction meeting the conditions set forth in this Section 10.2(b), ENDO's sole obligations resulting therefrom shall be to pay the applicable royalties described in this Section 10.2(b) and ENDO shall not be deemed to be in violation of Section 10.2(a) or any other provision of this Agreement solely by reason of having entered into such transaction or controlling a Competing Topical NSAID as a result thereof.

(c) Notwithstanding Section 10.2(a), this Section 10 shall not apply to any Competing NSAID Product to which NOVARTIS or its Affiliates acquire rights as a result of any merger, acquisition or similar transaction (other than the acquisition of any rights or business primarily related to a Competing Topical NSAID).

SECTION 11
INTELLECTUAL PROPERTY

11.1 Corporate Names and Trademarks.

(a) Each Party or its Affiliates, as applicable, shall retain all right, title and interest in and to its respective corporate name and logo and any other derivative or form thereof (collectively, "Corporate Names"), and each Party shall file, prosecute, and maintain legal protection for such Corporate Names at their own expense. Each Party shall have full control and authority over any claim, suit, or other proceeding relating to the Corporate Name of it or its Affiliates.

(b) The Licensed Product shall be promoted and sold in the Territory under the Product Trademark. Except as expressly set forth herein, ENDO shall have no rights in or to the Product Trademark or the goodwill pertaining thereto. NOVARTIS (or its Affiliates, as applicable) shall own and retain all rights to association of trademark, trade dress, service marks, domain names, copyrights, or goodwill associated therewith, and all use of the Product Trademark by ENDO and its Affiliates shall, at all times inure to the benefit of NOVARTIS (or its Affiliates, as applicable). ENDO shall utilize the Product Trademark only on Promotional Materials approved by the JCC for the purposes contemplated herein. ENDO agrees that upon termination or expiration of the Term of this Agreement, and the expiration of the time it is permitted to sell Licensed Product under Section 17.5(b), ENDO shall (and shall cause its Affiliates and permitted subcontractors to) discontinue forthwith all use of the Product Trademark. All uses by ENDO of the Product Trademark shall comply with this Agreement and applicable Law.

(c) NOVARTIS or an Affiliate thereof shall be solely responsible to maintain and enforce the Product Trademark, and maintain the goodwill pertaining thereto, at NOVARTIS' expense.

11.2 Ownership and Rights with Respect to Newly Created Technology. All Technology relating to Licensed Product created or Invented solely by NOVARTIS and its Affiliates, solely by ENDO or its Affiliates or jointly by NOVARTIS and ENDO or their respective Affiliates and resulting from activities under this Agreement shall be owned by NOVARTIS or an Affiliate thereof; provided, that ENDO shall be entitled to use such Technology as set forth in Section 2.

11.3 Third Party Infringement. If either Party believes that a Third Party is infringing the Product Trademark or any NOVARTIS AG Technology or NOVARTIS Technology in the Territory, such Party shall promptly notify the other Party hereto. At its sole discretion, NOVARTIS (or its Affiliates, as appropriate) shall have the sole right and responsibility to conduct all Third Party infringement actions relating to the Product Trademark or any NOVARTIS AG Technology or NOVARTIS Technology in the Territory. The costs of any infringement action brought by NOVARTIS (or its Affiliates) against a Third Party shall be borne by NOVARTIS. ENDO and its Affiliates shall assist NOVARTIS and its Affiliates at its expense and cooperate in any such infringement litigation, including actions in federal court, state court and the U.S. Patent and Trademark Office, at NOVARTIS' (or its Affiliates') reasonable request. Any Damages obtained as a result of any such action and any funds received as part of a settlement of any such action shall first be allocated in a proportional manner to the litigation expenses of each Party, and NOVARTIS shall receive any amount remaining after such expenses are reimbursed.

SECTION 12
BOOKS AND RECORDS;
AUDITS; TAXES; PAYMENT CURRENCY; AND OTHER TERMS

12.1 Books and Records. The Parties shall, and shall cause each of their respective Affiliates to, keep complete, true and accurate books and records in accordance with the defined Accounting Standards. The Parties will keep such books and records for at least three (3) years following the end of the Agreement Year to which they pertain. Such books of accounts shall be kept at the Party's principal place of business. Each Party shall, and shall cause each of its respective Affiliates to, permit auditors, as provided in Section 12.2, to visit and inspect, during regular business hours and under the guidance of officers of the Party being inspected, and to examine the books of account of such Party or such Affiliate and discuss the affairs, finances and accounts of such Party or such Affiliate with, and be advised as to the same by, its and their officers and independent accountants.

12.2 Audits. The Parties shall have audit rights as described in this Section 12.2; provided, that audits may only be conducted for the purpose of determining or reconciling calculations made in respect of (i) Net Sales; (ii) A&P Expenses, (iii) Details, (iv) distribution of samples, (v) Development Costs (to the extent that ENDO is funding such costs), or (vi) Manufacturing costs related to adjustments in the price of the Licensed Product under Section 5.9(b).

(a) For the purposes of the audit rights described in this Section 12, the Party subject to an audit in any given year will be referred to as the "Auditee" and the other Party who has audit rights will be referred to as the "Audit Rights Holder."

(b) Each Party may, upon request and at its expense (except as provided for herein), cause an internationally-recognized independent accounting firm selected by it, other than one to whom the Auditee has a reasonable objection (the "Audit Team"), to audit during ordinary business hours the books and records of the Auditee and the correctness of any payment made or required to be made to or by such Auditee, and any report underlying such payment (or lack thereof), pursuant to the terms of this Agreement. Prior to commencing its work pursuant to this Agreement, the Audit Team shall enter into an appropriate confidentiality agreement with the Auditee.

(c) In respect of each audit of the Auditee's books and records: (i) the Auditee may only be audited once per calendar year, unless a prior audit reveals any material discrepancy, in which case, more frequent audits will be permitted; (ii) no records for any given Agreement Year may be audited more than once for the same purpose, unless a prior audit reveals any material discrepancy, in which case, more frequent audits will be permitted; and (iii) the Audit Rights Holder shall only be entitled to audit books and records of the Auditee from the three (3) Agreement Years prior to the Agreement Year in which the audit request is made.

(d) In order to initiate an audit for a particular Agreement Year, the Audit Rights Holder must provide written notice to the Auditee. The Audit Rights Holder shall provide the Auditee with notice of one or more proposed dates of the audit not less than forty-five (45) calendar days prior to the first proposed date. The Auditee will reasonably accommodate the scheduling of such audit. The Auditee shall reasonably cooperate with such audit.

(e) The audit report and basis for any determination by an Audit Team shall be made available for review and comment by the Auditee, and the Auditee shall have the right, at its expense, to request a further determination by such Audit Team as to matters which the Auditee disputes (to be completed no more than thirty (30) calendar days after the first determination is provided to such Auditee and to be limited to the disputed matters). If the Parties disagree as to such further determination, the Audit Rights Holder and the Auditee shall mutually select an internationally-recognized independent accounting firm that shall make a final determination as to the remaining matters in dispute that shall be binding upon the Parties.

If the audit shows any under-reporting or underpayment, or overcharging by any Party, that under-reporting, underpayment or overcharging shall be reported to the Audit Rights Holder and the underpaying or overcharging Party shall remit such underpayment or reimburse such overcompensation to the underpaid or overcharged Party within thirty (30) calendar days of receiving the audit report. Further, if the audit for an Agreement Year shows an under-reporting or underpayment or an overcharge by any Party for that period in excess of ten percent (10%) of the amounts properly determined, the underpaying or overcharging Party,

as the case may be, shall reimburse the applicable underpaid or overcharged Party, for its respective audit fees and reasonable out-of-pocket expenses in connection with said audit, which reimbursement shall be made within thirty (30) calendar days of receiving appropriate invoices and other support for such audit-related costs.

12.3 Accounting Standards. All costs and expenses and other financial determinations with respect to this Agreement shall be determined in accordance with Accounting Standards, as generally and consistently applied by the Parties.

12.4 Taxes. Any withholding or other taxes that either Party or its Affiliates are required by Law to withhold or pay on behalf of the other Party, with respect to any payments to it hereunder, shall be deducted from such payments and paid to the applicable Governmental Authority contemporaneously with the remittance to the other Party; provided, however, that the withholding Party shall furnish the other Party with proper evidence of the taxes so paid. Each Party shall furnish the other Party with appropriate documents to secure application of the most favorable rate of withholding tax under applicable Law.

12.5 Payment Currency. All amounts due under this Agreement shall be paid to the designated Party in United States Dollars.

12.6 Payments. The Parties agree that, unless otherwise mutually agreed by the Parties or otherwise provided in this Agreement, amounts due by one Party to the other shall be payable by wire transfer of immediately available funds in United States dollars within thirty (30) days after receipt of the corresponding statement or invoice to a bank account, details of which are to be communicated by the receiving party. If a Party fails to pay any invoiced amount when due, interest may be charged by the other Party equal to the lesser of one percent (1%) or the highest rate permitted by law on the outstanding amount for each month or portion thereof that such amount is overdue.

SECTION 13
REPRESENTATIONS AND WARRANTIES

13.1 Mutual Representations and Warranties. Each of the NOVARTIS Parties, severally and not jointly, and ENDO represents and warrants to the other as follows: (a) it is duly organized and validly existing under the Laws of its jurisdiction of incorporation; (b) it has full corporate power and authority and has taken all corporate action necessary to enter into and perform this Agreement; (c) the execution and delivery by it of this Agreement and the performance by it of its obligations hereunder will not constitute a breach of, or conflict with, its organizational documents nor any other material agreement or arrangement by which it is bound; (d) this Agreement is its legal, valid and binding obligation, enforceable in accordance with the terms and conditions hereof, except as such enforcement may be limited by (i) bankruptcy, insolvency, reorganization, moratorium and other laws of general application affecting the rights and remedies of creditors and (ii) general principles of equity (regardless of whether such enforcement is considered in a proceeding in equity or at law); and (e) no broker, finder or investment banker is entitled to any brokerage, finder’s or other fee in

connection with this Agreement or the transactions contemplated hereby based on arrangements made by it or on its behalf.

13.2 Representations and Warranties of ENDO. ENDO represents and warrants to NOVARTIS as follows:

(a) ENDO is not insolvent and will not be insolvent as a result of, or immediately following, execution of this Agreement or payment of the Upfront Payment, under any bankruptcy, receivership or insolvency law, and has been paying its debts as they become due and within vendor terms, in all material respects;

(b) ENDO has or will have cash available in sufficient amounts so as to enable it to satisfy its payment obligations hereunder as and when they become due;

(c) neither ENDO nor any of its Affiliates, nor, to ENDO's knowledge, any of their respective officers, directors, employees or agents has been (i) convicted of an offense related to any federal or state health care program; (ii) excluded or otherwise rendered ineligible for Federal or State health care program participation; (iii) debarred under Subsection (a) or (b) of Section 306 of the Act or (iv) debarred by the FDA under the provisions of the Generic Drug Enforcement Act of 1992, as amended, or any other applicable Laws; and

(d) Except for development activities pursuant to this Agreement, neither ENDO nor any of its Affiliates is itself Developing or collaborating with a Third Party to Develop any Competing Topical NSAID used to treat pain in humans to be Commercialized in the Territory.

13.3 Representations and Warranties of the NOVARTIS Parties. Each of the NOVARTIS Parties, severally and not jointly, represents and warrants to ENDO as follows:

(a) NOVARTIS AG is the owner of, or has exclusive rights to, the Product Trademark and NOVARTIS is the owner of, or has exclusive rights to, the Licensed Product NDA, in each case free and clear of liens and encumbrances that would reasonably be expected to have a material adverse effect on the rights granted to ENDO under this Agreement (a "Material Adverse Effect"). The NOVARTIS Parties have not granted rights in the Product Trademark or the Licensed Product NDA to any Third Party which are inconsistent with the rights granted to ENDO under this Agreement or would have a Material Adverse Effect;

(b) To the knowledge of the NOVARTIS Parties, each facility owned or controlled by NOVARTIS or its Affiliates and currently used in the manufacture of the Licensed Product is in compliance with all applicable Laws, except for any non-compliance that would not reasonably be expected to have a Material Adverse Effect;

(c) Neither of the NOVARTIS Parties has received any written claims challenging the ownership, validity or scope of the Product Trademark or the Licensed Product NDA

or any other NOVARTIS Technology or NOVARTIS AG Technology that would reasonably be expected to have a Material Adverse Effect. To the knowledge of the NOVARTIS Parties, no Person has any intellectual property rights in the Territory that would reasonably be expected to prevent the NOVARTIS Parties or ENDO from performing its obligations hereunder in accordance with this Agreement, in either case, in any material respect;

(d) The NOVARTIS Parties will not create, incur, or permit to exist on or to the Product Trademark or the Licensed Product NDA any lien or claim, in each case that would reasonably be expected to have a Material Adverse Effect;

(e) (i) NOVARTIS has provided ENDO, or given ENDO access to, true and complete paper or electronic copies of the NDA and material FDA correspondence relating to the NDA, provided that any information relating to the clinical programs for the Licensed Product was not disclosed or was redacted. (ii) NOVARTIS has not failed to disclose any information relating to the Licensed Product and within the control of NOVARTIS or its Affiliates requested pursuant to ENDO's due diligence request list attached hereto as Schedule 13.3(e), which failure would, to the knowledge of NOVARTIS, reasonably be expected to have a Material Adverse Effect. (iii) In Developing the Licensed Product, to its knowledge, NOVARTIS has not misappropriated any trade secret of any Third Party which misappropriation would reasonably be expected to have a Material Adverse Effect; and

(f) (f) Except as set forth on Schedule 13.3(f) and except as provided in this Agreement, neither NOVARTIS nor any of its Affiliates is Developing or collaborating with a Third Party to Develop any Competing Topical NSAID for use in treating pain in humans to be Commercialized in the Territory.

13.4 DISCLAIMER OF WARRANTIES. EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, NEITHER PARTY HERETO MAKES ANY, AND HEREBY EXPRESSLY DISCLAIMS ANY AND ALL REPRESENTATIONS, GUARANTEES, OR WARRANTIES, IMPLIED, STATUTORY OR OTHERWISE, IN CONNECTION WITH THIS AGREEMENT, THE LICENSED PRODUCT (INCLUDING THE SAFETY OR EFFICACY THEREOF) OR OTHERWISE WITH RESPECT TO THE SUBJECT MATTER HEREOF, INCLUDING ANY IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE, NON-INFRINGEMENT OR COVERAGE OF ANY PRODUCT BY OR VALIDITY OF ANY PATENTS, AND ANY AND ALL WARRANTIES THAT MAY ARISE OUT OF COURSE OF DEALING, COURSE OF PERFORMANCE, OR USAGE OF TRADE. EXCEPT AS SET FORTH IN SECTION 13.3(e)(ii) ABOVE, NEITHER NOVARTIS, ITS AFFILIATES NOR ANY OTHER PERSON SHALL HAVE OR BE SUBJECT TO ANY LIABILITY TO ENDO OR ANY OTHER PERSON RESULTING FROM THE DISTRIBUTION TO ENDO, OR ENDO'S USE OF, ANY INFORMATION, DOCUMENTS OR MATERIALS MADE AVAILABLE TO ENDO IN ANY "DATA ROOMS", MANAGEMENT

PRESENTATIONS OR IN ANY OTHER FORM IN EXPECTATION OF THE TRANSACTIONS CONTEMPLATED HEREBY.

SECTION 14
CONFIDENTIALITY

14.1 Confidential Information. Each of NOVARTIS and ENDO acknowledges that all Confidential Information provided by the other Party or its respective Affiliates is confidential or proprietary to such other Party or its respective Affiliates and agrees to (i) maintain such information in confidence during the Term of this Agreement and for a period of five (5) years thereafter and (ii) use such information solely for the purpose of performing its respective obligations hereunder. Each of NOVARTIS and ENDO covenants that neither it nor any of its respective Affiliates shall disclose any such information except to its or its Affiliates' Representatives solely for purposes of performing its obligations under this Agreement; provided, that such Representatives are subject to substantially the same confidentiality obligations as the Parties hereunder. The foregoing confidentiality obligations shall not apply to Confidential Information which is required to be disclosed to a Governmental Authority by applicable Law, in which case the disclosing Party shall promptly notify the other Party of such disclosure and the procedures, such as a protective order, instituted to protect the confidentiality of the Confidential Information to be disclosed.

14.2 Injunctive Relief. Each Party acknowledges that damages resulting from disclosure of the Confidential Information will be an inadequate remedy and that, in the event of any such disclosure or any indication of an intent to disclose such information, a Party (or its Affiliates) owning such information will be entitled to injunctive relief or other equitable relief in addition to any and all remedies available at law or in equity, including the recovery of damages and reasonable attorneys' fees.

14.3 Publicity. ENDO agrees not to issue any press releases or other non-promotion related written communications to the media, including question and answer documents and standby statements, concerning this Agreement without the prior written consent of NOVARTIS to the form, timing and content of any such release or other non-promotion related written communication except as set forth below; provided, that NOVARTIS shall have sole approval of all scientific publications, subject to the right of ENDO to review and provide comments with respect to any such publications, which NOVARTIS shall consider in good faith. ENDO shall provide NOVARTIS a reasonable opportunity (but no less than seventy-two (72) hours, except as required by Law) to review such press release or other non-promotion related written communication in order to provide its consent, which consent shall not be unreasonably withheld or delayed. NOVARTIS shall provide ENDO a reasonable opportunity (but no less than seventy-two (72) hours, except as required by Law) to review any press release or other non-promotion related written communications to the media to be issued or made by NOVARTIS with respect to this Agreement or the promotion of the Licensed Product in the Territory in order for ENDO to provide its comments with respect thereto, which will be considered by NOVARTIS in good faith but with no obligation on the part of NOVARTIS to accept. Except as required by Law or by the rules of a nationally recognized stock exchange, neither Party (or their respective Affiliates) shall disclose to any Third Party, under any circumstances, any terms of this Agreement without the prior written consent of the other Party, which consent shall not be unreasonably withheld. In the event

a disclosure is required by Law or by the rules of a nationally recognized stock exchange, the Parties shall coordinate with each other with respect to the timing, form and content of such required disclosure. In the event the Parties are unable to agree on the form or content of any such required disclosure, such disclosure shall be limited to the minimum required, as determined by the disclosing Party in consultation with its legal counsel.

SECTION 15
INDEMNITY; PRODUCT LIABILITY

15.1 Indemnity.

(a) Each Party (the "Indemnifying Party") shall indemnify and hold harmless the other Party, its Affiliates and their respective officers, directors, employees and agents (collectively, the "Indemnified Party") from and against all claims, demands, losses, liabilities, damages, fines, costs and expenses, including reasonable attorneys' fees and costs and amounts paid in settlement (collectively, "Damages"), arising out of:

(i) the negligence, recklessness, bad faith, intentional wrongful acts or omissions of the Indemnifying Party or its Affiliates or Representatives in connection with activities undertaken pursuant to this Agreement, except to the extent that Damages arise out of the negligence, recklessness, bad faith or intentional wrongful acts, or omissions committed by the Indemnified Party or its Affiliates (or, to the extent permitted under this Agreement, their respective Representatives working on their behalf); and

(ii) breach by the Indemnifying Party or its Affiliates or Representatives of the covenants and agreements of, or the representations and warranties made by it in, this Agreement.

(b) Except as otherwise provided in Section 11, the Party entitled to indemnification under this Section 15 shall notify the Party potentially responsible for such indemnification promptly of becoming aware of any claim or claims asserted or threatened against the Indemnified Party which could give rise to a right of indemnification under this Agreement; provided, however, that the failure to give such notice shall not relieve the Indemnifying Party of its indemnity obligation hereunder except to the extent that such failure materially prejudices its rights hereunder.

(c) Except as otherwise provided in Section 11, and except in connection with any claim based on actual or alleged violation of Law, the Indemnifying Party shall have the right to defend, at its sole cost and expense, such claim by all appropriate proceedings; provided, however, that the Indemnifying Party may not enter into any compromise or settlement unless (i) such compromise or settlement includes as an unconditional term thereof, the giving by the plaintiff to the Indemnified Party of a release from all liability in respect of such claim; and (ii) the Indemnified Party consents to such

compromise or settlement; provided, that such consent shall not be required if such compromise or settlement does not involve (A) any admission of legal wrongdoing by the Indemnified Party, (B) any payment by the Indemnified Party that is not indemnified hereunder or (C) the imposition of any equitable relief against the Indemnified Party.

(d) Except as otherwise provided in Section 11, the Indemnified Party may participate in, but not control, any defense or settlement of any claim controlled by the Indemnifying Party pursuant to this Section 15.1 and if such claim is being defended by the Indemnifying Party, the Indemnified Party shall bear its own costs and expenses with respect to such participation.

15.2 Product Liability.

(a) ENDO shall indemnify and hold NOVARTIS harmless, in the manner set forth in Section 15.1, for Damages arising out of or resulting from any claims, actions, suits, proceedings, hearings, investigations or demands of Third Parties that involve death or bodily injury to any individual, including any product liability actions (collectively, "Product Liability Claims"), other than any such Damages which are set forth in Section 15.2 (b).

(b) NOVARTIS shall indemnify and hold ENDO harmless, in the manner set forth in Section 15.1, for Damages arising out of or resulting from Product Liability Claims attributable to NOVARTIS' negligence, recklessness, bad faith, intentional wrongful acts, or breach of this Agreement, including the failure of any Licensed Product to meet the Specifications, the requirements of the Licensed Product NDA, GMP Requirements and/or all applicable Laws, or to a manufacturing defect.

SECTION 16
FORCE MAJEURE

16.1 Force Majeure. In the event of strikes, lock-outs, earthquakes, fires, storms, floods, wars, acts of terrorism, explosions or, in the case of NOVARTIS' obligations, unavailability of raw materials for Licensed Product due to any of the aforementioned events ("Force Majeure"), the Parties agree that, if either NOVARTIS or ENDO finds itself wholly or partially unable to fulfill its respective obligations in this Agreement by reasons of Force Majeure, the Party affected will advise the other Party in writing of its inability to perform, giving a detailed explanation of the occurrence of the event which excuses performance as soon as possible after the cause or event has occurred. If such notice is given, the performance of the Party giving the notification, except the payment of funds (subject to the provision below), shall be abated, and any time deadlines shall be extended for so long as performance may be prevented by Force Majeure. Except for the payment of funds that are or become due and payable, neither Party shall be required to make up any performance that was prevented by Force Majeure. Anything herein to the contrary notwithstanding, ENDO shall

not be obligated to make Guaranteed Minimum Royalty payments or perform its minimum Detailing and A&P commitments during the period of time that NOVARTIS is unable to meets its obligations in respect of manufacture and delivery of Licensed Products as a result of Force Majeure.

SECTION 17
TERM AND TERMINATION

17.1 Term.

(a) The term of this Agreement shall begin on the Execution Date and expire at the end of the fifth (5th) Agreement Year, unless extended in accordance with this subsection (a) or sooner terminated as provided in this Agreement (the "Initial Term"). The term of this Agreement shall be extended for a period of one (1) year (each, a "Renewal Term") at the expiration of the Initial Term and each Renewal Term, as applicable, unless (i) ENDO shall provide written notice of non-renewal to NOVARTIS at least six (6) months prior to the expiration of the Initial Term or the first Renewal Term, as applicable, or (ii) either Party shall provide written notice of non-renewal to the other Party at least six (6) months prior to the expiration of any Renewal Term after the first Renewal Term.

(b) As used herein, the "Term of this Agreement" shall mean the Initial Term and the Renewal Terms, if any.

17.2 Automatic Termination. This Agreement shall automatically terminate upon the Launch in the Territory of any OTC Equivalent Product by NOVARTIS, its Affiliates or a Third Party that results in the declassification of the Licensed Product as an Rx Product.

17.3 Termination. This Agreement shall be terminable forthwith upon reasonable written notice, if one or more of the following events should occur:

(a) by either Party, if the other Party commits a material breach of this Agreement, which breach shall not have been remedied within (i) ninety (90) days from the giving of written notice requiring such breach (other than a payment default) to be remedied if such breach is capable of being cured during such ninety (90) day period, or (ii) thirty (30) days from the giving of notice by either Party to the other of default by the other Party in any payment required under this Agreement;

(b) without limiting the foregoing, ENDO's failure to deliver at least fifty percent (50%) of the minimum Details or Primary Details to Target Prescribers in accordance with Section 4.4(b) in any Agreement Semester (taking into account ENDO's right to cure any such shortfall in the next Agreement Quarter) shall constitute a valid basis for NOVARTIS to terminate this Agreement pursuant to Section 17.3(a);

(c) by ENDO, by written notice on or after the Launch in the Territory of a Generic Diclofenac Product;

(d) by ENDO, by written notice given on or after the Launch in the Territory of an OTC Equivalent Product that does not result in the declassification of the Licensed Product as an Rx Product (i) by NOVARTIS or its Affiliates, or (ii) by any Third Party, if, in the case of (ii), (I) at the expiration of the OTC Launch Six Month Reference Period, Net Sales of the Licensed Product have declined, as compared to Net Sales during the six month period before such Launch, by twenty five percent (25%) or more, or (II) at the expiration of either of the OTC Launch Three Month Reference Periods, Net Sales for such OTC Launch Three Month Reference Period have declined, as compared to Net Sales during the three calendar month period before such Launch, by twenty five percent (25%) or more, or if at the last day of the OTC Launch Three Month Reference Period, the number of "covered lives" eligible for third party reimbursement in respect to purchases of Licensed Product as referenced by the Managed Markets Information Service in its most recent report have declined by twenty five percent (25%) or more as compared to the number of "covered lives" immediately prior to such Launch;

(e) by ENDO in the event that, following the Regulatory Exclusivity Period, Net Sales in any Agreement Semester are less than $25,000,000;

(f) by NOVARTIS, by written notice given on or after the Launch in the Territory of an OTC Equivalent Product by NOVARTIS, its Affiliates or any Third Party that does not result in the declassification of the Licensed Product as an Rx Product, following which Net Sales in any Agreement Semester are less than $25,000,000;

(g) by ENDO in the event that (i) the Licensed Product becomes subject to a validated safety signal of significant concerns regarding patient safety with respect to the Licensed Product, or (ii) either Party receives notice from a Governmental Authority, independent review committee, data safety monitoring board or another similar clinical trial or post-marketing monitoring body concluding significant concern regarding a patient safety issue with respect to the Licensed Product, in the case of (i) or (ii) which would reasonably be expected to seriously impact the long-term viability of the Licensed Product;

(h) by either Party, if the other Party becomes incapable, for a period of one hundred and eighty (180) days, of performing any of its material obligations under this Agreement because of Force Majeure, despite such adversely affected Party's commercially reasonable efforts to perform;

(i) by either Party, if the other Party commences a voluntary case or other proceeding seeking liquidation, reorganization or other relief with respect to itself or its debts under any bankruptcy, insolvency or other similar Law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian or similar official of it or of any substantial part of its property, or shall consent to any such relief or

to the appointment of or taking possession by any such official in an involuntary case or other proceeding commenced against it, or shall make a general assignment for the benefit of creditors, or shall fail generally to pay its debts as they become due, or shall take any corporate action to authorize any of the foregoing;

(j) by either Party, if the other Party has an involuntary case or other proceeding commenced against it seeking liquidation, reorganization or other relief with respect to it or its debts under any bankruptcy, insolvency or other similar Law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or any substantial part of its property, and such involuntary case or other proceeding remains undismissed and unstayed for a period of ninety (90) days; or an order for relief is entered against such Party under applicable bankruptcy Laws as now or hereafter in effect;

(k) by either Party, if the other Party is unable to pay its debts as they become due, has explicitly or implicitly suspended payment of any debts as they become due (except debts contested in good faith), or if the creditors of such Party have taken over its management; and

(l) by ENDO after the Initial Term, upon one hundred eighty (180) days' prior written notice to NOVARTIS.

17.4 Survival of Obligations. Notwithstanding any expiration or termination of this Agreement, (a) neither NOVARTIS nor ENDO shall be relieved of any liabilities or obligations incurred by such Party prior to such termination, (b) Sections 2.3, 4.4(c) (with respect to any shortfall in minimum Details prior to expiration or termination and ENDO's right to recoup any overpayment in the event that any such shortfall has been satisfied in accordance with this Agreement), 5 (to the extent applicable to Section 17.5(b)), 5.10 (with respect to each Party's reporting obligations with respect to matters occurring prior to the expiration or termination), 6.1 through 6.4, 7.2(a) (to the extent applicable to Section 17.5(b)), 8.1(b) and (c) (solely with respect to NOVARTIS' switch rights and access to data from clinical studies), 9.2, 11, 12, 14, 15, 17.4, 17.5, 17.6, 18 (only insofar as such Section relates to the obligations of the Parties prior to such termination or expiration), 19 and 20 shall survive any expiration or termination of this Agreement, and (c) in the event that this Agreement is terminated by NOVARTIS under Section 17.3(a) or (b), then Section 10.2 (Non-Compete) shall survive in respect to ENDO for the balance of the Initial Term.

17.5 Effect of Expiration or Termination.

(a) General. Notwithstanding any other rights or obligations a Party or its Affiliates may have under this Agreement or under Law, except as otherwise provided herein, upon expiration or termination of this Agreement, all rights and licenses granted by NOVARTIS to ENDO and its Affiliates and all rights and licenses granted by ENDO to NOVARTIS and its Affiliates hereunder shall terminate and revert to the Party granting such rights and all of the Parties' obligations under this Agreement shall, except as specifically provided in Section 17.4 or 17.5, cease, terminate and be of

no further force and effect from and after the effective date of expiration or termination. The Parties and their Affiliates shall cooperate in informing relevant Governmental Authorities of the cessation of ENDO's activities in relation to the Licensed Product. In addition, the Parties shall, and shall ensure that their respective Affiliates, promptly return or destroy (subject to written certification of the latter) to the other Party all written Confidential Information, and all copies thereof (except one copy which may be kept for record-keeping purposes only), belonging to such other Party.

(b) Supply Obligations. Following expiration or termination of this Agreement, ENDO shall continue to be responsible for all returns, rebates, refunds, chargebacks, open purchase orders, any applicable disposal costs and other payments or obligations in respect of Licensed Product sold during the Term of this Agreement. Subject to the terms and conditions of this Agreement, including Section 5, NOVARTIS shall provide sufficient Licensed Product to ENDO in order to allow ENDO to meet the requirements of all open purchase orders. For a period of up to six (6) months following expiration or termination of this Agreement, to the extent permitted by applicable Law, ENDO shall be permitted to sell Licensed Product, subject to paying royalties under Section 7.2(a), to fulfill such open purchase orders and otherwise to sell off its inventory, including that purchased pursuant to the next sentence. In addition, upon the written request of NOVARTIS made within thirty (30) days of the expiration of the Term, ENDO shall purchase from Novartis (i) all Licensed Product then held in inventory by NOVARTIS or its Affiliates for sale in the Territory, at the price set forth in Section 5.9(a) and (ii) all raw materials and other components held in inventory by NOVARTIS or its Affiliates for use in connection with the manufacture of Licensed Product for sale in the Territory, at cost, to the extent such items relate to binding purchase orders from customers and reasonable levels of safety stock.

(c) Assignment of CSO. To the extent requested by NOVARTIS, ENDO shall cause any contracts with approved Contract Sales Organizations to be assigned to NOVARTIS effective upon expiration or termination of this Agreement and shall provide full transition cooperation to NOVARTIS.

17.6 Remedies. Except as otherwise expressly set forth in this Agreement, the termination provisions of this Section 17 are in addition to any other relief and remedies available to either Party at law in equity or otherwise.

SECTION 18
INSURANCE

18.1 ENDO and NOVARTIS shall each at its own expense obtain and maintain insurance of the type and amount described in this Section 18. Neither Party shall do or omit to do any act, matter or thing which could prejudice or render voidable any such insurance. The insurance obligations hereunder may be met by a program of self-insurance.

The Parties agree that each will maintain during the performance of this Agreement the following insurance in amounts no less than that specified for each type:

(a) General liability insurance with combined limits of not less than $1,000,000 per occurrence and $1,000,000 per accident for bodily injury, including death and property damage;

(b) Worker's compensation and disability insurance in the amount required by the Law of the State in which the Party's employees are located and employers liability insurance with limits of not less than $1,000,000 per occurrence;

(c) Auto liability insurance with combined limits of not less than $1,000,000 per occurrence and $1,000,000 per accident for bodily injury, including death and property damage; and

(d) Excess liability insurance with combined limits of not less than $3,000,000 per occurrence and $3,000,000 per accident for bodily injury, including death and property damage.

Each Party will provide to the other Party evidence of its insurance and not less than thirty (30) days prior written notice of any cancellation of its coverage or reduction in coverage from the requirements stated herein.

SECTION 19
NON-SOLICITATION OF EMPLOYEES

19.1 Non-Solicitation of Employees. During the Term of this Agreement, and for a period of one (1) year following the expiration or termination thereof, NOVARTIS AG, NOVARTIS, ENDO and ENDO's Affiliates shall not, directly or indirectly, recruit or solicit any employee of the other Party or its Affiliates with whom such Party has (i) come into contact with, (ii) learned of, or (iii) interacted with, in each case in connection with activities undertaken in connection with this Agreement, without the prior written consent of the other Party, except pursuant to general solicitation not targeted at such employees.

SECTION 20
MISCELLANEOUS

20.1 Governing Law. This Agreement shall be governed by and construed in accordance with the Laws of the State of New York, without regard to the conflict of laws principles thereof.

20.2 Jurisdiction. Any disputes between the Parties relating to this Agreement shall be subject to the exclusive jurisdiction and venue of the federal courts located in the Southern District of New York (without restricting any right of appeal), and the Parties hereby waive any

objection which they may have now or hereafter to the laying of venue of any proceedings in such courts and to any claim that such proceedings have been brought in an inconvenient forum, and further agree that a judgment or order in any such proceedings shall be binding upon each of them and may be enforced in the courts of any other jurisdiction.

20.3 Waiver. Waiver by a Party of a breach hereunder by the other Party shall not be construed as a waiver of any succeeding breach of the same or any other provision. No delay or omission by a Party in exercising or availing itself of any right, power or privilege hereunder shall preclude the later exercise of any such right, power or privilege by such Party. No waiver shall be effective unless made in writing with specific reference to the relevant provision(s) of this Agreement and signed by a duly authorized representative of the Party granting the waiver.

20.4 Notices. All notices required or permitted hereunder shall be given in writing and sent by confirmed facsimile transmission, or mailed postage prepaid by certified or registered mail (return receipt requested), or sent by a nationally recognized express courier service, or hand-delivered at the following address:

If to NOVARTIS AG:

Novartis, AG
Lichtstrasse 35
CH-4056 Basel
Switzerland
Facsimile: 41 61 3247826
Attention: General Counsel

With a copy to:

Novartis Consumer Health, Inc.
200 Kimball Drive
Parsippany, NJ 07054-0622
Facsimile: (973) 503-8450
Attention: General Counsel

If to NOVARTIS:

Novartis Consumer Health, Inc.
200 Kimball Drive
Parsippany, NJ 07054-0622
Facsimile: 973-503-8458
Attention: General Counsel

With a copy to:

Novartis Consumer Health, Inc.
200 Kimball Drive
Parsippany, NJ 07054-0622
Facsimile: (973) 503-8450
Attention: General Counsel

If to ENDO:

ENDO Pharmaceuticals Inc.
100 Endo Boulevard
Chadds Ford, PA 19317
Attention: Chief Legal Officer
FAX (610) 558-9684

All notices shall be deemed made upon receipt by the addressee as evidenced by the applicable written receipt.

20.5 Entire Agreement; Confidentiality Agreement. This Agreement (including the Exhibits and Schedules) contains the complete understanding of the Parties with respect to the subject matter hereof and supersedes all prior understandings and writings relating to the subject matter hereof. The Parties acknowledge and agree that, as of the Execution Date, all Confidential Information disclosed by a Party or its Affiliates pursuant to the Confidentiality Agreement between the Parties dated December 6, 2007 shall be included in the Confidential Information subject to this Agreement and such Confidentiality Agreement shall terminate and have no further force or effect as between the Parties or their Affiliates; provided, that the foregoing shall not relieve any Person of any right or obligation accruing under the Confidentiality Agreement prior to the Execution Date.

20.6 Amendments. No provision in this Agreement shall be supplemented, deleted, amended or waived except in a writing executed by NOVARTIS and ENDO.

20.7 Headings. Headings in this Agreement are for convenience of reference only and shall not be considered in construing this Agreement.

20.8 Severability. If any provision of this Agreement is held unenforceable by a court or tribunal of competent jurisdiction because it is invalid or conflicts with any Law of any relevant jurisdiction, the validity of the remaining provisions shall not be affected. The Parties shall negotiate a substitute provision that, to the extent possible, accomplishes the original business purpose of the Parties.

20.9 Assignment. Except as otherwise expressly provided herein, neither this Agreement nor any of the rights or obligations hereunder may be assigned by either Party without the prior written consent of the other Party, which consent shall not be unreasonably withheld.

Notwithstanding the first sentence of this Section 20.9, either Party may assign this Agreement (i) to any Affiliate of such Party or (ii) to any other Person who acquires all or substantially all of the business of the assigning Party by merger, sale of assets or otherwise, provided, that, the Affiliate or acquiring Person affirmatively assumes and agrees in writing to perform and comply with all of the obligations of such Party under this Agreement as they apply to such Party and its Affiliates, and in the case of (ii) only provides a copy thereof to the other Party upon consummation of such transaction. The assigning Party shall remain liable hereunder notwithstanding any such assignment. Any attempted assignment in violation hereof shall be void.

20.10 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and permitted assigns.

20.11 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

20.12 Third-Party Beneficiaries. Except as expressly provided in Section 15.1, none of the provisions of this Agreement shall be for the benefit of or enforceable by any Third Party including any creditor of any Party hereto. No such Third Party shall obtain any right under any provision of this Agreement or shall by reason of any such provision make any claim in respect of any debt, liability or obligation (or otherwise) against any Party hereto.

20.13 Relationship of the Parties; Tax Treatment. Each Party shall bear its own costs incurred in the performance of its obligations hereunder without charge or expense to the other except as expressly provided in this Agreement. Neither NOVARTIS nor ENDO shall have any responsibility for the hiring, termination or compensation of the other Party's employees or for any employee compensation or benefits of the other Party's employees. No employee or representative of a Party shall have any authority to bind or obligate the other Party to this Agreement for any sum or in any manner whatsoever, or to create or impose any contractual or other liability on the other Party without said Party's approval. For all purposes, and notwithstanding any other provision of this Agreement to the contrary, ENDO's legal relationship under this Agreement to NOVARTIS shall be that of independent contractor. Nothing in this Agreement shall be construed to establish a relationship of partners or joint venturers. This Agreement shall not be construed, nor will either Party construe it, as a partnership for tax purposes.

20.14 Specific Performance. Each of the Parties acknowledges and agrees that the other Party may be damaged irreparably in the event any of the provisions of this Agreement are not performed in all material respects or otherwise are breached. Accordingly, and notwithstanding anything herein to the contrary, each of the Parties agrees that the other Party will be entitled to injunctive relief to prevent breaches of the provisions of this Agreement, and/or to enforce specifically this Agreement and the terms and provisions hereof, in any action instituted in any court or tribunal having jurisdiction over the Parties and the matter, without posting any bond or other security, and that such injunctive relief

shall be in addition to any other remedies to which such Party may be entitled, at law or in equity.

20.15 Further Assurances and Actions. Each of the Parties hereto, upon the request of the other Party hereto, shall, without further consideration, do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered all such further acts, deeds, documents, assignments, transfers, conveyances, powers of attorney and assurances as may be reasonably necessary to effectuate any of the provisions of this Agreement.

20.16 LIMITATION OF DAMAGES. IN NO EVENT SHALL ENDO OR NOVARTIS BE LIABLE FOR SPECIAL, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES (INCLUDING LOSS OF PROFITS) SUFFERED BY THE OTHER PARTY, EXCEPT FOR ANY SUCH DAMAGES PAID TO A THIRD PARTY AS PART OF A THIRD-PARTY CLAIM, PROVIDED, THAT THE FOREGOING SHALL NOT PRECLUDE A PARTY FROM SEEKING ANY SUCH DAMAGES RESULTING FROM FRAUD (INCLUDING ANY WILLFUL MISREPRESENTATION, WILLFUL MISCONDUCT OR WILLFUL CONCEALMENT BY A PARTY) AND/OR WILLFUL BREACH.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, NOVARTIS AG, NOVARTIS and ENDO have caused this Agreement to be executed by their duly authorized representatives as of the day and year first above written.

NOVARTIS, AG

By: /s/ Peter Rupprecht
Name: Peter Rupprecht
Title: Authorized Signatory

By: /s/ Paul David Burns
Name: Paul David Burns
Title: Authorized Signatory

NOVARTIS CONSUMER HEALTH, INC.

By: /s/ Larry P. Allgaier
Name: Larry P. Allgaier
Title: OTC CEO

ENDO PHARMACEUTICALS INC.

By: /s/ Nancy J. Wysenski
Name: Nancy J. Wysenski
Title: Chief Operating Officer

[Signature Page to License and Supply Agreement]

SUPPLEMENTAL INDENTURE

SUPPLEMENTAL INDENTURE (this "*Supplemental Indenture*"), dated as of September 30, 2015, among Par Pharmaceutical Companies, Inc., a Delaware corporation, Par Pharmaceutical, Inc., a Delaware corporation, Anchen Incorporated, a Delaware corporation, Par, Inc., a Delaware corporation, Anchen Pharmaceuticals, Inc., a California corporation, JHP Group Holdings, Inc., a Delaware corporation, JHP Acquisition, LLC, a Delaware limited liability company, Par Sterile Products, LLC, a Delaware limited liability company, Kali Laboratories, Inc., a New Jersey corporation, Innoteq, Inc., a Connecticut corporation, Par Laboratories Europe, Ltd., a company organized under the laws of the United Kingdom and Endo Finance IV Limited, a private limited company incorporated under the laws of Ireland (each, a "*Guaranteeing Subsidiary*" and collectively, the "*Guaranteeing Subsidiaries*"), subsidiaries of Endo Designated Activity Company, a private limited company incorporated under the laws of Ireland (the "*Company*"), the Issuers, the other Guarantors (both, as defined in the Indenture referred to below) and Wells Fargo Bank, National Association, as trustee under the Indenture referred to below (the "*Trustee*").

W I T N E S S E T H

WHEREAS, Endo Finance LLC, a Delaware limited liability company, and Endo Finco Inc., a Delaware corporation, have heretofore executed and delivered to the Trustee an indenture, dated as of May 6, 2014, as supplemented by a supplemental indenture, dated as of May 28, 2014, a supplemental indenture, dated as of July 10, 2014, a supplemental indenture, dated as of August 11, 2014, a supplemental indenture, dated as of December 22, 2014, a supplemental indenture, dated as of February 3, 2015, a supplemental indenture, dated as of March 20, 2015, a supplemental indenture, dated as of March 27, 2015, a supplemental indenture, dated as of June 24, 2015, and a supplemental indenture, dated as of July 9, 2015, in each case, among the Issuers, the Guarantors party thereto and the Trustee (as so supplemented, the "*Indenture*"), providing for the issuance of 7.00% Senior Notes due 2020 (the "*Notes*");

WHEREAS, the Indenture provides that under certain circumstances the Guaranteeing Subsidiaries shall execute and deliver to the Trustee a supplemental indenture pursuant to which the Guaranteeing Subsidiaries shall unconditionally guarantee all of the Issuers' Obligations under the Notes and the Indenture on the terms and conditions set forth herein (the "*Note Guarantee*");

WHEREAS, this Supplemental Indenture has not resulted in a material modification of the Notes for Foreign Account Tax Compliance Act purposes; and

WHEREAS, pursuant to Section 9.01 of the Indenture, the Trustee is authorized to execute and deliver this Supplemental Indenture.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the Guaranteeing Subsidiaries and the Trustee mutually covenant and agree for the equal and ratable benefit of the Holders of the Notes as follows:

1. CAPITALIZED TERMS. Capitalized terms used herein without definition shall have the meanings assigned to them in the Indenture.

2. AGREEMENT TO GUARANTEE. Each of the Guaranteeing Subsidiaries hereby agrees to provide an unconditional Guarantee on the terms and subject to the conditions set forth in the Note Guarantee and in the Indenture including but not limited to Article 10 thereof.

3. NO RECOURSE AGAINST OTHERS. No director, officer, employee, incorporator or stockholder of the Issuers or any Guarantor, as such, will have any liability for any obligations of the Issuers or the Guarantors under the Notes, the Indenture, this Supplemental Indenture, the Note Guarantees or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each Holder of Notes by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes. The waiver may not be effective to waive liabilities under the federal securities laws.

4. NEW YORK LAW TO GOVERN; WAIVER OF JURY TRIAL. THIS SUPPLEMENTAL INDENTURE SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK. EACH OF THE ISSUERS AND THE GUARANTORS CONSENTS AND IRREVOCABLY SUBMITS TO THE JURISDICTION OF ANY NEW YORK STATE OR U.S. FEDERAL COURT LOCATED IN THE BOROUGH OF MANHATTAN, CITY OF NEW YORK, COUNTY OF NEW YORK, STATE OF NEW YORK IN RELATION TO ANY LEGAL ACTION OR PROCEEDING (I) ARISING OUT OF, RELATING TO OR IN CONNECTION WITH THIS INDENTURE, AS SUPPLEMENTED, THE NOTES, THE GUARANTEES AND ANY RELATED DOCUMENTS AND/OR (II) ARISING UNDER ANY U.S. FEDERAL OR U.S. STATE SECURITIES LAWS IN RESPECT OF THE NOTES, THE GUARANTEES AND ANY SECURITIES ISSUED PURSUANT TO THE TERMS OF THE INDENTURE, AS SUPPLEMENTED. EACH OF THE ISSUERS AND THE GUARANTORS WAIVES ANY OBJECTION TO PROCEEDINGS IN ANY SUCH COURTS, WHETHER ON THE GROUND OF VENUE OR ON THE GROUND THAT THE PROCEEDINGS HAVE BEEN BROUGHT IN AN INCONVENIENT FORUM. EACH OF THE ISSUERS AND THE GUARANTORS, TO THE EXTENT ORGANIZED OUTSIDE OF THE UNITED STATES, SHALL APPOINT CT CORPORATION SYSTEM, 111 EIGHTH AVENUE, 13TH FLOOR, NEW YORK, NY 10011, AS ITS AGENT FOR SERVICE OF PROCESS IN ANY SUCH SUIT, ACTION OR PROCEEDING AND AGREES THAT SERVICE OF PROCESS UPON SAID AUTHORIZED AGENT SHALL BE DEEMED IN EVERY RESPECT EFFECTIVE SERVICE OF PROCESS UPON IT IN ANY SUCH SUIT, ACTION OR PROCEEDING. EACH OF THE ISSUERS AND THE GUARANTORS AGREES TO DELIVER, UPON THE EXECUTION AND DELIVERY OF THIS SUPPLEMENTAL INDENTURE, A WRITTEN ACCEPTANCE BY SUCH AGENT OF ITS APPOINTMENT AS SUCH AGENT. EACH OF THE ISSUERS AND THE GUARANTORS, TO THE EXTENT ORGANIZED OUTSIDE OF THE UNITED STATES, FURTHER AGREES TO TAKE ANY AND ALL ACTION, INCLUDING THE FILING OF ANY AND ALL SUCH DOCUMENTS AND INSTRUMENTS, AS MAY BE REASONABLY NECESSARY TO CONTINUE SUCH DESIGNATION AND APPOINTMENT OF CT CORPORATION SYSTEM IN FULL FORCE AND EFFECT FOR SO LONG AS THE INDENTURE, AS SUPPLEMENTED, REMAINS IN FORCE. EACH OF THE ISSUERS, THE TRUSTEE AND THE GUARANTORS HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS SUPPLEMENTAL INDENTURE, THE NOTES OR THE TRANSACTIONS CONTEMPLATED HEREBY.

5. COUNTERPARTS. The parties may sign any number of copies of this Supplemental Indenture. Each signed copy (which may be provided via facsimile or other electronic transmission) shall be an original, but all of them together represent the same agreement.

6. EFFECT OF HEADINGS. The Section headings herein are for convenience only and shall not affect the construction hereof.

7. THE TRUSTEE. The Trustee shall not be responsible in any manner whatsoever for or in respect of the validity or sufficiency of this Supplemental Indenture or for or in respect

of the recitals contained herein, all of which recitals are made solely by the Guaranteeing Subsidiaries and the Issuers.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties hereto have caused this Supplemental Indenture to be duly executed and attested, all as of the date first above written.

PAR PHARMACEUTICAL COMPANIES, INC.
as a Guaranteeing Subsidiary

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

PAR PHARMACEUTICAL, INC.
as a Guaranteeing Subsidiary

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

ANCHEN INCORPORATED
as a Guaranteeing Subsidiary

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

PAR, INC.
as a Guaranteeing Subsidiary

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

JHP GROUP HOLDINGS, INC
as a Guaranteeing Subsidiary

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

JHP ACQUISITION, LLC
as a Guaranteeing Subsidiary
by JHP GROUP HOLDINGS, ING, as Manager

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

PAR STERILE PRODUCTS, LLC
as a Guaranteeing Subsidiary
by JHP ACQUISITION, LLC, as Manager
by JHP GROUP HOLDINGS, INC., its manager

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

[Signature Page to 7.00% Senior Notes due 2020 Supplemental Indenture]

ANCHEN PHARMACEUTICALS, INC
as a Guaranteeing Subsidiary

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

[Signature Page to 7.00% Senior Notes due 2020 Supplemental Indenture]

KALI LABORATORIES, INC.
as a Guaranteeing Subsidiary

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

[Signature Page to 7.00% Senior Notes due 2020 Supplemental Indenture]

INNOTEQ, INC.
as a Guaranteeing Subsidiary

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

[Signature Page to 7.00% Senior Notes due 2020 Supplemental Indenture]

PAR LABORATORIES EUROPE, LTD
as a Guaranteeing Subsidiary

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

[Signature Page to 7.00% Senior Notes due 2020 Supplemental Indenture]

ENDO FINANCE IV LIMITED
as a Guaranteeing Subsidiary

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

[Signature Page to 7.00% Senior Notes due 2020 Supplemental Indenture]

ENDO FINANCE LLC
as an Issuer
by ENDO LUXEMBOURG FINANCE COMPANY I S.À R.L., its sole member

By: /s/ John D. Boyle
Name: John D. Boyle
Title: A Manager

By: /s/ Joost Tulkens
Name: Joost Tulkens
Title: B Manager

[Signature Page to 7.00% Senior Notes due 2020 Supplemental Indenture]

ENDO FINCO INC.
as an Issuer

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Secretary

[Signature Page to 7.00% Senior Notes due 2020 Supplemental Indenture]

ENDO LLC
ENDO U.S. INC.
each, as a Guarantor

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Secretary

[Signature Page to 7.00% Senior Notes due 2020 Supplemental Indenture]

DAVA PHARMACEUTICALS, INC.
ENDO HEALTH SOLUTIONS, INC.
ENDO PHARMACEUTICALS INC.
ENDO PHARMACEUTICALS SOLUTIONS INC.
ENDO PHARMACEUTICALS VALERA INC.
GENERICS INTERNATIONAL (US PARENT), INC.
GENERICS INTERNATIONAL (US MIDCO), INC.
GENERICS INTERNATIONAL (US HOLDO), INC.
GENERICS INTERNATIONAL (US), INC.
AMERICAN MEDICAL SYSTEMS HOLDINGS, INC.each, as a Guarantor

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

[Signature Page to 7.00% Senior Notes due 2020 Supplemental Indenture]

GENERICS BIDCO I, LLC
VINTAGE PHARMACEUTICALS, LLC
GENERICS BIDCO II, LLC
MOORES MILL PROPERTIES LLC
WOOD PARK PROPERTIES LLC
QUARTZ SPECIALITY PHARMACEUTICALS, LLC
each as a Guarantor
by GENERICS INTERNATIONAL (US), INC.,
its manager

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

[Signature Page to 7.00% Senior Notes due 2020 Supplemental Indenture]

LEDGEMENT ROYALTY SUB LLC
each as a Guarantor
by ENDO PHARMACEUTICALS SOLUTIONS INC.,
its manager

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

[Signature Page to 7.00% Senior Notes due 2020 Supplemental Indenture]

DAVA International, LLC
as a Guarantor
by DAVA PHARMACEUTICALS, INC.,
its sole member

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

DAVA CAPITAL MANAGEMENT, INC.
as a Guarantor

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

AUXILIUM INTERNATIONAL HOLDINGS, INC.
as a Guarantor

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

SLATE PHARMACEUTICALS, INC.
as a Guarantor

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

TIMM MEDICAL TECHNOLOGIES, INC.
as a Guarantor

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

ACTIENT PHARMACEUTICALS LLC
as a Guarantor

By: AUXILIUM PHARMACEUTICALS, INC.,
its manager

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

ACTIENT THERAPEUTICS LLC
as a Guarantor

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

AUXILIUM US HOLDINGS, LLC
as a Guarantor

By: AUXILIUM PHARMACEUTICALS, INC.,
its manager

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

AUXILIUM PHARMACEUTICALS, INC.
as a Guarantor

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

70 MAPLE AVENUE, LLC
as a Guarantor

By: ACTIENT PHARMACEUTICALS LLC,
its manager

By: AUXILIUM PHARMACEUTICALS, INC
its manager

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

TIMM MEDICAL HOLDINGS, LLC
its Guarantor

By: ACTIENT PHARMACEUTICALS LLC,
its manager

By: AUXILIUM PHARMACEUTICALS, INC.
its manager

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

APHRODITE WOMEN'S HEALTH, LLC
as a Guarantor

By: AMERICAN MEDICAL SYSTEMS HOLDINGS, INC.,
its manager

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

[Signature Page to 7.00% Senior Notes due 2020 Supplemental Indenture]

ENDO DESIGNATED ACTIVITY COMPANY
as a Guarantor

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

ENDO VENTURES LIMITED
as a Guarantor

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

ENDO MANAGEMENT II LIMITED
as a Guarantor

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

ENDO FINANCE LIMITED
as a Guarantor

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

ENDO FINANCE II LIMITED
as a Guarantor

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

ENDO FINANCE III LIMITED
as a Guarantor

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

HAWK ACQUISITION IRELAND LIMITED
as a Guarantor

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

ENDO TOPFIN LIMITED
as a Guarantor

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

ENDO IRELAND FINANCE LIMITED
as a Guarantor

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

[Signature Page to 7.00% Senior Notes due 2020 Supplemental Indenture]

PALADIN LABS CANADIAN HOLDING INC.
as a Guarantor

By: /s/ Mark Beaudet
Name: Mark Beaudet
Title: President

PALADIN LABS INC.
as a Guarantor

By: /s/ Mark Beaudet
Name: Mark Beaudet
Title: President

[Signature Page to 7.00% Senior Notes due 2020 Supplemental Indenture]

ENDO VENTURES BERMUDA LIMITED
as a Guarantor

By: /s/ Susan Hall
Name: Susan Hall
Title: Director

ENDO GLOBAL VENTURES
as a Guarantor

By: /s/ Susan Hall
Name: Susan Hall
Title: Director

HAWK ACQUISITION ULC
as a Guarantor

By: /s/ Laurence S. Smith
Name: Laurence S. Smith
Title: Director

ENDO BERMUDA FINANCE LIMITED
as a Guarantor

By: /s/ Robert J. Cobuzzi.
Name: Robert J. Cobuzzi.
Title: Director

ENDO NETHERLANDS B.V.
as a Guarantor

By: /s/ Robert J. Cobuzzi.
Name: Robert J. Cobuzzi.
Title: Managing Director A

By: /s/ Gert Jan Rietberg
Name: Gert Jan Rietberg
Title: Managing Director B

[Signature Page to 7.00% Senior Notes due 2020 Supplemental Indenture]

ENDO VENTURES CYPRUS LIMITED
as a Guarantor

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

[Signature Page to 7.00% Senior Notes due 2020 Supplemental Indenture]

AUXILIUM UK LTD
as a Guarantor

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

[Signature Page to 7.00% Senior Notes due 2020 Supplemental Indenture]

ENDO LUXEMBOURG HOLDING COMPANY S.À R.L.
as a Guarantor

By: /s/ John D. Boyle
Name: John D. Boyle
Title: A Manager

By: /s/ Joost Tulkens
Name: Joost Tulkens
Title: B Manager

ENDO LUXEMBOURG FINANCE COMPANY I S.À R.L.
as a Guarantor

By: /s/ John D. Boyle
Name: John D. Boyle
Title: A Manager

By: /s/ Joost Tulkens
Name: Joost Tulkens
Title: B Manager

ENDO LUXEMBOURG FINANCE COMPANY II S.À R.L.
as a Guarantor

By: /s/ John D. Boyle
Name: John D. Boyle
Title: A Manager

By: /s/ Joost Tulkens
Name: Joost Tulkens
Title: B Manager

ENDO US HOLDINGS LUXEMBOURG I HOLDING COMPANY S.À R.L.
as a Guarantor

By: /s/ John D. Boyle
Name: John D. Boyle
Title: A Manager

By: /s/ Joost Tulkens
Name: Joost Tulkens
Title: B Manager

ENDO US HOLDINGS LUXEMBOURG II S.À R.L.
as a Guarantor

By: /s/ John D. Boyle
Name: John D. Boyle
Title: A Manager

By: /s/ Joost Tulkens
Name: Joost Tulkens
Title: B Manager

[Signature Page to 7.00% Senior Notes due 2020 Supplemental Indenture]

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as a Trustee

By: /s/ Yana Kislenko
Name: Yana Kislenko
Title: Vice President

Exhibit 10.301

Counterpart to Registration Rights Agreement

September 30, 2015

Each of the undersigned hereby absolutely, unconditionally and irrevocably agrees as a Guarantor, as defined in the Registration Rights Agreement, dated May 6, 2014 by and among Endo Finance LLC, a Delaware limited liability company and Endo Finco Inc., a Delaware corporation, the Guarantors party thereto, RBC Capital Markets, LLC and Deutsche Bank Securities Inc., relating to the 7.00% Senior Notes due 2020, to be bound by the terms and provisions of such Registration Rights Agreement.

[Signature Pages Follow]

IN WITNESS WHEREOF, each of the undersigned has executed this counterpart as of the date first written above.

PAR PHARMACEUTICAL COMPANIES, INC.
as a Guaranteeing Subsidiary

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

PAR PHARMACEUTICAL, INC.
as a Guaranteeing Subsidiary

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

ANCHEN INCORPORATED
as a Guaranteeing Subsidiary

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

PAR, INC.
as a Guaranteeing Subsidiary

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

JHP GROUP HOLDINGS, INC.
as a Guaranteeing Subsidiary

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

JHP ACQUISITION, LLC
as a Guaranteeing Subsidiary
by JHP GROUP HOLDINGS, INC., as Manager

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

PAR STERILE PRODUCTS, LLC
as a Guaranteeing Subsidiary
by JHP ACQUISITION, LLC, as Manager
by JHP GROUP HOLDINGS, INC., its manager

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

PAR, INC.
as a Guaranteeing Subsidiary

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

ANCHEN PHARMACEUTICALS, INC.
as a Guaranteeing Subsidiary

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

[Signature Page to Registration Rights Agreement Counterpart - 7.00% Senior Notes due 2020]

KALI LABORATORIES, INC.
as a Guaranteeing Subsidiary

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

[Signature Page to Registration Rights Agreement Counterpart - 7.00% Senior Notes due 2020]

INNOTEQ, INC.
as a Guaranteeing Subsidiary

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

[Signature Page to Registration Rights Agreement Counterpart - 7.00% Senior Notes due 2020]

PAR LABORATORIES EUROPE, LTD
as a Guaranteeing Subsidiary

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

[Signature Page to Registration Rights Agreement Counterpart - 7.00% Senior Notes due 2020]

ENDO FINANCE IV LIMITED
as a Guaranteeing Subsidiary

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

[Signature Page to Registration Rights Agreement Counterpart - 7.00% Senior Notes due 2020]

SUPPLEMENTAL INDENTURE

SUPPLEMENTAL INDENTURE (this "*Supplemental Indenture*"), dated as of September 30, 2015, among Par Pharmaceutical Companies, Inc., a Delaware corporation, Par Pharmaceutical, Inc., a Delaware corporation, Anchen Incorporated, a Delaware corporation, Par, Inc., a Delaware corporation, Anchen Pharmaceuticals, Inc., a California corporation, JHP Group Holdings, Inc., a Delaware corporation, JHP Acquisition, LLC, a Delaware limited liability company, Par Sterile Products, LLC, a Delaware limited liability company, Kali Laboratories, Inc., a New Jersey corporation, Innoteq, Inc., a Connecticut corporation, Par Laboratories Europe, Ltd., a company organized under the laws of the United Kingdom and Endo Finance IV Limited, a private limited company incorporated under the laws of Ireland (each, a "*Guaranteeing Subsidiary*" and collectively, the "*Guaranteeing Subsidiaries*"), subsidiaries of Endo Designated Activity Company, a private limited company incorporated under the laws of Ireland (the "*Company*"), the Issuers, the other Guarantors (both, as defined in the Indenture referred to below) and Wells Fargo Bank, National Association, as trustee under the Indenture referred to below (the "*Trustee*").

W I T N E S S E T H

WHEREAS, Endo Finance LLC, a Delaware limited liability company, and Endo Finco Inc., a Delaware corporation, have heretofore executed and delivered to the Trustee an indenture, dated as of May 6, 2014, as supplemented by a supplemental indenture, dated as of May 28, 2014, a supplemental indenture, dated as of July 10, 2014, a supplemental indenture, dated as of August 11, 2014, a supplemental indenture, dated as of December 22, 2014, a supplemental indenture, dated as of February 3, 2015, a supplemental indenture, dated as of March 20, 2015, a supplemental indenture, dated as of March 27, 2015, a supplemental indenture, dated as of June 24, 2015, and a supplemental indenture, dated as of July 9, 2015, in each case, among the Issuers, the Guarantors party thereto and the Trustee (as so supplemented, the "*Indenture*"), providing for the issuance of 7.25% Senior Notes due 2022 (the "*Notes*");

WHEREAS, the Indenture provides that under certain circumstances the Guaranteeing Subsidiaries shall execute and deliver to the Trustee a supplemental indenture pursuant to which the Guaranteeing Subsidiaries shall unconditionally guarantee all of the Issuers' Obligations under the Notes and the Indenture on the terms and conditions set forth herein (the "*Note Guarantee*");

WHEREAS, this Supplemental Indenture has not resulted in a material modification of the Notes for Foreign Account Tax Compliance Act purposes; and

WHEREAS, pursuant to Section 9.01 of the Indenture, the Trustee is authorized to execute and deliver this Supplemental Indenture.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the Guaranteeing Subsidiaries and the Trustee mutually covenant and agree for the equal and ratable benefit of the Holders of the Notes as follows:

1. CAPITALIZED TERMS. Capitalized terms used herein without definition shall have the meanings assigned to them in the Indenture.

2. AGREEMENT TO GUARANTEE. Each of the Guaranteeing Subsidiaries hereby agrees to provide an unconditional Guarantee on the terms and subject to the conditions set forth in the Note Guarantee and in the Indenture including but not limited to Article 10 thereof.

3. NO RECOURSE AGAINST OTHERS. No director, officer, employee, incorporator or stockholder of the Issuers or any Guarantor, as such, will have any liability for any obligations of the Issuers or the Guarantors under the Notes, the Indenture, this Supplemental Indenture, the Note Guarantees or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each Holder of Notes by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes. The waiver may not be effective to waive liabilities under the federal securities laws.

4. NEW YORK LAW TO GOVERN; WAIVER OF JURY TRIAL. THIS SUPPLEMENTAL INDENTURE SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK. EACH OF THE ISSUERS AND THE GUARANTORS CONSENTS AND IRREVOCABLY SUBMITS TO THE JURISDICTION OF ANY NEW YORK STATE OR U.S. FEDERAL COURT LOCATED IN THE BOROUGH OF MANHATTAN, CITY OF NEW YORK, COUNTY OF NEW YORK, STATE OF NEW YORK IN RELATION TO ANY LEGAL ACTION OR PROCEEDING (I) ARISING OUT OF, RELATING TO OR IN CONNECTION WITH THIS INDENTURE, AS SUPPLEMENTED, THE NOTES, THE GUARANTEES AND ANY RELATED DOCUMENTS AND/OR (II) ARISING UNDER ANY U.S. FEDERAL OR U.S. STATE SECURITIES LAWS IN RESPECT OF THE NOTES, THE GUARANTEES AND ANY SECURITIES ISSUED PURSUANT TO THE TERMS OF THE INDENTURE, AS SUPPLEMENTED. EACH OF THE ISSUERS AND THE GUARANTORS WAIVES ANY OBJECTION TO PROCEEDINGS IN ANY SUCH COURTS, WHETHER ON THE GROUND OF VENUE OR ON THE GROUND THAT THE PROCEEDINGS HAVE BEEN BROUGHT IN AN INCONVENIENT FORUM. EACH OF THE ISSUERS AND THE GUARANTORS, TO THE EXTENT ORGANIZED OUTSIDE OF THE UNITED STATES, SHALL APPOINT CT CORPORATION SYSTEM, 111 EIGHTH AVENUE, 13TH FLOOR, NEW YORK, NY 10011, AS ITS AGENT FOR SERVICE OF PROCESS IN ANY SUCH SUIT, ACTION OR PROCEEDING AND AGREES THAT SERVICE OF PROCESS UPON SAID AUTHORIZED AGENT SHALL BE DEEMED IN EVERY RESPECT EFFECTIVE SERVICE OF PROCESS UPON IT IN ANY SUCH SUIT, ACTION OR PROCEEDING. EACH OF THE ISSUERS AND THE GUARANTORS AGREES TO DELIVER, UPON THE EXECUTION AND DELIVERY OF THIS SUPPLEMENTAL INDENTURE, A WRITTEN ACCEPTANCE BY SUCH AGENT OF ITS APPOINTMENT AS SUCH AGENT. EACH OF THE ISSUERS AND THE GUARANTORS, TO THE EXTENT ORGANIZED OUTSIDE OF THE UNITED STATES, FURTHER AGREES TO TAKE ANY AND ALL ACTION, INCLUDING THE FILING OF ANY AND ALL SUCH DOCUMENTS AND INSTRUMENTS, AS MAY BE REASONABLY NECESSARY TO CONTINUE SUCH DESIGNATION AND APPOINTMENT OF CT CORPORATION SYSTEM IN FULL FORCE AND EFFECT FOR SO LONG AS THE INDENTURE, AS SUPPLEMENTED, REMAINS IN FORCE. EACH OF THE ISSUERS, THE TRUSTEE AND THE GUARANTORS HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS SUPPLEMENTAL INDENTURE, THE NOTES OR THE TRANSACTIONS CONTEMPLATED HEREBY.

5. COUNTERPARTS. The parties may sign any number of copies of this Supplemental Indenture. Each signed copy (which may be provided via facsimile or other electronic transmission) shall be an original, but all of them together represent the same agreement.

6. EFFECT OF HEADINGS. The Section headings herein are for convenience only and shall not affect the construction hereof.

7. THE TRUSTEE. The Trustee shall not be responsible in any manner whatsoever for or in respect of the validity or sufficiency of this Supplemental Indenture or for or in respect of the recitals contained herein, all of which recitals are made solely by the Guaranteeing Subsidiaries and the Issuers.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties hereto have caused this Supplemental Indenture to be duly executed and attested, all as of the date first above written.

PAR PHARMACEUTICAL COMPANIES, INC.
as a Guaranteeing Subsidiary

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

PAR PHARMACEUTICAL, INC.
as a Guaranteeing Subsidiary

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

ANCHEN INCORPORATED
as a Guaranteeing Subsidiary

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

PAR, INC.
as a Guaranteeing Subsidiary

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

JHP GROUP HOLDINGS, INC
as a Guaranteeing Subsidiary

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

JHP ACQUISITION, LLC
as a Guaranteeing Subsidiary

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

PAR STERILE PRODUCTS, LLC
as a Guaranteeing Subsidiary
by JHP ACQUISITION, LLC, as Manager
by JHP GROUP HOLDINGS, INC., its manager

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

[Signature Page to 7.25% Senior Notes due 2022 Supplemental Indenture]

ANCHEN PHARMACEUTICALS, INC
as a Guaranteeing Subsidiary

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

[Signature Page to 7.25% Senior Notes due 2022 Supplemental Indenture]

KALI LABORATORIES, INC.
as a Guaranteeing Subsidiary

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

[Signature Page to 7.25% Senior Notes due 2022 Supplemental Indenture]

INNOTEQ, INC.
as a Guaranteeing Subsidiary

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

[Signature Page to 7.25% Senior Notes due 2022 Supplemental Indenture]

PAR LABORATORIES EUROPE, LTD
as a Guaranteeing Subsidiary

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

[Signature Page to 7.25% Senior Notes due 2022 Supplemental Indenture]

ENDO FINANCE IV LIMITED
as a Guaranteeing Subsidiary

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

[Signature Page to 7.25% Senior Notes due 2022 Supplemental Indenture]

ENDO FINANCE LLC
as an Issuer
by ENDO LUXEMBOURG FINANCE COMPANY I S.À R.L., its sole member

By: /s/ John D. Boyle
Name: John D. Boyle
Title: A Manager

By: /s/ Joost Tulkens
Name: Joost Tulkens
Title: B Manager

[Signature Page to 7.25% Senior Notes due 2022 Supplemental Indenture]

ENDO FINCO INC.
as an Issuer

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Secretary

[Signature Page to 7.25% Senior Notes due 2022 Supplemental Indenture]

ENDO LLC
ENDO U.S. INC.
each, as a Guarantor

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Secretary

[Signature Page to 7.25% Senior Notes due 2022 Supplemental Indenture]

DAVA PHARMACEUTICALS, INC.
ENDO HEALTH SOLUTIONS, INC.
ENDO PHARMACEUTICALS INC.
ENDO PHARMACEUTICALS SOLUTIONS INC.
ENDO PHARMACEUTICALS VALERA INC.
GENERICS INTERNATIONAL (US PARENT), INC.
GENERICS INTERNATIONAL (US MIDCO), INC.
GENERICS INTERNATIONAL (US HOLDO), INC.
GENERICS INTERNATIONAL (US), INC.
AMERICAN MEDICAL SYSTEMS HOLDINGS, INC.each, as a Guarantor

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

[Signature Page to 7.25% Senior Notes due 2022 Supplemental Indenture]

GENERICS BIDCO I, LLC
VINTAGE PHARMACEUTICALS, LLC
GENERICS BIDCO II, LLC
MOORES MILL PROPERTIES LLC
WOOD PARK PROPERTIES LLC
QUARTZ SPECIALITY PHARMACEUTICALS, LLC
each as a Guarantor
by GENERICS INTERNATIONAL (US), INC.,
its manager

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

[Signature Page to 7.25% Senior Notes due 2022 Supplemental Indenture]

LEDGEMENT ROYALTY SUB LLC
each as a Guarantor
by ENDO PHARMACEUTICALS SOLUTIONS INC.,
its manager

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

[Signature Page to 7.25% Senior Notes due 2022 Supplemental Indenture]

DAVA International, LLC
as a Guarantor
by DAVA PHARMACEUTICALS, INC.,
its sole member

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

DAVA CAPITAL MANAGEMENT, INC.
as a Guarantor

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

AUXILIUM INTERNATIONAL HOLDINGS, INC.
as a Guarantor

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

SLATE PHARMACEUTICALS, INC.
as a Guarantor

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

TIMM MEDICAL TECHNOLOGIES, INC.
as a Guarantor

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

ACTIENT PHARMACEUTICALS LLC
as a Guarantor

By: AUXILIUM PHARMACEUTICALS, INC.,
its manager

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

ACTIENT THERAPEUTICS LLC
as a Guarantor

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

AUXILIUM US HOLDINGS, LLC
as a Guarantor

By: AUXILIUM PHARMACEUTICALS, INC.,
its manager

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

AUXILIUM PHARMACEUTICALS, INC.
as a Guarantor

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

70 MAPLE AVENUE, LLC
as a Guarantor

By: ACTIENT PHARMACEUTICALS LLC,
its manager

By: AUXILIUM PHARMACEUTICALS, INC
its manager

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

TIMM MEDICAL HOLDINGS, LLC
its Guarantor

By: ACTIENT PHARMACEUTICALS LLC,
its manager

By: AUXILIUM PHARMACEUTICALS, INC.
its manager

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

APHRODITE WOMEN'S HEALTH, LLC
as a Guarantor

By: AMERICAN MEDICAL SYSTEMS HOLDINGS, INC.,
its manager

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

[Signature Page to 7.25% Senior Notes due 2022 Supplemental Indenture]

ENDO DESIGNATED ACTIVITY COMPANY
as a Guarantor

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

ENDO VENTURES LIMITED
as a Guarantor

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

ENDO MANAGEMENT II LIMITED
as a Guarantor

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

ENDO FINANCE LIMITED
as a Guarantor

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

ENDO FINANCE II LIMITED
as a Guarantor

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

ENDO FINANCE III LIMITED
as a Guarantor

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

HAWK ACQUISITION IRELAND LIMITED
as a Guarantor

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

ENDO TOPFIN LIMITED
as a Guarantor

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

ENDO IRELAND FINANCE LIMITED
as a Guarantor

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

[Signature Page to 7.25% Senior Notes due 2022 Supplemental Indenture]

PALADIN LABS CANADIAN HOLDING INC.
as a Guarantor

By: /s/ Mark Beaudet
Name: Mark Beaudet
Title: President

PALADIN LABS INC.
as a Guarantor

By: /s/ Mark Beaudet
Name: Mark Beaudet
Title: President

[Signature Page to 7.25% Senior Notes due 2022 Supplemental Indenture]

ENDO VENTURES BERMUDA LIMITED
as a Guarantor

By: /s/ Susan Hall
Name: Susan Hall
Title: Director

ENDO GLOBAL VENTURES
as a Guarantor

By: /s/ Susan Hall
Name: Susan Hall
Title: Director

HAWK ACQUISITION ULC
as a Guarantor

By: /s/ Laurence S. Smith
Name: Laurence S. Smith
Title: Director

ENDO BERMUDA FINANCE LIMITED
as a Guarantor

By: /s/ Robert J. Cobuzzi.
Name: Robert J. Cobuzzi.
Title: Director

ENDO NETHERLANDS B.V.
as a Guarantor

By: /s/ Robert J. Cobuzzi.
Name: Robert J. Cobuzzi.
Title: Managing Director A

By: /s/ Gert Jan Rietberg
Name: Gert Jan Rietberg
Title: Managing Director B

[Signature Page to 7.25% Senior Notes due 2022 Supplemental Indenture]

ENDO VENTURES CYPRUS LIMITED
as a Guarantor

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

[Signature Page to 7.25% Senior Notes due 2022 Supplemental Indenture]

AUXILIUM UK LTD
as a Guarantor

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

[Signature Page to 7.25% Senior Notes due 2022 Supplemental Indenture]

ENDO LUXEMBOURG HOLDING COMPANY S.À R.L.
as a Guarantor

By: /s/ John D. Boyle
Name: John D. Boyle
Title: A Manager

By: /s/ Joost Tulkens
Name: Joost Tulkens
Title: B Manager

ENDO LUXEMBOURG FINANCE COMPANY I S.À R.L.
as a Guarantor

By: /s/ John D. Boyle
Name: John D. Boyle
Title: A Manager

By: /s/ Joost Tulkens
Name: Joost Tulkens
Title: B Manager

ENDO LUXEMBOURG FINANCE COMPANY II S.À R.L.
as a Guarantor

By: /s/ John D. Boyle
Name: John D. Boyle
Title: A Manager

By: /s/ Joost Tulkens
Name: Joost Tulkens
Title: B Manager

ENDO US HOLDINGS LUXEMBOURG I HOLDING COMPANY S.À R.L.
as a Guarantor

By: /s/ John D. Boyle
Name: John D. Boyle
Title: A Manager

By: /s/ Joost Tulkens
Name: Joost Tulkens
Title: B Manager

ENDO US HOLDINGS LUXEMBOURG II S.À R.L.
as a Guarantor

By: /s/ John D. Boyle
Name: John D. Boyle
Title: A Manager

By: /s/ Joost Tulkens
Name: Joost Tulkens
Title: B Manager

[Signature Page to 7.25% Senior Notes due 2022 Supplemental Indenture]

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as a Trustee

By: /s/ Yana Kislenko
Name: Yana Kislenko
Title: Vice President

Exhibit 10.303

Counterpart to Registration Rights Agreement

September 30, 2015

Each of the undersigned hereby absolutely, unconditionally and irrevocably agrees as a Guarantor, as defined in the Registration Rights Agreement, dated May 6, 2014 by and among Endo Finance LLC, a Delaware limited liability company and Endo Finco Inc., a Delaware corporation, the Guarantors party thereto, RBC Capital Markets, LLC and Deutsche Bank Securities Inc., relating to the 7.25% Senior Notes due 2022, to be bound by the terms and provisions of such Registration Rights Agreement.

[Signature Pages Follow]

IN WITNESS WHEREOF, each of the undersigned has executed this counterpart as of the date first written above.

PAR PHARMACEUTICAL COMPANIES, INC.
as a Guaranteeing Subsidiary

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

PAR PHARMACEUTICAL, INC.
as a Guaranteeing Subsidiary

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

ANCHEN INCORPORATED
as a Guaranteeing Subsidiary

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

PAR, INC.
as a Guaranteeing Subsidiary

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

JHP GROUP HOLDINGS, INC
as a Guaranteeing Subsidiary

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

JHP ACQUISITION, LLC
as a Guaranteeing Subsidiary
by JHP GROUP HOLDINGS, Inc., as Manager

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

PAR STERILE PRODUCTS, LLC
as a Guaranteeing Subsidiary
by JHP ACQUISITION, LLC, as Manager
by JHP GROUP HOLDINGS, INC., its manager

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

ANCHEN PHARMACEUTICALS, INC
as a Guaranteeing Subsidiary

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

[Signature Page to Registration Rights Agreement Counterpart - 7.25% Senior Notes due 2022]

KALI LABORATORIES, INC.
as a Guaranteeing Subsidiary

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

[Signature Page to Registration Rights Agreement Counterpart - 7.25% Senior Notes due 2022]

INNOTEQ, INC.
as a Guaranteeing Subsidiary

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

[Signature Page to Registration Rights Agreement Counterpart - 7.25% Senior Notes due 2022]

PAR LABORATORIES EUROPE, LTD
as a Guaranteeing Subsidiary

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

[Signature Page to Registration Rights Agreement Counterpart - 7.25% Senior Notes due 2022]

ENDO FINANCE IV LIMITED
as a Guaranteeing Subsidiary

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

[Signature Page to Registration Rights Agreement Counterpart - 7.25% Senior Notes due 2022]

SUPPLEMENTAL INDENTURE

SUPPLEMENTAL INDENTURE (this "*Supplemental Indenture*"), dated as of September 30, 2015, among Par Pharmaceutical Companies, Inc., a Delaware corporation, Par Pharmaceutical, Inc., a Delaware corporation, Anchen Incorporated, a Delaware corporation, Par, Inc., a Delaware corporation, Anchen Pharmaceuticals, Inc., a California corporation, JHP Group Holdings, Inc., a Delaware corporation, JHP Acquisition, LLC, a Delaware limited liability company, Par Sterile Products, LLC, a Delaware limited liability company, Kali Laboratories, Inc., a New Jersey corporation, Innoteq, Inc., a Connecticut corporation, Par Laboratories Europe, Ltd., a company organized under the laws of the United Kingdom and Endo Finance IV Limited, a private limited company incorporated under the laws of Ireland (each, a "*Guaranteeing Subsidiary*" and collectively, the "*Guaranteeing Subsidiaries*"), subsidiaries of Endo Designated Activity Company, a private limited company incorporated under the laws of Ireland (the "*Company*"), the Issuers, the other Guarantors (both, as defined in the Indenture referred to below) and Wells Fargo Bank, National Association, as trustee under the Indenture referred to below (the "*Trustee*").

W I T N E S S E T H

WHEREAS, Endo Finance LLC, a Delaware limited liability company, and Endo Finco Inc., a Delaware corporation, have heretofore executed and delivered to the Trustee an indenture, dated as of June 30, 2014, as supplemented by a supplemental indenture, dated as of July 10, 2014, a supplemental indenture, dated as of August 11, 2014, a supplemental indenture, dated as of December 22, 2014, a supplemental indenture, dated as of February 3, 2015, a supplemental indenture, dated as of March 20, 2015, a supplemental indenture, dated as of March 27, 2015, a supplemental indenture, dated as of June 24, 2015, and a supplemental indenture, dated as of July 9, 2015, in each case, among the Issuers, the Guarantors party thereto and the Trustee (the "*Indenture*"), providing for the issuance of 5.375% Senior Notes due 2023 (the "*Notes*");

WHEREAS, the Indenture provides that under certain circumstances the Guaranteeing Subsidiaries shall execute and deliver to the Trustee a supplemental indenture pursuant to which the Guaranteeing Subsidiaries shall unconditionally guarantee all of the Issuers' Obligations under the Notes and the Indenture on the terms and conditions set forth herein (the "*Note Guarantee*");

WHEREAS, this Supplemental Indenture has not resulted in a material modification of the Notes for Foreign Account Tax Compliance Act purposes; and

WHEREAS, pursuant to Section 9.01 of the Indenture, the Trustee is authorized to execute and deliver this Supplemental Indenture.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the Guaranteeing Subsidiaries and the Trustee mutually covenant and agree for the equal and ratable benefit of the Holders of the Notes as follows:

1. CAPITALIZED TERMS. Capitalized terms used herein without definition shall have the meanings assigned to them in the Indenture.

2. AGREEMENT TO GUARANTEE. Each of the Guaranteeing Subsidiaries hereby agrees to provide an unconditional Guarantee on the terms and subject to the conditions set forth in the Note Guarantee and in the Indenture including but not limited to Article 10 thereof.

3. NO RECOURSE AGAINST OTHERS. No director, officer, employee, incorporator or stockholder of the Issuers or any Guarantor, as such, will have any liability for any obligations of the Issuers or the Guarantors under the Notes, the Indenture, this Supplemental Indenture, the Note Guarantees or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each Holder of Notes by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes. The waiver may not be effective to waive liabilities under the federal securities laws.

4. NEW YORK LAW TO GOVERN; WAIVER OF JURY TRIAL. THIS SUPPLEMENTAL INDENTURE SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK. EACH OF THE ISSUERS AND THE GUARANTORS CONSENTS AND IRREVOCABLY SUBMITS TO THE JURISDICTION OF ANY NEW YORK STATE OR U.S. FEDERAL COURT LOCATED IN THE BOROUGH OF MANHATTAN, CITY OF NEW YORK, COUNTY OF NEW YORK, STATE OF NEW YORK IN RELATION TO ANY LEGAL ACTION OR PROCEEDING (I) ARISING OUT OF, RELATING TO OR IN CONNECTION WITH THIS INDENTURE, AS SUPPLEMENTED, THE NOTES, THE GUARANTEES AND ANY RELATED DOCUMENTS AND/OR (II) ARISING UNDER ANY U.S. FEDERAL OR U.S. STATE SECURITIES LAWS IN RESPECT OF THE NOTES, THE GUARANTEES AND ANY SECURITIES ISSUED PURSUANT TO THE TERMS OF THE INDENTURE, AS SUPPLEMENTED. EACH OF THE ISSUERS AND THE GUARANTORS WAIVES ANY OBJECTION TO PROCEEDINGS IN ANY SUCH COURTS, WHETHER ON THE GROUND OF VENUE OR ON THE GROUND THAT THE PROCEEDINGS HAVE BEEN BROUGHT IN AN INCONVENIENT FORUM. EACH OF THE ISSUERS AND THE GUARANTORS, TO THE EXTENT ORGANIZED OUTSIDE OF THE UNITED STATES, SHALL APPOINT CT CORPORATION SYSTEM, 111 EIGHTH AVENUE, 13TH FLOOR, NEW YORK, NY 10011, AS ITS AGENT FOR SERVICE OF PROCESS IN ANY SUCH SUIT, ACTION OR PROCEEDING AND AGREES THAT SERVICE OF PROCESS UPON SAID AUTHORIZED AGENT SHALL BE DEEMED IN EVERY RESPECT EFFECTIVE SERVICE OF PROCESS UPON IT IN ANY SUCH SUIT, ACTION OR PROCEEDING. EACH OF THE ISSUERS AND THE GUARANTORS AGREES TO DELIVER, UPON THE EXECUTION AND DELIVERY OF THIS SUPPLEMENTAL INDENTURE, A WRITTEN ACCEPTANCE BY SUCH AGENT OF ITS APPOINTMENT AS SUCH AGENT. EACH OF THE ISSUERS AND THE GUARANTORS, TO THE EXTENT ORGANIZED OUTSIDE OF THE UNITED STATES, FURTHER AGREES TO TAKE ANY AND ALL ACTION, INCLUDING THE FILING OF ANY AND ALL SUCH DOCUMENTS AND INSTRUMENTS, AS MAY BE REASONABLY NECESSARY TO CONTINUE SUCH DESIGNATION AND APPOINTMENT OF CT CORPORATION SYSTEM IN FULL FORCE AND EFFECT FOR SO LONG AS THE INDENTURE, AS SUPPLEMENTED, REMAINS IN FORCE. EACH OF THE ISSUERS, THE TRUSTEE AND THE GUARANTORS HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS SUPPLEMENTAL INDENTURE, THE NOTES OR THE TRANSACTIONS CONTEMPLATED HEREBY.

5. COUNTERPARTS. The parties may sign any number of copies of this Supplemental Indenture. Each signed copy (which may be provided via facsimile or other electronic transmission) shall be an original, but all of them together represent the same agreement.

6. EFFECT OF HEADINGS. The Section headings herein are for convenience only and shall not affect the construction hereof.

7. THE TRUSTEE. The Trustee shall not be responsible in any manner whatsoever for or in respect of the validity or sufficiency of this Supplemental Indenture or for or in respect of the recitals contained herein, all of which recitals are made solely by the Guaranteeing Subsidiaries and the Issuers.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties hereto have caused this Supplemental Indenture to be duly executed and attested, all as of the date first above written.

PAR PHARMACEUTICAL COMPANIES, INC.
as a Guaranteeing Subsidiary

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

PAR PHARMACEUTICAL, INC.
as a Guaranteeing Subsidiary

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

ANCHEN INCORPORATED
as a Guaranteeing Subsidiary

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

PAR, INC.
as a Guaranteeing Subsidiary

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

JHP GROUP HOLDINGS, INC
as a Guaranteeing Subsidiary

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

JHP ACQUISITION, LLC
as a Guaranteeing Subsidiary
by JHP GROUP HOLDINGS, Inc., as Manager

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

PAR STERILE PRODUCTS, LLC
as a Guaranteeing Subsidiary
by JHP ACQUISITION, LLC, as Manager
by JHP GROUP HOLDINGS, INC., its manager

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

ANCHEN PHARMACEUTICALS, INC
as a Guaranteeing Subsidiary

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

[Signature Page to 5.375% Senior Notes due 2023 Supplemental Indenture]

KALI LABORATORIES, INC.
as a Guaranteeing Subsidiary

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

[Signature Page to 5.375% Senior Notes due 2023 Supplemental Indenture]

INNOTEQ, INC.
as a Guaranteeing Subsidiary

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

[Signature Page to 5.375% Senior Notes due 2023 Supplemental Indenture]

PAR LABORATORIES EUROPE, LTD
as a Guaranteeing Subsidiary

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

[Signature Page to 5.375% Senior Notes due 2023 Supplemental Indenture]

ENDO FINANCE IV LIMITED
as a Guaranteeing Subsidiary

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

[Signature Page to 5.375% Senior Notes due 2023 Supplemental Indenture]

ENDO FINANCE LLC
as an Issuer
by ENDO LUXEMBOURG FINANCE COMPANY I S.À R.L., its sole member

By: /s/ John D. Boyle
Name: John D. Boyle
Title: A Manager

By: /s/ Joost Tulkens
Name: Joost Tulkens
Title: B Manager

[Signature Page to 5.375% Senior Notes due 2023 Supplemental Indenture]

ENDO FINCO INC.
as an Issuer

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Secretary

[Signature Page to 5.375% Senior Notes due 2023 Supplemental Indenture]

ENDO LLC
ENDO U.S. INC.
each, as a Guarantor

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Secretary

[Signature Page to 5.375% Senior Notes due 2023 Supplemental Indenture]

DAVA PHARMACEUTICALS, INC.
ENDO HEALTH SOLUTIONS, INC.
ENDO PHARMACEUTICALS INC.
ENDO PHARMACEUTICALS SOLUTIONS INC.
ENDO PHARMACEUTICALS VALERA INC.
GENERICS INTERNATIONAL (US PARENT), INC.
GENERICS INTERNATIONAL (US MIDCO), INC.
GENERICS INTERNATIONAL (US HOLDO), INC.
GENERICS INTERNATIONAL (US), INC.
AMERICAN MEDICAL SYSTEMS HOLDINGS, INC.each, as a Guarantor

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

GENERICS BIDCO I, LLC
VINTAGE PHARMACEUTICALS, LLC
GENERICS BIDCO II, LLC
MOORES MILL PROPERTIES LLC
WOOD PARK PROPERTIES LLC
QUARTZ SPECIALITY PHARMACEUTICALS, LLC
each as a Guarantor
by GENERICS INTERNATIONAL (US), INC.,
its manager

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

[Signature Page to 5.375% Senior Notes due 2023 Supplemental Indenture]

LEDGEMENT ROYALTY SUB LLC
each as a Guarantor
by ENDO PHARMACEUTICALS SOLUTIONS INC.,
its manager

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

[Signature Page to 5.375% Senior Notes due 2023 Supplemental Indenture]

DAVA International, LLC
as a Guarantor
by DAVA PHARMACEUTICALS, INC.,
its sole member

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

DAVA CAPITAL MANAGEMENT, INC.
as a Guarantor

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

[Signature Page to 5.375% Senior Notes due 2023 Supplemental Indenture]

AUXILIUM INTERNATIONAL HOLDINGS, INC.
as a Guarantor

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

SLATE PHARMACEUTICALS, INC.
as a Guarantor

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

TIMM MEDICAL TECHNOLOGIES, INC.
as a Guarantor

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

ACTIENT PHARMACEUTICALS LLC
as a Guarantor

By: AUXILIUM PHARMACEUTICALS, INC.,
its manager

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

ACTIENT THERAPEUTICS LLC
as a Guarantor

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

AUXILIUM US HOLDINGS, LLC
as a Guarantor

By: AUXILIUM PHARMACEUTICALS, INC.,
its manager

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

AUXILIUM PHARMACEUTICALS, INC.
as a Guarantor

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

70 MAPLE AVENUE, LLC
as a Guarantor

By: ACTIENT PHARMACEUTICALS LLC,
its manager

By: AUXILIUM PHARMACEUTICALS, INC
its manager

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

TIMM MEDICAL HOLDINGS, LLC
its Guarantor

By: ACTIENT PHARMACEUTICALS LLC,
its manager

By: AUXILIUM PHARMACEUTICALS, INC.
its manager

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

APHRODITE WOMEN'S HEALTH, LLC
as a Guarantor

By: AMERICAN MEDICAL SYSTEMS HOLDINGS, INC.,
its manager

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

ENDO DESIGNED ACTIVITY COMPANY
as a Guarantor

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

ENDO VENTURES LIMITED
as a Guarantor

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

ENDO MANAGEMENT LIMITED
as a Guarantor

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

ENDO FINANCE LIMITED
as a Guarantor

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

ENDO FINANCE II LIMITED
as a Guarantor

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

ENDO FINANCE III LIMITED
as a Guarantor

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

HAWK ACQUISITION IRELAND LIMITED
as a Guarantor

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

ENDO TOPFIN LIMITED
as a Guarantor

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

ENDO IRELAND FINANCE LIMITED
as a Guarantor

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

[Signature Page to 5.375% Senior Notes due 2023 Supplemental Indenture]

PALADIN LABS CANADIAN HOLDING INC.
as a Guarantor

By: /s/ Mark Beaudet
Name: Mark Beaudet
Title: President

PALADIN LABS INC.
as a Guarantor

By: /s/ Mark Beaudet
Name: Mark Beaudet
Title: President

[Signature Page to 5.375% Senior Notes due 2023 Supplemental Indenture]

ENDO VENTURES BERMUDA LIMITED
as a Guarantor

By: /s/ Susan Hall
Name: Susan Hall
Title: Director

ENDO GLOBAL VENTURES
as a Guarantor

By: /s/ Susan Hall
Name: Susan Hall
Title: Director

HAWK ACQUISITION ULC
as a Guarantor

By: /s/ Laurence S. Smith
Name: Laurence S. Smith
Title: Director

ENDO BERMUDA FINANCE LIMITED
as a Guarantor

By: /s/ Robert J. Cobuzzi.
Name: Robert J. Cobuzzi.
Title: Director

ENDO NETHERLANDS B.V.
as a Guarantor

By: /s/ Robert J. Cobuzzi.
Name: Robert J. Cobuzzi.
Title: Managing Director A

By: /s/ Gert Jan Rietberg
Name: Gert Jan Rietberg
Title: Managing Director B

[Signature Page to 5.375% Senior Notes due 2023 Supplemental Indenture]

ENDO VENTURES CYPRUS LIMITED
as a Guarantor

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

[Signature Page to 5.375% Senior Notes due 2023 Supplemental Indenture]

AUXILIUM UK LTD
as a Guarantor

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

[Signature Page to 5.375% Senior Notes due 2023 Supplemental Indenture]

ENDO LUXEMBOURG HOLDING COMPANY S.À R.L.
as a Guarantor

By: /s/ John D. Boyle
Name: John D. Boyle
Title: A Manager

By: /s/ Joost Tulkens
Name: Joost Tulkens
Title: B Manager

ENDO LUXEMBOURG FINANCE COMPANY I S.À R.L.
as a Guarantor

By: /s/ John D. Boyle
Name: John D. Boyle
Title: A Manager

By: /s/ Joost Tulkens
Name: Joost Tulkens
Title: B Manager

ENDO LUXEMBOURG FINANCE COMPANY II S.À R.L.
as a Guarantor

By: /s/ John D. Boyle
Name: John D. Boyle
Title: A Manager

By: /s/ Joost Tulkens
Name: Joost Tulkens
Title: B Manager

ENDO US HOLDINGS LUXEMBOURG I HOLDING COMPANY S.À R.L.
as a Guarantor

By: /s/ John D. Boyle
Name: John D. Boyle
Title: A Manager

By: /s/ Joost Tulkens
Name: Joost Tulkens
Title: B Manager

ENDO US HOLDINGS LUXEMBOURG II S.À R.L.
as a Guarantor

By: /s/ John D. Boyle
Name: John D. Boyle
Title: A Manager

By: /s/ Joost Tulkens
Name: Joost Tulkens
Title: B Manager

[Signature Page to 5.375% Senior Notes due 2023 Supplemental Indenture]

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as a Trustee

By: /s/ Yana Kislenko
Name: Yana Kislenko
Title: Vice President

[Signature Page to 5.375% Senior Notes due 2023 Supplemental Indenture]

Exhibit 10.305

Counterpart to Registration Rights Agreement

September 30, 2015

Each of the undersigned hereby absolutely, unconditionally and irrevocably agrees as a Guarantor, as defined in the Registration Rights Agreement, dated June 30, 2014 by and among Endo Finance LLC, a Delaware limited liability company and Endo Finco Inc., a Delaware corporation, the Guarantors party thereto, Citigroup Global Markets Inc. and RBC Capital Markets, relating to the 5.375% Senior Notes due 2023, to be bound by the terms and provisions of such Registration Rights Agreement.

[Signature Pages Follow]

IN WITNESS WHEREOF, each of the undersigned has executed this counterpart as of the date first written above.

PAR PHARMACEUTICAL COMPANIES, INC.
as a Guaranteeing Subsidiary

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

PAR PHARMACEUTICAL, INC.
as a Guaranteeing Subsidiary

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

ANCHEN INCORPORATED
as a Guaranteeing Subsidiary

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

PAR, INC.
as a Guaranteeing Subsidiary

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

JHP GROUP HOLDINGS, INC
as a Guaranteeing Subsidiary

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

JHP ACQUISITION, LLC
as a Guaranteeing Subsidiary
by JHP GROUP HOLDINGS, Inc., as Manager

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

PAR STERILE PRODUCTS, LLC
as a Guaranteeing Subsidiary
by JHP ACQUISITION, LLC, as Manager
by JHP GROUP HOLDINGS, INC., its manager

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

ANCHEN PHARMACEUTICALS, INC
as a Guaranteeing Subsidiary

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

[Signature Page to Registration Rights Agreement Counterpart - 5.375% Senior Notes due 2023]

KALI LABORATORIES, INC.
as a Guaranteeing Subsidiary

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

[Signature Page to Registration Rights Agreement Counterpart - 5.375% Senior Notes due 2023]

INNOTEQ, INC.
as a Guaranteeing Subsidiary

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

[Signature Page to Registration Rights Agreement Counterpart - 5.375% Senior Notes due 2023]

PAR LABORATORIES EUROPE, LTD
as a Guaranteeing Subsidiary

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

[Signature Page to Registration Rights Agreement Counterpart - 5.375% Senior Notes due 2023]

ENDO FINANCE IV LIMITED
as a Guaranteeing Subsidiary

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

[Signature Page to Registration Rights Agreement Counterpart - 5.375% Senior Notes due 2023]

SUPPLEMENTAL INDENTURE

SUPPLEMENTAL INDENTURE (this "*Supplemental Indenture*"), dated as of September 30, 2015, among Par Pharmaceutical Companies, Inc., a Delaware corporation, Par Pharmaceutical, Inc., a Delaware corporation, Anchen Incorporated, a Delaware corporation, Par, Inc., a Delaware corporation, Anchen Pharmaceuticals, Inc., a California corporation, JHP Group Holdings, Inc., a Delaware corporation, JHP Acquisition, LLC, a Delaware limited liability company, Par Sterile Products, LLC, a Delaware limited liability company, Kali Laboratories, Inc., a New Jersey corporation, Innoteq, Inc., a Connecticut corporation, Par Laboratories Europe, Ltd., a company organized under the laws of the United Kingdom and Endo Finance IV Limited, a private limited company incorporated under the laws of Ireland (each, a "*Guaranteeing Subsidiary*" and collectively, the "*Guaranteeing Subsidiaries*"), subsidiaries of Endo Designated Activity Company, a private limited company incorporated under the laws of Ireland (the "*Company*"), the Issuers, the other Guarantors (both, as defined in the Indenture referred to below) and Wells Fargo Bank, National Association, as trustee under the Indenture referred to below (the "*Trustee*").

W I T N E S S E T H

WHEREAS, the Company, Endo Finance LLC, a Delaware limited liability company, and Endo Finco Inc., a Delaware corporation, have heretofore executed and delivered to the Trustee an indenture, dated as of January 27, 2015, as supplemented by a supplemental indenture, dated as of February 3, 2015, a supplemental indenture, dated as of March 20, 2015, a supplemental indenture, dated as of March 27, 2015, a supplemental indenture, dated as of June 24, 2015, and a supplemental indenture, dated as of July 9, 2015, in each case, by and among the parties thereto (the "*Indenture*"), providing for the issuance of 6.00% Senior Notes due 2025 (the "*Notes*");

WHEREAS, the Indenture provides that under certain circumstances the Guaranteeing Subsidiaries shall execute and deliver to the Trustee a supplemental indenture pursuant to which the Guaranteeing Subsidiaries shall unconditionally guarantee all of the Issuers' Obligations under the Notes and the Indenture on the terms and conditions set forth herein (the "*Note Guarantee*");

WHEREAS, this Supplemental Indenture has not resulted in a material modification of the Notes for Foreign Account Tax Compliance Act purposes; and

WHEREAS, pursuant to Section 9.01 of the Indenture, the Trustee is authorized to execute and deliver this Supplemental Indenture.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the Guaranteeing Subsidiaries and the Trustee mutually covenant and agree for the equal and ratable benefit of the Holders of the Notes as follows:

1. CAPITALIZED TERMS. Capitalized terms used herein without definition shall have the meanings assigned to them in the Indenture.

2. AGREEMENT TO GUARANTEE. Each of the Guaranteeing Subsidiaries hereby agrees to provide an unconditional Guarantee on the terms and subject to the conditions set forth in the Note Guarantee and in the Indenture including but not limited to Article 10 thereof.

3. NO RECOURSE AGAINST OTHERS. No director, officer, employee, incorporator or stockholder of the Issuers or any Guarantor, as such, will have any liability for any obligations of the Issuers or the Guarantors under the Notes, this Supplemental Indenture, the Note Guarantees or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each Holder of Notes by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes. The waiver may not be effective to waive liabilities under the federal securities laws.

4. NEW YORK LAW TO GOVERN; WAIVER OF JURY TRIAL. THIS SUPPLEMENTAL INDENTURE SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK. EACH OF THE ISSUERS AND THE GUARANTORS CONSENTS AND IRREVOCABLY SUBMITS TO THE JURISDICTION OF ANY NEW YORK STATE OR U.S. FEDERAL COURT LOCATED IN THE BOROUGH OF MANHATTAN, CITY OF NEW YORK, COUNTY OF NEW YORK, STATE OF NEW YORK IN RELATION TO ANY LEGAL ACTION OR PROCEEDING (I) ARISING OUT OF, RELATING TO OR IN CONNECTION WITH THIS INDENTURE, AS SUPPLEMENTED, THE NOTES, THE GUARANTEES AND ANY RELATED DOCUMENTS AND/OR (II) ARISING UNDER ANY U.S. FEDERAL OR U.S. STATE SECURITIES LAWS IN RESPECT OF THE NOTES, THE GUARANTEES AND ANY SECURITIES ISSUED PURSUANT TO THE TERMS OF THE INDENTURE, AS SUPPLEMENTED. EACH OF THE ISSUERS AND THE GUARANTORS WAIVES ANY OBJECTION TO PROCEEDINGS IN ANY SUCH COURTS, WHETHER ON THE GROUND OF VENUE OR ON THE GROUND THAT THE PROCEEDINGS HAVE BEEN BROUGHT IN AN INCONVENIENT FORUM. EACH OF THE GUARANTEEING SUBSIDIARIES, TO THE EXTENT ORGANIZED OUTSIDE OF THE UNITED STATES, SHALL APPOINT CT CORPORATION SYSTEM, 111 EIGHTH AVENUE, 13TH FLOOR, NEW YORK, NY 10011, AS ITS AGENT FOR SERVICE OF PROCESS IN ANY SUCH SUIT, ACTION OR PROCEEDING AND AGREES THAT SERVICE OF PROCESS UPON SAID AUTHORIZED AGENT SHALL BE DEEMED IN EVERY RESPECT EFFECTIVE SERVICE OF PROCESS UPON IT IN ANY SUCH SUIT, ACTION OR PROCEEDING. EACH OF THE GUARANTEEING SUBSIDIARIES AGREES TO DELIVER, UPON THE EXECUTION AND DELIVERY OF THIS SUPPLEMENTAL INDENTURE, A WRITTEN ACCEPTANCE BY SUCH AGENT OF ITS APPOINTMENT AS SUCH AGENT. EACH OF GUARANTEEING SUBSIDIARIES, TO THE EXTENT ORGANIZED OUTSIDE OF THE UNITED STATES, FURTHER AGREES TO TAKE ANY AND ALL ACTION, INCLUDING THE FILING OF ANY AND ALL SUCH DOCUMENTS AND INSTRUMENTS, AS MAY BE REASONABLY NECESSARY TO CONTINUE SUCH DESIGNATION AND APPOINTMENT OF CT CORPORATION SYSTEM IN FULL FORCE AND EFFECT FOR SO LONG AS THE INDENTURE, AS SUPPLEMENTED, REMAINS IN FORCE. EACH OF THE ISSUERS, THE TRUSTEE AND THE GUARANTORS HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS SUPPLEMENTAL INDENTURE, THE NOTES OR THE TRANSACTIONS CONTEMPLATED HEREBY.

5. COUNTERPARTS. The parties may sign any number of copies of this Supplemental Indenture. Each signed copy (which may be provided via facsimile or other electronic transmission) shall be an original, but all of them together represent the same agreement.

6. EFFECT OF HEADINGS. The Section headings herein are for convenience only and shall not affect the construction hereof.

7. THE TRUSTEE. The Trustee shall not be responsible in any manner whatsoever for or in respect of the validity or sufficiency of this Supplemental Indenture or for or in respect of the recitals contained herein, all of which recitals are made solely by the Guaranteeing Subsidiaries and the Issuers.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties hereto have caused this Supplemental Indenture to be duly executed and attested, all as of the date first above written.

PAR PHARMACEUTICAL COMPANIES, INC.
as a Guaranteeing Subsidiary

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

PAR PHARMACEUTICAL, INC.
as a Guaranteeing Subsidiary

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

ANCHEN INCORPORATED
as a Guaranteeing Subsidiary

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

PAR, INC.
as a Guaranteeing Subsidiary

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

JHP GROUP HOLDINGS, INC
as a Guaranteeing Subsidiary

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

JHP ACQUISITION, LLC
as a Guaranteeing Subsidiary
by JHP GROUP HOLDINGS, Inc., as Manager

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

PAR STERILE PRODUCTS, LLC
as a Guaranteeing Subsidiary
by JHP ACQUISITION, LLC, as Manager
by JHP GROUP HOLDINGS, INC., its manager

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

ANCHEN PHARMACEUTICALS, INC
as a Guaranteeing Subsidiary

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

[Signature Page to 6.00% Senior Notes due 2025 Supplemental Indenture]

KALI LABORATORIES, INC.
as a Guaranteeing Subsidiary

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

[Signature Page to 6.00% Senior Notes due 2025 Supplemental Indenture]

INNOTEQ, INC.
as a Guaranteeing Subsidiary

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

[Signature Page to 6.00% Senior Notes due 2025 Supplemental Indenture]

PAR LABORATORIES EUROPE, LTD
as a Guaranteeing Subsidiary

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

[Signature Page to 6.00% Senior Notes due 2025 Supplemental Indenture]

ENDO FINANCE IV LIMITED
as a Guaranteeing Subsidiary

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

[Signature Page to 6.00% Senior Notes due 2025 Supplemental Indenture]

ENDO FINANCE IV LIMITED
as an Issuer
by ENDO LUXEMBOURG FINANCE COMPANY I S.À R.L., its sole member

By: /s/ John D. Boyle
Name: John D. Boyle
Title: A Manager

By: /s/ Joost Tulkens
Name: Joost Tulkens
Title: B Manager

[Signature Page to 6.00% Senior Notes due 2025 Supplemental Indenture]

ENDO FINCO INC.
as an Issuer

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Secretary

[Signature Page to 6.00% Senior Notes due 2025 Supplemental Indenture]

ENDO DESIGNATED ACTIVITY COMPANY
as an Issuer

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

[Signature Page to 6.00% Senior Notes due 2025 Supplemental Indenture]

ENDO LLC
ENDO U.S. INC.
each, as a Guarantor

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Secretary

[Signature Page to 6.00% Senior Notes due 2025 Supplemental Indenture]

DAVA PHARMACEUTICALS, INC.
ENDO HEALTH SOLUTIONS, INC.
ENDO PHARMACEUTICALS INC.
ENDO PHARMACEUTICALS SOLUTIONS INC.
ENDO PHARMACEUTICALS VALERA INC.
GENERICS INTERNATIONAL (US PARENT), INC.
GENERICS INTERNATIONAL (US MIDCO), INC.
GENERICS INTERNATIONAL (US HOLDO), INC.
GENERICS INTERNATIONAL (US), INC.
AMERICAN MEDICAL SYSTEMS HOLDINGS, INC.each, as a Guarantor

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

[Signature Page to 6.00% Senior Notes due 2025 Supplemental Indenture]

GENERICS BIDCO I, LLC
VINTAGE PHARMACEUTICALS, LLC
GENERICS BIDCO II, LLC
MOORES MILL PROPERTIES LLC
WOOD PARK PROPERTIES LLC
QUARTZ SPECIALITY PHARMACEUTICALS, LLC
each as a Guarantor
by GENERICS INTERNATIONAL (US), INC.,
its manager

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

[Signature Page to 6.00% Senior Notes due 2025 Supplemental Indenture]

LEDGEMENT ROYALTY SUB LLC
each as a Guarantor
by GENERICS INTERNATIONAL (US), INC.,
its manager

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

[Signature Page to 6.00% Senior Notes due 2025 Supplemental Indenture]

DAVA International, LLC
as a Guarantor
by DAVA PHARMACEUTICALS, INC.,
its sole member

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

DAVA CAPITAL MANAGEMENT, INC.
as a Guarantor

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

[Signature Page to 6.00% Senior Notes due 2025 Supplemental Indenture]

AUXILIUM INTERNATIONAL HOLDINGS, INC.
as a Guarantor

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

SLATE PHARMACEUTICALS, INC.
as a Guarantor

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

TIMM MEDICAL TECHNOLOGIES, INC.
as a Guarantor

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

ACTIENT PHARMACEUTICALS LLC
as a Guarantor

By: AUXILIUM PHARMACEUTICALS, INC.,
its manager

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

ACTIENT THERAPEUTICS LLC
as a Guarantor

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

AUXILIUM US HOLDINGS, LLC
as a Guarantor

By: AUXILIUM PHARMACEUTICALS, INC.,
its manager

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

AUXILIUM PHARMACEUTICALS, INC.
as a Guarantor

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

70 MAPLE AVENUE, LLC
as a Guarantor

By: ACTIENT PHARMACEUTICALS LLC,
its manager

By: AUXILIUM PHARMACEUTICALS, INC
its manager

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

TIMM MEDICAL HOLDINGS, LLC
its Guarantor

By: ACTIENT PHARMACEUTICALS LLC,
its manager

By: AUXILIUM PHARMACEUTICALS, INC.
its manager

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

APHRODITE WOMEN'S HEALTH, LLC
as a Guarantor

By: AMERICAN MEDICAL SYSTEMS HOLDINGS, INC.,
its manager

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

[Signature Page to 6.00% Senior Notes due 2025 Supplemental Indenture]

ENDO VENTURES LIMITED
as a Guarantor

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

ENDO MANAGEMENT LIMITED
as a Guarantor

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

ENDO FINANCE LIMITED
as a Guarantor

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

ENDO FINANCE II LIMITED
as a Guarantor

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

ENDO FINANCE III LIMITED
as a Guarantor

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

ENDO FINANCE LIMITED
as a Guarantor

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

HAWK ACQUISITION IRELAND LIMITED
as a Guarantor

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

ENDO TOPFIN LIMITED
as a Guarantor

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

ENDO IRELAND FINANCE LIMITED
as a Guarantor

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

[Signature Page to 6.00% Senior Notes due 2025 Supplemental Indenture]

PALADIN LABS CANADIAN HOLDING INC.
as a Guarantor

By: /s/ Mark Beaudet
Name: Mark Beaudet
Title: President

PALADIN LABS INC.
as a Guarantor

By: /s/ Mark Beaudet
Name: Mark Beaudet
Title: President

[Signature Page to 6.00% Senior Notes due 2025 Supplemental Indenture]

ENDO VENTURES BERMUDA LIMITED
as a Guarantor

By: /s/ Susan Hall
Name: Susan Hall
Title: Director

ENDO GLOBAL VENTURES
as a Guarantor

By: /s/ Susan Hall
Name: Susan Hall
Title: Director

HAWK ACQUISITION ULC
as a Guarantor

By: /s/ Laurence S. Smith
Name: Laurence S. Smith
Title: Director

ENDO BERMUDA FINANCE LIMITED
as a Guarantor

By: /s/ Robert J. Cobuzzi.
Name: Robert J. Cobuzzi.
Title: Director

ENDO NETHERLANDS B.V.
as a Guarantor

By: /s/ Robert J. Cobuzzi.
Name: Robert J. Cobuzzi.
Title: Managing Director A

ENDO BERMUDA FINANCE LIMITED
as a Guarantor

By: /s/ Gert Jan Rietberg
Name: Gert Jan Rietberg
Title: Managing Director B

[Signature Page to 6.00% Senior Notes due 2025 Supplemental Indenture]

ENDO VENTURES CYPRUS LIMITED
as a Guarantor

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

[Signature Page to 6.00% Senior Notes due 2025 Supplemental Indenture]

AUXILIUM UK LTD
as a Guarantor

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

[Signature Page to 6.00% Senior Notes due 2025 Supplemental Indenture]

ENDO LUXEMBOURG HOLDING COMPANY S.À R.L.
as a Guarantor

By: /s/ John D. Boyle
Name: John D. Boyle
Title: A Manager

By: /s/ Joost Tulkens
Name: Joost Tulkens
Title: B Manager

ENDO LUXEMBOURG FINANCE COMPANY I S.À R.L.
as a Guarantor

By: /s/ John D. Boyle
Name: John D. Boyle
Title: A Manager

By: /s/ Joost Tulkens
Name: Joost Tulkens
Title: B Manager

ENDO LUXEMBOURG FINANCE COMPANY II S.À R.L.
as a Guarantor

By: /s/ John D. Boyle
Name: John D. Boyle
Title: A Manager

By: /s/ Joost Tulkens
Name: Joost Tulkens
Title: B Manager

ENDO US HOLDINGS LUXEMBOURG I HOLDING COMPANY S.À R.L.
as a Guarantor

By: /s/ John D. Boyle
Name: John D. Boyle
Title: A Manager

By: /s/ Joost Tulkens
Name: Joost Tulkens
Title: B Manager

ENDO US HOLDINGS LUXEMBOURG II S.À R.L.
as a Guarantor

By: /s/ John D. Boyle
Name: John D. Boyle
Title: A Manager

By: /s/ Joost Tulkens
Name: Joost Tulkens
Title: B Manager

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as a Trustee

By: /s/ Yana Kislenko
Name: Yana Kislenko
Title: Vice President

[Signature Page to 6.00% Senior Notes due 2025 Supplemental Indenture]

Exhibit 10.307

Counterpart to Registration Rights Agreement

September 30, 2015

Each of the undersigned hereby absolutely, unconditionally and irrevocably agrees as a Guarantor, as defined in the Registration Rights Agreement, dated January 27, 2015 by and among Endo Finance LLC, a Delaware limited liability company, Endo Finco Inc., a Delaware corporation, and Endo Designated Activity Company, an Irish private limited company, the Guarantors party thereto, RBC Capital Markets, LLC and Citigroup Global Markets Inc., relating to the 6.00% Senior Notes due 2025, to be bound by the terms and provisions of such Registration Rights Agreement.

[Signature Pages Follow]

IN WITNESS WHEREOF, each of the undersigned has executed this counterpart as of the date first written above.

PAR PHARMACEUTICAL COMPANIES, INC.
as a Guaranteeing Subsidiary

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

PAR PHARMACEUTICAL, INC.
as a Guaranteeing Subsidiary

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

ANCHEN INCORPORATED
as a Guaranteeing Subsidiary

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

PAR, INC.
as a Guaranteeing Subsidiary

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

JHP GROUP HOLDINGS, INC.
as a Guaranteeing Subsidiary

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

JHP ACQUISITION, LLC
as a Guaranteeing Subsidiary
by JHP GROUP HOLDINGS, INC., as Manager

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

PAR STERILE PRODUCTS, LLC
as a Guaranteeing Subsidiary
by JHP ACQUISITION, LLC, as Manager
by JHP GROUP HOLDINGS, INC., its manager

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

ANCHEN PHARMACEUTICALS, INC.
as a Guaranteeing Subsidiary

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

[Signature to Registration Rights Agreement Counterpart – 6.00% Senior Notes due 2025]

KALI LABORATORIES, INC.
as a Guaranteeing Subsidiary

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

[Signature to Registration Rights Agreement Counterpart – 6.00% Senior Notes due 2025]

INNOTEQ, INC.
as a Guaranteeing Subsidiary

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

[Signature to Registration Rights Agreement Counterpart – 6.00% Senior Notes due 2025]

PAR LABORATORIES EUROPE, LTD
as a Guaranteeing Subsidiary

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

[Signature to Registration Rights Agreement Counterpart – 6.00% Senior Notes due 2025]

ENDO FINANCE IV LIMITED
as a Guaranteeing Subsidiary

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

[Signature to Registration Rights Agreement Counterpart – 6.00% Senior Notes due 2025]

SUPPLEMENTAL INDENTURE

SUPPLEMENTAL INDENTURE (this "*Supplemental Indenture*"), dated as of September 30, 2015, among Par Pharmaceutical Companies, Inc., a Delaware corporation, Par Pharmaceutical, Inc., a Delaware corporation, Anchen Incorporated, a Delaware corporation, Par, Inc., a Delaware corporation, Anchen Pharmaceuticals, Inc., a California corporation, JHP Group Holdings, Inc., a Delaware corporation, JHP Acquisition, LLC, a Delaware limited liability company, Par Sterile Products, LLC, a Delaware limited liability company, Kali Laboratories, Inc., a New Jersey corporation, Innoteq, Inc., a Connecticut corporation, Par Laboratories Europe, Ltd., a company organized under the laws of the United Kingdom and Endo Finance IV Limited, a private limited company incorporated under the laws of Ireland (each, a "*Guaranteeing Subsidiary*" and collectively, the "*Guaranteeing Subsidiaries*"), subsidiaries of Endo Designated Activity Company, a private limited company incorporated under the laws of Ireland (the "*Company*"), the Issuer, the Co-Obligor, the other Guarantors (each, as defined in the Indenture referred to below) and Wells Fargo Bank, National Association, as trustee under the Indenture referred to below (the "*Trustee*").

W I T N E S S E T H

WHEREAS, Endo Finance Co., a Delaware corporation, has heretofore executed and delivered to the Trustee an indenture, dated as of December 19, 2013, as supplemented, amended and restated by a supplemental indenture, dated as of February 28, 2014, and as further supplemented by a supplemental indenture, dated as of May 28, 2014, a supplemental indenture, dated as of July 10, 2014, a supplemental indenture, dated as of August 11, 2014, a supplemental indenture, dated as of December 22, 2014, a supplemental indenture, dated as of February 3, 2015, a supplemental indenture, dated as of March 20, 2015, a supplemental indenture, dated as of March 27, 2015, a supplemental indenture, dated as of June 24, 2015 and a supplemental indenture, dated as of July 9, 2015, in each case, among Endo Finance LLC, a Delaware limited liability company and successor to Endo Finance Co., Endo Finco Inc., a Delaware corporation, the Guarantors party thereto and the Trustee (as so supplemented, amended and restated, the "*Indenture*"), providing for the issuance of 5.75% Senior Notes due 2022 (the "*Notes*");

WHEREAS, the Indenture provides that under certain circumstances the Guaranteeing Subsidiaries shall execute and deliver to the Trustee a supplemental indenture pursuant to which the Guaranteeing Subsidiaries shall unconditionally guarantee all of the Issuer's and the Co-Obligor's Obligations under the Notes and the Indenture on the terms and conditions set forth herein (the "*Note Guarantee*");

WHEREAS, this Supplemental Indenture has not resulted in a material modification of the Notes for Foreign Account Tax Compliance Act purposes; and

WHEREAS, pursuant to Section 9.01 of the Indenture, the Trustee is authorized to execute and deliver this Supplemental Indenture.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the Guaranteeing Subsidiaries and the Trustee mutually covenant and agree for the equal and ratable benefit of the Holders of the Notes as follows:

1. CAPITALIZED TERMS. Capitalized terms used herein without definition shall have the meanings assigned to them in the Indenture.

2. AGREEMENT TO GUARANTEE. Each of the Guaranteeing Subsidiaries hereby agrees to provide an unconditional Guarantee on the terms and subject to the conditions set forth in the Note Guarantee and in the Indenture including but not limited to Article 10 thereof.

3. NO RECOURSE AGAINST OTHERS. No director, officer, employee, incorporator or stockholder of the Issuer, the Co-Obligor or any Guarantor, as such, will have any liability for any obligations of the Issuer, Co-Obligor or the Guarantors under the Notes, the Indenture, this Supplemental Indenture, the Note Guarantees or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each Holder of Notes by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes. The waiver may not be effective to waive liabilities under the federal securities laws.

4. NEW YORK LAW TO GOVERN; WAIVER OF JURY TRIAL. THIS SUPPLEMENTAL INDENTURE SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK. EACH OF THE ISSUER, THE CO-OBLIGOR AND THE GUARANTORS CONSENTS AND IRREVOCABLY SUBMITS TO THE JURISDICTION OF ANY NEW YORK STATE OR U.S. FEDERAL COURT LOCATED IN THE BOROUGH OF MANHATTAN, CITY OF NEW YORK, COUNTY OF NEW YORK, STATE OF NEW YORK IN RELATION TO ANY LEGAL ACTION OR PROCEEDING (I) ARISING OUT OF, RELATING TO OR IN CONNECTION WITH THIS INDENTURE, AS SUPPLEMENTED, THE NOTES, THE GUARANTEES AND ANY RELATED DOCUMENTS AND/OR (II) ARISING UNDER ANY U.S. FEDERAL OR U.S. STATE SECURITIES LAWS IN RESPECT OF THE NOTES, THE GUARANTEES AND ANY SECURITIES ISSUED PURSUANT TO THE TERMS OF THE INDENTURE, AS SUPPLEMENTED. EACH OF THE ISSUER, THE CO-OBLIGOR AND THE GUARANTORS WAIVES ANY OBJECTION TO PROCEEDINGS IN ANY SUCH COURTS, WHETHER ON THE GROUND OF VENUE OR ON THE GROUND THAT THE PROCEEDINGS HAVE BEEN BROUGHT IN AN INCONVENIENT FORUM. EACH OF THE ISSUER, THE CO-OBLIGOR AND THE GUARANTORS, TO THE EXTENT ORGANIZED OUTSIDE OF THE UNITED STATES, SHALL APPOINT CT CORPORATION SYSTEM, 111 EIGHTH AVENUE, 13TH FLOOR, NEW YORK, NY 10011, AS ITS AGENT FOR SERVICE OF PROCESS IN ANY SUCH SUIT, ACTION OR PROCEEDING AND AGREES THAT SERVICE OF PROCESS UPON SAID AUTHORIZED AGENT SHALL BE DEEMED IN EVERY RESPECT EFFECTIVE SERVICE OF PROCESS UPON IT IN ANY SUCH SUIT, ACTION OR PROCEEDING. EACH OF THE ISSUER, THE CO-OBLIGOR AND THE GUARANTORS AGREES TO DELIVER, UPON THE EXECUTION AND DELIVERY OF THIS SUPPLEMENTAL INDENTURE, A WRITTEN ACCEPTANCE BY SUCH AGENT OF ITS APPOINTMENT AS SUCH AGENT. EACH OF THE ISSUER, THE CO-OBLIGOR AND THE GUARANTORS, TO THE EXTENT ORGANIZED OUTSIDE OF THE UNITED STATES, FURTHER AGREES TO TAKE ANY AND ALL ACTION, INCLUDING THE FILING OF ANY AND ALL SUCH DOCUMENTS AND INSTRUMENTS, AS MAY BE REASONABLY NECESSARY TO CONTINUE SUCH DESIGNATION AND APPOINTMENT OF CT CORPORATION SYSTEM IN FULL FORCE AND EFFECT FOR SO LONG AS THE INDENTURE, AS SUPPLEMENTED, REMAINS IN FORCE. THE ISSUER, THE CO-OBLIGOR, THE TRUSTEE AND EACH OF THE GUARANTORS HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL

RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS SUPPLEMENTAL INDENTURE, THE NOTES OR THE TRANSACTIONS CONTEMPLATED HEREBY.

5. COUNTERPARTS. The parties may sign any number of copies of this Supplemental Indenture. Each signed copy (which may be provided via facsimile or other electronic transmission) shall be an original, but all of them together represent the same agreement.

6. EFFECT OF HEADINGS. The Section headings herein are for convenience only and shall not affect the construction hereof.

7. THE TRUSTEE. The Trustee shall not be responsible in any manner whatsoever for or in respect of the validity or sufficiency of this Supplemental Indenture or for or in respect of the recitals contained herein, all of which recitals are made solely by the Guaranteeing Subsidiaries and the Issuer.

IN WITNESS WHEREOF, the parties hereto have caused this Supplemental Indenture to be duly executed and attested, all as of the date first above written.

PAR PHARMACEUTICAL COMPANIES, INC.
as a Guaranteeing Subsidiary

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

PAR PHARMACEUTICAL, INC.
as a Guaranteeing Subsidiary

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

ANCHEN INCORPORATED
as a Guaranteeing Subsidiary

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

PAR, INC.
as a Guaranteeing Subsidiary

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

JHP GROUP HOLDINGS, INC
as a Guaranteeing Subsidiary

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

JHP ACQUISITION, LLC
as a Guaranteeing Subsidiary
by JHP GROUP HOLDINGS, Inc., as Manager

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

PAR STERILE PRODUCTS, LLC
as a Guaranteeing Subsidiary
by JHP ACQUISITION, LLC, as Manager
by JHP GROUP HOLDINGS, INC., its manager

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

ANCHEN PHARMACEUTICALS, INC
as a Guaranteeing Subsidiary

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

[Signature Page to 5.75% Senior Notes due 2022 Supplemental Indenture]

KALI LABORATORIES, INC.
as a Guaranteeing Subsidiary

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

[Signature Page to 5.75% Senior Notes due 2022 Supplemental Indenture]

INNOTEQ, INC.
as a Guaranteeing Subsidiary

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

[Signature Page to 5.75% Senior Notes due 2022 Supplemental Indenture]

PAR LABORATORIES EUROPE, LTD
as a Guaranteeing Subsidiary

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

[Signature Page to 5.75% Senior Notes due 2022 Supplemental Indenture]

ENDO FINANCE IV LIMITED
as a Guaranteeing Subsidiary

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

[Signature Page to 5.75% Senior Notes due 2022 Supplemental Indenture]

ENDO FINANCE IV LIMITED
as an Issuer
by ENDO LUXEMBOURG FINANCE COMPANY I S.À R.L., its sole member

By: /s/ John D. Boyle
Name: John D. Boyle
Title: A Manager

By: /s/ Joost Tulkens
Name: Joost Tulkens
Title: B Manager

[Signature Page to 5.75% Senior Notes due 2022 Supplemental Indenture]

ENDO FINCO INC.
as an Issuer

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Secretary

[Signature Page to 5.75% Senior Notes due 2022 Supplemental Indenture]

ENDO LLC
ENDO U.S. INC.
each, as a Guarantor

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Secretary

[Signature Page to 5.75% Senior Notes due 2022 Supplemental Indenture]

DAVA PHARMACEUTICALS, INC.
ENDO HEALTH SOLUTIONS, INC.
ENDO PHARMACEUTICALS INC.
ENDO PHARMACEUTICALS SOLUTIONS INC.
ENDO PHARMACEUTICALS VALERA INC.
GENERICS INTERNATIONAL (US PARENT), INC.
GENERICS INTERNATIONAL (US MIDCO), INC.
GENERICS INTERNATIONAL (US HOLDO), INC.
GENERICS INTERNATIONAL (US), INC.
AMERICAN MEDICAL SYSTEMS HOLDINGS, INC.each, as a Guarantor

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

GENERICS BIDCO I, LLC
VINTAGE PHARMACEUTICALS, LLC
GENERICS BIDCO II, LLC
MOORES MILL PROPERTIES LLC
WOOD PARK PROPERTIES LLC
QUARTZ SPECIALITY PHARMACEUTICALS, LLC
each as a Guarantor
by GENERICS INTERNATIONAL (US), INC.,
its manager

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

LEDGEMENT ROYALTY SUB LLC
each as a Guarantor
by ENDO PHARMACEUTICALS SOLUTIONS INC.,
its manager

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

[Signature Page to 5.75% Senior Notes due 2022 Supplemental Indenture]

DAVA International, LLC
as a Guarantor
by DAVA PHARMACEUTICALS, INC.,
its sole member

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

DAVA CAPITAL MANAGEMENT, INC.
as a Guarantor

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

AUXILIUM INTERNATIONAL HOLDINGS, INC.
as a Guarantor

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

SLATE PHARMACEUTICALS, INC.
as a Guarantor

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

TIMM MEDICAL TECHNOLOGIES, INC.
as a Guarantor

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

ACTIENT PHARMACEUTICALS LLC
as a Guarantor

By: AUXILIUM PHARMACEUTICALS, INC.,
its manager

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

ACTIENT THERAPEUTICS LLC
as a Guarantor

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

AUXILIUM US HOLDINGS, LLC
as a Guarantor

By: AUXILIUM PHARMACEUTICALS, INC.,
its manager

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

AUXILIUM PHARMACEUTICALS, INC.
as a Guarantor

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

70 MAPLE AVENUE, LLC
as a Guarantor

By: ACTIENT PHARMACEUTICALS LLC,
its manager

By: AUXILIUM PHARMACEUTICALS, INC
its manager

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

TIMM MEDICAL HOLDINGS, LLC
its Guarantor

By: ACTIENT PHARMACEUTICALS LLC,
its manager

By: AUXILIUM PHARMACEUTICALS, INC.
its manager

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

APHRODITE WOMEN'S HEALTH, LLC
as a Guarantor

By: AMERICAN MEDICAL SYSTEMS HOLDINGS, INC.,
its manager

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

ENDO DESIGNED ACTIVITY COMPANY
as a Guarantor

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

ENDO VENTURES LIMITED
as a Guarantor

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

ENDO MANAGEMENT LIMITED
as a Guarantor

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

ENDO FINANCE LIMITED
as a Guarantor

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

ENDO FINANCE II LIMITED
as a Guarantor

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

ENDO FINANCE III LIMITED
as a Guarantor

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

HAWK ACQUISITION IRELAND LIMITED
as a Guarantor

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

ENDO TOPFIN LIMITED
as a Guarantor

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

ENDO IRELAND FINANCE LIMITED
as a Guarantor

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

[Signature Page to 5.75% Senior Notes due 2022 Supplemental Indenture]

PALADIN LABS CANADIAN HOLDING INC.
as a Guarantor

By: /s/ Mark Beaudet
Name: Mark Beaudet
Title: President

PALADIN LABS INC.
as a Guarantor

By: /s/ Mark Beaudet
Name: Mark Beaudet
Title: President

[Signature Page to 5.75% Senior Notes due 2022 Supplemental Indenture]

ENDO VENTURES BERMUDA LIMITED
as a Guarantor

By: /s/ Susan Hall
Name: Susan Hall
Title: Director

ENDO GLOBAL VENTURES
as a Guarantor

By: /s/ Susan Hall
Name: Susan Hall
Title: Director

HAWK ACQUISITION ULC
as a Guarantor

By: /s/ Laurence S. Smith
Name: Laurence S. Smith
Title: Director

ENDO BERMUDA FINANCE LIMITED
as a Guarantor

By: /s/ Robert J. Cobuzzi.
Name: Robert J. Cobuzzi.
Title: Director

ENDO NETHERLANDS B.V.
as a Guarantor

By: /s/ Robert J. Cobuzzi.
Name: Robert J. Cobuzzi.
Title: Managing Director A

ENDO BERMUDA FINANCE LIMITED
as a Guarantor

By: /s/ Gert Jan Rietberg
Name: Gert Jan Rietberg
Title: Managing Director B

ENDO VENTURES CYPRUS LIMITED
as a Guarantor

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

[Signature Page to 5.75% Senior Notes due 2022 Supplemental Indenture]

AUXILIUM UK LTD
as a Guarantor

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

[Signature Page to 5.75% Senior Notes due 2022 Supplemental Indenture]

ENDO LUXEMBOURG HOLDING COMPANY S.À R.L.
as a Guarantor

By: /s/ John D. Boyle
Name: John D. Boyle
Title: A Manager

By: /s/ Joost Tulkens
Name: Joost Tulkens
Title: B Manager

ENDO LUXEMBOURG FINANCE COMPANY I S.À R.L.
as a Guarantor

By: /s/ John D. Boyle
Name: John D. Boyle
Title: A Manager

By: /s/ Joost Tulkens
Name: Joost Tulkens
Title: B Manager

ENDO LUXEMBOURG FINANCE COMPANY II S.À R.L.
as a Guarantor

By: /s/ John D. Boyle
Name: John D. Boyle
Title: A Manager

By: /s/ Joost Tulkens
Name: Joost Tulkens
Title: B Manager

ENDO US HOLDINGS LUXEMBOURG I HOLDING COMPANY S.À R.L.
as a Guarantor

By: /s/ John D. Boyle
Name: John D. Boyle
Title: A Manager

By: /s/ Joost Tulkens
Name: Joost Tulkens
Title: B Manager

ENDO US HOLDINGS LUXEMBOURG II S.À R.L.
as a Guarantor

By: /s/ John D. Boyle
Name: John D. Boyle
Title: A Manager

By: /s/ Joost Tulkens
Name: Joost Tulkens
Title: B Manager

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as a Trustee

By: /s/ Yana Kislenko
Name: Yana Kislenko
Title: Vice President

[Signature Page to 5.75% Senior Notes due 2022 Supplemental Indenture]

SUPPLEMENTAL INDENTURE

SUPPLEMENTAL INDENTURE (this "*Supplemental Indenture*"), dated as of September 30, 2015, among Par Pharmaceutical Companies, Inc., a Delaware corporation, Par Pharmaceutical, Inc., a Delaware corporation, Anchen Incorporated, a Delaware corporation, Par, Inc., a Delaware corporation, Anchen Pharmaceuticals, Inc., a California corporation, JHP Group Holdings, Inc., a Delaware corporation, JHP Acquisition, LLC, a Delaware limited liability company, Par Sterile Products, LLC, a Delaware limited liability company, Kali Laboratories, Inc., a New Jersey corporation, Innoteq, Inc., a Connecticut corporation, Par Laboratories Europe, Ltd., a company organized under the laws of the United Kingdom and Endo Finance IV Limited, a private limited company incorporated under the laws of Ireland (each, a "*Guaranteeing Subsidiary*" and collectively, the "*Guaranteeing Subsidiaries*"), subsidiaries of Endo Designated Activity Company, a private limited company incorporated under the laws of Ireland (the "*Company*"), the Issuers, the other Guarantors (both, as defined in the Indenture referred to below) and Wells Fargo Bank, National Association, as trustee under the Indenture referred to below (the "*Trustee*").

W I T N E S S E T H

WHEREAS, the Company, Endo Finance LLC, a Delaware limited liability company, and Endo Finco Inc., a Delaware corporation, have heretofore executed and delivered to the Trustee an indenture, dated as of July 9, 2015(the "*Indenture*"), providing for the issuance of 6.000% Senior Notes due 2023 (the "*Notes*");

WHEREAS, the Indenture provides that under certain circumstances the Guaranteeing Subsidiaries shall execute and deliver to the Trustee a supplemental indenture pursuant to which the Guaranteeing Subsidiaries shall unconditionally guarantee all of the Issuers' Obligations under the Notes and the Indenture on the terms and conditions set forth herein (the "*Note Guarantee*");

WHEREAS, this Supplemental Indenture has not resulted in a material modification of the Notes for Foreign Account Tax Compliance Act purposes; and

WHEREAS, pursuant to Section 9.01 of the Indenture, the Trustee is authorized to execute and deliver this Supplemental Indenture.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the Guaranteeing Subsidiaries and the Trustee mutually covenant and agree for the equal and ratable benefit of the Holders of the Notes as follows:

1. CAPITALIZED TERMS. Capitalized terms used herein without definition shall have the meanings assigned to them in the Indenture.

2. AGREEMENT TO GUARANTEE. Each of the Guaranteeing Subsidiaries hereby agrees to provide an unconditional Guarantee on the terms and subject to the conditions set forth in the Note Guarantee and in the Indenture including but not limited to Article 10 thereof.

3. NO RECOURSE AGAINST OTHERS. No director, officer, employee, incorporator or stockholder of the Issuers or any Guarantor, as such, will have any liability for any obligations of the Issuers or the Guarantors under the Notes, this Supplemental Indenture, the Note Guarantees

or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each Holder of Notes by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes. The waiver may not be effective to waive liabilities under the federal securities laws.

4. NEW YORK LAW TO GOVERN; WAIVER OF JURY TRIAL. THIS SUPPLEMENTAL INDENTURE SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK. EACH OF THE ISSUERS AND THE GUARANTORS CONSENTS AND IRREVOCABLY SUBMITS TO THE JURISDICTION OF ANY NEW YORK STATE OR U.S. FEDERAL COURT LOCATED IN THE BOROUGH OF MANHATTAN, CITY OF NEW YORK, COUNTY OF NEW YORK, STATE OF NEW YORK IN RELATION TO ANY LEGAL ACTION OR PROCEEDING (I) ARISING OUT OF, RELATING TO OR IN CONNECTION WITH THIS INDENTURE, AS SUPPLEMENTED, THE NOTES, THE GUARANTEES AND ANY RELATED DOCUMENTS AND/OR (II) ARISING UNDER ANY U.S. FEDERAL OR U.S. STATE SECURITIES LAWS IN RESPECT OF THE NOTES, THE GUARANTEES AND ANY SECURITIES ISSUED PURSUANT TO THE TERMS OF THE INDENTURE, AS SUPPLEMENTED. EACH OF THE ISSUERS AND THE GUARANTORS WAIVES ANY OBJECTION TO PROCEEDINGS IN ANY SUCH COURTS, WHETHER ON THE GROUND OF VENUE OR ON THE GROUND THAT THE PROCEEDINGS HAVE BEEN BROUGHT IN AN INCONVENIENT FORUM. EACH OF THE GUARANTEEING SUBSIDIARIES, TO THE EXTENT ORGANIZED OUTSIDE OF THE UNITED STATES, SHALL APPOINT CT CORPORATION SYSTEM, 111 EIGHTH AVENUE, 13TH FLOOR, NEW YORK, NY 10011, AS ITS AGENT FOR SERVICE OF PROCESS IN ANY SUCH SUIT, ACTION OR PROCEEDING AND AGREES THAT SERVICE OF PROCESS UPON SAID AUTHORIZED AGENT SHALL BE DEEMED IN EVERY RESPECT EFFECTIVE SERVICE OF PROCESS UPON IT IN ANY SUCH SUIT, ACTION OR PROCEEDING. EACH OF THE GUARANTEEING SUBSIDIARIES AGREES TO DELIVER, UPON THE EXECUTION AND DELIVERY OF THIS SUPPLEMENTAL INDENTURE, A WRITTEN ACCEPTANCE BY SUCH AGENT OF ITS APPOINTMENT AS SUCH AGENT. EACH OF GUARANTEEING SUBSIDIARIES, TO THE EXTENT ORGANIZED OUTSIDE OF THE UNITED STATES, FURTHER AGREES TO TAKE ANY AND ALL ACTION, INCLUDING THE FILING OF ANY AND ALL SUCH DOCUMENTS AND INSTRUMENTS, AS MAY BE REASONABLY NECESSARY TO CONTINUE SUCH DESIGNATION AND APPOINTMENT OF CT CORPORATION SYSTEM IN FULL FORCE AND EFFECT FOR SO LONG AS THE INDENTURE, AS SUPPLEMENTED, REMAINS IN FORCE. EACH OF THE ISSUERS, THE TRUSTEE AND THE GUARANTORS HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS SUPPLEMENTAL INDENTURE, THE NOTES OR THE TRANSACTIONS CONTEMPLATED HEREBY.

5. COUNTERPARTS. The parties may sign any number of copies of this Supplemental Indenture. Each signed copy (which may be provided via facsimile or other electronic transmission) shall be an original, but all of them together represent the same agreement.

6. EFFECT OF HEADINGS. The Section headings herein are for convenience only and shall not affect the construction hereof.

7. THE TRUSTEE. The Trustee shall not be responsible in any manner whatsoever for or in respect of the validity or sufficiency of this Supplemental Indenture or for or in respect of the recitals contained herein, all of which recitals are made solely by the Guaranteeing Subsidiaries and the Issuers.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties hereto have caused this Supplemental Indenture to be duly executed and attested, all as of the date first above written.

PAR PHARMACEUTICAL COMPANIES, INC.
as a Guaranteeing Subsidiary

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

PAR PHARMACEUTICAL, INC.
as a Guaranteeing Subsidiary

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

ANCHEN INCORPORATED
as a Guaranteeing Subsidiary

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

PAR, INC.
as a Guaranteeing Subsidiary

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

JHP GROUP HOLDINGS, INC
as a Guaranteeing Subsidiary

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

JHP ACQUISITION, LLC
as a Guaranteeing Subsidiary

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

PAR STERILE PRODUCTS, LLC
as a Guaranteeing Subsidiary
by JHP ACQUISITION, LLC, as Manager
by JHP GROUP HOLDINGS, INC., its manager

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

ANCHEN PHARMACEUTICALS, INC
as a Guaranteeing Subsidiary

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

[Signature Page to 6.000% Notes due 2023 Supplemental Indenture]

KALI LABORATORIES, INC.
as a Guaranteeing Subsidiary

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

[Signature Page to 6.000% Notes due 2023 Supplemental Indenture]

INNOTEQ, INC.
as a Guaranteeing Subsidiary

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

[Signature Page to 6.000% Notes due 2023 Supplemental Indenture]

PAR LABORATORIES EUROPE, LTD
as a Guaranteeing Subsidiary

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

[Signature Page to 6.000% Notes due 2023 Supplemental Indenture]

ENDO FINANC IV LIMITED
as a Guaranteeing Subsidiary

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

[Signature Page to 6.000% Notes due 2023 Supplemental Indenture]

ENDO FINCO INC.
as an Issuer

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Secretary

[Signature Page to 6.000% Notes due 2023 Supplemental Indenture]

ENDO DESIGNATED ACTIVITY COMPANY
as a Issuer

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

[Signature Page to 6.000% Notes due 2023 Supplemental Indenture]

ENDO FINANCE LLC
as an Issuer
by ENDO LUXEMBOURG FINANCE COMPANY I S.À R.L., its sole member

By: /s/ John D. Boyle
Name: John D. Boyle
Title: A Manager

By: /s/ Joost Tulkens
Name: Joost Tulkens
Title: B Manager

[Signature Page to 6.000% Notes due 2023 Supplemental Indenture]

ENDO LLC
ENDO U.S. INC.
each, as a Guarantor

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Secretary

[Signature Page to 6.000% Notes due 2023 Supplemental Indenture]

DAVA PHARMACEUTICALS, INC.
ENDO HEALTH SOLUTIONS, INC.
ENDO PHARMACEUTICALS INC.
ENDO PHARMACEUTICALS SOLUTIONS INC.
ENDO PHARMACEUTICALS VALERA INC.
GENERICS INTERNATIONAL (US PARENT), INC.
GENERICS INTERNATIONAL (US MIDCO), INC.
GENERICS INTERNATIONAL (US HOLDO), INC.
GENERICS INTERNATIONAL (US), INC.
AMERICAN MEDICAL SYSTEMS HOLDINGS, INC.each, as a Guarantor

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

[Signature Page to 6.000% Notes due 2023 Supplemental Indenture]

GENERICS BIDCO I, LLC
VINTAGE PHARMACEUTICALS, LLC
GENERICS BIDCO II, LLC
MOORES MILL PROPERTIES LLC
WOOD PARK PROPERTIES LLC
QUARTZ SPECIALITY PHARMACEUTICALS, LLC
each as a Guarantor
by GENERICS INTERNATIONAL (US), INC.,
its manager

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

[Signature Page to 6.000% Notes due 2023 Supplemental Indenture]

LEDGEMENT ROYALTY SUB LLC
each as a Guarantor
by ENDO PHARMACEUTICALS SOLUTIONS INC.,
its manager

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

[Signature Page to 6.000% Notes due 2023 Supplemental Indenture]

DAVA International, LLC
as a Guarantor
by DAVA PHARMACEUTICALS, INC.,
its sole member

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

DAVA CAPITAL MANAGEMENT, INC.
as a Guarantor

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

AUXILIUM INTERNATIONAL HOLDINGS, INC.
as a Guarantor

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

SLATE PHARMACEUTICALS, INC.
as a Guarantor

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

TIMM MEDICAL TECHNOLOGIES, INC.
as a Guarantor

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

ACTIENT PHARMACEUTICALS LLC
as a Guarantor

By: AUXILIUM PHARMACEUTICALS, INC.,
its manager

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

ACTIENT THERAPEUTICS LLC
as a Guarantor

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

AUXILIUM US HOLDINGS, LLC
as a Guarantor

By: AUXILIUM PHARMACEUTICALS, INC.,
its manager

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

AUXILIUM PHARMACEUTICALS, INC.
as a Guarantor

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

70 MAPLE AVENUE, LLC
as a Guarantor

By: ACTIENT PHARMACEUTICALS LLC,
its manager

By: AUXILIUM PHARMACEUTICALS, INC
its manager

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

TIMM MEDICAL HOLDINGS, LLC
its Guarantor

By: ACTIENT PHARMACEUTICALS LLC,
its manager

By: AUXILIUM PHARMACEUTICALS, INC.
its manager

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

APHRODITE WOMEN'S HEALTH, LLC
as a Guarantor

By: AMERICAN MEDICAL SYSTEMS HOLDINGS, INC.,
its manager

By: /s/ Deanna Voss
Name: Deanna Voss
Title: Assistant Secretary

[Signature Page to 6.000% Notes due 2023 Supplemental Indenture]

ENDO MANAGEMENT LIMITED
as a Guarantor

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

ENDO VENTURES LIMITED
as a Guarantor

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

ENDO MANAGEMENT II LIMITED
as a Guarantor

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

ENDO FINANCE III LIMITED
as a Guarantor

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

HAWK ACQUISITION IRELAND LIMITED
as a Guarantor

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

ENDO TOPFIN LIMITED
as a Guarantor

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

[Signature Page to 6.000% Notes due 2023 Supplemental Indenture]

ENDO IRELAND FINANCE LIMITED
as a Guarantor

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

[Signature Page to 6.000% Notes due 2023 Supplemental Indenture]

PALADIN LABS CANADIAN HOLDING INC.
as a Guarantor

By: /s/ Mark Beaudet
Name: Mark Beaudet
Title: President

PALADIN LABS INC.
as a Guarantor

By: /s/ Mark Beaudet
Name: Mark Beaudet
Title: President

[Signature Page to 6.000% Notes due 2023 Supplemental Indenture]

ENDO VENTURES BERMUDA LIMITED
as a Guarantor

By: /s/ Susan Hall
Name: Susan Hall
Title: Director

ENDO GLOBAL VENTURES
as a Guarantor

By: /s/ Susan Hall
Name: Susan Hall
Title: Director

HAWK ACQUISITION ULC
as a Guarantor

By: /s/ Laurence S. Smith
Name: Laurence S. Smith
Title: Director

ENDO BERMUDA FINANCE LIMITED
as a Guarantor

By: /s/ Robert J. Cobuzzi.
Name: Robert J. Cobuzzi.
Title: Director

ENDO NETHERLANDS B.V.
as a Guarantor

By: /s/ Robert J. Cobuzzi.
Name: Robert J. Cobuzzi.
Title: Managing Director A

By: /s/ Gert Jan Rietberg
Name: Gert Jan Rietberg
Title: Managing Director B

[Signature Page to 6.000% Notes due 2023 Supplemental Indenture]

ENDO VENTURES CYPRUS LIMITED
as a Guarantor

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

[Signature Page to 6.000% Notes due 2023 Supplemental Indenture]

AUXILIUM UK LTD
as a Guarantor

By: /s/ Orla Dunlea
Name: Orla Dunlea
Title: Director

[Signature Page to 6.000% Notes due 2023 Supplemental Indenture]

ENDO LUXEMBOURG HOLDING COMPANY S.À R.L.
as a Guarantor

By: /s/ John D. Boyle
Name: John D. Boyle
Title: A Manager

By: /s/ Joost Tulkens
Name: Joost Tulkens
Title: B Manager

ENDO LUXEMBOURG FINANCE COMPANY I S.À R.L.
as a Guarantor

By: /s/ John D. Boyle
Name: John D. Boyle
Title: A Manager

By: /s/ Joost Tulkens
Name: Joost Tulkens
Title: B Manager

ENDO LUXEMBOURG FINANCE COMPANY II S.À R.L.
as a Guarantor

By: /s/ John D. Boyle
Name: John D. Boyle
Title: A Manager

By: /s/ Joost Tulkens
Name: Joost Tulkens
Title: B Manager

ENDO US HOLDINGS LUXEMBOURG I HOLDING COMPANY S.À R.L.
as a Guarantor

By: /s/ John D. Boyle
Name: John D. Boyle
Title: A Manager

By: /s/ Joost Tulkens
Name: Joost Tulkens
Title: B Manager

ENDO US HOLDINGS LUXEMBOURG II S.À R.L.
as a Guarantor

By: /s/ John D. Boyle
Name: John D. Boyle
Title: A Manager

By: /s/ Joost Tulkens
Name: Joost Tulkens
Title: B Manager

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as a Trustee

By: /s/ Yana Kislenko
Name: Yana Kislenko
Title: Vice President

[Signature Page to 6.000% Notes due 2023 Supplemental Indenture]

Exhibit 10.310

ENDO HEALTH SOLUTIONS INC.

EXECUTIVE EMPLOYMENT AGREEMENT

THIS AGREEMENT (this "Agreement") is hereby entered into as of May 18, 2015, by and between Endo Health Solutions Inc. (the "Company"), a wholly-owned subsidiary of Endo International plc ("Endo"), and Paul Campanelli ("Executive") (hereinafter collectively referred to as "the parties").

RECITALS:

A. WHEREAS, Endo entered into a Merger Agreement (the "Merger Agreement") on the date hereof with Par Pharmaceuticals Holdings, Inc. ("Par"), among others, whereby Endo is acquiring all of the outstanding shares of common stock of Par pursuant to the terms and subject to the conditions of the Merger Agreement;

B. WHEREAS, following such acquisition, Executive will serve as Group President, Generics of Par Pharmaceutical, Inc. (a subsidiary of Par), and an executive officer of Endo, on such terms and conditions as set forth herein; and

C. WHEREAS, in order to reflect such terms and conditions, the parties hereto desire to replace Executive's Employment Agreement dated as of May 3, 2012 (the "Prior Employment Agreement") with this Agreement effective on the consummation of the transactions contemplated by the Merger Agreement (the "Merger").

In consideration of the respective agreements of the parties contained herein, it is agreed as follows:

1. Term. The term of Executive's employment under this Agreement shall be for the period commencing on the consummation of the Merger (the "Employment Commencement Date") and ending, subject to earlier termination as set forth in Section 6, on the third anniversary of the Employment Commencement Date (the "Employment Term"). This Agreement shall be null and void in the event that the Merger is not consummated and will terminate upon the termination of the Merger Agreement in accordance with the terms of the Merger Agreement.

2. Employment. During the Employment Term:
   a. Executive shall be assigned with the duties and responsibilities of Group President, Generics of Par Pharmaceutical, Inc. as may reasonably be assigned to Executive from time to time by the President and Chief Executive Officer of Endo or by the Board of Directors of Endo (the "Board") or a committee of the Board. Executive shall perform such duties, undertake the responsibilities, and exercise the authorities customarily performed, undertaken and exercised by persons situated in a similar executive capacity at a similar company. If, at any time, Executive is elected as a director or officer of Endo or any of Endo's affiliates, Executive

will fulfill Executive's duties as such director or officer without additional compensation.

b. Executive shall devote Executive's substantially full-time business attention to the business and affairs of the Company and its affiliates. Notwithstanding the foregoing, Executive may (i) subject to the prior written approval of the Board, serve on one (1) public company board of directors (other than Endo), and (ii) serve on civil, charitable or non-profit boards or committees, or manage personal and family investments and affairs, participate in industry organizations and deliver lectures at educational institutions, in case of each of (i) or (ii) so long as such service and activity does not interfere, individually or in the aggregate, with the performance of his responsibilities hereunder and subject to the code of conduct and other applicable written policies of the Company and its affiliates as in effect from time to time.

c. Executive shall be subject to and shall abide by each of the personnel and compliance policies of the Company and its affiliates applicable and communicated in writing to senior executives.

3. Sign-On Compensation

a. Initial Performance Share Unit Grant. On the first trading day following the Employment Commencement Date (the "Grant Date"), Executive shall receive a grant of performance share units ("Initial PSUs") under Endo's Amended and Restated 2010 Stock Incentive Plan or any successor plan thereto (the "Plan"). The number of Initial PSUs shall be equal to $1,900,000, divided by the Fair Market Value (as defined in the Plan) of an Endo ordinary share as of the Grant Date (rounded down to the nearest whole share). The Initial PSUs shall vest on the third anniversary of the Grant Date, provided Executive is then employed by the Company or one of its affiliates and subject to the achievement of the applicable performance goals, as determined by the Compensation Committee of the Board (the "Committee"). All Initial PSUs shall be subject to the terms and conditions of the Plan and applicable award agreement.

b. Initial Restricted Stock Unit Grant. On the Grant Date, Executive shall receive a grant of restricted stock units under the Plan (the "Initial RSUs"). The number of Initial RSUs shall be equal to $950,000, divided by the Fair Market Value of an Endo ordinary share as of the Grant Date (rounded down to the nearest whole share). The Initial RSUs shall vest ratably over a four-year period, 25% on each anniversary of the Grant Date, provided Executive is employed on such dates by the Company or one of its affiliates. All Initial RSUs shall be subject to the terms and conditions of the Plan and applicable award agreement.

c. Initial Stock Option Grant. On the Grant Date, Executive shall receive a grant of nonqualified stock options under the Plan (the "Initial Stock Options") valued at $950,000 using a Black Scholes valuation based on the closing price of Endo's ordinary shares on the Grant Date with methodology determined by the Committee in its sole discretion (rounded down to the nearest whole share). The Initial Stock Options shall vest ratably over a four-year period, at a rate of 25% percent of the total Initial Stock Options on each of the four anniversaries of the Grant Date, provided Executive is employed on such dates by the Company or one of its affiliates. The Initial Stock Options shall be subject to the terms and conditions set forth in the Plan and applicable award agreement.

d. Share Purchase Requirement and Matching Share Unit Grant. Within thirty (30) days following the Employment Commencement Date, Executive shall purchase, on the market and during periods of open trading in accordance with applicable law, Endo ordinary shares with an aggregate purchase price of at least fifteen percent (15%) of the after-tax proceeds that Executive receives in connection with the Merger from the cancellation of his Par option awards (the "Purchased Shares"); provided, however, if Executive is precluded from completing such purchases in the marketplace due to being subject to blackout periods or other restrictions on his ability to purchase such shares due to his possession of material inside information, the Company shall extend the period of time to complete such market purchases such that Executive shall have a reasonable opportunity to complete the purchase of the Purchased Shares. Notwithstanding the foregoing, Executive may satisfy his obligation to purchase such Purchased Shares by retaining all or a portion of the Endo ordinary shares received in the Merger (with such shares valued for purposes of the purchase obligation using the Parent VWAP (as defined in the Merger Agreement)). Executive shall be required to retain Purchased Shares with a purchase price of $5,000,000 for three years following the Employment Commencement Date and Executive shall be required to retain the balance of the Purchased Shares for one year following the Employment Commencement Date, to the extent, in either case, that he remains employed by the Company during each such period. In connection with such share ownership requirements, Executive shall receive matching share units equal to one matching share unit for each ordinary share of Endo purchased, up to $5,000,000 in purchases. Such matching share units shall be subject to the terms and conditions set forth in the matching share unit agreement attached hereto as Exhibit A.

4. Annual Compensation and Equity Grants.

a. Base Salary. The Company agrees to pay or cause to be paid to Executive during the Employment Term a base salary at the rate of $950,000 per annum or such increased amount as the President and Chief Executive

Officer of Endo or the Committee may from time to time determine, and which shall be reviewed for such increase annually, with the first such planned review to occur no later than March 2016 (hereinafter referred to as the "Base Salary"). Such Base Salary shall be payable in accordance with the Company's customary practices applicable to its executives, but no less frequently than monthly.

b. Incentive Compensation. For each fiscal year of the Company ending during the Employment Term, beginning with the 2015 fiscal year, Executive shall be eligible to receive annual cash incentive compensation. Executive shall be eligible to receive a target annual cash bonus of 80% of Base Salary (such target bonus, as may hereafter be increased, the "Target Bonus"), with the opportunity to receive a maximum annual cash bonus in accordance with the terms of the applicable annual cash bonus plan as in effect from time to time. Any bonus payment shall be subject to the achievement of performance targets as set by the Committee. Such annual cash bonus shall be paid in no event later than March 15th of the taxable year following the end of the taxable year to which the performance targets relate, provided that Executive is employed by the Company or one of its affiliates through December 31st of the applicable fiscal year and any performance targets established by the Committee for the applicable fiscal year have been achieved. For 2015, Executive's Target Bonus shall not be pro-rated.

c. Equity Compensation. For each fiscal year or part thereof during the Employment Term, beginning with grants made in 2016 with respect to 2015 performance, Executive shall be eligible to receive equity-based compensation with a targeted grant date Fair Market Value equal to 250% of Executive's Base Salary for such fiscal year. All such equity-based awards shall be subject to the terms and conditions set forth in the applicable plan and award agreements, and in all cases shall be as determined by the Committee. For the annual grant to be made in 2016, Executive's annual grant shall not be pro-rated.

5. Other Benefits.

a. Employee Benefits. During the Employment Term, Executive shall be entitled to participate in all employee benefit plans, practices and programs maintained by the Company or its affiliates and made available to employees of the Company generally, including, without limitation, all pension, retirement, profit sharing, savings, medical, hospitalization, disability, dental, life or travel accident insurance benefit plans, to the extent Executive is eligible under the terms of such plans. Executive's participation in such plans, practices and programs shall be on the same basis and terms as are applicable to employees of the Company generally.

Executive is responsible for any taxes that may be due based upon the value of the benefits provided.

b. Executive Benefits. During the Employment Term, Executive shall be entitled to participate in all executive benefit or incentive compensation plans now maintained or hereafter established by the Company or its affiliates for the purpose of providing compensation and/or benefits to comparable executive employees of the Company, including, but not limited to, the Company's deferred compensation plans and any supplemental retirement, deferred compensation, supplemental medical or life insurance or other bonus or incentive compensation plans. Unless otherwise provided herein, Executive's participation in such plans shall be on the same basis and terms, as other senior executives of the Company. No additional compensation provided under any of such plans shall be deemed to modify or otherwise affect the terms of this Agreement or any of Executive's entitlements hereunder. Executive is responsible for any taxes that may be due based upon the value of the benefits provided.

c. Fringe Benefits and Perquisites. During the Employment Term, Executive shall be entitled to all fringe benefits and perquisites generally made available by the Company or its affiliates to its senior executives. For the avoidance of doubt, Executive shall not be entitled to any excise tax gross-up under Section 280G or 4999 of the Internal Revenue Code (or any successor provision) or any other tax gross-up.

d. Business Expenses. Upon submission of proper invoices in accordance with the Company's normal procedures, Executive shall be entitled to receive prompt reimbursement of all reasonable out-of-pocket business, entertainment and travel expenses incurred by Executive in connection with the performance of Executive's duties hereunder that have been incurred in accordance with the Company's business expense and travel and entertainment policies in effect from time to time. Such reimbursement shall be made as soon as practicable and in no event later than the end of the calendar year following the calendar year in which the expenses were incurred.

e. Office and Facilities. During the Employment Term, Executive shall be provided with an appropriate office, with such secretarial and other support facilities as are commensurate with Executive's status with the Company, which facilities shall be adequate for the performance of Executive's duties hereunder.

f. Paid Time Off. Executive shall be entitled, without loss of pay, to absent himself voluntarily from the performance of Executive's employment under

this Agreement in accordance with the Company's policies as in effect from time to time, pursuant to the following:

i. Executive shall be entitled to annual vacation in accordance with the vacation policies of the Company as in effect from time to time, which shall in no event be less than four (4) weeks per year; vacation must be taken at such time or times as approved by Endo's President and Chief Executive Officer; and

ii. Executive shall be entitled to sick leave (without loss of pay) in accordance with the Company's policies as in effect from time to time.

6. Termination. The Employment Term and Executive's employment hereunder may be terminated under the circumstances set forth below; provided, however, that notwithstanding anything contained herein to the contrary, Executive shall not have any duties or responsibilities to the Company after Executive's termination of employment that would preclude Executive from having a "separation from service" from the Company within the meaning of Section 409A of the Internal Revenue Code of 1986, as amended (the "Code"), upon such termination of employment.

a. Disability. The Company may terminate Executive's employment, on written notice to Executive after having reasonably established Executive's Disability (as defined below). For purposes of this Agreement, Executive will be deemed to have a "Disability" if, as a result of any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than twelve (12) months, Executive is unable to perform the core functions of Executive's position (with or without reasonable accommodation) or is receiving income replacement benefits for a period of three (3) months or more under an accident and health plan covering employees of the Company. Executive shall be entitled to the compensation and benefits provided for under this Agreement for any period prior to Executive's termination by reason of Disability during which Executive is unable to work due to a physical or mental infirmity in accordance with the Company's policies for similarly-situated executives.

b. Death. Executive's employment shall be terminated as of the date of Executive's death.

c. Cause. The Company may terminate Executive's employment for "Cause" by providing a Notice of Termination (as defined in Section 7 below) that notifies Executive of his termination for Cause (as defined below), effective as of the date of such notice. "Cause" shall mean, for purposes of this Agreement: (a) the continued failure by Executive to use good faith efforts

in the performance of Executive's duties under this Agreement (other than any such failure resulting from Disability or other allowable leave of absence); (b) the criminal felony indictment of Executive by a court of competent jurisdiction; (c) the engagement by Executive in misconduct that has caused, or, is reasonably likely to cause, material harm (financial or otherwise) to the Company or its affiliates; such harm may be caused by, without limitation, (i) the unauthorized disclosure of material secret or Confidential Information (as defined in Section 10(d) below) of the Company or any of its affiliates, (ii) the debarment of the Company or any of its affiliates by the U.S. Food and Drug Administration or any successor agency (the "FDA") or any non-U.S. equivalent, or (iii) the registration of the Company or any of its affiliates with the U.S. Drug Enforcement Administration of any successor agency (the "DEA") to be revoked; (d) the debarment of Executive by the FDA; (e) the continued material breach by Executive of this Agreement, or (f) Executive makes, or is found to have made, a certification relating to the Company's financial statements and public filings that is known to Executive to be false. Notwithstanding the foregoing, prior to having "Cause" for Executive's termination (other than as described in clauses (b) and (d) above), the Company must deliver a written demand to Executive which specifically identifies the conduct that may provide grounds for Cause within ninety (90) calendar days of the Company's actual knowledge of such conduct, events or circumstances, and Executive must have failed to cure such conduct (if curable) within thirty (30) days after such demand. References to the Company in subsections (a) through (f) of this paragraph shall also include affiliates of the Company.

d. Without Cause. The Company may terminate Executive's employment other than for Cause, Disability or death. The Company shall deliver to Executive a Notice of Termination not less than thirty (30) days prior to the termination of Executive's employment other than for Cause, Disability or death, and the Company shall have the option of terminating Executive's duties and responsibilities prior to the expiration of such thirty-day notice period.

e. Termination by Executive Without Good Reason. Executive may voluntarily terminate Executive's employment without Good Reason by delivering to the Company a Notice of Termination not less than thirty (30) days prior to the termination of Executive's employment, and the Company shall have the option of terminating Executive's duties and responsibilities prior to the expiration of such thirty-day notice period.

f. Termination by Executive for Good Reason. Executive may terminate employment with the Company for Good Reason (as defined below) by delivering to the Company a Notice of Termination not less than thirty (30) days prior to the termination of Executive's employment for Good Reason.

The Company shall have the option of terminating Executive's duties and responsibilities prior to the expiration of such thirty-day notice period. For purposes of this Agreement, "Good Reason" means any of the following without the Executive's written consent: (a) a material diminution in Executive's Base Salary, Target Bonus (provided that failure to earn a bonus equal to or in excess of the Target Bonus by reason of failure to achieve applicable performance goals shall not be deemed Good Reason) or benefits; (b) a material diminution of his position, responsibilities, duties or authorities from those in effect as of the Employment Commencement Date; (c) any change in reporting structure such that Executive is required to report to someone other than the Company's President and Chief Executive Officer, the Board or a committee of the Board; (d) following Executive's relocation, any requirement by the Company that Executive's principal place of employment be moved to a location that is more than fifty (50) miles from the current location of Executive's principal place of employment; or (e) any material breach by the Company of its obligations under this Agreement. Executive shall provide notice of the existence of the Good Reason condition within ninety (90) days of the date Executive learns of the condition, and the Company shall have a period of thirty (30) days during which it may remedy the condition, and in case of full remedy such condition shall not be deemed to constitute Good Reason hereunder.

7. Notice of Termination. Any purported termination by the Company or by Executive shall be communicated by written Notice of Termination (as defined below) to the other party hereto. For purposes of this Agreement, a "Notice of Termination" shall mean a notice that indicates a termination date, the specific termination provision in this Agreement relied upon and sets forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of Executive's employment under the provision so indicated. For purposes of this Agreement, no such purported termination of Executive's employment hereunder shall be effective without such Notice of Termination (unless waived by the party entitled to receive such notice, in the manner described in Section 14(j) below).

8. Compensation Upon Termination.

a. Termination by the Company for Cause or by Executive Without Good Reason During the Employment Term. If Executive's employment is terminated (A) by the Company for Cause or (B) by Executive Without Good Reason, in either case during the Employment Term, the Company shall provide Executive with the following payments and benefits:

i. any accrued and unpaid Base Salary;
ii. any annual cash incentive compensation earned but unpaid in respect of any completed fiscal year preceding the termination

date;

iii. reimbursement for any and all monies advanced or expenses incurred in connection with Executive's employment for reasonable and necessary expenses incurred by Executive on behalf of the Company for the period ending on the termination date in accordance with the Company's expense reimbursement and travel and entertainment policies in effect from time to time;

iv. any accrued and unpaid vacation pay;

v. any previous compensation that Executive has previously deferred (including any interest earned or credited thereon), in accordance with the terms and conditions of the applicable deferred compensation plans or arrangements then in effect, to the extent vested as of Executive's termination date; and

vi. any amount or benefit as provided under any plan, program, agreement or corporate governance document of the Company or its affiliates that are then-applicable (the "Company Arrangements"), in accordance with the terms thereof.

(the foregoing items in Sections 8(a)(i) through 8(a)(vi) being collectively referred to as the "Accrued Compensation").

b. Termination by the Company for Disability. If Executive's employment is terminated by the Company for Disability, the Company shall pay or provide to Executive:

i. the Accrued Compensation;

ii. an amount equal to the Incentive Compensation that Executive would have been entitled to receive in respect of the fiscal year in which Executive's termination date occurs, had Executive continued in employment until the end of such fiscal year, which amount, determined based on the Company's actual performance for such year relative to the performance goals applicable to Executive shall be multiplied by a fraction (A) the numerator of which is the number of days in such fiscal year through termination date and (B) the denominator of which is 365 (the "Pro-Rata Bonus") and shall be payable in a lump sum payment at the time such bonus or incentive awards are payable to other participants;

iii. accelerated vesting, non-forfeitability and exercisability, as of the termination date, of the Initial RSUs and the Initial Stock Options, which shall remain exercisable in accordance with its terms; and

iv. continued coverage for Executive and Executive's dependents under any health, medical, dental, vision or life insurance program or policy in which Executive was eligible to participate as of the time of Executive's employment termination, for two (2) years following such termination on terms no less favorable to Executive and Executive's dependents (including with respect to payment for the costs thereof) than those in effect immediately prior to such termination, which such two year period shall run concurrently with the COBRA period, and which coverage shall become secondary to any coverage provided to Executive by a subsequent employer and to any Medicare coverage for which Executive becomes eligible (provided, however, the parties agree to cooperate such that the continued coverage is, to the extent practicable, provided in a manner so as to minimize adverse tax consequences to the Company under Section 4980D of the Code).

Further, upon Executive's Disability (irrespective of any termination of employment related thereto), the Company shall pay Executive for twenty-four (24) consecutive months thereafter regular payments in the amount by which the monthly Base Salary exceeds Executive's monthly Disability insurance benefit.

c. Termination By Reason of Death. If Executive's employment is terminated by reason of Executive's death, the Company shall pay or provide to Executive's beneficiaries:

i. the Accrued Compensation;

ii. the Pro-Rata Bonus payable in a lump sum at the time such bonus or incentive awards are payable to other participants;

iii. accelerated vesting, non-forfeitability and exercisability, as of the termination date, of the Initial RSUs and the Initial Stock Options, which shall remain exercisable in accordance with its terms; and

iv. continued coverage for Executive's dependents under any health, medical, dental, vision or life insurance program or policy in which Executive was eligible to participate as of the time of Executive's employment termination, for two (2) years following such termination on terms no less favorable to Executive's dependents (including with respect to payment for the costs thereof) than those

in effect immediately prior to such termination, which such two year period shall run concurrently with the COBRA period (provided, however, that to the extent practicable, such continued coverage shall be provided in a manner so as to minimize adverse tax consequences to the Company under Section 4980D of the Code).

d. Termination by the Company Without Cause or by Executive for Good Reason. If Executive's employment is terminated by the Company without Cause (other than on account of Executive's death or Disability) or by Executive for Good Reason, in each case during the Employment Term, Executive shall be entitled to the benefits provided in this Section 8(d):

i. the Accrued Compensation;

ii. the Pro Rata Bonus payable in a lump sum at the time such bonus or incentive awards are payable to other participants;

iii. accelerated vesting, non-forfeitability and exercisability, as of the termination date, of the Initial RSUs and the Initial Stock Options, which shall remain exercisable in accordance with their terms;

iv. subject to Executive's compliance with Section 14(g) hereof, a lump sum payment equal to two (2) times the sum of Executive's Base Salary and Target Bonus as in effect immediately prior to Executive's termination of employment. Such payment shall be made on the 60th day following the date of Executive's termination of employment; and

v. subject to Executive's compliance with Section 14(g) hereof, the Company shall provide Executive and Executive's dependents with continued coverage under any health, medical, vision, dental and life insurance program or policy in which Executive was eligible to participate as of the time of Executive's employment termination, for two (2) years following such termination on terms no less favorable to Executive and Executive's dependents (including with respect to payment for the costs thereof) than those in effect immediately prior to such termination, which such two year period shall run concurrently with the COBRA period and which coverage shall become secondary to any coverage provided to Executive by a subsequent employer and to any Medicare coverage for which Executive becomes eligible (provided, however, the parties agree to cooperate such that the continued coverage is, to the extent practicable, provided in a manner so as to minimize adverse tax

consequences to the Company under Section 4980D of the Code).

e. No Mitigation. Executive shall not be required to mitigate the amount of any payment provided for under this Agreement by seeking other employment or otherwise and, except as provided in Sections 8(b)(iv) and 8(d)(v) above, no such payment shall be offset or reduced by the amount of any compensation or benefits provided to Executive in any subsequent employment.

f. Survival. The Company's obligations under this Section 8 shall survive the termination of the Employment Term.

9. Certain Tax Treatment.

a. Golden Parachute Tax. To the extent that the payments and benefits provided under this Agreement and benefits provided to, or for the benefit of, Executive under any other plan or agreement of the Company or any of its affiliates (such payments or benefits are collectively referred to as the "Payments") would be subject to the excise tax (the "Excise Tax") imposed under Section 4999 of the Code or any successor provision thereto, or any similar tax imposed by state or local law, then Executive may, in his sole discretion, waive the right to receive any payments or distributions (or a portion thereof) by the Company in the nature of compensation to or for Executive's benefit if and to the extent necessary so that no Payment to be made or benefit to be provided to Executive shall be subject to the Excise Tax (such reduced amount is hereinafter referred to as the "Limited Payment Amount"), but only if such reduction results in a higher after-tax payment to Executive after taking into account the Excise Tax and any additional taxes Executive would pay if such Payments and benefits were not reduced. If so waived, the Company shall reduce or eliminate the Payments provided under Section 8, to effect the provisions of this Section 9 (with payments not subject to Section 409A of the Code being reduced first). The determination of the amount of Payments that would be required to be reduced to the Limited Payment Amount pursuant to this Agreement and the amount of such Limited Payment Amount shall be made, at the Company's expense, by a reputable accounting firm selected by Executive and reasonably acceptable to the Company (the "Accounting Firm"). The Accounting Firm shall provide its determination (the "Determination"), together with detailed supporting calculations and documentation to the Company and Executive within ten (10) days of the date of termination, if applicable, or such other time as specified by mutual agreement of the Company and Executive, and if the Accounting Firm determines that no Excise Tax is payable by Executive with respect to the Payments, it shall furnish Executive with an opinion reasonably acceptable to Executive that no Excise Tax will be imposed with respect to any such Payments. The

Determination shall be binding, final and conclusive upon the Company and Executive.

b. Ordering of Reduction. In the case of a reduction in the Payments pursuant to Section 9(a), the Payments will be reduced in the following order: (i) payments that are payable in cash that are valued at full value under Treasury Regulation Section 1.280G-1, Q&A 24(a) will be reduced (if necessary, to zero), with amounts that are payable last reduced first; (ii) payments and benefits due in respect of any equity valued at full value under Treasury Regulation Section 1.280G-1, Q&A 24(a), with the highest values reduced first (as such values are determined under Treasury Regulation Section 1.280G-1, Q&A 24) will next be reduced; (iii) payments that are payable in cash that are valued at less than full value under Treasury Regulation Section 1.280G-1, Q&A 24, with amounts that are payable last reduced first, will next be reduced; (iv) payments and benefits due in respect of any equity valued at less than full value under Treasury Regulation Section 1.280G-1, Q&A 24, with the highest values reduced first (as such values are determined under Treasury Regulation Section 1.280G-1, Q&A 24) will next be reduced; and (v) all other non-cash benefits not otherwise described in clauses (ii) or (iv) will be next reduced pro-rata.

c. Section 409A. The parties intend for the payments and benefits under this Agreement to be exempt from Section 409A of the Code or, if not so exempt, to be paid or provided in a manner which complies with the requirements of such section, and intend that this Agreement shall be construed and administered in accordance with such intention. Notwithstanding anything contained herein to the contrary, to the extent required in order to avoid accelerated taxation and/or tax penalties under Section 409A of the Code, (i) no amounts shall be paid to Executive under Section 8 of this Agreement until Executive would be considered to have incurred a “separation from service” from the Company within the meaning of Section 409A of the Code, (ii) amounts that would otherwise be payable and benefits that would otherwise be provided pursuant to this Agreement during the six-month period immediately following Executive’s separation from service shall instead be paid on the first business day after the date that is six (6) months following Executive’s separation from service (or death, if earlier), with interest for any cash payments so delayed, from the date such cash amounts would otherwise have been paid at the short-term applicable federal rate, compounded semi-annually, as determined under Section 1274 of the Code for the month in which the payment would have been made but for the delay in payment required to avoid the imposition of an additional rate of tax on Executive, (iii) each amount to be paid or benefit to be provided under this Agreement shall be construed as a separately identified payment for purposes of Section 409A of the Code, (iv) any payments that

are due within the "short term deferral period" as defined in Section 409A of the Code shall not be treated as deferred compensation unless applicable law requires otherwise and (v) amounts reimbursable to Executive under this Agreement shall be paid to Executive on or before the last day of the year following the year in which the expense was incurred and the amount of expenses eligible for reimbursement (and in-kind benefits provided to Executive) during any one (1) year may not effect amounts reimbursable or provided in any subsequent year.

10. Records and Confidential Data.

a. Executive acknowledges that in connection with the performance of Executive's duties during the Employment Term, the Company and its affiliates will make available to Executive, or Executive will develop and have access to, certain Confidential Information (as defined below) of the Company and its affiliates. Executive acknowledges and agrees that any and all Confidential Information learned or obtained by Executive during the course of Executive's employment by the Company or otherwise, whether developed by Executive alone or in conjunction with others or otherwise, shall be and is the property of the Company and its affiliates.

b. Confidential Information will be kept confidential by Executive, will not be used in any manner that is detrimental to the Company or its affiliates, will not be used other than in connection with Executive's discharge of Executive's duties hereunder, and will be safeguarded by Executive from unauthorized disclosure; provided, however, that Confidential Information may be disclosed by Executive (v) to the Company and its affiliates, or to any authorized agent or representative of any of them, (w) in connection with performing his duties hereunder, (x) when required to do so by law or by a court, governmental agency, legislative body, arbitrator or other person with apparent jurisdiction to order him to divulge, disclose or make accessible such information, provided that Executive notify the Company prior to such disclosure, (y) in the course of any proceeding under Section 13 or 14 of this Agreement or (z) in confidence to an attorney or other professional advisor for the purpose of securing professional advice, so long as such attorney or advisor is subject to confidentiality restrictions no less restrictive than those applicable to Executive hereunder.

c. Following the termination of Executive's employment hereunder, as soon as possible after the Company's written request, Executive will return to the Company all written Confidential Information that is in his possession or control and Executive will destroy all of his copies of any analyses, compilations, studies or other documents prepared by Executive or for Executive's use containing or reflecting any Confidential Information. Within five (5) business days of the receipt of such request by Executive,

Executive shall, upon written request of the Company, deliver to the Company a document certifying that such written Confidential Information has been returned or destroyed in accordance with this Section 10(c).

d. For the purposes of this Agreement, "Confidential Information" shall mean all confidential and proprietary information of the Company and its affiliates, including, without limitation,

i. trade secrets concerning the business and affairs of the Company and its affiliates, product specifications, data, know-how, formulae, compositions, processes, non-public patent applications, designs, sketches, photographs, graphs, drawings, samples, inventions and ideas, past, current, and planned research and development, current and planned manufacturing or distribution methods and processes, customer lists, current and anticipated customer requirements, price lists, market studies, business plans, computer software and programs (including object code and source code), computer software and database technologies, systems, structures, and architectures (and related formulae, compositions, processes, improvements, devices, know-how, inventions, discoveries, concepts, ideas, designs, methods and information);

ii. information concerning the business and affairs of the Company and its affiliates (which includes unpublished financial statements, financial projections and budgets, unpublished and projected sales, capital spending budgets and plans, the names and backgrounds of key personnel, to the extent not publicly known, personnel training and techniques and materials) however documented; and

iii. notes, analysis, compilations, studies, summaries, and other material prepared by or for the Company or its affiliates containing or based, in whole or in part, on any information included in the foregoing. For purposes of this Agreement, Confidential Information shall not include and Executive's obligations shall not extend to (i) information that is generally available to the public, (ii) information obtained by Executive other than pursuant to or in connection with this employment and (iii) information that is required to be disclosed by law or legal process.

e. Nothing herein or elsewhere shall preclude Executive from retaining and using (i) his personal papers and other materials of a personal nature, including, without limitation, photographs, correspondence, personal diaries, calendars, personal files, rolodex (and paper/electronic equivalents) and phone books (so long as no such materials are covered by any Company hold order), (ii) documents relating to his personal entitlements and

obligations, and (iii) information that is necessary for his personal tax purposes.

11. Covenant Not to Solicit, Not to Compete, Not to Disparage and to Cooperate in Litigation.

a. Covenant Not to Solicit. To protect the Confidential Information and other trade secrets of the Company and its affiliates as well as the goodwill and competitive business of the Company and its affiliates, Executive agrees, during the Employment Term and for a period of eighteen (18) months after Executive's cessation of employment with the Company, not to solicit or participate in or assist in any way in the solicitation of any employees of the Company or its affiliates; provided that the foregoing shall not apply to Executive's personal assistant. For purposes of this covenant, "solicit" or "solicitation" means directly or indirectly influencing or attempting to influence employees of the Company or its affiliates to cease employment with the Company and its affiliates (except in the course of Executive's duties to the Company) or to become employed with any other person, partnership, firm, corporation or other entity. Executive agrees that the covenants contained in this Section 11(a) are reasonable and desirable to protect the Confidential Information of the Company and its affiliates, provided, that solicitation through general advertising not targeted at the Company's or its affiliates' employees or the provision of references shall not constitute a breach of such obligations.

b. Covenant Not to Compete.

i. To protect the Confidential Information and other trade secrets of the Company and its affiliates as well as the goodwill and competitive business of the Company and its affiliates, Executive agrees, during the Employment Term and for a period of eighteen (18) months after Executive's cessation of employment with the Company, that Executive will not, except in the course of Executive's employment hereunder, directly or indirectly manage, operate, control, or participate in the management, operation, or control of, be employed by, associated with, or in any manner connected with, lend Executive's name to, or render services or advice to, any third party, or any business, whose products compete in whole or in part with the products or services (both on market and in development) material to the Company or any business unit on the termination date that constitutes more than 5% of the Company's revenues on the termination date; provided, however, that Executive may in any event (x) own up to a 5% passive ownership interest in any public or private entity and (y) serve on the board of any business that competes with the business

of the Company and its affiliates as an immaterial part of its overall business, provided that he recuses himself fully and completely from all matters relating to such business.

ii. For purposes of this Section 11(b), any third party, or any business, whose products compete includes any entity with which the Company or any of its affiliates has a product(s) licensing agreement at the date of the cessation of Executive's employment with the Company and any entity with which the Company or any of its affiliates is, as of the date of the cessation of Executive's employment with the Company, to the knowledge of Executive (as reflected by the deliberations of the Company's senior leadership team), negotiating, and eventually concludes within twelve (12) months of the Employment Term, a product licensing or acquisition agreement.

c. Nondisparagement. Executive covenants that during and following the Employment Term, Executive will not disparage or encourage or induce others to disparage the Company or its affiliates, together with all of their respective past and present directors and officers, as well as their respective past and present managers, officers, shareholders, partners, employees, agents, attorneys, servants and customers and each of their predecessors, successors and assigns (collectively, the "Company Entities and Persons"); provided that such limitation shall extend to past and present managers, officers, shareholders, partners, employees, agents, attorneys, servants and customers only in their capacities as such or in respect of their relationship with the Company and its affiliates. The Company agrees that during and following the Employment Term, neither the Company nor any Affiliate (in any authorized corporate communication), nor any director or officer of either of them, will issue any written statement that disparages Executive or encourages or induces others to disparage Executive. The term "disparage" includes, without limitation, comments or statements adversely affecting in any manner (i) the conduct of the business of the Company Entities and Persons, or (ii) the business reputation of the Company Entities and Persons. Nothing in this Agreement is intended to or shall prevent either party from providing, or limiting testimony in response to a valid subpoena, court order, regulatory request or other judicial, administrative or legal process or otherwise as required by law.

d. Cooperation in Any Investigations and Litigation. Executive agrees that Executive will reasonably cooperate with the Company and its affiliates, and its counsel, in connection with any investigation, inquiry, administrative proceeding or litigation relating to any matter in which Executive becomes involved or of which Executive has knowledge as a result of Executive's service with the Company by providing truthful information. The Company

agrees to promptly reimburse Executive for reasonable expenses reasonably incurred (including travel expenses, attorneys' fees and other expenses of counsel) by Executive, in connection with Executive's cooperation pursuant to this Section 11(d). Such reimbursements shall be made as soon as practicable but in any event within sixty (60) days following Executive's submission of a written invoice to the Company describing such expenses in reasonable detail, and in no event later than the calendar year following the year in which the expenses are incurred. Executive agrees that, in the event Executive is subpoenaed by any person or entity (including, but not limited to, any government agency) to give testimony (in a deposition, court proceeding or otherwise) which in any way relates to Executive's employment by the Company, Executive will, to the extent not legally prohibited from doing so, give prompt notice of such request to Endo's Chief Legal Officer so that the Company may contest the right of the requesting person or entity to such disclosure before making such disclosure. Nothing in this provision shall require Executive to violate Executive's obligation to comply with valid legal process.

e. Blue Pencil. It is the intent and desire of Executive and the Company that the provisions of this Section 11 be enforced to the fullest extent permissible under the laws and public policies as applied in each jurisdiction in which enforcement is sought. If any particular provision of this Section 11 shall be determined to be invalid or unenforceable, such covenant shall be amended, without any action on the part of either party hereto, to delete therefrom the portion so determined to be invalid or unenforceable, such deletion to apply only with respect to the operation of such covenant in the particular jurisdiction in which such adjudication is made.

f. Survival. Executive's obligations under this Section 11 shall survive the termination of the Employment Term.

12. Remedies for Breach of Obligations under Sections 10 or 11 hereof. Executive acknowledges that the Company and its affiliates will suffer irreparable injury, not readily susceptible of valuation in monetary damages, if Executive breaches Executive's obligations under Sections 10 or 11 hereof. Accordingly, Executive agrees that the Company and its affiliates will be entitled, in addition to any other available remedies, to obtain injunctive relief against any breach or prospective breach by Executive of Executive's obligations under Sections 10 or 11 hereof in any Federal or state court sitting in the State of Delaware, or, at the Company's election, in any other state in which Executive maintains Executive's principal residence or Executive's principal place of business. Executive hereby submits to the non-exclusive jurisdiction of all those courts for the purposes of any actions or proceedings instituted by the Company or its affiliates to obtain that injunctive relief, and Executive agrees that process in any or all of those actions or proceedings may be served by registered mail, addressed to the last address

provided by Executive to the Company, or in any other manner authorized by law.

13. Representations and Warranties.

a. The Company represents and warrants that (i) it is fully authorized to enter into this Agreement and to perform its obligations under it, (ii) the execution, delivery and performance of this Agreement by it does not violate any applicable law, regulation, order, judgment or decree or any agreement, arrangement, plan or corporate governance document (x) to which it is a party or (y) by which it is bound, and (iii) upon the execution and delivery of this Agreement by the parties, this Agreement shall be its valid and binding obligation, enforceable against it in accordance with its terms, except to the extent that enforceability may be limited by applicable bankruptcy, insolvency or similar laws affecting the enforcement of creditors' rights generally.

b. Executive represents and warrants to the Company that the execution and delivery by Executive of this Agreement do not, and the performance by Executive of Executive's obligations hereunder will not, with or without the giving of notice or the passage of time, or both: (a) violate any judgment, writ, injunction, or order of any court, arbitrator, or governmental agency applicable to Executive; or (b) conflict with, result in the breach of any provisions of or the termination of, or constitute a default under, any agreement to which Executive is a party or by which Executive is or may be bound.

14. Miscellaneous.

a. Successors and Assigns.

i. This Agreement shall be binding upon and shall inure to the benefit of the Company, its successors and permitted assigns and the Company shall require any successor or assign to expressly assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform if no such succession or assignment had taken place. The Company may not assign or delegate any rights or obligations hereunder except to a successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company or to an affiliate of the Company. The term "the Company" as used herein shall include a corporation or other entity acquiring all or substantially all the assets and business of the Company (including this Agreement) whether by operation of law or otherwise.

ii. Neither this Agreement nor any right or interest hereunder shall be assignable or transferable by Executive, Executive's beneficiaries or legal representatives, except by will or by the laws of descent and distribution. This Agreement shall inure to the benefit of and be enforceable by Executive's legal personal representatives.

b. Fees and Expenses. The Company shall pay reasonable and documented legal fees and related expenses, up to a maximum amount of $25,000, incurred by Executive in connection with the negotiation of this Agreement and related employment arrangements. Such reimbursement shall be made as soon as practicable, but in no event later than the end of the calendar year following the calendar year in which the expenses were incurred.

c. Indemnification. Executive shall be indemnified by the Company to the maximum extent permitted by applicable law and the memorandum and articles of association of Endo. In addition, the Company agrees to maintain, at the Company's sole expense, a director's and officers' liability insurance policy covering Executive both during the Employment Term and while the potential liability exists (but in no event longer than six (6) years) after the Employment Term, that is no less favorable than the policy covering other similarly-situated executive officers of the Company from time to time. The obligations under this paragraph shall survive termination of the Employment Term.

d. Right to Counsel. Executive acknowledges that Executive has had the opportunity to consult with legal counsel of Executive's choice in connection with the drafting, negotiation and execution of this Agreement and related employment arrangements.

e. Notice. For the purposes of this Agreement, notices and all other communications provided for in the Agreement (including the Notice of Termination) shall be in writing and shall be deemed to have been duly given when personally delivered or sent by Certified mail, return receipt requested, postage prepaid, addressed to the respective addresses last given by each party to the other, provided that all notices to the Company shall be directed to the attention of Endo's Chief Legal Officer. All notices and communications shall be deemed to have been received on the date of delivery thereof or on the third business day after the mailing thereof, except that notice of change of address shall be effective only upon receipt.

f. Withholding. The Company shall be entitled to withhold the amount, if any, of all taxes of any applicable jurisdiction required to be withheld by an employer with respect to any amount paid to Executive hereunder. The Company, in its sole and absolute discretion, shall make all determinations as to whether it is obligated to withhold any taxes hereunder and the amount

thereof.

g. Release of Claims. The termination benefits described in Section 8(d)(iv) and (v) of this Agreement shall be conditioned on Executive delivering to the Company, a signed release of claims in the form of Exhibit B hereto within forty-five (45) days or twenty-one (21) days, as may be applicable under the Age Discrimination in Employment Act of 1967, as amended by the Older Workers Benefit Protection Act, following Executive's termination date, and not revoking Executive's consent to such release of claims within seven (7) days of such execution; provided, however, that Executive shall not be required to release any rights Executive may have to be indemnified by the Company under Section 14(c) of this Agreement or under any other indemnification agreement entered into between Executive and the Company.

h. Resignation as Officer or Director. Upon a termination of employment for any reason, Executive shall resign each position (if any) that Executive then holds as an officer or director of the Company and any of its affiliates. Executive's execution of this Agreement shall be deemed the grant by Executive to the officers of the Company of a limited power of attorney to sign in Executive's name and on Executive's behalf any such documentation as may be required to be executed solely for the limited purposes of effectuating such resignations.

i. Executive Acknowledgement. Executive acknowledges that he will be subject to stock ownership guidelines, requiring Executive to own shares equal to two times his Base Salary, as implemented and updated from time to time by the Committee.

j. Modification. No provision of this Agreement may be modified, waived or discharged unless such waiver, modification or discharge is agreed to in writing and signed by Executive and the Company. No waiver by either party hereto at any time of any breach by the other party hereto of, or noncompliance with, any condition or provision of this Agreement to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time. No agreements or representations, oral or otherwise, express or implied, with respect to the subject matter hereof have been made by either party which are not expressly set forth in this Agreement.

k. Effect of Other Law. Anything herein to the contrary notwithstanding, the terms of this Agreement shall be modified to the extent required to meet the provisions of the Sarbanes-Oxley Act of 2002, Section 409A of the Code, or other federal law applicable to the employment arrangements between Executive and the Company. Any delay in providing benefits or payments, any failure to provide a benefit or payment, or any repayment of

compensation that is required under the preceding sentence shall not in and of itself constitute a breach of this Agreement, provided, however, that the Company shall provide economically equivalent payments or benefits to Executive to the extent permitted by law.

l. Governing Law. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Delaware applicable to contracts executed in and to be performed entirely within such State, without giving effect to the conflict of law principles thereof.

m. No Conflicts. Executive represents and warrants to the Company that Executive is not a party to or otherwise bound by any agreement or arrangement (including, without limitation, any license, covenant, or commitment of any nature), or subject to any judgment, decree, or order of any court or administrative agency, that would conflict with or will be in conflict with or in any way preclude, limit or inhibit Executive's ability to execute this Agreement or to carry out Executive's duties and responsibilities hereunder. The Company represents and warrants to Executive that the Company is not a party to or otherwise bound by any agreement or arrangement (including, without limitation, any license, covenant, or commitment of any nature), or subject to any judgment, decree, or order of any court or administrative agency, that would conflict with or will be in conflict with or in any way preclude, limit or inhibit the Company's ability to execute this Agreement or to carry out the Company's duties and responsibilities hereunder.

n. Inconsistencies. In the event of any inconsistency between any provision of this Agreement and any provision of any employee handbook, personnel manual, program, policy, or arrangement of the Company or its affiliates (including, without limitation, any provisions relating to notice requirements and post-employment restrictions), the provisions of this Agreement shall control, unless Executive otherwise agrees in a writing that expressly refers to the provision of this Agreement whose control he is waiving.

o. Beneficiaries/References. In the event of Executive's death or a judicial determination of his incompetence, references in this Agreement to Executive shall be deemed, where appropriate, to refer to his beneficiary, estate or other legal representative.

p. Survivorship. Except as otherwise set forth in this Agreement, the respective rights and obligations of the parties hereunder shall survive the Employment Term and any termination of Executive's employment. Without limiting the generality of the forgoing, the provisions of Section 8, 10, 11, and 12 shall survive the Employment Term.

q. Severability. The provisions of this Agreement shall be deemed severable and the invalidity or unenforceability of any provision shall not affect the validity or enforceability of the other provisions hereof.

r. Entire Agreement. This Agreement constitutes the entire agreement between the parties hereto and supersedes all prior agreements, if any, understandings and arrangements, oral or written, between the parties hereto with respect to the subject matter hereof. By executing this Agreement, Executive expressly acknowledges that the consummation of the Merger and the changes to the terms and conditions of his employment set forth in this Agreement shall not constitute Good Reason under either this Agreement or the Prior Employment Agreement.

s. Counterparts. This Agreement may be executed in one or more counterparts, each of which will be deemed to be an original copy of this Agreement and all of which, when taken together, will be deemed to constitute one and the same agreement.

15. Certain Rules of Construction.

a. The headings and subheadings set forth in this Agreement are inserted for the convenience of reference only and are to be ignored in any construction of the terms set forth herein.

b. Wherever applicable, the neuter, feminine or masculine pronoun as used herein shall also include the masculine or feminine, as the case may be.

c. The term “including” is not limiting and means “including without limitation.”

d. References in this Agreement to any statute or statutory provisions include a reference to such statute or statutory provisions as from time to time amended, modified, reenacted, extended, consolidated or replaced (whether before or after the date of this Agreement) and to any subordinate legislation made from time to time under such statute or statutory provision.

e. References to “writing” or “written” include any non-transient means of representing or copying words legibly, including by facsimile or electronic mail.

f. References to “$” are to United States Dollars.

IN WITNESS WHEREOF, the Company has caused this Agreement to be executed by its duly authorized officer and Executive has executed this Agreement as of the day and year first above written.

ENDO HEALTH SOLUTIONS INC.

By: /s/ RAJIV DE SILVA
Name: Rajiv De Silva
Title: President & Chief Executive Officer

EXECUTIVE

By: /s/ PAUL CAMPANELLI
Name: Paul Campanelli

Exhibit A

Grant No.:

ENDO INTERNATIONAL PLC
MATCHED PERFORMANCE AWARD AGREEMENT
UNDER THE 2015 STOCK INCENTIVE PLAN

This Matched Performance Award Agreement (this "Award Agreement") is made and entered into as of the date of grant set forth below (the "Date of Grant") by and between Endo International plc, an Irish public limited company (the "Company"), and the participant named below (the "Participant"). Capitalized terms not defined herein shall have the meanings ascribed to them in the Company's 2015 Stock Incentive Plan (the "Plan"). Where the context permits, references to the Company shall include any successor to the Company.

Name of Participant:

Number of Shares Underlying the Matched Performance Award:

Date of Grant:

Performance Period: The period beginning on Date of Grant and ending on the third anniversary of the Date of Grant.

Vesting Date: [third anniversary of date of grant]

1. Grant of Matched Performance Awards. The Company hereby grants to the Participant the total number of restricted stock units set forth above (the "Matched Performance Award"), subject to all of the terms and conditions of this Award Agreement and the Plan.

2. Form of Payment and Vesting. The Matched Performance Award shall represent the right to receive the number of shares of Company Stock set forth above on the first business day following the last day of the Performance Period (the "Vesting Date"), if (a) the Committee (or such individuals or entity designated by the Committee) determines that a number of shares of Company Stock equal to the Matched Performance Award, as determined in accordance with Exhibit A hereto, has been earned, (b) except as provided in Paragraph 4 of this Award Agreement, the Participant is employed by the Company or one of its Subsidiaries through the Vesting Date, and (c) the Matched Performance Award has not been forfeited in accordance with the provisions of Section 3(a) of this Award Agreement. Notwithstanding the above, earned shares of Company Stock shall be treated as delivered on the first business day following the Vesting Date (the "Delivery Date") provided that they are delivered on a date following the Delivery Date that is in the same calendar year as the Delivery Date or, if later, by the fifteenth day of the third calendar month following the Delivery Date. If the Matched Performance Award is not earned in accordance with the provisions of Exhibit A as of the Vesting

Date, as determined by the Committee (or its designee), the Matched Performance Award shall be immediately forfeited.

3. Restrictions.

(a) Additional Forfeiture Provisions. If (i) prior to the Vesting Date, the Participant sells (or otherwise disposes of in a manner not specifically approved by the Committee) any Match Eligible Shares (as defined below) or (ii) during the six months following the Date of Grant, the Participant sells (or otherwise disposes of in a manner not specifically approved by the Committee) any shares of Company Stock, whether or not Match Eligible Shares, the Matched Performance Award shall be forfeited. For purposes of this Award Agreement, "Match Eligible Shares" shall mean the shares of Company Stock that the Participant acquires in accordance with Section 3(d) of the Participant's employment agreement dated as of [DATE] (the "Employment Agreement") for which the Participant has received a corresponding Matched Performance Award under this Agreement.

(b) Notification Requirements. The Participant hereby agrees to notify the Company of (i) any Common Shares that the Participant sells during the six month period following the Date of Grant and (ii) any Match Eligible Shares that the Participant sells prior to the Vesting Date and the Company, in its sole discretion, has the authority to determine whether such sale results in the forfeiture of the Matched Performance Award in accordance with the terms of this Award Agreement.

(c) Sales Restrictions. The Matched Performance Award granted hereunder may not be sold, assigned, transferred, pledged, hypothecated or otherwise disposed of or encumbered, and shall be subject to a risk of forfeiture and until any additional requirements or restrictions contained in this Award Agreement or in the Plan have been otherwise satisfied, terminated or expressly waived by the Company in writing.

4. Termination of Employment Services; Disability.

(a) Termination of Employment For Cause. Upon a Participant's termination of employment with the Company and its Subsidiaries for Cause prior to the Vesting Date, the Participant's Matched Performance Award shall be forfeited as of the date of such termination of employment.

(b) Termination of Employment On Account of Death. Upon termination of a Participant's employment on account of death prior to the Vesting Date, the Participant's Matched Performance Award shall vest as of the date of such termination of employment and shall be settled in shares of Company Stock for the benefit of the Participant's estate no later than the end of the calendar year in which the Participant's death occurs or, if later, by the fifteenth day of the third calendar month following the Participant's death.

(c) Termination of Employment On Account of Voluntary Retirement with Consent of Company. In the event of the Participant's voluntary Retirement with the consent of

the Company prior to the Vesting Date, the Participant's Matched Performance Award shall continue to be eligible to vest in accordance with the performance-based vesting conditions set forth on Exhibit A hereto regardless of such termination of employment.

(d) Disability. If the Participant incurs a Disability that also constitutes a "disability" within the meaning of Section 409A of the Code prior to the Vesting Date, the Participant's Matched Performance Award shall continue to be eligible to vest in accordance with the performance-based vesting conditions set forth on Exhibit A hereto regardless of any subsequent termination of employment.

(e) Termination of Employment by the Company without Cause or by the Participant for Good Reason. Upon termination of the Participant's employment by the Company without Cause or by the Participant for Good Reason (as such terms are defined in the Employment Agreement), the Participant shall vest in a prorated portion of the Matched Performance Award (as detailed below) if the applicable performance criteria are achieved, measured as of the date of the Participant's termination of employment, multiplied by a fraction, the numerator of which is the number of months of Participant's service during the Performance Period and the denominator of which is the total number of months in the Performance Period. The vested portion of the Matched Performance Award shall be settled in shares of Company Stock immediately following such termination. Notwithstanding the foregoing, (i) if termination of the Participant's employment occurs prior to the first anniversary of the Date of Grant, the Total Shareholder Return (as defined in Exhibit A) will be determined as though the date of the Participant's termination of employment is the one-year anniversary of the Date of Grant and (ii) the Committee (or such individual or individuals authorized by the Committee) may, in its discretion, exercise negative discretion to determine payout achievement.

(f) Termination of Employment For Any Other Reason. Unless otherwise provided in an individual agreement with the Participant, if the Participant terminates employment with the Company and its Subsidiaries prior to the Vesting Date for any reason other than the reasons enumerated in Subparagraphs (a) through (e) above, the Participant's Matched Performance Award as of the date of termination shall be forfeited.

5. Change in Control. Notwithstanding anything to the contrary in the Plan, in the event of a Change in Control prior to the Vesting Date,

(a) if the Matched Performance Award is assumed or substituted (within the meaning of the Plan) in connection with such Change in Control, and the Participant incurs a termination of service by the Company or its Subsidiary without Cause or by the Participant for Good Reason during the 24-month period following such Change in Control, then the restrictions, deferral limitations, payment conditions, and forfeiture conditions applicable to the Matched Performance Award shall lapse and the Matched Performance Award shall be settled in shares of Company Stock on the date of such termination based on achievement of applicable performance criteria, measured as of the date of such termination; provided, however, if such termination of service occurs prior to the first anniversary of the Date of Grant, the Total Shareholder Return will be determined based on an assumed measurement period of one year.

(b) if the Matched Performance Award is not assumed or substituted in connection with such Change in Control, then the restrictions, deferral limitations, payment conditions, and forfeiture conditions applicable to the Matched Performance Award shall lapse and the Matched Performance Award shall be settled in shares of Company Stock immediately prior to the Change in Control based on achievement of applicable performance criteria, measured as of the date of the Change in Control; provided, however, if the Change in Control occurs prior to the first anniversary of the Date of Grant, the Total Shareholder Return will be determined based on an assumed measurement period of one year.

(c) Any portion of the Matched Performance Award that could have been earned in accordance with Section 5(a) or Section 5(b) that is not earned (in accordance with such provisions) shall be immediately forfeited on the date of termination or on the date of the Change in Control, as applicable.

6. Change in Control Definition. Notwithstanding anything to the contrary in the Plan, for purposes of this Award Agreement, Change in Control means and shall be deemed to have occurred upon the first of the following events to occur:

(a) Any "Person" (as defined below) is or becomes the "beneficial owner" ("Beneficial Owner") within the meaning set forth in Rule 13d-3 under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), directly or indirectly, of securities of the Company (not including in the securities beneficially owned by such Person any securities acquired directly from the Company or its "Affiliates" (as defined in Rule 12b-2 promulgated under Section 12 of the Exchange Act)) representing 30% or more of the combined voting power of the Company's then outstanding securities, excluding any Person who becomes such a Beneficial Owner in connection with a transaction described in clause (A) of Subparagraph (c) below; or

(b) The following individuals cease for any reason to constitute a majority of the number of directors then serving: individuals who, on the date hereof, constitute the Board and any new director (other than a director whose initial assumption of office is in connection with an actual or threatened election contest, including but not limited to a consent solicitation, relating to the election of directors of the Company) whose appointment or election by the Board or nomination for election by the Company's stockholders was approved or recommended by a vote of at least two-thirds (2/3) of the directors then still in office who either were directors on the date hereof or whose appointment, election or nomination for election was previously so approved or recommended; or

(c) There is consummated a merger or consolidation of the Company or any direct or indirect subsidiary of the Company with any other corporation or other entity, other than (A) a merger or consolidation which results in (i) the voting securities of the Company outstanding immediately prior to such merger or consolidation continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or any parent thereof), in combination with the ownership of any trustee or other fiduciary holding

securities under an employee benefit plan of the Company or any subsidiary of the Company, at least 60% of the combined voting power of the securities of the Company or such surviving entity or any parent thereof outstanding immediately after such merger or consolidation and (ii) the individuals who comprise the Board immediately prior thereto constituting immediately thereafter at least a majority of the board of directors of the Company, the entity surviving such merger or consolidation or, if the Company or the entity surviving such merger is then a subsidiary, the ultimate parent thereof, or (B) a merger or consolidation effected to implement a recapitalization of the Company (or similar transaction) in which no Person is or becomes the Beneficial Owner, directly or indirectly, of securities of the Company (not including in the securities Beneficially Owned by such Person any securities acquired directly from the Company or its Affiliates) representing 30% or more of the combined voting power of the Company's then outstanding securities; or

(d) The stockholders of the Company approve a plan of complete liquidation or dissolution of the Company or there is consummated an agreement for the sale or disposition by the Company of all or substantially all of the Company's assets (it being conclusively presumed that any sale or disposition is a sale or disposition by the Company of all or substantially all of its assets if the consummation of the sale or disposition is contingent upon approval by the Company's stockholders unless the Board expressly determines in writing that such approval is required solely by reason of any relationship between the Company and any other Person or an Affiliate of the Company and any other Person), other than a sale or disposition by the Company of all or substantially all of the Company's assets to an entity (A) at least 60% of the combined voting power of the voting securities of which are owned by stockholders of the Company in substantially the same proportions as their ownership of the Company immediately prior to such sale or disposition and (B) the majority of whose board of directors immediately following such sale or disposition consists of individuals who comprise the Board immediately prior thereto.

For purposes hereof, "Person" shall have the meaning given in Section 3(a)(9) of the Exchange Act, as modified and used in Sections 13(d) and 15(d) thereof, except that such term shall not include (i) the Company or any of its subsidiaries, (ii) a trustee or other fiduciary holding securities under an employee benefit plan of the Company or any of its Affiliates, (iii) an underwriter temporarily holding securities pursuant to an offering of such securities, or (iv) a corporation owned, directly or indirectly, by the stockholders of the Company in substantially the same proportions as their ownership of stock of the Company.

Notwithstanding the foregoing, (i) a "Change in Control" shall not be deemed to have occurred by virtue of the consummation of any transaction or series of integrated transactions immediately following which the record holders of the Company Stock immediately prior to such transaction or series of transactions continue to have substantially the same proportionate ownership in an entity which owns all or substantially all of the assets of the Company immediately following such transaction or series of transactions and (ii) with respect to any Award that constitutes a deferral of compensation subject to Section 409A of the Code, no such Award shall become payable as a result of the occurrence of a Change in Control unless such Change in Control also

constitutes a change in the ownership or effective control of the Company or a change in ownership of a substantial portion of the assets of the Company under Section 409A of the Code.

For the avoidance of doubt, any one or more of the above events may be effected pursuant to (A) a compromise or arrangement sanctioned by the court under section 201 of the Companies Act 1963 of the Republic of Ireland or (B) section 204 of the Companies Act 1963 of the Republic of Ireland.

7. No Shareholder Rights Prior to Vesting. The Participant shall have no rights of a shareholder (including the right to distributions or dividends) until shares of Company Stock are issued pursuant to the terms of this Award Agreement.

8. Matched Performance Award Agreement Subject to Plan. This Award Agreement is made pursuant to all of the provisions of the Plan, which is incorporated herein by this reference, and is intended, and shall be interpreted, in a manner to comply therewith. In the event of any conflict between the provisions of this Award Agreement and the provisions of the Plan, the provisions of the Plan shall govern, except as expressly provided by Paragraph 6 of this Award Agreement.

9. No Rights to Continuation of Employment. Nothing in the Plan or this Award Agreement shall confer upon the Participant any right to continue in the employ of the Company or any Subsidiary thereof or shall interfere with or restrict the right of the Company or its shareholders (or of a Subsidiary or its shareholders, as the case may be) to terminate the Participant's employment at any time for any reason whatsoever, with or without Cause.

10. Tax Withholding. The Company shall be entitled to require a cash payment by or on behalf of the Participant and/or to deduct from any Matched Performance Award granted hereunder or other compensation payable to the Participant any sums required by federal, state or local tax law to be withheld or to satisfy any applicable payroll deductions with respect to the vesting of, lapse of restrictions on, or payment of any Matched Performance Award.

11. Section 409A Compliance. The Matched Performance Award is intended to comply with Code Section 409A to the extent subject thereto and shall be interpreted in accordance with Code Section 409A and Department of Treasury regulations and other interpretive guidance issued thereunder, including without limitation any such regulations or other guidance that may be issued after the Date of Grant. Notwithstanding any provision in the Plan or Award Agreement to the contrary, no payment or distribution under this Award Agreement that constitutes an item of deferred compensation under Code Section 409A and becomes payable by reason of the Participant's termination of employment or service with the Company will be made to the Participant until the Participant's termination of employment or service constitutes a "separation from service" (as defined in Code Section 409A). For purposes of this Award Agreement, each amount to be paid or benefit to be provided shall be construed as a separate identified payment for purposes of Code Section 409A. If a participant is a "specified employee" (as defined in Code Section 409A), then to the extent necessary to avoid the

imposition of taxes under Code Section 409A, such Participant shall not be entitled to any payments upon a termination of his or her employment or service until the earlier of: (i) the expiration of the six (6)-month period measured from the date of such Participant's "separation from service" or (ii) the date of such Participant's death. Upon the expiration of the applicable waiting period set forth in the preceding sentence, all payments and benefits deferred pursuant to this Section 11 (whether they would have otherwise been payable in a single lump sum or in installments in the absence of such deferral) shall be paid to such Participant in a lump sum as soon as practicable, but in no event later than sixty (60) calendar days, following such expired period, and any remaining payments due under this Award Agreement will be paid in accordance with the normal payment dates specified for them herein.

12. Governing Law. This Award Agreement shall be governed by, interpreted under, and construed and enforced in accordance with the internal laws, and not the laws pertaining to conflicts or choice of laws, of the State of Delaware applicable to agreements made and to be performed wholly within the State of Delaware.

13. Binding on Successors. The terms of this Award Agreement shall be binding upon the Participant and upon the Participant's heirs, executors, administrators, personal representatives, transferees, assignees and successors in interest, and upon the Company and its successors and assignees, subject to the terms of the Plan.

14. No Assignment. Notwithstanding anything to the contrary in this Award Agreement, neither this Award Agreement nor any rights granted herein shall be assignable by the Participant.

15. Necessary Acts. The Participant hereby agrees to perform all acts, and to execute and deliver any documents that may be reasonably necessary to carry out the provisions of this Award Agreement, including but not limited to all acts and documents related to compliance with federal and/or state securities and/or tax laws and applicable Irish law.

16. Entire Matched Performance Award Agreement. This Award Agreement (including Exhibit A) and the Plan contain the entire agreement and understanding among the parties as to the subject matter hereof.

17. Headings. Headings are used solely for the convenience of the parties and shall not be deemed to be a limitation upon or descriptive of the contents of any such Paragraph.

18. Counterparts. This Award Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument.

1. 19. Notices. All notices and other communications under this Award Agreement shall be in writing and shall be given by first class mail, certified or registered with return receipt requested, and shall be deemed to have been duly given three days after mailing to the respective parties named below:

If to Company: Endo International plc
c/o Endo Health Solutions Inc.
1400 Atwater Drive
Malvern, PA 19355
Attention: Treasurer

If to the Participant: At the address noted above.

Either party hereto may change such party's address for notices by notice duly given pursuant hereto.

20. Amendment. No amendment or modification hereof shall be valid unless it shall be in writing and signed by all parties hereto.

2. 21. Acceptance. The Participant hereby acknowledges receipt of a copy of the Plan and this Award Agreement. The Participant has read and understands the terms and provisions thereof, and accepts the Matched Performance Award subject to all the terms and conditions of the Plan and this Award Agreement.

3.

4. 22. No Compensation for Loss of Rights. The Participant hereby acknowledges that under no circumstances will s/he, on ceasing to be an employee or director of the Company or any of its Subsidiaries, be entitled to any compensation for any loss of any right or benefit or prospective right or benefit under the Plan that s/he might otherwise have enjoyed whether such compensation is claimed by way of damages for wrongful dismissal or other breach of contract or by way of compensation for loss of office or otherwise howsoever.

5.

6. 23. Severability. All the terms and provisions of this Award Agreement are distinct and severable, and if any term or provision is held unenforceable, illegal or void in whole or in part by any court, regulatory authority or other competent authority it shall to that extent be deemed not to form part of this Award Agreement, and the enforceability, legality and validity of the remainder of this Award Agreement will not be affected; if any invalid, unenforceable or illegal provision would be valid, enforceable or legal if some part of it were deleted, the provision shall apply with whatever modification is necessary to make it valid, enforceable and legal.

7.

8. 24. Data Protection. The Participant hereby acknowledges and consents to the Company and any Subsidiary sharing and exchanging his/her information held in order to administer and operate the Plan (including personal details, data relating to participation, salary, taxation and employment and sensitive personal data, e.g. data relating to physical or mental health, criminal conviction or the alleged commission of offences) (the "Information") and providing the Company and/or the Subsidiary's agents and/or third parties with the Information for the administration and operation of the Plan and the Participant further accepts that this may involve the Information being sent to a country outside the country in which the Participant provides services including to a country which may not have the same level of data

protection laws as his/her home country. The Participant acknowledges that s/he has the right to request a list of the names and addresses of any potential recipients of the Information and to review and correct the Information by contacting his/her local human resources representative. The Participant acknowledges that the collection, processing and transfer of the Information is important to Plan administration and that failure to consent to same may prohibit participation in the Plan.

25. Additional Matters. This Award Agreement is intended to comply with the applicable laws of any country or jurisdiction where the Matched Performance Award is granted under the Plan, and all provisions hereof shall be construed in a manner to so comply.

9.

IN WITNESS WHEREOF, the parties hereto have executed this Award Agreement as of the date set forth above.

ENDO INTERNATIONAL PLC

BY

Name: Rajiv De Silva
Title: President & Chief Executive Officer

PARTICIPANT

Signature _____

Print Name: Rajiv De Silva

The Participant will be entitled to receive a number of shares of Company Stock on the Delivery Date equal to (i) the total number of restricted stock units underlying the Matched Performance Award multiplied by (ii) a percentage (the "Matching Percentage") determined by reference to Total Shareholder Return (as defined below) in accordance with the following:

If the Total Shareholder Return is less than 33%, the Matching Percentage will be 0%.

If the Total Shareholder Return is 33% or higher, but less than 66%, the Matching Percentage will be 33.33%.

If the Total Shareholder Return is 66% or higher, but less than 100%, the Matching Percentage will be 66.67%.

If the Total Shareholder Return is 100% or higher, the Matching Percentage will be 100%.

"Total Shareholder Return" shall mean the appreciation of the Per Share Price during the Performance Period, plus any dividends paid on Company Stock during such Performance Period.

"Per Share Price" shall mean the average of the closing prices of shares of Company Stock (on the national securities exchange on which the Company Stock is principally traded) during the thirty (30) consecutive trading days ending on the day prior to the applicable measurement date.

The determination of Total Shareholder Return will be made in the sole discretion of Board, after the end of the Performance Period. The Board also has discretion to accelerate the vesting of all or a portion of the Participant's Matched Performance Award based upon the overall performance of the Company and/or the Participant or based upon any change in business conditions, provided that the exercise of such discretion would not cause a Matched Performance Award that would otherwise be deducible as "performance-based" compensation within the meaning of Section 162(m) of the Code to become non-deductible

EXHIBIT B

FORM OF RELEASE AGREEMENT

THIS RELEASE AGREEMENT (the "Release") is made by and between Paul Campanelli ("Executive") and Endo Health Solutions, Inc. (the "Company").

1. FOR AND IN CONSIDERATION of the payments and benefits provided in Section 8(d)(iv) and (v) of the Employment Agreement between Executive and the Company dated as of May 18, 2015, (the "Employment Agreement"), Executive, for himself, his successors and assigns, executors and administrators, now and forever hereby releases and discharges the Company, together with all of its past and present parents, subsidiaries, and affiliates, together with each of their officers, directors, stockholders, partners, employees, agents, representatives and attorneys, and each of their subsidiaries, affiliates, estates, predecessors, successors, and assigns (hereinafter collectively referred to as the "Releasees") from any and all rights, claims, charges, actions, causes of action, complaints, sums of money, suits, debts, covenants, contracts, agreements, promises, obligations, damages, demands or liabilities of every kind whatsoever, in law or in equity, whether known or unknown, suspected or unsuspected, which Executive or Executive's executors, administrators, successors or assigns ever had, now has or may hereafter claim to have by reason of any matter, cause or thing whatsoever; arising from the beginning of time up to the date of the Release: (i) relating in any way to Executive's employment relationship with the Company or any of the Releasees, or the termination of Executive's employment relationship with the Company or any of the Releasees; (ii) arising under or relating to the Employment Agreement; (iii) arising under any federal, local or state statute or regulation, including, without limitation, the Age Discrimination in Employment Act of 1967, as amended by the Older Workers Benefit Protection Act, Title VII of the Civil Rights Act of 1964, the Americans with Disabilities Act of 1990, the Employee Retirement Income Security Act of 1974, and/or the applicable state law against discrimination, each as amended; (iv) relating to wrongful employment termination or breach of contract; or (v) arising under or relating to any policy, agreement, understanding or promise, written or oral, formal or informal, between the Company and any of the Releasees and Executive; provided, however, that notwithstanding the foregoing, nothing contained in the Release shall in any way diminish or impair: (a) any rights Executive may have, from and after the date the Release is executed; (b) any rights to indemnification that may exist from time to time under the Company's certificate of incorporation or bylaws, or state law or any other indemnification agreement entered into between Executive and the Company; (c) any rights Executive may have under any applicable general liability and/or directors and officers insurance policy maintained by the Company; (d) any rights Executive may have to vested benefits under employee benefit plans or incentive compensation plans of the Company; (e) any rights Executive may have as a general shareholder of the Company; (f) Executive's ability to bring appropriate proceedings to enforce the Release; and (d) any rights or claims Executive may have that cannot be waived under applicable law (collectively, the "Excluded Claims"). Executive further acknowledges and agrees that,

except with respect to Excluded Claims, the Company and the Releasees have fully satisfied any and all obligations whatsoever owed to Executive arising out of Executive's employment with the Company or any of the Releasees, and that no further payments or benefits are owed to Executive by the Company or any of the Releasees.

2. Executive understands and agrees that, except for the Excluded Claims, Executive has knowingly relinquished, waived and forever released any and all rights to any personal recovery in any action or proceeding that may be commenced on Executive's behalf arising out of the aforesaid employment relationship or the termination thereof, including, without limitation, claims for back pay, front pay, liquidated damages, compensatory damages, general damages, special damages, punitive damages, exemplary damages, costs, expenses and attorneys' fees.

3. Executive acknowledges and agrees that Executive has been advised to consult with an attorney of Executive's choosing prior to signing the Release. Executive understands and agrees that Executive has the right and has been given the opportunity to review the Release with an attorney of Executive's choice should Executive so desire. Executive also agrees that Executive has entered into the Release freely and voluntarily. Executive further acknowledges and agrees that Executive has had at least [twenty-one (21)][forty-five (45)] calendar days to consider the Release, although Executive may sign it sooner if Executive wishes. In addition, once Executive has signed the Release, Executive shall have seven (7) additional days from the date of execution to revoke Executive's consent and may do so by writing to: _____. The Release shall not be effective, and no payments shall be due hereunder, earlier than the eighth (8th) day after Executive shall have executed the Release and returned it to the Company, assuming that Executive had not revoked Executive's consent to the Release prior to such date.

4. It is understood and agreed by Executive that any payment made to Executive is not to be construed as an admission of any liability whatsoever on the part of the Company or any of the other Releasees, by whom liability is expressly denied.

5. The Release is executed by Executive voluntarily and is not based upon any representations or statements of any kind made by the Company or any of the other Releasees as to the merits, legal liabilities or value of Executive's claims. Executive further acknowledges that Executive has had a full and reasonable opportunity to consider the Release and that Executive has not been pressured or in any way coerced into executing the Release.

6. The exclusive venue for any disputes arising hereunder shall be the state or federal courts located in the State of Delaware, and each of the parties hereto irrevocably waives, to the fullest extent permitted by law, any objection which it may now or hereafter have to the laying of the venue of any such proceeding brought in such a court and any claim that any such proceeding brought in such a court has been brought in an inconvenient forum. Each of the parties hereto also agrees that any final and unappealable judgment against a party hereto in connection with any action, suit or other proceeding may be enforced in

any court of competent jurisdiction, either within or outside of the United States. A certified or exemplified copy of such award or judgment shall be conclusive evidence of the fact and amount of such award or judgment.

7. The Release and the rights and obligations of the parties hereto shall be governed and construed in accordance with the laws of the State of Delaware. If any provision hereof is unenforceable or is held to be unenforceable, such provision shall be fully severable, and this document and its terms shall be construed and enforced as if such unenforceable provision had never comprised a part hereof, the remaining provisions hereof shall remain in full force and effect, and the court construing the provisions shall add as a part hereof a provision as similar in terms and effect to such unenforceable provision as may be enforceable, in lieu of the unenforceable provision.
8. The Release shall inure to the benefit of and be binding upon the Company and its successors and assigns.

IN WITNESS WHEREOF, Executive and the Company have executed the Release as of the date and year first written above.

IMPORTANT NOTICE: BY SIGNING BELOW YOU RELEASE AND GIVE UP ANY AND ALL LEGAL CLAIMS, KNOWN AND UNKNOWN, THAT YOU MAY HAVE AGAINST THE COMPANY AND RELATED PARTIES.

ENDO HEALTH SOLUTIONS INC.	Paul Campanelli
Dated: _____	Dated: _____

AMENDMENT NO. 1 TO LICENSE AND SUPPLY AGREEMENT

This Amendment No. 1 to that certain License and Supply Agreement (this "Amendment") is entered into as of March 28, 2008, by and among Novartis AG, Novartis Consumer Health, Inc. (collectively, "Novartis") and Endo Pharmaceuticals Inc. ("Endo").

WHEREAS, the Parties entered into a License and Supply Agreement on March 4, 2008 (the "License Agreement"); and

WHEREAS, the terms and conditions in the License Agreement continue to be in full force and effect between the Parties except as modified as set forth below;

NOW THEREFORE, in consideration of the premises and covenants herein contained the Parties agree as follows:

1. The Terms used but not defined herein shall have the meanings set forth in the License Agreement.

2. Exclusive Negotiating Period for Line Extensions. Novartis hereby agrees that the ninety (90) day exclusive negotiation period for a license to Line Extensions referred to in Section 10.1(b) of the License Agreement will not commence until the delivery to Endo of both Novartis' proposal relating thereto and information reasonably necessary for Endo to evaluate such opportunity.

3. Manufacture and Supply.

(a) The Parties hereby agree that, effective as of the Execution Date, Novartis AG shall be substituted for Novartis as a party to Sections 5.1-5.11 of the License Agreement.

(b) During the period from the Execution Date through March 31, 2008 ("Q1 2008"), all purchases of Licensed Product under Section 5 of the License Agreement shall be made by Endo, and for all periods thereafter during the Term of the License Agreement until the Parties otherwise agree, all purchases of Licensed Product under Section 5 of the License Agreement shall be made by Endo Pharma Ireland Limited or another subsidiary identified by Endo to Novartis in writing (any such party, "Endo Sub"). For purposes thereof, Endo Sub is hereby made a party to Section 5 of the License Agreement and shall have all the rights and obligations of Endo with respect thereto.

(c) Upon execution of this Amendment, Endo shall issue purchase orders for the Licensed Product listed on Annex A to this Amendment. Upon Novartis's acceptance and invoicing of such purchase orders *and only if* such acceptance and invoicing occurs prior to March 31, 2008, all ownership, title and risk of loss of such Licensed Product shall belong to Endo prior to March 31, 2008, *it being understood that*

Novartis attributes sales to a reporting period under the Medicaid Drug Rebate Program, as codified at 42 U.S.C. § 1396r-8, based on the invoice date of the sale.

(d) The Parties hereby agree that Section 5.4(a) and (e) of the License Agreement shall not apply until July 1, 2008 and that Section 5.13 of the License Agreement shall not apply until October 31, 2008.

4. Price Reporting and Related Government Contracting.

(a) For Q1 2008, with respect to the Licensed Product Novartis shall be solely responsible for (1) calculating and reporting prices for Licensed Product under the Medicaid Drug Rebate Program, as codified at 42 U.S.C. § 1396r-8, including making all decisions with respect thereto, in its discretion, and (2) providing any related certifications to applicable Government Authorities, and (3) reporting and compliance with all state law requirements regarding price disclosure and reporting. Novartis shall inform Endo of all decisions and actions taken pursuant to the prior sentence prior to taking such decisions and/or actions. For Q2 2008 and all periods thereafter during the Term of the License Agreement, with respect to the Licensed Product Endo shall be solely responsible for (1) calculating and reporting prices for Licensed Product under the Medicaid Drug Rebate Program, including making all decisions with respect thereto, in its discretion, and (2) providing any related certifications to applicable Government Authorities, and (3) reporting and compliance with all state law requirements regarding price disclosure and reporting. Endo's responsibilities as of Q2 2008 shall apply to Licensed Product without regard to whether Licensed Product bears the National Drug Code of Novartis or Endo. Neither Party shall have any responsibility or liability for decisions made or actions taken by the other Party under this paragraph. The Parties shall discuss whether to jointly submit a letter to the U.S. Centers for Medicare and Medicaid Services outlining the Parties' approach to the calculation and reporting of prices under the Medicaid Drug Rebate Program as to Licensed Product and allocation of responsibility set forth herein and if agreed by the Parties, shall submit such letter no later than June 30, 2008; *it being understood* that no Party shall submit a letter or other correspondence to the U.S. Centers for Medicare and Medicaid Services or similar Governmental Authority regarding the Licensed Product without the prior written consent of the other. Each Party shall supply to the other Party with any information reasonably requested by the other Party that the other Party needs to perform its responsibilities under this paragraph.

(b) CMS DDR Price Reporting. The applicable Novartis representative will be responsible for establishing within the Centers for Medicare & Medicaid Services ("CMS") database the Licensed Product bearing the Novartis labeler code 0067. Effective with the April 2008 monthly Average Manufacturer's Price ("AMP") filing and thereafter, Novartis will transfer reporting responsibility to the applicable Endo representative via the CMS Drug Data Reporting ("DDR") system for the Licensed Product. Endo will be responsible for establishing within the CMS DDR the Licensed Product bearing an Endo labeler code.

(c) Public Health Service (PHS). Endo shall have responsibility for all aspects of PHS contract pricing for the Licensed Product.

(d) Federal Supply Schedule (FSS). Endo shall have responsibility for all aspects of FSS pricing and non-Federal Average Manufacturer Price reporting for the Licensed Product. Immediately following execution of this Amendment (and no event later than three days following), Novartis will provide to Endo all correspondence related to the Licensed Product occurring between Novartis and any of its affiliates and the Veterans Administration office (VA).

(e) Pricing Compendia. Endo will be responsible for notifying the various pricing Compendia of the availability of Licensed Product and the Wholesale Acquisition Cost ("WAC") pricing as established by Endo for the Licensed Product. The applicable Novartis representative will be included in such notification and will communicate to the Compendia as necessary in order to grant Endo the exclusive right to report and update the information for the Licensed Product.

(f) The provisions of Sections 2.2, 15.1 and 20 of the License Agreement shall apply to this Amendment. For the purposes of this paragraph (f), the provisions of this Amendment shall be considered covenants and agreements of, or representations and warranties made by, the Parties in the License Agreement.

(g) Information provided by one Party to the other Party under this paragraph 3 shall constitute "Confidential Information," as defined in section 1.26 of the License Agreement and the provisions of Section 14 of the License Agreement shall apply to each Party's treatment of that information.

(h) Notwithstanding Endo's assumption of all responsibilities relating to calculation and reporting of prices for Licensed Product under the Medicaid Drug Rebate Program effective April 1, 2008, Novartis shall retain the responsibility for processing and paying rebate claims relating to Licensed Product bearing the Novartis labeler code 0067 submitted by the States under the Medicaid Drug Rebate Program for all periods during the Term of the License Agreement. On a quarterly basis Endo shall reimburse Novartis for Medicaid rebate claims paid by Novartis relating to Licensed Product. Endo shall pay Novartis within sixty (60) days of Endo's receipt of an itemization of these Medicaid claims and supporting documentation, including utilization reports. Novartis shall be solely responsible for any interest incurred as a result of late payments to the States. Endo shall have the right to initiate a dispute with a State for reasonable cause, and Novartis shall cooperate with any such actions taken by Endo.

IN WITNESS WHEREOF, NOVARTIS AG, NOVARTIS and ENDO have caused this Amendment to be executed by their duly authorized representatives as of the day and year first above written.

ENDO PHARMACEUTICALS INC.

By: /s/ CHARLES A. ROWLAND, JR.
Name: Charles A. Rowland, Jr.
Title: EVP, CFO & Treasurer

NOVARTIS AG

By: /s/ PAUL DAVID BURNS
Name: Paul David Burns
Title: Authorized Signatory

By: /s/ PETER RUPPRECHT
Name: Peter Rupprecht
Title: Authorized Signatory

NOVARTIS CONSUMER HEALTH, INC.

By: /s/ JOHN COWLES
Name: John Cowles
Title: SVP, GM NCH OTC

AMENDMENT NO. 2 TO LICENSE AND SUPPLY AGREEMENT

This Amendment No. 2 to License and Supply Agreement (this **"Amendment"**) is entered into with effect as of December 31, 2012 (**"Amendment Effective Date"**), by and among Endo Pharmaceuticals Inc., a Delaware corporation having a principal place of business at 100 Endo Drive, Chadds Ford, Pennsylvania 19317 (**"Endo"**), Novartis Consumer Health, Inc., a Delaware corporation having a principal place of business at 200 Kimball Drive, Parsippany, New Jersey 07054 (**"Novartis"**), and Novartis AG, a Swiss corporation having a principal place of business in Basel, Switzerland (**"Novartis AG"**). Each of Novartis AG, Novartis and Endo is referred to herein individually as a **"Party"** and collectively as the **"Parties."**

WHEREAS, the Parties entered into a License and Supply Agreement, dated March 4, 2008, which was amended by that certain Amendment No. 1 to License and Supply Agreement, dated March 28, 2008 (as amended, the **"License and Supply Agreement"**);

WHEREAS, the Parties desire to amend the License and Supply Agreement as provided herein;

WHEREAS, the terms and conditions in the License and Supply Agreement continue to be in full force and effect between the Parties except as modified as set forth below;

NOW THEREFORE, in consideration of the premises and covenants herein contained the Parties agree as follows:

1. Defined Terms. Capitalized terms used but not defined herein shall have the meanings set forth in the License and Supply Agreement. All amendments set forth herein shall become effective prospectively from and after the Amendment Effective Date, unless otherwise expressly provided herein.

2. Amendment to Section 4.4(b). The table in Section 4.4(b) of the License and Supply Agreement shall be amended and restated to read as follows:

Agreement Year	Details	Portion of Details Required to be Primary Details
Year 1	650,000	650,000
Year 2	650,000	520,000
Year 3	650,000	520,000
Year 4	650,000	455,000
Year 5	390,000	273,000
Each Renewal Term	390,000	195,000

3. Amendment to Section 4.9. The table in Section 4.9 of the License and Supply Agreement shall be amended and restated to read as set forth below. The following sentence shall be added to

the end of Section 4.9 of the License and Supply Agreement: "Notwithstanding anything herein to the contrary, in Agreement Year 5 and each Renewal Term thereafter until NOVARTIS notifies ENDO in writing of its abandonment of the OTC Equivalent Product registration application, ENDO's annual minimum expenditures of A&P Expenses as set forth in Column 5 of the table in this Section 4.9 shall be reduced by twenty percent (20%) from the levels set forth in Column 5."

Minimum A&P Expenses Requirements

Column 1	Column 2	Column 3	Column 4	Column 5
Agreement Year 1	Agreement Year 2	Agreement Year 3	Agreement Year 4	Agreement Year 5 and Renewal Terms
$15,000,000	$20,000,000	15% of prior Agreement Year's Net Sales but not to exceed $30,000,000	13% of prior Agreement Year's Net Sales but not to exceed $30,000,000	4.8% of prior Agreement Year's Net Sales but not to exceed $30,000,000

4. Amendment to Section 5.9(b). The following sentence shall be added to the end of Section 5.9(b)(i) of the License and Supply Agreement:

> "Notwithstanding anything herein to the contrary, effective January 1, 2013, the price for Licensed Product shall be reduced by five percent (5%), which shall translate into a reduction of $.24/unit for the 100g tube (currently priced at $4.82/unit) and a reduction of $.06/unit on the 20g tube (currently priced at $1.20/unit); *it being understood that* this price reduction shall remain in effect throughout the Term of this Agreement. In the event of any future price increases, the foregoing amounts ($.24/unit for 100g tube and $.06/unit for 20g tube) shall be deducted from the total price otherwise permitted to be charged under the current License and Supply Agreement."

5. Amendment to Section 9.1. The last three sentences of Section 9.1 of the License and Supply Agreement are hereby amended and restated to read as follows:

> "ENDO shall cooperate fully with NOVARTIS in connection with an OTC Switch, including, providing any materials reasonably required by NOVARTIS to support the OTC Switch. Notwithstanding the foregoing, NOVARTIS shall not Launch an OTC Equivalent Product prior to April 1, 2014, and NOVARTIS shall not take any action that results in the loss of Rx Product status for the Licensed Product prior to such time. NOVARTIS shall notify ENDO when it submits a filing to the FDA in respect of an OTC Equivalent Product."

6. Amendment to Section 17.1(a). The following clause shall be added to the end of the last sentence in Section 17.1(a) of the License and Supply Agreement: "; *provided that* notwithstanding the foregoing, in no event shall the NOVARTIS Parties provide notice of non-renewal prior to January 1, 2016." For the avoidance of doubt, nothing in this Amendment shall amend or restate,

or be deemed to amend or restate, any provision of Section 17.2 or Section 17.3 of the License and Supply Agreement or limit the rights of a NOVARTIS Party to terminate the License and Supply Agreement pursuant to Section 17.2 or Section 17.3 of the License and Supply Agreement.

7. Conflict. This Amendment will govern if it conflicts with any provision of the License and Supply Agreement.

8. Effectiveness of the Agreement. The Parties acknowledge and agree that this Amendment constitutes a valid and binding amendment to the License and Supply Agreement for purposes of Section 20.6 of the License and Supply Agreement. For the avoidance of doubt, nothing in this Amendment shall be deemed to amend, modify, delete or extend the disclaimers of warranties in Section 13.4 of the License and Supply Agreement or limitations of damages in Section 20.16 of the License and Supple Agreement, which disclaimers and limitations shall apply to this Amendment as if set forth in full herein. This Amendment may be executed in several counterparts, each of which shall be deemed an original and all of which taken together shall constitute a single instrument. Except as set forth in this Amendment, there are no other amendments to the License and Supply Agreement and the License and Supply Agreement remains in full force and effect as amended as of the Amendment Effective Date.

{REMAINDER OF PAGE INTENTIONALLY LEFT BLANK.}

IN WITNESS WHEREOF, this Amendment No. 2 to License and Supply Agreement has been executed by the authorized officers of the Parties hereto with effect as of the Amendment Effective Date.

ENDO PHARMACEUTICALS INC.

By: /s/ David P. Holveck
Name: David P. Holveck
Title: President & Chief Executive Officer

NOVARTIS AG

By: /s/ Felix R. Ehrat
Name: Felix R. Ehrat
Title: Group General Counsel

NOVARTIS CONSUMER HEALTH, INC.

By: /s/ Greg Tole
Name: Greg Tole
Title: General Counsel, OTC

Exhibit 31.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO SECTION 302 OF
THE SARBANES-OXLEY ACT OF 2002

I, Rajiv De Silva, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Endo International plc;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's Board of Directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/S/ RAJIV DE SILVA

Rajiv De Silva

President and Chief Executive Officer
(Principal Executive Officer)

Date: November 9, 2015

Exhibit 31.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO SECTION 302 OF
THE SARBANES-OXLEY ACT OF 2002

I, Suketu P. Upadhyay, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Endo International plc;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's Board of Directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/S/ SUKETU P. UPADHYAY

Suketu P. Upadhyay

Executive Vice President, Chief Financial Officer
(Principal Financial Officer)

Date: November 9, 2015

Exhibit 32.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Rajiv De Silva, as President and Chief Executive Officer of Endo International plc (the Company), hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Quarterly Report on Form 10-Q of the Company for the quarterly period ended September 30, 2015 (the Report) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m); and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/S/ RAJIV DE SILVA

Name: Rajiv De Silva

Title: President and Chief Executive Officer
(Principal Executive Officer)

Date: November 9, 2015

A signed original of this written statement required by Section 906 has been provided to, and will be retained by, Endo International plc and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Suketu P. Upadhyay, as Chief Financial Officer of Endo International plc (the Company), hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Quarterly Report on Form 10-Q of the Company for the quarterly period ended September 30, 2015 (the Report) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m); and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/S/ SUKETU P. UPADHYAY

Name: Suketu P. Upadhyay

Title: Executive Vice President, Chief Financial Officer
(Principal Financial Officer)

Date: November 9, 2015

A signed original of this written statement required by Section 906 has been provided to, and will be retained by, Endo International plc and furnished to the Securities and Exchange Commission or its staff upon request.