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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 JUNE 30, 2016

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	**68-0683755**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification Number)
First Floor, Minerva House, Simmonscourt Road, Ballsbridge, Dublin 4, Ireland	**Not applicable**
(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	August 2, 2016 :	222,766,688

ENDO INTERNATIONAL PLC

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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 Part II, Item 1A. of this document and in Part I, Item 1A. of our Annual Report on Form 10-K for the year ended December 31, 2015, as supplemented and amended by risk factors previously disclosed by us in Part II, Item 1A. under the caption “Risk Factors” of our Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2016, 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 and with securities regulators in Canada on the System for Electronic Document Analysis and Retrieval. Also note that, under the caption “Risk Factors” in Part II, Item 1A. of this document and in Part I, Item 1A. of our Annual Report on Form 10-K for the year ended December 31, 2015, as supplemented and amended by the risk factors previously disclosed by us in Part II, Item 1A. under the caption “Risk Factors” of our Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2016, 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)

	June 30, 2016	December 31, 2015
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 667,822	$ 272,348
Restricted cash and cash equivalents	388,560	585,379
Marketable securities	33	34
Accounts receivable	875,058	1,014,808
Inventories, net	626,320	752,493
Prepaid expenses and other current assets	45,992	55,052
Income taxes receivable	46,631	735,901
Assets held for sale (NOTE 3)	—	36,522
Total current assets	$ 2,650,416	$ 3,452,537
MARKETABLE SECURITIES	2,206	3,855
PROPERTY, PLANT AND EQUIPMENT, NET	673,294	675,624
GOODWILL	7,417,237	7,299,354
OTHER INTANGIBLES, NET	7,096,659	7,828,942
DEFERRED INCOME TAXES	9,532	10,423
OTHER ASSETS	86,191	79,601
TOTAL ASSETS	$ 17,935,535	$ 19,350,336
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable	$ 318,459	$ 347,503
Accrued expenses	1,040,519	1,162,612
Current portion of legal settlement accrual	1,455,259	1,606,726
Current portion of long-term debt	117,454	328,705
Income taxes payable	7,149	8,551
Liabilities held for sale (NOTE 3)	—	20,215
Total current liabilities	$ 2,938,840	$ 3,474,312
DEFERRED INCOME TAXES	142,089	871,040
LONG-TERM DEBT, LESS CURRENT PORTION, NET	8,199,888	8,251,657
LONG-TERM LEGAL SETTLEMENT ACCRUAL, LESS CURRENT PORTION, NET	155,474	549,098
OTHER LIABILITIES	237,706	236,253
COMMITMENTS AND CONTINGENCIES (NOTE 12)		
SHAREHOLDERS' EQUITY:		
Euro deferred shares, $0.01 par value; 4,000,000 shares authorized and issued	44	43
Ordinary shares, $0.0001 par value; 1,000,000,000 shares authorized; 222,765,414 and 222,124,282 shares issued and outstanding at June 30, 2016 and December 31, 2015, respectively	22	22
Additional paid-in capital	8,719,074	8,693,385
Accumulated deficit	(2,131,506)	(2,341,215)
Accumulated other comprehensive loss	(326,096)	(384,205)
Total Endo International plc shareholders' equity	$ 6,261,538	$ 5,968,030
Noncontrolling interests	—	(54)
Total shareholders' equity	$ 6,261,538	$ 5,967,976
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$ 17,935,535	$ 19,350,336

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 June 30,		Six Months Ended June 30,	
	2016	2015	2016	2015
TOTAL REVENUES	$ 920,887	$ 735,166	$ 1,884,426	$ 1,449,294
COSTS AND EXPENSES:				
Cost of revenues	632,218	438,858	1,320,923	823,124
Selling, general and administrative	193,070	154,491	371,425	366,069
Research and development	50,589	18,984	92,281	36,881
Litigation-related and other contingencies, net	5,259	6,875	10,459	19,875
Asset impairment charges	39,951	70,243	169,576	77,243
Acquisition-related and integration items	48,171	44,225	60,725	78,865
OPERATING (LOSS) INCOME FROM CONTINUING OPERATIONS	$ (48,371)	$ 1,490	$ (140,963)	$ 47,237
INTEREST EXPENSE, NET	111,919	80,611	228,712	153,750
LOSS ON EXTINGUISHMENT OF DEBT	—	—	—	980
OTHER EXPENSE, NET	5,175	24,493	3,268	12,498
LOSS FROM CONTINUING OPERATIONS BEFORE INCOME TAX	$ (165,465)	$ (103,614)	$ (372,943)	$ (119,991)
INCOME TAX BENEFIT	(555,277)	(12,720)	(673,992)	(179,589)
INCOME (LOSS) FROM CONTINUING OPERATIONS	$ 389,812	$ (90,894)	$ 301,049	$ 59,598
DISCONTINUED OPERATIONS, NET OF TAX (NOTE 3)	(46,216)	(159,632)	(91,324)	(385,842)
CONSOLIDATED NET INCOME (LOSS)	$ 343,596	$ (250,526)	$ 209,725	$ (326,244)
Less: Net income (loss) attributable to noncontrolling interests	18	(107)	16	(107)
NET INCOME (LOSS) ATTRIBUTABLE TO ENDO INTERNATIONAL PLC	$ 343,578	$ (250,419)	$ 209,709	$ (326,137)
NET INCOME (LOSS) PER SHARE ATTRIBUTABLE TO ENDO INTERNATIONAL PLC ORDINARY SHAREHOLDERS—BASIC:				
Continuing operations	$ 1.75	$ (0.49)	$ 1.35	$ 0.34
Discontinued operations	(0.21)	(0.86)	(0.41)	(2.18)
Basic	$ 1.54	$ (1.35)	$ 0.94	$ (1.84)
NET INCOME (LOSS) PER SHARE ATTRIBUTABLE TO ENDO INTERNATIONAL PLC ORDINARY SHAREHOLDERS—DILUTED:				
Continuing operations	$ 1.75	$ (0.49)	$ 1.35	$ 0.33
Discontinued operations	(0.21)	(0.86)	(0.41)	(2.11)
Diluted	$ 1.54	$ (1.35)	$ 0.94	$ (1.78)
WEIGHTED AVERAGE SHARES:				
Basic	222,667	185,328	222,485	177,490
Diluted	222,863	185,328	223,021	182,822

See Notes to Condensed Consolidated Financial Statements.

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	2016	2015
CONSOLIDATED NET INCOME (LOSS)	$ 343,596	$ (250,526)	$ 209,725	$ (326,244)
OTHER COMPREHENSIVE (LOSS) INCOME, NET OF TAX:				
Net unrealized (loss) gain on securities:				
Unrealized (loss) gain arising during the period	$ (147)	$ 201	$ (1,007)	$ 1,714
Less: reclassification adjustments for loss (gain) realized in net income (loss)	—	—	—	—
	(147)	201	(1,007)	1,714
Foreign currency translation (loss) gain	(21,609)	8,001	59,154	(123,347)
OTHER COMPREHENSIVE (LOSS) INCOME	$ (21,756)	$ 8,202	$ 58,147	$ (121,633)
CONSOLIDATED COMPREHENSIVE INCOME (LOSS)	$ 321,840	$ (242,324)	$ 267,872	$ (447,877)
Less: Net income (loss) attributable to noncontrolling interests	18	(107)	16	(107)
Less: Other comprehensive income (loss) attributable to noncontrolling interests	(18)	57	38	(549)
COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO ENDO INTERNATIONAL PLC	$ 321,840	$ (242,274)	$ 267,818	$ (447,221)

See Notes to Condensed Consolidated Financial Statements.

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

	Six Months Ended June 30,	
	2016	**2015**
OPERATING ACTIVITIES:		
Consolidated net income (loss)	$ 209,725	$ (326,244)
Adjustments to reconcile consolidated net income (loss) to Net cash provided by (used in) operating activities:		
Depreciation and amortization	476,911	249,181
Inventory step-up	87,970	84,253
Share-based compensation	29,585	24,753
Amortization of debt issuance costs and discount	14,483	10,580
Provision for bad debts	8,082	1,141
Deferred income taxes	(670,615)	(244,152)
Net loss (gain) on disposal of property, plant and equipment	1,310	(132)
Change in fair value of contingent consideration	13,204	(3,328)
Loss on extinguishment of debt	—	980
Asset impairment charges	190,904	318,865
Gain on sale of business and other assets	(735)	—
Changes in assets and liabilities which (used) provided cash:		
Accounts receivable	133,654	(124,681)
Inventories	29,830	(22,425)
Prepaid and other assets	21,846	(8,940)
Accounts payable	(22,067)	4,349
Accrued expenses	(260,352)	235,867
Other liabilities	(395,126)	(228,938)
Income taxes payable/receivable	686,091	(48,615)
Net cash provided by (used in) operating activities	$ 554,700	$ (77,486)
INVESTING ACTIVITIES:		
Purchases of property, plant and equipment	(53,705)	(38,621)
Proceeds from sale of intellectual property and property, plant and equipment	2,523	—
Acquisitions, net of cash acquired	—	(915,945)
Proceeds from sale of marketable securities and investments	—	24
Proceeds from notes receivable	—	17
Patent acquisition costs and license fees	(13,000)	—
Proceeds from sale of business, net	4,108	4,712
Increase in restricted cash and cash equivalents	(327,359)	(381,223)
Decrease in restricted cash and cash equivalents	524,438	424,695
Net cash provided by (used in) investing activities	$ 137,005	$ (906,341)

	Six Months Ended June 30,	
	2016	2015
FINANCING ACTIVITIES:		
Proceeds from issuance of notes	—	1,200,000
Principal payments on term loans	(48,375)	(26,188)
Proceeds from draw of revolving debt	—	175,000
Repayments of revolving debt	(225,000)	(175,000)
Principal payments on other indebtedness, net	(3,365)	(3,231)
Repurchase of convertible senior subordinated notes	—	(247,760)
Deferred financing fees	(500)	(25,696)
Payment for contingent consideration	(18,646)	(7,383)
Tax benefits of share awards	3,911	20,079
Payments of tax withholding for restricted shares	(10,396)	(12,570)
Exercise of options	1,952	23,440
Issuance of ordinary shares	2,729	2,302,281
Payments related to the issuance of ordinary shares	—	(66,956)
Cash buy-out of noncontrolling interests	—	(39,608)
Net cash (used in) provided by financing activities	$ (297,690)	$ 3,116,408
Effect of foreign exchange rate	$ 1,459	$ (11,599)
NET INCREASE IN CASH AND CASH EQUIVALENTS	$ 395,474	$ 2,120,982
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	272,348	408,753
CASH AND CASH EQUIVALENTS, END OF PERIOD	$ 667,822	$ 2,529,735
SUPPLEMENTAL INFORMATION:		
Cash received from income taxes, net	$ 698,584	$ 50,535
Cash paid into Qualified Settlement Funds for mesh legal settlements	$ 326,795	$ 377,074
Cash paid out of Qualified Settlement Funds for mesh legal settlements	$ 524,438	$ 385,087
Other cash distributions for mesh legal settlements	$ 5,438	$ 10,829
SCHEDULE OF NON-CASH INVESTING AND FINANCING ACTIVITIES:		
Purchases of property, plant and equipment financed by capital leases	$ 658	$ 54
Accrual for purchases of property, plant and equipment	$ 2,363	$ 2,072
Acquisition financed by ordinary shares	$ —	$ 1,519,318
Repurchase of convertible senior subordinated notes financed by ordinary shares	$ —	$ 625,483

See Notes to Condensed Consolidated Financial Statements.

ENDO INTERNATIONAL PLC
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2016

NOTE 1. BASIS OF PRESENTATION

The accompanying unaudited Condensed Consolidated Financial Statements of Endo International plc and its subsidiaries 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 International plc 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 June 30, 2016 and the results of our operations and our cash flows for the periods presented. Operating results for the three and six months ended June 30, 2016 are not necessarily indicative of the results that may be expected for the year ending December 31, 2016. The year-end Condensed Consolidated Balance Sheet data as of December 31, 2015 was derived from the audited financial statements.

Certain prior period amounts within the operating activities section of our Condensed Consolidated Statements of Cash Flows have been reclassified to conform to the current period presentation. These reclassifications had no impact on our Condensed Consolidated Balance Sheets or our Condensed Consolidated Statements of Operations.

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 International plc and its subsidiaries.

Endo International plc is an Ireland-domiciled, global specialty pharmaceutical company focused on branded and generic pharmaceuticals.

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, 2015.

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 a 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,"* which defers the effective date of ASU 2014-09 by one year, but permits companies to adopt one year earlier if they choose (i.e., the original effective date). As such, ASU 2014-09 will be effective for annual and interim reporting periods beginning after December 15, 2017 and the Company currently plans to adopt it on January 1, 2018. In March and April 2016, the FASB issued ASU No. 2016-08 *"Revenue from Contracts with Customers (Topic 606): Principal versus Agent Consideration (Reporting Revenue Gross versus Net)"* and ASU No. 2016-10 *"Revenue from Contracts with Customers (Topic 606): Identifying Performance Obligations and Licensing,"* respectively, which clarifies the guidance on reporting revenue as a principal versus agent, identifying performance obligations and accounting for intellectual property licenses. In addition, in May 2016, the FASB issued ASU No. 2016-12 *"Revenue from Contracts with Customers (Topic 606): Narrow-Scope Improvements and Practical Expedients,"* which amends certain narrow aspects of Topic 606. The Company is currently evaluating the impact of these standards on the Company's consolidated results of operations and financial position, including possible transition alternatives.

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 or 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 February 2016, the FASB issued ASU No. 2016-02, "*Leases (Topic 842)*" (ASU 2016-02). ASU 2016-02 establishes the principles to report transparent and economically neutral information about the assets and liabilities that arise from leases. This guidance results in a more faithful representation of the rights and obligations arising from operating and capital leases by requiring lessees to recognize the lease assets and lease liabilities that arise from leases in the statement of financial position and to disclose qualitative and quantitative information about lease transactions, such as information about variable lease payments and options to renew and terminate leases. ASU 2016-02 is effective for fiscal years beginning after December 15, 2018, including interim periods within those fiscal years. The Company is currently evaluating the impact of ASU 2016-02 on the Company's consolidated results of operations and financial position.

In March 2016, the FASB issued ASU No. 2016-09 *"Improvements to Employee Share-Based Payment Accounting"* (ASU 2016-09). ASU 2016-09 changes how companies account for certain aspects of share-based payments to employees including: (a) requiring all income tax effects of awards to be recognized in the income statement, rather than in additional paid in capital, when the awards vest or are settled, (b) eliminating the requirement that excess tax benefits be realized before companies can recognize them, (c) requiring companies to present excess tax benefits as an operating activity on the statement of cash flows rather than as a financing activity, (d) increasing the amount an employer can withhold to cover income taxes on awards and still qualify for the exception to liability classification for shares used to satisfy the employer's statutory income tax withholding obligation, (e) requiring an employer to classify the cash paid to a tax authority when shares are withheld to satisfy its statutory income tax withholding obligation as a financing activity on its statement of cash flows and (f) electing whether to account for forfeitures of share-based payments by (1) recognizing forfeitures of awards as they occur or (2) estimating the number of awards expected to be forfeited and adjusting the estimate when it is likely to change, as is currently required. ASU 2016-09 is effective for fiscal years beginning after December 15, 2016, and interim periods within those fiscal years. Early adoption is permitted in any interim or annual period but all of ASU 2016-09 must be adopted in the same period. The Company is currently evaluating the impact of ASU 2016-09 on the Company's consolidated results of operations and financial position.

NOTE 3. DISCONTINUED OPERATIONS AND HELD FOR SALE

American Medical Systems

On February 24, 2015, the Company's Board of Directors (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 business as well as the Women's Health business (referred to herein as Astora). On August 3, 2015, the Company sold the Men's Health and Prostate Health business to Boston Scientific Corporation (Boston Scientific) for $1.65 billion, with $1.60 billion paid upfront in cash and $50.0 million in cash contingent on Boston Scientific achieving certain product revenue milestones in the Men's Health and Prostate Health business in 2016.

In addition to selling the Men's Health and Prostate Health business in 2015, as of December 31, 2015 and continuing into 2016, the Company was actively pursuing a sale of the Astora business with the Company in active negotiations with multiple potential buyers. The majority of the remaining assets and liabilities of the AMS business, which were related to the Astora business, were classified as held for sale in the Consolidated Balance Sheet as of December 31, 2015 in the Company's Form 10-K filed with the Securities and Exchange Commission on February 29, 2016. Certain of AMS's assets and liabilities, primarily with respect to its product liability accrual related to vaginal mesh cases, the related Qualified Settlement Funds and certain intangible and fixed assets, were not classified as held for sale based on management's expectation that these assets and liabilities would remain with the Company.

On February 24, 2016, the Board of Directors resolved to wind down the Company's Astora business as it did not align with the Company's strategic direction and to reduce the additional exposure to mesh-related product liability. The Company conducted a wind down process to transition physicians to alternative products during the first quarter of 2016. The Company ceased business operations of Astora on March 31, 2016 and exited its AMS business. As a result, as of March 31, 2016 and periods thereafter, the remaining assets and liabilities of the AMS business, which were related to the Astora business, were no longer classified as held for sale in the Condensed Consolidated Balance Sheets. In accordance with applicable accounting guidance, the Company also reclassified the Astora assets and liabilities previously presented as held for sale as of December 31, 2015 to held and used on its Condensed Consolidated Balance Sheets.

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.

The following table provides the operating results of the Discontinued operations, net of tax for the three and six months ended June 30, 2016 and 2015 (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	2016	2015
Revenue	$ 863	$ 119,940	$ 29,714	$ 238,605
Litigation related and other contingencies, net	$ —	$ 268,552	$ 2,450	$ 273,752
Asset impairment charges	$ 149	$ —	$ 21,328	$ 222,753
Loss from discontinued operations before income taxes	$ (22,492)	$ (257,642)	$ (91,324)	$ (487,500)
Income tax expense (benefit)	$ 23,724	$ (98,010)	$ —	$ (101,658)
Discontinued operations, net of tax	$ (46,216)	$ (159,632)	$ (91,324)	$ (385,842)

As a result of the Astora wind down initiative announced in the first quarter of 2016, the Company incurred asset impairment charges of $0.1 million and $21.3 million during the three and six months ended June 30, 2016, respectively. See below for discussion of our material wind down initiatives.

The following table provides the Depreciation and amortization and Purchases of property, plant and equipment of AMS for the six months ended June 30, 2016 and 2015 (in thousands):

	Six Months Ended June 30,	
	2016	2015
Cash flows from discontinued operating activities:		
Net loss	$ (91,324)	$ (385,842)
Depreciation and amortization	$ —	$ 11,555
Net cash used in discontinued investing activities:		
Purchases of property, plant and equipment	$ (138)	$ (2,182)

Astora Restructuring

The Astora wind down process includes a restructuring initiative implemented during the three months ended March 31, 2016, which includes the reduction of the Astora workforce consisting of approximately 250 employees. Under this restructuring initiative, separation costs are expensed over the requisite service period, if any, while retention is being expensed ratably over the respective retention period.

As a result of the Astora restructuring initiative, the Company incurred expenses of $6.0 million and $66.6 million during the three and six months ended June 30, 2016, respectively, consisting of employee separation, retention and other benefit-related costs, asset impairment charges, contract termination charges and other general restructuring costs. There were no restructuring expenses related to this initiative during the three and six months ended June 30, 2015. The Company anticipates there will be additional pre-tax restructuring expenses of $4.3 million related to employee separation, retention and other benefit-related costs, contract termination charges and other restructuring costs and the majority of these actions are expected to be completed by September 30, 2016, with substantially all cash payments made by the end of 2016. These restructuring costs are included in Discontinued operations in the Condensed Consolidated Statements of Operations.

A summary of expenses related to the Astora restructuring initiative is included below for the three and six months ended June 30, 2016 (in thousands):

	Three Months Ended June 30,	Six Months Ended June 30,
	2016	2016
Employee separation, retention and other benefit-related costs	$ 5,317	$ 21,466
Asset impairment charges	149	21,328
Contract termination charges	(424)	9,800
Other wind down costs	909	14,030
Total	$ 5,951	$ 66,624

The liability related to the Astora restructuring initiative totaled $21.4 million as of June 30, 2016 and is included in Accrued expenses in the Condensed Consolidated Balance Sheets. Changes to this accrual during the six months ended June 30, 2016 were as follows (in thousands):

	Employee Separation, Retention and Other Benefit-Related Costs	Contract Termination Charges	Other Restructuring Costs	Total
Liability balance as of January 1, 2016	$ —	$ —	$ —	$ —
Expenses	21,466	9,800	7,351	38,617
Cash distributions	(7,763)	(5,342)	(4,068)	(17,173)
Liability balance as of June 30, 2016	$ 13,703	$ 4,458	$ 3,283	$ 21,444

NOTE 4. RESTRUCTURING

U.S. Generic Pharmaceuticals Restructuring

2015 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, management activities and staffing, which resulted in separation benefits to certain U.S. Generic Pharmaceuticals employees. The cost reduction initiatives included a reduction in headcount of approximately 6% of the U.S. Generic Pharmaceuticals workforces. Under this restructuring initiative (the 2015 U.S. Generic Pharmaceuticals restructuring initiative), separation costs are expensed over the requisite service period, if any, while retention is being expensed ratably over the respective retention period.

As a result of the 2015 U.S. Generic Pharmaceuticals restructuring initiative, the Company incurred restructuring expenses of $1.1 million and $4.6 million during the three and six months ended June 30, 2016, consisting of employee separation, retention and other benefit-related costs. The Company anticipates there will be additional pre-tax restructuring expenses of approximately $0.6 million related to employee separation, 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 approximately $7.4 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 costs and expenses in the Condensed Consolidated Statements of Operations.

The liability related to the 2015 U.S. Generic Pharmaceuticals restructuring initiative totaled $12.6 million and $17.9 million at June 30, 2016 and December 31, 2015, respectively. At June 30, 2016, this liability is included in Accrued expenses in the Condensed Consolidated Balance Sheets. Changes to this accrual during the six months ended June 30, 2016 were as follows (in thousands):

	Total
Liability balance as of January 1, 2016	$ 17,914
Expenses	4,588
Cash distributions	(9,906)
Liability balance as of June 30, 2016	$ 12,596

2016 U.S Generic Pharmaceuticals Restructuring

As part of the ongoing U.S. Generic Pharmaceuticals integration efforts, in May 2016 we announced a restructuring initiative to optimize our product portfolio and rationalize our manufacturing sites to expand product margins (the 2016 U.S. Generic Pharmaceuticals restructuring initiative). These measures include certain cost savings initiatives, including a reduction in headcount and the closing of our Charlotte, North Carolina manufacturing facility.

As a result of the 2016 U.S. Generic Pharmaceuticals restructuring initiative, the Company expects to incur total restructuring-related expenses of approximately $200 million, consisting of asset impairment charges, charges to increase excess inventory reserves, employee separation, retention and other benefit-related costs and certain other charges. The Company anticipates these actions will be completed by September 2017, with substantially all cash payments made by the end of 2017. Under this restructuring initiative, separation costs will be expensed ratably over the requisite service period, if any. As a result of the 2016 U.S. Generic Pharmaceuticals restructuring initiative, the Company incurred pre-tax charges of $18.9 million and $146.2 million during the three and six months ended June 30, 2016, respectively. These charges consist of certain intangible asset impairment charges of $100.3 million during the six months ended June 30, 2016, charges to increase excess inventory reserves of $6.4 million and $33.3 million during the three and six months ended June 30, 2016, respectively, charges relating to employee separation, retention and other benefit-related costs of $6.4 million, accelerated depreciation of $3.4 million and other charges of $2.7 million during both the three and six months ended June 30, 2016. These charges are included in the U.S. Generic Pharmaceuticals segment, and are included in Asset impairment charges, Cost of revenues, and Selling, general and administrative costs and expenses in the Condensed Consolidated Statements of Operations.

The liability related to the 2016 U.S. Generic Pharmaceuticals restructuring initiative totaled $6.4 million at June 30, 2016 and is included in Accrued expenses in the Condensed Consolidated Balance Sheets. Changes to the accrual during the six months ended June 30, 2016 were as follows (in thousands):

	Total
Liability balance as of January 1, 2016	$ —
Expenses	6,431
Cash payments	—
Liability balance as of June 30, 2016	$ 6,431

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, management activities and staffing, which included separation 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 agreed to continue employment with the Company for a merger transition period, the separation costs payable upon completion of their retention period was expensed over their respective retention period. The Company does not anticipate there will be additional material pre-tax restructuring expenses related to this initiative. The Company anticipates that substantially all employee separation, retention and other benefit-related costs cash payments relating to this initiative will be made by the end of 2016. The remainder of the cash payments will be made over the remaining lease term of Auxilium's former corporate headquarters in Chesterbrook, Pennsylvania. These restructuring costs are included in the U.S. Branded Pharmaceuticals segment, and are primarily included in Selling, general and administrative costs and expenses in the Condensed Consolidated Statements of Operations.

The liability related to the Auxilium restructuring initiative totaled $6.7 million and $12.3 million at June 30, 2016 and December 31, 2015, respectively, and is included in Accrued expenses and Other liabilities in the Condensed Consolidated Balance Sheets. Changes to this accrual during the six months ended June 30, 2016 were as follows (in thousands):

	Employee Separation, Retention and Other Benefit-Related Costs	Other Restructuring Costs	Total
Liability balance as of January 1, 2016	$ 5,353	$ 6,910	$ 12,263
Cash distributions	(4,837)	(760)	(5,597)
Liability balance as of June 30, 2016	$ 516	$ 6,150	$ 6,666

NOTE 5. ACQUISITIONS

For each of the acquisitions described below, except for Auxilium, the estimated fair values of the net assets acquired are provisional as of June 30, 2016 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.

Auxilium Pharmaceuticals, Inc.

On January 29, 2015 (the Auxilium Acquisition Date), the Company acquired all of the outstanding shares of common stock of Auxilium, a fully integrated specialty biopharmaceutical company emerging as a leader in the men's healthcare sector with a strategically focused product portfolio and pipeline in orthopedics, dermatology and other therapeutic areas, in a transaction valued at $2.6 billion. The Company believed that Auxilium would be highly complementary to its branded pharmaceuticals business with significant opportunities to leverage Auxilium's 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.

The operating results of Auxilium are included in the accompanying Condensed Consolidated Statements of Operations for the three and six months ended June 30, 2016 and the operating results from the Auxilium Acquisition Date are included in the accompanying Condensed Consolidated Statements of Operations for the three and six months ended June 30, 2015.

The Company recognized no acquisition-related transaction costs associated with the Auxilium acquisition during the six months ended June 30, 2016. The Company recognized acquisition-related transaction costs associated with the Auxilium acquisition during the six months ended June 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 loss attributable to Endo International plc included in the Company's Condensed Consolidated Statements of Operations from and including January 29, 2015 to June 30, 2015 are as follows (in thousands, except per share data):

Revenue	$	155,367
Net loss attributable to Endo International plc	$	(110,838)
Basic net loss per share	$	(0.62)
Diluted net loss per share	$	(0.61)

The following supplemental unaudited pro forma information presents the financial results as if the acquisition of Auxilium had occurred on January 1, 2015 for the six months ended June 30, 2015. 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, 2015, nor are they indicative of any future results.

		Six Months Ended June 30, 2015
Unaudited pro forma consolidated results (in thousands, except per share data):		
Revenue	$	1,472,869
Net loss attributable to Endo International plc	$	(333,583)
Basic net loss per share	$	(1.88)
Diluted net loss per share	$	(1.82)

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 on January 1, 2015. 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 $1.1 million for the six months ended June 30, 2015. In addition, the adjustments include additional intangible amortization, net of tax, which would have been charged assuming the Company's estimated fair value of the intangible assets. The adjustment to the amortization expense for the six months ended June 30, 2015 increased the expense by $8.8 million.

Acquisition of Par Pharmaceutical Holdings, Inc.

On September 25, 2015 (Par Acquisition Date), the Company acquired Par, a specialty pharmaceutical company that develops, licenses, manufactures, markets and distributes innovative and cost-effective pharmaceuticals with a focus on high-barrier-to-entry products that are difficult to formulate, for total consideration of $8.14 billion, including the assumption of Par debt. The consideration included the Company's 18,069,899 ordinary shares valued at $1.33 billion.

The operating results of Par are included in the accompanying Condensed Consolidated Statements of Operations for the three and six months ended June 30, 2016. There are no results included in the accompanying Condensed Consolidated Statements of Operations for the three and six months ended June 30, 2015.

The following table summarizes the fair values of the assets acquired and liabilities assumed at the Par Acquisition Date, including measurement period adjustments since the fair values presented in the Company's Form 10-K for the year ended December 31, 2015 filed with the Securities and Exchange Commission on February 29, 2016, (in thousands):

	September 25, 2015	Measurement period adjustments	September 25, 2015 (As adjusted)
Cash and cash equivalents	$ 215,612	$ —	$ 215,612
Accounts and other receivables	530,664	(13,500)	517,164
Inventories	330,406	(1,849)	328,557
Prepaid expenses and other current assets	31,124	—	31,124
Deferred income tax assets, current	14,652	660	15,312
Property, plant and equipment	256,293	4,744	261,037
Intangible assets	3,627,000	(154,500)	3,472,500
Other assets	8,477	—	8,477
Total identifiable assets	$ 5,014,228	$ (164,445)	$ 4,849,783
Accounts payable and accrued expenses	$ 551,614	$ (13,500)	$ 538,114
Deferred income tax liabilities	1,093,779	(60,995)	1,032,784
Other liabilities	16,057	—	16,057
Total liabilities assumed	$ 1,661,450	$ (74,495)	$ 1,586,955
Net identifiable assets acquired	$ 3,352,778	$ (89,950)	$ 3,262,828
Goodwill	4,782,876	89,950	4,872,826
Net assets acquired	$ 8,135,654	$ —	$ 8,135,654

The estimated fair value of the Par assets acquired and liabilities assumed are provisional as of June 30, 2016 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 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 Par Acquisition Date. As a result of the measurement period adjustments recorded above, the Company recorded a reduction of $3.8 million of expense, $3.1 million related to the amortization of intangible assets and $0.7 million related to the amortization of inventory step-up, during the six months ended June 30, 2016. There were no adjustments of expense recorded during the three months ended June 30, 2016.

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

	Valuation (in millions)	Amortization period (in years)
Developed Technology:		
Vasostrict®	$ 556.0	8
Aplisol®	312.4	11
Developed - Other - Non-Partnered (Generic Non-Injectable)	230.4	7
Developed - Other - Partnered (Combined)	164.4	7
Nascobal®	118.3	9
Developed - Other - Non-Partnered (Generic Injectable)	116.4	10
Other	517.9	9
Total	$ 2,015.8	
In Process Research & Development (IPR&D):		
IPR&D 2019 Launch	$ 401.0	n/a
IPR&D 2018 Launch	283.8	n/a
Ezetimibe	147.6	n/a
IPR&D 2016 Launch	133.3	n/a
Ephedrine Sulphate	128.6	n/a
Neostigmine vial	118.6	n/a
Other	243.8	n/a
Total	$ 1,456.7	n/a
Total other intangible assets	$ 3,472.5	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 10.5%, 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 Par and other factors. Approximately $34.2 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 following supplemental unaudited pro forma information presents the financial results as if the acquisition of Par had occurred on January 1, 2015 for the three and six months ended June 30, 2015. 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, 2015, nor are they indicative of any future results.

	Three Months Ended June 30, 2015	Six Months Ended June 30, 2015
Unaudited pro forma consolidated results (in thousands, except per share data):		
Revenue	$ 1,067,387	$ 2,140,759
Net loss attributable to Endo International plc	$ (291,174)	$ (391,636)
Basic net loss per share	$ (1.57)	$ (2.21)
Diluted net loss per share	$ (1.57)	$ (2.14)

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 on January 1, 2015. 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 had no material impact for the three months ended June 30, 2015, and increased the expense by $6.8 million for the six months ended June 30, 2015. 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. An adjustment to the amortization expense for the three and six months ended June 30, 2015 increased the expense by $46.2 million and $84.4 million, respectively.

Aspen Holdings

On October 1, 2015, the Company acquired a broad portfolio of branded and generic injectable and established products focused on pain, anti-infectives, cardiovascular and other specialty therapeutic 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 $135.6 million. The transaction expanded the Company's presence in South Africa.

The fair values of the net identifiable assets acquired totaled $127.8 million, resulting in goodwill of $7.8 million, which was assigned to our International Pharmaceuticals segment. The amount of net identifiable assets acquired in connection with the Aspen Holdings acquisition includes $118.4 million of intangible assets to be amortized over an average life of approximately 19 years, and inventory of $9.4 million.

The operating results of Aspen Holdings are included in the accompanying Condensed Consolidated Statements of Operations for the three and six months ended June 30, 2016. There are no results included in the accompanying Condensed Consolidated Statements of Operations for the three and six months ended June 30, 2015.

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

NOTE 6. SEGMENT RESULTS

The reportable business segments in which the Company operates are: (1) U.S. Branded Pharmaceuticals, (2) U.S. Generic Pharmaceuticals and (3) International Pharmaceuticals. These segments reflect the level at which the chief operating decision maker 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 from continuing operations before income tax and 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 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 segments 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®, BELBUCA™, Aveed®, Supprelin® LA, and XIAFLEX®, among others.

U.S. Generic Pharmaceuticals

Our U.S. Generic Pharmaceuticals segment consists of a differentiated product portfolio including high barrier-to-entry products, first-to-file or first-to-market opportunities, which are difficult to formulate, difficult to manufacture or face complex legal and regulatory challenges. The product offerings of this segment include products in the pain management, urology, central nervous system disorders, immunosuppression, oncology, women's health and cardiovascular disease markets, among others.

International Pharmaceuticals

Our International Pharmaceuticals segment includes a variety of specialty pharmaceutical products for the Canadian, Mexican, South African and world markets. Paladin, based in Canada, has a portfolio of products serving growing therapeutic areas, including ADHD, pain, women's health and oncology. Somar, based in Mexico, develops, manufactures and markets high-quality generic, branded generic and over-the-counter products across key market segments including dermatology and anti-infectives. Litha, based in South Africa, is a diversified healthcare group providing services, products and solutions to public and private hospitals, pharmacies, general and specialist practitioners, as well as government healthcare programs.

The following represents selected information for the Company's reportable segments for the three and six months ended June 30, 2016 and 2015 (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	2016	2015
Net revenues to external customers:				
U.S. Branded Pharmaceuticals	$ 288,342	$ 315,913	$ 597,155	$ 600,420
U.S. Generic Pharmaceuticals	565,358	338,326	1,148,748	695,288
International Pharmaceuticals (1)	67,187	80,927	138,523	153,586
Total net revenues to external customers	$ 920,887	$ 735,166	$ 1,884,426	$ 1,449,294
Adjusted income from continuing operations before income tax:				
U.S. Branded Pharmaceuticals	$ 122,420	$ 169,067	$ 291,201	$ 327,861
U.S. Generic Pharmaceuticals	$ 214,968	$ 146,089	$ 426,736	$ 329,546
International Pharmaceuticals	$ 20,615	$ 19,201	$ 42,369	$ 35,767

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

In 2015, we realigned certain costs amongst our International Pharmaceuticals segment, U.S. Branded Pharmaceuticals segment and Corporate unallocated costs based on how our chief operating decision maker currently reviews segment performance. As a result of this realignment, certain expenses included in our consolidated adjusted income (loss) from continuing operations before income tax for the three and six months ended June 30, 2015 have been reclassified among our various segments to conform to current period presentation. The net impact of these reclassification adjustments increased U.S. Branded Pharmaceuticals segment and Corporate unallocated costs by $0.5 million and $5.9 million, respectively, with an offsetting $6.4 million decrease to International Pharmaceuticals segment costs for the three months ended June 30, 2015 and increased U.S. Branded Pharmaceuticals segment and Corporate unallocated costs by $1.1 million and $13.5 million respectively, with an offsetting $14.6 million decrease to International Pharmaceuticals segment costs for the six months ended June 30, 2015.

There were no material revenues from external customers attributed to an individual country outside of the United States during the three and six months ended June 30, 2016 or 2015.

The table below provides reconciliations of our consolidated loss from continuing operations before income tax, which is determined in accordance with U.S. GAAP, to our segment adjusted income from continuing operations before income tax for the three and six months ended June 30, 2016 and 2015 (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	2016	2015
Total consolidated loss from continuing operations before income tax	$ (165,465)	$ (103,614)	$ (372,943)	$ (119,991)
Corporate unallocated costs (1)	161,737	115,050	314,810	226,118
Upfront and milestone payments to partners	2,688	2,135	4,105	4,802
Asset impairment charges (2)	39,951	70,243	169,576	77,243
Acquisition-related and integration items (3)	48,171	44,225	60,725	78,865
Separation benefits and other cost reduction initiatives (4)	22,174	5,780	60,630	47,587
Amortization of intangible assets	212,844	116,987	424,513	212,256
Inventory step-up and certain manufacturing costs that will be eliminated pursuant to integration plans	29,103	48,948	97,579	88,864
Non-cash interest expense related to the 1.75% Convertible Senior Subordinated Notes	—	253	—	1,632
Loss on extinguishment of debt	—	—	—	980
Impact of Voltaren® Gel generic competition	—	—	(7,750)	—
Certain litigation-related charges, net (5)	5,259	6,875	10,459	19,875
Costs associated with unused financing commitments	—	2,261	—	14,071
Acceleration of Auxilium employee equity awards at closing	—	—	—	37,603
Other than temporary impairment of equity investment	—	18,869	—	18,869
Foreign currency impact related to the remeasurement of intercompany debt instruments	417	2,792	1,672	(18,298)
Other, net	1,124	3,553	(3,070)	2,699
Total segment adjusted income from continuing operations before income tax:	$ 358,003	$ 334,357	$ 760,306	$ 693,175

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

(2) Asset impairment charges primarily related to charges to write down intangible assets as further described in Note 9. Goodwill and Other Intangibles.

(3) Acquisition-related and integration items include costs directly associated with previous acquisitions of $24.3 million and $47.5 million for the three and six months ended June 30, 2016, respectively, compared to $46.7 million and $82.2 million for the comparable 2015 periods. In addition, during the three and six months ended June 30, 2016, there is also a charge for changes in fair value of contingent consideration of $23.9 million and $13.2 million, respectively. During the three and six months ended June 30, 2015, acquisition-related and integration costs are net of a benefit due to changes in the fair value of contingent consideration of $2.5 million and $3.3 million, respectively.

(4) Separation benefits and other cost reduction initiatives include charges to increase excess inventory reserves of $6.4 million and $33.3 million related to the 2016 U.S. Generic Pharmaceuticals restructuring initiative, employee separation costs of $8.4 million and $15.2 million and other restructuring costs of $7.1 million and $11.8 million for the three and six months ended June 30, 2016, respectively. Amounts in the comparable 2015 periods include employee separation costs of $4.8 million and $37.2 million, respectively, and a $7.9 million charge recorded during the six months ended June 30, 2015, 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. These amounts were primarily recorded as Cost of revenues and Selling, general and administrative expense in our Condensed Consolidated Statements of Operations. See Note 4. Restructuring for discussion of our material restructuring initiatives.

(5) These amounts include charges for Litigation-related and other contingencies, net as further described in Note 12. Commitments and Contingencies.

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 (including money market funds and time deposits), 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 and time deposits), 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 above-defined fair value hierarchy. 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 our Condensed Consolidated Balance Sheets at June 30, 2016 and December 31, 2015.

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.

Equity and Cost Method Investments

As of June 30, 2016, we have investments that we account for using the equity or cost method of accounting totaling $6.0 million. The Company divested a joint venture investment owned through its Litha subsidiary during the three months ended March 31, 2016. The Company classified this joint venture investment as Assets held for sale as of December 31, 2015 in our Condensed Consolidated Balance Sheets.

With respect to our other equity or cost method investments, which are included in Other Assets in our Condensed Consolidated Balance Sheets at June 30, 2016 and December 31, 2015, 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

The fair value of contingent consideration liabilities is determined using unobservable inputs. These inputs include the estimated amount and timing of projected cash flows, the probability of success (achievement of the contingent event) and the risk-adjusted discount rate used to present value the probability-weighted cash flows. Subsequent to the acquisition date, at each reporting period, the contingent consideration liability is remeasured at current fair value with changes recorded in earnings. 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 above-defined fair value hierarchy. See Recurring Fair Value Measurements below for additional information on acquisition-related contingent consideration.

Recurring Fair Value Measurements

The Company's financial assets and liabilities measured at fair value on a recurring basis at June 30, 2016 and December 31, 2015 were as follows (in thousands):

	Fair Value Measurements at Reporting Date using:			
June 30, 2016	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	$ 212,532	$ —	$ —	$ 212,532
Time deposits	—	165,000	—	165,000
Equity securities	2,239	—	—	2,239
Total	$ 214,771	$ 165,000	$ —	$ 379,771
Liabilities:				
Acquisition-related contingent consideration—short-term	$ —	$ —	$ 51,211	$ 51,211
Acquisition-related contingent consideration—long-term	—	—	84,585	84,585
Total	$ —	$ —	$ 135,796	$ 135,796

At June 30, 2016, money market funds include $47.5 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, 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	$ 51,145	$ —	$ —	$ 51,145
Equity securities	3,889	—	—	3,889
Total	$ 55,034	$ —	$ —	$ 55,034
Liabilities:				
Acquisition-related contingent consideration—short-term	$ —	$ —	$ 65,265	$ 65,265
Acquisition-related contingent consideration—long-term	—	—	78,237	78,237
Total	$ —	$ —	$ 143,502	$ 143,502

At December 31, 2015, money market funds include $51.1 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 Using Significant Unobservable Inputs

The following table presents changes to the Company's liability for acquisition-related contingent consideration, which was measured at fair value on a recurring basis using significant unobservable inputs (Level 3) for the three and six months ended June 30, 2016 and 2015 (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	2016	2015
Beginning of period	$ 124,511	$ 184,261	$ 143,502	$ 46,005
Amounts acquired	—	18,435	—	166,535
Amounts settled	(12,646)	(3,851)	(22,120)	(8,574)
Transfers (in) and/or out of Level 3	—	—	—	—
Measurement period adjustments	—	(7,243)	—	(11,556)
Changes in fair value recorded in earnings	23,892	(2,520)	13,204	(3,328)
Effect of currency translation	39	—	1,210	—
End of period	$ 135,796	$ 189,082	$ 135,796	$ 189,082

The fair value measurement of the contingent consideration obligations was determined using risk-adjusted discount rates ranging from 3.0% to 22.0%. Changes in fair value recorded in earnings related to acquisition-related contingent consideration are included in our Condensed Consolidated Statements of Operations as Acquisition-related and integration items, and 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 our Condensed Consolidated Balance Sheets.

The following table presents changes to the Company's liability for acquisition-related contingent consideration during the six months ended June 30, 2016 by acquisition (in thousands):

	Balance as of December 31, 2015	Acquisitions	Fair Value Adjustments and Accretion	Payments and Other	Balance as of June 30, 2016
Qualitest acquisition	$ 1,137	$ —	$ (1,137)	$ —	$ —
Sumavel acquisition	631	—	55	—	686
Auxilium acquisition	26,435	—	661	(6,986)	20,110
Lehigh Valley Technologies, Inc. acquisitions	97,003	—	12,831	(15,134)	94,700
Other	18,296	—	2,004	—	20,300
Total	$ 143,502	$ —	$ 14,414	$ (22,120)	$ 135,796

The following is a summary of available-for-sale securities held by the Company at June 30, 2016 and December 31, 2015 (in thousands):

	Available-for-sale			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized (Losses)	Fair Value
June 30, 2016				
Money market funds	$ 212,532	$ —	$ —	$ 212,532
Total included in cash and cash equivalents	$ 165,001	$ —	$ —	$ 165,001
Total included in restricted cash and cash equivalents	$ 47,531	$ —	$ —	$ 47,531
Equity securities	$ 26	$ 7	$ —	$ 33
Total other short-term available-for-sale securities	$ 26	$ 7	$ —	$ 33
Equity securities	$ 1,766	$ 440	$ —	$ 2,206
Long-term available-for-sale securities	$ 1,766	$ 440	$ —	$ 2,206

	Available-for-sale			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized (Losses)	Fair Value
December 31, 2015				
Money market funds	$ 51,145	$ —	$ —	$ 51,145
Total included in cash and cash equivalents	$ 3	$ —	$ —	$ 3
Total included in restricted cash and cash equivalents	$ 51,142	$ —	$ —	$ 51,142
Equity securities	$ 24	$ 10	$ —	$ 34
Total other short-term available-for-sale securities	$ 24	$ 10	$ —	$ 34
Equity securities	$ 1,766	$ 2,089	$ —	$ 3,855
Long-term available-for-sale securities	$ 1,766	$ 2,089	$ —	$ 3,855

Nonrecurring Fair Value Measurements

The Company's financial assets and liabilities measured at fair value on a nonrecurring basis as of June 30, 2016 were as follows (in thousands):

	Fair Value Measurements at Reporting Date using:			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total Expense for the Six Months Ended June 30, 2016
Assets:				
Certain Astora property, plant and equipment (Note 3)	$ —	$ —	$ —	$ (5,041)
Certain U.S. Generic Pharmaceuticals intangible assets (Note 9)	—	—	50,459	(169,576)
Certain Astora intangible assets (Note 3)	—	—	—	(16,287)
Total	$ —	$ —	$ 50,459	$ (190,904)

NOTE 8. INVENTORIES

Inventories consist of the following at June 30, 2016 and December 31, 2015 (in thousands):

	June 30, 2016	December 31, 2015
Raw materials (1)	$ 222,808	$ 210,038
Work-in-process (1)	97,323	177,821
Finished goods (1)	306,189	364,634
Total	$ 626,320	$ 752,493

(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, is classified as long-term inventory and is not included in the table above. At June 30, 2016 and December 31, 2015, $30.2 million and $24.9 million, respectively, of long-term inventory was included in Other assets in the Condensed Consolidated Balance Sheets.

The Company capitalizes inventory costs associated with certain generic products prior to regulatory approval and product launch, when it is reasonably certain, based on management's judgment of reasonably certain future commercial use and net realizable value, that the pre-launch inventories will be saleable. The determination to capitalize is made once the Company (or its third party development partners) has filed an Abbreviated New Drug Application (ANDA) that has been acknowledged by the U.S. Food and Drug Administration (the FDA) as containing sufficient information to allow the FDA to conduct its review in an efficient and timely manner and management is reasonably certain that all regulatory and legal requirements will be cleared. This determination is based on the particular facts and circumstances relating to the expected FDA approval of the generic drug product being considered, and accordingly, the time frame within which the determination is made varies from product to product. The Company could be required to write down previously capitalized costs related to pre-launch inventories upon a change in such judgment, or due to a denial or delay of approval by regulatory bodies, or a delay in commercialization, or other potential factors. As of June 30, 2016 and December 31, 2015, the Company had approximately $29.9 million and $12.0 million, respectively, in inventories related to generic products that were not yet available to be sold.

NOTE 9. GOODWILL AND OTHER INTANGIBLES

Goodwill

Changes in the carrying amount of our goodwill for the six months ended June 30, 2016 were as follows (in thousands):

	Carrying Amount			
	U.S. Branded Pharmaceuticals	U.S. Generic Pharmaceuticals	International Pharmaceuticals	Total
Balance as of December 31, 2015:				
Goodwill	$ 1,676,276	$ 5,789,934	$ 592,424	$ 8,058,634
Accumulated impairment losses	(673,500)	—	(85,780)	(759,280)
Balance as of December 31, 2015	$ 1,002,776	$ 5,789,934	$ 506,644	$ 7,299,354
Measurement period adjustments	—	89,950	1,366	91,316
Effect of currency translation on gross balance	—	—	29,025	29,025
Effect of currency translation on accumulated impairment	—	—	(2,458)	(2,458)
Balance as of June 30, 2016:				
Goodwill	$ 1,676,276	$ 5,879,884	$ 622,815	$ 8,178,975
Accumulated impairment losses	(673,500)	—	(88,238)	(761,738)
	$ 1,002,776	$ 5,879,884	$ 534,577	$ 7,417,237

Other Intangible Assets

The following is a summary of other intangible assets held by the Company at June 30, 2016 and December 31, 2015 (in thousands):

Cost basis:	**Balance as of December 31, 2015**	**Acquisitions (1)**	**Impairments (2)**	**Other (3)**	**Effect of Currency Translation**	**Balance as of June 30, 2016**
Indefinite-lived intangibles:						
In-process research and development	$ 1,742,880	$ (114,200)	$ (55,100)	$ (5,156)	$ 3,208	$ 1,571,632
Total indefinite-lived intangibles	$ 1,742,880	$ (114,200)	$ (55,100)	$ (5,156)	$ 3,208	$ 1,571,632
Definite-lived intangibles:						
Licenses (weighted average life of 12 years)	$ 676,867	$ —	$ —	$ (211,147)	$ —	$ 465,720
Customer relationships (weighted average life of 15 years)	11,318	—	(3,460)	(7,858)	—	—
Tradenames (weighted average life of 12 years)	7,537	—	—	—	(74)	7,463
Developed technology (weighted average life of 12 years)	6,731,573	(32,300)	(127,303)	(1,847)	26,113	6,596,236
Total definite-lived intangibles (weighted average life of 12 years)	$ 7,427,295	$ (32,300)	$ (130,763)	$ (220,852)	$ 26,039	$ 7,069,419
Total other intangibles	$ 9,170,175	$ (146,500)	$ (185,863)	$ (226,008)	$ 29,247	$ 8,641,051

Accumulated amortization:	**Balance as of December 31, 2015**	**Amortization**	**Impairments**	**Other**	**Effect of Currency Translation**	**Balance as of June 30, 2016**
Definite-lived intangibles:						
Licenses	$ (508,225)	$ (29,761)	$ —	$ 211,147	$ —	$ (326,839)
Customer relationships	(7,858)	—	—	7,858	—	—
Tradenames	(6,544)	(45)	—	—	10	(6,579)
Developed technology	(818,606)	(394,707)	—	5,367	(3,028)	(1,210,974)
Total definite-lived intangibles	$ (1,341,233)	$ (424,513)	$ —	$ 224,372	$ (3,018)	$ (1,544,392)
Total other intangibles	$ (1,341,233)	$ (424,513)	$ —	$ 224,372	$ (3,018)	$ (1,544,392)
Net other intangibles	$ 7,828,942					$ 7,096,659

(1) Includes measurement period adjustments relating to the Par acquisition, partially offset by the capitalization of payments relating to XIAFLEX®.

(2) Includes the impairment of certain intangible assets of our U.S. Generic Pharmaceuticals segment of approximately $169.6 million, and the impairment of certain intangible assets in connection with the wind down of our Astora business, with a net impairment of approximately $16.3 million, which is reported as Discontinued operations, net of tax in the Condensed Consolidated Statements of Operations for the six months ended June 30, 2016. See Note 3. Discontinued Operations and Held for Sale for further information relating to the Astora wind down.

(3) Includes the removal of approximately $214.0 million of fully amortized intangible assets relating to expired or terminated licensing agreements in our U.S. Branded Pharmaceuticals segment, including the 2008 Voltaren® Gel agreement described in Note 10. License and Collaboration Agreements and Natesto™. In addition, $10.0 million of fully amortized assets were removed in connection with the wind down of our Astora business described above. Additionally, certain IPR&D assets of $5.2 million were placed in service and transferred into developed technology, while certain other developed technology assets were removed due to their sale or disposal during the period presented.

Amortization expense for the three and six months ended June 30, 2016 totaled $212.8 million and $424.5 million, respectively. Amortization for the three and six months ended June 30, 2015 totaled $117.0 million and $212.3 million, respectively. Estimated amortization of intangibles for the five fiscal years subsequent to December 31, 2015 is as follows (in thousands):

2016	$	805,089
2017	$	681,732
2018	$	600,710
2019	$	542,887
2020	$	517,927

Changes in the gross carrying amount of our other intangibles for the six months ended June 30, 2016 were as follows (in thousands):

		Gross Carrying Amount
December 31, 2015	$	9,170,175
Impairment of certain Astora intangible assets		(26,318)
Capitalization of payments relating to XIAFLEX®		8,000
Sale of certain International Pharmaceuticals intangible assets		(1,959)
Impairment of certain U.S. Generic Pharmaceuticals intangible assets		(169,576)
Measurement period adjustments relating to acquisitions closed during 2015 (NOTE 5)		(154,500)
Removal of fully amortized intangible assets relating to expired or terminated licensing agreements		(214,018)
Effect of currency translation		29,247
June 30, 2016	$	8,641,051

Endo tests goodwill and indefinite-lived intangible assets for impairment annually, or more frequently whenever events or changes in circumstances indicate that the asset might be impaired. Our annual assessment is performed as of October 1st.

Goodwill

Given the significant decline in the Company's stock price, the Company initiated an interim goodwill impairment analysis of our U.S. Branded and U.S. Generics reporting units during the second quarter of 2016. We estimated the fair value of our reporting units through an income approach using a discounted cash flow model. Our discounted cash flow models are highly reliant on various assumptions, including estimates of future cash flows (including long-term growth rates), discount rate, and expectations about variations in the amount and timing of cash flows 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 impairment tests ranged from 8.5% to 9.0%, 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. As a result of this interim analysis, the Company determined that the estimated fair value of our U.S. Branded and U.S. Generics reporting units exceeded their estimated net book value; therefore, an impairment charge was not required for the three months ended June 30, 2016.

Intangible Assets

U.S. Generic Pharmaceuticals Segment

During the three months ended March 31, 2016 and June 30, 2016, the Company identified certain market and regulatory conditions impacting the commercial potential of certain indefinite and definite-lived intangible assets in our U.S. Generic Pharmaceuticals segment. Accordingly, we tested these assets for impairment and determined that the carrying value of certain of these assets was no longer fully recoverable, resulting in pre-tax, non-cash asset impairment charges of $29.3 million and $40.0 million during the first and second quarters of 2016, respectively. In addition, during the first quarter of 2016, the Company recognized pre-tax, non-cash asset impairment charges of $100.3 million related to the 2016 U.S. Generic Pharmaceuticals restructuring initiative, which resulted from the discontinuation of certain commercial products and the abandonment of certain IPR&D projects. See Note 4. Restructuring for discussion of our material restructuring initiatives.

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 the third parties 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 termination by our subsidiaries with no significant continuing obligation.

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

The Company has exclusive U.S. marketing rights to Voltaren® Gel pursuant to a License and Supply Agreement entered into in 2008 with and among Novartis AG and Novartis Consumer Health, Inc. (Novartis) (the 2008 Voltaren® Gel Agreement). Effective March 1, 2015, Novartis Consumer Health, Inc. assigned the 2008 Voltaren® Gel Agreement to its affiliate, Sandoz, Inc. On December 11, 2015, the Company, Novartis AG and Sandoz entered into a new License and Supply Agreement (as amended and in effect the 2015 Voltaren® Gel Agreement) effectively renewing our exclusive U.S. marketing and license rights to commercialize Voltaren® Gel (the Branded Licensed Product) and granting the Company the exclusive right to launch an authorized generic of Voltaren® Gel (the Generic Licensed Product, and, together with the Branded Licensed Product, the Licensed Product). Pursuant to the 2015 Voltaren® Gel Agreement, the former 2008 Voltaren® Gel Agreement expired on June 30, 2016 in accordance with its terms. The 2015 Voltaren® Gel Agreement became effective on July 1, 2016 and will be accounted for as a business combination as of the effective date. In connection with the new agreement, the Company will be required to make an initial cash payment to Novartis of $16.2 million. The initial term of the 2015 Voltaren® Gel Agreement will expire on June 30, 2023 with an automatic extension of the term for one year thereafter unless a written notice of non-extension is provided at least six months in advance of termination. Voltaren® Gel royalties incurred during the six months ended June 30, 2016 and 2015 were $11.9 million and $15.0 million, respectively.

Under the 2008 Voltaren® Gel Agreement, which was effective through June 30, 2016, the Company agreed (i) to make certain guaranteed minimum annual royalty payments beginning in the fourth year of the 2008 Voltaren® Gel Agreement (2008 Guaranteed Minimum Annual Royalty Payment), (ii) to expend a minimum amount of annual advertising and promotional expenses (A&P Expenditures) on the commercialization of Voltaren® Gel and (iii) to perform a minimum number of face-to-face one-on-one discussions with physicians and other health care practitioners (Details), each subject to certain limitations set forth in the 2008 Voltaren® Gel Agreement, including the requirement that a third party generic equivalent product not be launched. Under the 2015 Voltaren® Gel Agreement, the Company agreed to make certain guaranteed minimum annual royalty payments (2015 Guaranteed Minimum Annual Royalty Payment) subject to certain limitations set forth in the 2015 Voltaren® Gel Agreement, including the requirement that a third party generic equivalent product is not launched. In March 2016, Amneal Pharmaceuticals LLC (Amneal) launched a generic equivalent of Voltaren® Gel and, therefore, the Company's obligations to make the 2008 Guaranteed Minimum Annual Royalty Payment, to expend A&P Expenditures and to perform Details for the remainder of the term of the 2008 Voltaren® Gel Agreement terminated as of the date of the launch of the generic equivalent product by Amneal. In addition, the Company's obligation to make the 2015 Guaranteed Minimum Annual Royalty Payment also terminated.

XIAFLEX® Out-license Agreement

We were party to an out-licensing agreement with Actelion Pharmaceuticals Ltd. (Actelion) to develop, supply and commercialize XIAFLEX® in Canada and Australia. On July 1, 2016, the parties mutually agreed to terminate the collaboration for Canada and agreed upon certain transition services to be provided by Actelion until approval of the transfer of the drug identification number by the regulatory authority in Canada to the Company. For Australia, the collaboration agreement remains in effect until a new agreement is finalized. In consideration for the rights returned to the Company by Actelion, Endo made a cash payment of $5.5 million in July 2016.

NOTE 11. DEBT

The following table presents the carrying amounts of the Company's total indebtedness at June 30, 2016 and December 31, 2015 (in thousands):

	June 30, 2016		December 31, 2015	
	Principal Amount	Unamortized Discount and Deferred Loan Costs	Principal Amount	Unamortized Discount and Deferred Loan Costs
7.25% Senior Notes due 2022	$ 400,000	$ (11,709)	$ 400,000	$ (12,535)
5.75% Senior Notes due 2022	700,000	(9,385)	700,000	(10,088)
5.375% Senior Notes due 2023	750,000	(9,898)	750,000	(10,511)
6.00% Senior Notes due 2023	1,635,000	(26,230)	1,635,000	(27,694)
6.00% Senior Notes due 2025	1,200,000	(21,770)	1,200,000	(22,713)
Term Loan A Facility Due 2019	983,125	(11,410)	1,017,500	(13,831)
Term Loan B Facility Due 2022	2,786,000	(46,515)	2,800,000	(49,900)
Revolving Credit Facility	—	—	225,000	—
Other debt	134	—	134	—
Total long-term debt, net	$ 8,454,259	$ (136,917)	$ 8,727,634	$ (147,272)
Less current portion, net	117,454	—	328,705	—
Total long-term debt, less current portion, net	$ 8,336,805	$ (136,917)	$ 8,398,929	$ (147,272)

The total fair value of the Company's Total long-term debt at June 30, 2016 and December 31, 2015, was $7.9 billion and $8.6 billion, respectively.

The fair value of the Company's long-term debt is estimated using the quoted market prices for the same or similar debt issuances. Based on this valuation methodology, we determined these debt instruments represent Level 2 measurements within the fair value hierarchy.

Credit Facility

On April 4, 2016, the Company paid down the revolving credit facility in the amount of $225.0 million. As of June 30, 2016, we have $998.0 million of remaining credit available through the revolving credit facilities.

The Company's 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 June 30, 2016, we were in compliance with all such covenants.

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, labeling services, customer service support, warehouse and distribution services. These contracts include agreements with Novartis Consumer Health, Inc., Novartis AG, and Sandoz, Inc. (collectively, Novartis), Teikoku Seiyaku Co. Ltd. (Teikoku), Noramco, Inc. (Noramco), Grünenthal GmbH (Grünenthal), Sharp Corporation, UPS Supply Chain Solutions, Inc. and Jubilant HollisterStier Laboratories LLC (JHS). If, for any reason, we are unable to obtain sufficient quantities of any of the finished goods or raw materials or components required for our products or services needed to conduct our business, it could have an 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.

Significant changes made during the six months ended June 30, 2016 to the agreements listed above and included within our Annual Report on Form 10-K for the year ended December 31, 2015 are as follows:

Noramco, Inc.

Pursuant to the terms of the Company's 2012 agreement with Noramco, the Company made payments to Noramco during the six months ended June 30, 2016 and 2015 totaling $16.0 million and $17.0 million, respectively. These payments are recorded in Cost of revenues in our Condensed Consolidated Statements of Operations. In July 2016, the Company sent a notice of non-renewal to Noramco which will result in the agreement being terminated as of April 2017. The Company is not subject to any penalties as a result of this termination.

Jubilant HollisterStier Laboratories LLC

During the second quarter of 2016, we entered into a new agreement with JHS (JHS Agreement). Pursuant to the JHS Agreement, JHS fills and lyophilizes the XIAFLEX® bulk drug substance, which is manufactured by the Company, and produces sterile diluent. The initial term of the JHS agreement is three years, with automatic renewal provisions thereafter for subsequent one-year terms, unless or until either party provides notification prior to expiration of the then current term of the contract. The Company 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. 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 those relating to product liability, intellectual property, regulatory compliance and commercial matters. These and other matters that are not being disclosed herein are, in the opinion of our management, immaterial both individually and in the aggregate with respect to our financial position, results of operations and cash flows. If and when such matters, in the opinion of our management, become material either individually or in the aggregate, we will disclose such matters. While we cannot predict the outcome of these legal proceedings and we intend to defend vigorously our 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 June 30, 2016, our reserve for loss contingencies totaled $1.61 billion, of which $1.56 billion relates to our product liability accrual for vaginal mesh cases. We had previously announced that we had reached master settlement agreements with several of the leading plaintiffs' law firms to resolve claims relating to vaginal mesh products sold by our 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 we believe 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 U.S. federal and state courts, as well as in Canada and other countries, alleging personal injury resulting from the use of certain of our products and the products of our subsidiaries. These matters are described below in more detail.

We believe 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 our product liability insurance policies with a number of insurance carriers. In certain circumstances, insurance carriers reserve their rights to contest or deny coverage. We intend to contest vigorously any and all such disputes with our insurance carriers and to enforce our rights under the terms of our insurance policies. Accordingly, we 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 our product liability insurance policies will likely 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. In October 2008, the FDA issued a Public Health Notification (October 2008 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 the July 2011 update, the FDA stated that adverse events are not rare. Furthermore, the FDA 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. In January 2016, the FDA issued a statement reclassifying surgical mesh for transvaginal POP repair from Class II to Class III. Surgical mesh for SUI repair remains a Class II device.

In January 2012, the FDA ordered manufacturers of transvaginal surgical mesh used for POP and of single incision mini-slings for urinary incontinence, such as our AMS subsidiary, to conduct post-market safety studies and to monitor adverse event rates relating to the use of these products. AMS received a total of 19 class-wide post-market study orders regarding its pelvic floor repair and mini-sling products; however, the FDA agreed to place 16 of these study orders on hold for a variety of reasons. AMS commenced three of these post-market study orders; however, it recently notified the FDA of its termination of these studies and is in the process of winding them down in connection with the wind down of our Astora business.

Since 2008, we and certain of our subsidiaries, including AMS and/or Astora, have been named as defendants in multiple lawsuits in the U.S. in various state courts and in a multidistrict litigation (MDL) in the Southern District of West Virginia (MDL No. 2325), in Canada, where various class action and individual complaints are pending, and in other countries 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, and seek compensatory and punitive damages, where available.

We and certain plaintiffs' counsel representing mesh-related product liability claimants have entered into various Master Settlement Agreements (MSAs) and other settlement agreements regarding settling up to approximately 49,000 filed and unfiled mesh claims handled or controlled by the participating counsel. These MSAs, which were executed at various times since June 2013, were entered into solely by way of compromise and settlement and are not in any way an admission of liability or fault by us or any of our subsidiaries. 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 party to the MSA. If certain participation thresholds are not met, then we will have the right to terminate the settlement with that law firm. In addition, one agreement gives us 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 QSFs are included in restricted cash and cash equivalents in the Condensed Consolidated Balance Sheets.

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.

We expect that valid claims under the MSAs will continue to be settled. However, we intend to vigorously contest pending and future claims that are invalid or in excess of the maximum claim amounts under the MSAs. We are also aware of a substantial number of additional claims or potential claims, some of which may be invalid or contested, for which we lack sufficient information to determine whether any potential liability is probable, and such claims have not been included in our estimated product liability accrual. We intend to contest these claims vigorously.

As of the date of this report, we believe that the current product liability accrual includes all known claims for which liability is probable and estimable. In order to evaluate whether a mesh claim is probable of a loss, we must obtain and evaluate certain information pertaining to each individual claim, including but not limited to the following items: the name and social security number of the plaintiff, evidence of an AMS implant, the date of implant, the date the claim was first asserted to AMS, the date that plaintiff's counsel was retained, and most importantly, medical records establishing the injury alleged. Without access to at least this information and the opportunity to evaluate it, we are not in a position to determine whether a loss is probable for such claims. 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 our business, financial condition, results of operations and cash flow. We will continue to monitor the situation, including with respect to any additional claims of which we may later become aware, and, if appropriate, make further adjustments to the product liability accrual based on new information.

The following table presents the changes in the vaginal mesh QSFs and product liability balance during the six months ended June 30, 2016 (in thousands):

	Qualified Settlement Funds	Product Liability
Balance as of December 31, 2015	$ 578,970	$ 2,086,176
Additional charges	—	2,450
Cash contributions to Qualified Settlement Funds	326,795	—
Cash distributions to settle disputes from Qualified Settlement Funds	(524,438)	(524,438)
Cash distributions to settle disputes	—	(5,438)
Other	255	—
Balance as of June 30, 2016	$ 381,582	$ 1,558,750

Approximately $1.40 billion of the total liability amount shown above is classified as Current portion of legal settlement accrual, with the remainder to be paid over time in accordance with the MSA agreements and classified as Long-term legal settlement accrual, less current portion, net in the June 30, 2016 Condensed Consolidated Balance Sheets. Charges related to vaginal mesh product liability for all periods presented are reported in Discontinued operations, net of tax in our Condensed Consolidated Statements of Operations.

We expect to fund the payments under all current settlement agreements over the course of 2016 and 2017, with completion by December 31, 2017. As the funds are disbursed out of the QSFs from time to time, the product liability accrual will be reduced accordingly with a corresponding reduction to restricted cash and cash equivalents. In addition, we may pay cash distributions to settle disputes separate from the QSFs, 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 currently cooperating 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.

Testosterone Cases. We and certain of our subsidiaries, including Endo Pharmaceuticals Inc. (EPI) and Auxilium Pharmaceuticals, Inc. (Auxilium), 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 and seek compensatory and/or punitive damages, where available. 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. In July 2014, a class action complaint was filed in Ontario, Canada against EPI. 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 us. We intend to contest the litigation vigorously and to explore all options as appropriate in our best interest. As of July 29, 2016, approximately 1,084 cases are currently pending against us; some of which may have been filed on behalf of multiple plaintiffs. By order dated July 5, 2016 and with plaintiffs' consent, a Canadian Court dismissed without prejudice the class action complaint filed in Ontario, Canada against EPI.

In November 2015, the U.S. District Court for the Northern District of Illinois entered an order granting defendants' motion to dismiss claims involving certain testosterone products that were approved pursuant to ANDAs, including TESTOPEL®. Plaintiffs filed a motion for reconsideration and clarification of this order. In March 2016, the District Court granted plaintiffs' motion in part and entered an order permitting certain claims to go forward to the extent they are based on allegations of fraudulent off-label marketing.

In November 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 payors 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 Racketeer Influenced and Corrupt Organizations Act 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 and raises other state law claims. In March 2015, defendants filed a motion to dismiss the complaint and plaintiffs responded by filing amended complaints. In February 2016, the District Court granted in part and denied in part defendants' motion to dismiss. The District Court declined to dismiss plaintiffs' claims for conspiracy to commit racketeering activity in violation of 18 U.S.C. §1962(d) and claims for negligent misrepresentation. In April 2016, plaintiffs filed a third amended complaint, which defendants moved to dismiss in June 2016. In August 2016, the court denied the motion as to the claims against EPI, Auxilium and certain other defendants, and directed that answers be filed by August 31, 2016. In October 2015, a similar civil class action complaint was filed against EPI and other defendant manufacturers in the Northern District of Illinois. Similar litigation may be brought by other plaintiffs. We 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, but we will explore all options as appropriate in our best interest.

Unapproved Drug Litigation

In September 2013, the State of Louisiana filed a Petition for Damages against certain of our subsidiaries, EPI and Generics Bidco I, LLC, 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. In October 2015, the court ordered judgment for Defendants on their exception for no right of action. The case is currently on appeal to the Louisiana Court of Appeals, First District.

We intend to contest the above case vigorously and to explore other options as appropriate in our best interest. 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 us. We 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 our subsidiaries, Endo Health Solutions Inc. (EHSI) and EPI, for alleged violations of city ordinances and other laws relating to defendants' alleged opioid sales and marketing practices. In June 2014, the case was removed to the U.S. District Court for the Northern District of Illinois. In December 2014, defendants moved to dismiss the Amended Complaint and in May 2015, the District Court issued an order granting that motion in part, dismissing the case as to EHS and EPI. In August 2015, plaintiff filed its Second Amended Complaint against multiple defendants, including EPI and ESHI. In November 2015, defendants moved to dismiss the Second Amended Complaint.

In May 2014 and in June 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 our subsidiaries EHSI and EPI. The 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, which include our subsidiaries, filed various motions attacking the pleadings, including one requesting that the Superior Court refrain from proceeding under the doctrines of primary jurisdiction and equitable abstention. That motion was granted in August 2015, and the case has been stayed pending further proceedings and findings by the FDA. In June 2016, plaintiffs filed a motion to lift the stay and to amend the complaint. Defendants, included EHSI and EPI, opposed that motion. Following a hearing in July 2016, the court provided plaintiffs an opportunity to seek leave to file another amended complaint.

In December 2015, a lawsuit was filed in the Chancery Court of the First Judicial District of Hinds County, Mississippi by the State of Mississippi against multiple defendants, including our subsidiaries EHSI and EPI. The complaint alleges violations of Mississippi's Consumer Protection Act and various other claims arising out of defendants' alleged opioid sales and marketing practices. Plaintiff seeks declaratory relief, restitution, civil penalties, abatement, an injunction, and attorneys' fees and costs. In March 2016, defendants moved to dismiss the complaint.

In September 2014, our subsidiaries EHSI and EPI 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. We are currently cooperating with the State of Tennessee Office of the Attorney General and Reporter in this investigation.

In August 2015, our subsidiaries EHSI and EPI 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. We were cooperating with the State of New Hampshire Office of the Attorney General in its investigation until we learned that it was being assisted in the investigation by outside counsel hired on a contingent fee basis. The New Hampshire Attorney General initiated an action in the Superior Court for the State of New Hampshire to enforce the subpoena despite this contingent fee arrangement, and we (along with other companies that had received similar subpoenas) responded by filing a motion for protective order to preclude the use of contingent fee counsel. In addition, we filed a separate motion seeking declaratory relief. In March 2016, the Superior Court granted the motion for protective order on the grounds that the contingent fee agreement was invalid as *ultra vires* and that the office of the Attorney General had acted outside of its statutory authority in entering into the agreement with the contingent fee counsel. In April 2016, both the New Hampshire Attorney General and the companies that received subpoenas from the New Hampshire Attorney General, including EHSI and EPI, appealed, in part, the March 2016 Superior Court order to the New Hampshire Supreme Court. Those appeals are pending. In April 2016, the New Hampshire Attorney General also entered into a new agreement with outside counsel. In response, the companies that received a subpoena from the New Hampshire Attorney General, including EHSI and EPI, moved to enforce a part of the protective order issued by the Superior Court in March 2016 that is not being appealed by EHSI and EPI. That motion is pending.

In March 2016, EHSI and EPI received a Civil Investigative Demand (CID) from the Department of Justice for the State of Oregon seeking documents and information regarding the sales and marketing of OPANA® ER. We are currently cooperating with the State of Oregon in its investigation.

With respect to the litigations brought on behalf of the City of Chicago, the People of the State of California and the State of Mississippi, we intend to contest those matters vigorously. We 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 our best interest.

Antitrust Litigation and Investigations

Multiple direct and indirect purchasers of Lidoderm® have filed a number of cases against our subsidiary EPI and co-defendants Teikoku Seiyaku Co., Ltd., Teikoku Pharma USA, Inc. (collectively, Teikoku) and Actavis plc (now 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 EPI, 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 EPI and Teikoku commenced sham patent litigation against Actavis and that EPI 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 in April 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. In June 2016, motions for class certification were filed on behalf of classes of direct and indirect purchasers. Responses to those motions are due in August 2016. Trial is currently scheduled to begin in 2017. 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*.

Multiple direct and indirect purchasers of OPANA® ER have filed cases against our subsidiaries EHSI and EPI, and other pharmaceutical companies, including Penwest Pharmaceuticals Co., which we subsequently acquired, and Impax Laboratories Inc. (Impax), 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. In February 2016, the District Court issued orders (i) denying defendants’ motion to dismiss the claims of the direct purchasers, (ii) denying in part and granting in part defendants’ motion to dismiss the claims of the indirect purchasers, but giving them permission to file amended complaints and (iii) granting defendants’ motion to dismiss the complaints filed by certain retailers, but giving them permission to file amended complaints. In response to the District Court’s orders, the indirect purchasers filed an amended complaint to which the defendants have filed a renewed motion to dismiss certain claims and certain retailers have also filed amended complaints. 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.

In February 2014, our subsidiary, EPI received a CID (the February 2014 CID) from the U.S. Federal Trade Commission (the FTC). The FTC issued a second CID to EPI in March 2014 (the March 2014 CID). The February 2014 CID requested 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 2014 CID requested 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 our employees and former employees. In March 2016, the FTC filed a lawsuit in the U.S. District Court for the Eastern District of Pennsylvania against us and our subsidiary EPI, as well as against Allergan, Impax, and Teikoku, alleging generally that the settlement agreements with Actavis and Impax, respectively, constituted, in whole or part, unfair methods of competition in violation Section 5(a) of the FTC Act, 15 U.S.C. § 45(a). The FTC also alleges that one provision of the agreement with Actavis violated Section 7 of the Clayton Act, 15 U.S.C. § 18. The complaint seeks injunctive and declaratory relief and other remedies, including restitution and disgorgement. In July 2016, a motion to dismiss was filed on behalf of all defendants.

We 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 our best interest.

In November 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®.

In February 2015, EHSI and EPI 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.

In February 2016, EPI received a subpoena from the State of South Carolina Office of the Attorney General 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®.

In December 2014, our 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 currently cooperating fully with the investigation.

In January 2009, the FTC filed a lawsuit against our 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 engage 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 remaining private plaintiff suits seek equitable relief, unspecified damages and costs.

In February 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. In April 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. In September 2012, the District Court granted a motion for summary judgment against the private plaintiffs' claims of sham litigation. In July 2013, the Supreme Court of the U.S. reversed the Court of Appeals' and District Court's decisions and remanded the case to the District Court for further proceedings. In May 2016, those private plaintiffs representing the putative class of indirect purchasers voluntarily dismissed their case against Par with prejudice. Claims by the direct purchasers and the FTC are still pending. We intend to contest this litigation vigorously and to explore all options as appropriate in our best interest.

In February 2015, 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.

We are currently cooperating with the DOJ, the State of Florida Office of the Attorney General, the State of Alaska Office of the Attorney General and the State of South Carolina Office of the Attorney General in their respective investigations. Investigations similar to these antitrust matters described above may be brought by others. We 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 our best interest.

In July 2016, Fresenius Kabi USA, LLC (Fresenius) filed a complaint against Par and its subsidiary in the U.S. District Court for the District of New Jersey alleging that Par engaged in an anticompetitive scheme to exclude competition from the market for vasopressin solution for intravenous injection in view of Par's Vasostrict® (vasopressin) product. The complaint alleges violations of Sections 1 and 2 of The Sherman Antitrust Act, 15 U.S.C. §§ 1, 2, as well as the antitrust law and common law of the state of New Jersey, alleging that Par entered into exclusive supply agreements with active pharmaceutical ingredient (API) manufacturers that prevent Fresenius from being able to obtain vasopressin API in order to file an ANDA to obtain approval for its own vasopressin product. Fresenius seeks actual, treble and punitive damages in an unspecified amount, attorney's fees and costs and injunctive relief and demands a trial by jury. We 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. We intend to contest the litigation vigorously and to explore all options as appropriate in our best interest.

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 our 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 U.S. and several states by Bernard Lisitza. The complaint was unsealed in August 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 U.S. intervened in this action and filed a separate complaint in September 2011, alleging claims for violations of the Federal False Claims Act and common law fraud. The U.S.'s 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 this lawsuit. At this time, we 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.

Pricing Matters

In March 2016, EPI received a CID from the U.S. Attorney's Office for the Southern District of New York. The CID requests documents and information regarding contracts with Pharmacy Benefit Managers regarding Frova®. We are currently cooperating with this investigation. We 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 our best interest.

Beginning in January 2016, several complaints, including multiple class action complaints, have been filed in the Philadelphia Court of Common Pleas and in the U.S. District Courts for the Eastern District of Pennsylvania and the District of Rhode Island against us and certain of our subsidiaries, including Par, along with other manufacturers of certain generic pharmaceutical products, seeking compensatory and punitive or treble damages, as well as injunctive relief and alleging that certain marketing and pricing practices by the defendant companies violated state law, including consumer protection law and/or federal and state antitrust laws. The U.S. Judicial Panel on Multidistrict Litigation, pursuant to 28 U.S.C. § 1407, issued an order in August 2016 transferring certain of these cases as *In Re Generic Digoxin and Doxycycline Antitrust Litigation*, MDL No. 2724, to the U.S. District Court for the Eastern District of Pennsylvania. Additional similar claims may be brought by other plaintiffs in various jurisdictions.

In December 2015, EPI received Interrogatories and Subpoena Duces Tecum from the State of Connecticut Office of Attorney General requesting information regarding pricing of certain of its generic products, including Doxycycline Hyclate, Amitriptyline Hydrochloride, Doxazosin Mesylate, Methotrexate Sodium and Oxybutynin Chloride. We are currently cooperating with this investigation.

We 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 our best interest.

Megace ES® (megestrol acetate oral suspension) Cases

In September 2011, our subsidiary, Par, 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, and 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 in December 2015, the District Court's decision in favor of TWi was affirmed without opinion. In February 2016, TWi moved the District Court to recover its lost profits, which TWi alleges in the amount of $16 million, resulting from the previous injunctions to which the District Court subjected TWi, as well as attorneys' fees and costs. Par has opposed TWi's motion. We believe that a loss is probable and we have incorporated our best estimate of this loss into our reserve for loss contingencies. It is possible that the outcome of this matter could result in an additional loss above the amount reserved, which could be material.

In June 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 sought (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 in July 2014. In January 2016, we terminated the case by filing a stipulation of dismissal with prejudice.

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 sought (i) a finding of infringement, validity and/or enforceability; and (ii) a permanent injunction. In January 2016, we terminated the cases by filing stipulations of dismissal with prejudice.

Securities Related Class Action Litigation

In May 2016, a putative class action entitled *Craig Friedman v. Endo International plc Company, Rajiv de Silva and Suketu Upadhyay* was filed in the U.S. District Court for the Southern District of New York by an individual shareholder on behalf of himself and all similarly situated shareholders. The lawsuit alleges violations of Sections 10(b) and 20(a) of the Exchange Act based on the Company's revision of its 2016 earnings guidance and its disclosure of a CID from the U.S. Attorney's Office for the Southern District of New York regarding contracts with Pharmacy Benefit Managers concerning Frova®. The revised earnings guidance and the CID were disclosed in a Form 8-K (and accompanying press release) and a Form 10-Q filed with the Securities and Exchange Commission on May 5, 2016 and May 6, 2016, respectively. The complaint seeks class certification, damages in an unspecified amount and attorney's fees and costs. In July 2016, a number of shareholders filed motions to be appointed lead plaintiff and for the appointment of lead counsel. Those motions have not been decided by the court. We 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, but will explore all options as appropriate in our best interest and we intend to defend this lawsuit vigorously.

Paragraph IV Certifications on OPANA® ER

In late 2012, two patents (U.S. Patent Nos. 8,309,122 and 8,329,216) were issued to EPI covering OPANA® ER (oxymorphone hydrochloride extended-release tablets CII). In December 2012, EPI filed a complaint against Actavis (now Allergan) 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. In May 2013 and June 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: Roxane Laboratories, Inc. (Roxane) and Ranbaxy Laboratories Limited (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. A trial in this case was held from March 2015 through April 2015 in the U.S. District Court for the Southern District of New York. In August 2015, the District Court ruled that all defendants infringed the claims of U.S. Patent Nos. 8,309,122 and 8,329,216. The District Court also ruled that the defendants failed to show that U.S. Patent Nos. 8,309,122 and 8,329,216 were invalid, enjoined the defendants from launching their generic products until the expiration of those patents and directed Actavis to withdraw its generic product within 60 days. In October 2015, the District Court tolled the 60-day period until it decided two pending post-trial motions. In April 2016, the District Court issued an order upholding its August 2015 ruling in EPI's favor and confirming the prior injunction against the manufacture or sale of the generic version of the non-crush-resistant OPANA® ER currently offered by Actavis, the U.S. generics business of Allergan, and the additional approved but not yet marketed generic version of the product developed by Roxane. The time for appealing the ruling has not yet expired and we expect the defendants to appeal. We intend to continue vigorously asserting our intellectual property rights and to oppose any such appeal.

We intend to defend vigorously our 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 we will be successful. If we are 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 our best interest. 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), ThoRx Laboratories, Inc. (ThoRx), Allergan, Impax and 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, 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. We intend, and have 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. A trial in this case was held from March 2015 through April 2015 in the U.S. District Court for the Southern District of New York against the remaining filers. In August 2015, the District 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 District 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 we and/or Grünenthal will be successful. If we are unsuccessful and Teva, Amneal, ThoRx, Allergan 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 our best interest. 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.

In August 2014 and October 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. In November 2014, EPI filed lawsuits against Teva, ThoRx, Actavis, Impax, Ranbaxy, Roxane, Amneal, and Sandoz Inc. in the U.S. District Court for the District of Delaware alleging infringement of these new patents, which expire in 2027 and 2029, respectively. On November 17, 2015, the District Court held the '737 patent invalid for claiming unpatentable subject matter. That patent has been dismissed from all suits and the suits administratively closed as to that patent, subject to appeal at the end of the case on the '779 patent. Beginning July 11, 2016, a three-day trial was held in the U.S. District Court for the District of Delaware against Teva and Amneal for infringement of the '779 patent. No decision has been issued in that case as of the date of this report.

Paragraph IV Certification on Fortesta® Gel

In January 2013, EPI and its licensor Strakan Limited received a notice from Watson (now Allergan) advising of the filing by Watson of an ANDA for a generic version of Fortesta® (testosterone) Gel. In February 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 on or about February 26 and 27, 2015. In August 2015, the District Court issued an Order holding that the asserted patents are not invalid and are infringed by Watson's ANDA. As a result, the District 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.

We intend, and have 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 we and/or Strakan will be successful. If we and/or 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 our best interest. 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.

Other Legal Proceedings

In addition to the above proceedings, proceedings similar to those described above may also be brought in the future. Additionally, we 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 INCOME (LOSS)

The following table presents the tax effects allocated to each component of Other comprehensive (loss) income for the three months ended June 30, 2016 and 2015 (in thousands):

	Three Months Ended June 30,					
	2016			2015		
	Before-Tax Amount	Tax Benefit (Expense)	Net-of-Tax Amount	Before-Tax Amount	Tax (Expense) Benefit	Net-of-Tax Amount
Net unrealized (loss) gain on securities:						
Unrealized (loss) gain arising during the period	$ (234)	$ 87	$ (147)	$ 451	$ (250)	$ 201
Net unrealized gain (loss) on foreign currency:						
Foreign currency translation gain (loss) arising during the period	(7,866)	(13,743)	(21,609)	10,516	(2,515)	8,001
Other comprehensive (loss) income	$ (8,100)	$ (13,656)	$ (21,756)	$ 10,967	$ (2,765)	$ 8,202

The following table presents the tax effects allocated to each component of Other comprehensive (loss) income for the six months ended June 30, 2016 and 2015 (in thousands):

	Six Months Ended June 30,					
	2016			2015		
	Before-Tax Amount	Tax Benefit (Expense)	Net-of-Tax Amount	Before-Tax Amount	Tax (Expense) Benefit	Net-of-Tax Amount
Net unrealized (loss) gain on securities:						
Unrealized (loss) gain arising during the period	$ (1,620)	$ 613	$ (1,007)	$ 2,649	$ (935)	$ 1,714
Net unrealized gain (loss) on foreign currency:						
Foreign currency translation gain (loss) arising during the period	46,706	12,448	59,154	(120,863)	(2,484)	(123,347)
Other comprehensive income (loss)	$ 45,086	$ 13,061	$ 58,147	$ (118,214)	$ (3,419)	$ (121,633)

The following is a summary of the accumulated balances related to each component of Other comprehensive loss, net of taxes, at June 30, 2016 and December 31, 2015 (in thousands):

	June 30, 2016	December 31, 2015
Net unrealized gains	$ 808	$ 1,815
Foreign currency translation loss	(326,904)	(386,020)
Accumulated other comprehensive loss	$ (326,096)	$ (384,205)

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 six months ended June 30, 2016 (in thousands):

	Attributable to:		
	Endo International plc	Noncontrolling interests	Total Shareholders' Equity
Shareholders' equity at January 1, 2016	$ 5,968,030	$ (54)	$ 5,967,976
Net income	209,709	16	209,725
Other comprehensive income	58,109	38	58,147
Compensation related to share-based awards	29,585	—	29,585
Tax withholding for restricted shares	(10,396)	—	(10,396)
Exercise of options	1,952	—	1,952
Issuance of ordinary shares related to the employee stock purchase plan	2,729	—	2,729
Other	1,820	—	1,820
Shareholders' equity at June 30, 2016	$ 6,261,538	$ —	$ 6,261,538

The following table displays a reconciliation of our beginning and ending balances in shareholders' equity for the six months ended June 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	(326,137)	(107)	(326,244)
Other comprehensive loss	(121,084)	(549)	(121,633)
Compensation related to share-based awards	24,753	—	24,753
Tax withholding for restricted shares	(12,570)	—	(12,570)
Exercise of options	23,440	—	23,440
Buy-out of noncontrolling interests, net of contributions	(6,876)	(32,732)	(39,608)
Ordinary shares issued in connection with the Auxilium acquisition	1,519,320	—	1,519,320
Fair value of equity component of acquired Auxilium Notes	278,014	—	278,014
Conversion of Auxilium Notes	145,101	—	145,101
Ordinary shares issued	2,302,281	—	2,302,281
Equity issuance fees	(66,956)	—	(66,956)
Other	17,827	—	17,827
Shareholders' equity at June 30, 2015	$ 6,151,870	$ 68	$ 6,151,938

Share-Based Compensation

As discussed in Note 3. Discontinued Operations and Held for Sale, the operating results of the Company's AMS business is reported as Discontinued operations, net of tax in the Condensed Consolidated Statements of Operations for all periods presented. However, as share-based compensation is not material for this business, amounts in this Note 14. Shareholders' Equity have not been adjusted to exclude the impact of this business.

The Company recognized share-based compensation expense of $14.6 million and $29.6 million during the three and six months ended June 30, 2016, respectively, compared to $10.9 million and $62.4 million during the three and six months ended June 30, 2015, respectively. The share-based compensation expense recognized during the six months ended June 30, 2015 includes a charge related to the acceleration of Auxilium employee equity awards at closing of $37.6 million. As of June 30, 2016, the total remaining unrecognized compensation cost related to all non-vested share-based compensation awards amounted to $96.6 million. As of June 30, 2016, the weighted average remaining requisite service period of the non-vested stock options was 2.8 years and for non-vested restricted stock units was 2.3 years.

NOTE 15. OTHER EXPENSE, NET

The components of Other expense, net for the three and six months ended June 30, 2016 and 2015 are as follows (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	2016	2015
Foreign currency loss (gain), net	$ 1,554	$ 2,578	$ 2,550	$ (20,556)
Equity loss from unconsolidated subsidiaries, net	3,828	900	1,484	1,751
Other than temporary impairment of equity investment	—	18,869	—	18,869
Costs associated with unused financing commitments	—	2,261	—	14,071
Other miscellaneous, net	(207)	(115)	(766)	(1,637)
Other expense, net	$ 5,175	$ 24,493	$ 3,268	$ 12,498

Foreign currency loss (gain), net results from the remeasurement of the Company's foreign currency denominated assets and liabilities. In addition, the Company incurred $2.3 million and $14.1 million during the three and six months ended June 30, 2015 related to unused commitment fees primarily associated with financing for the Auxilium acquisition.

NOTE 16. INCOME TAXES

During the three months ended June 30, 2016, the Company recognized an income tax benefit of $555.3 million on $165.5 million of loss from continuing operations before income tax, compared to $12.7 million of tax benefit on $103.6 million of loss from continuing operations before income tax during the comparable 2015 period. During the second quarter of 2016, the Company implemented a legal entity restructuring as part of its continuing integration of our businesses that resulted in the realization of a $644.0 million discrete tax benefit arising from outside basis differences, reduced by a $196.0 million valuation allowance. The reorganization also provides operating flexibility and benefits and reduces the impact related to potential future limits that could apply to the use of tax attributes by utilizing most of the Company's attributes to offset the gain in the intercompany sale that stepped-up the tax basis of the U.S. Generics Pharmaceutical business assets. The Company also benefited from an improved mix of jurisdictional pre-tax income and losses. The tax benefit for the comparable 2015 period was primarily related to benefits resulting from losses from continued operations.

During the six months ended June 30, 2016, the Company recognized an income tax benefit of $674.0 million on $372.9 million of loss from continuing operations before income tax, compared to $179.6 million of tax benefit on $120.0 million of loss from continuing operations before income tax during the comparable 2015 period. The tax benefit for the current period is primarily related to benefits arising from losses from continued operations and the net discrete tax benefit recorded in the second quarter discussed above. The tax benefit for the comparable 2015 period was primarily related to benefits resulting from the expected realization of deferred tax assets for certain components of our AMS business that was held for sale in such period.

NOTE 17. NET (LOSS) INCOME PER SHARE

The following is a reconciliation of the numerator and denominator of basic and diluted net income (loss) per share for the three and six months ended June 30, 2016 and 2015 (in thousands, except share data):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	2016	2015
Numerator:				
Income (loss) from continuing operations	$ 389,812	$ (90,894)	$ 301,049	$ 59,598
Less: Net income (loss) from continuing operations attributable to noncontrolling interests	18	(107)	16	(107)
Income (loss) from continuing operations attributable to Endo International plc ordinary shareholders	$ 389,794	$ (90,787)	$ 301,033	$ 59,705
Loss from discontinued operations attributable to Endo International plc ordinary shareholders, net of tax	(46,216)	(159,632)	(91,324)	(385,842)
Net income (loss) attributable to Endo International plc ordinary shareholders	$ 343,578	$ (250,419)	$ 209,709	$ (326,137)
Denominator:				
For basic per share data—weighted average shares	222,667	185,328	222,485	177,490
Dilutive effect of ordinary share equivalents	195	—	535	2,091
Dilutive effect of various convertible notes and warrants	1	—	1	3,241
For diluted per share data—weighted average shares	222,863	185,328	223,021	182,822

Basic net income (loss) per share data is computed based on the weighted average number of ordinary shares outstanding during the period. Diluted income (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.

For the three months ended June 30, 2016, stock options and stock awards of 5.9 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 three months ended June 30, 2015 because their effect would have been anti-dilutive, as the Company was in a loss position. For the six months ended June 30, 2016, stock options and stock awards of 4.7 million were excluded from the diluted share calculation because their effect would have been anti-dilutive. For the six months ended June 30, 2015, stock options and stock awards of 1.0 million were excluded from the diluted share calculation because their effect would have been anti-dilutive.

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, 2015 (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.

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 International plc and its consolidated subsidiaries.

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 six months ended June 30, 2016 increased 25% to $920.9 million and 30% to $1,884.4 million, respectively, from the comparable 2015 periods. This revenue increase was primarily attributable to revenues related to our September 2015 acquisition of Par. The increases were partially offset by decreased revenues for certain products in our U.S. Branded Pharmaceuticals segment, driven mainly by decreased Voltaren® Gel, Lidoderm®, OPANA® ER and Frova® revenues related to generic competition and decreased revenues from our legacy U.S. Generic Pharmaceuticals segment, driven by a decrease as a result of competitive pressure on commoditized generic products.

Gross margin, costs and expenses. The following table sets forth costs and expenses for the three and six months ended June 30, 2016 and 2015 (dollars in thousands):

	Three Months Ended June 30,				Six Months Ended June 30,			
	2016		2015		2016		2015	
	$	% of Revenue	$	% of Revenue	$	% of Revenue	$	% of Revenue
Cost of revenues	$ 632,218	69	$ 438,858	60	$ 1,320,923	70	$ 823,124	57
Selling, general and administrative	193,070	21	154,491	21	371,425	20	366,069	25
Research and development	50,589	5	18,984	3	92,281	5	36,881	3
Litigation-related and other contingencies, net	5,259	1	6,875	1	10,459	1	19,875	1
Asset impairment charges	39,951	4	70,243	10	169,576	9	77,243	5
Acquisition-related and integration items	48,171	5	44,225	6	60,725	3	78,865	5
Total costs and expenses*	$ 969,258	105	$ 733,676	100	$ 2,025,389	107	$ 1,402,057	97

* Percentages may not add due to rounding.

Cost of revenues and gross margin. Cost of revenues for the three and six months ended June 30, 2016 increased 44% to $632.2 million and 60% to $1,320.9 million, respectively, from the comparable 2015 periods. These increases were primarily attributable to increased costs related to our acquisition of Par and charges to increase excess inventory reserves of approximately $59 million at our U.S. Generic Pharmaceuticals segment due to the underperformance of certain products and the planned discontinuance of several products as part of the 2016 U.S. Generic Pharmaceuticals restructuring initiative announced in May 2016. Gross margins for the three months ended June 30, 2016 decreased to 31% from 40% in the comparable 2015 period and gross margins for the six months ended June 30, 2016 decreased to 30% from 43% in the comparable 2015 period. These decreases were primarily attributable to the mix of revenue being more heavily weighted toward lower margin generic pharmaceutical product sales, increased intangible asset amortization of $95.9 million and $212.3 million for the three and six months ended June 30, 2016, respectively, the charges to increase excess inventory reserves mentioned above 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 six months ended June 30, 2016 increased 25% to $193.1 million and 1% to $371.4 million, respectively, from the comparable 2015 periods. These increases were primarily a result of incremental employee, facility and other Selling, general and administrative expenses related to the acquisition of Par. The increase during the six months ended June 30, 2016 was partially offset by 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 during the first quarter of 2015 of $26.0 million related to the Auxilium acquisition, which did not recur in 2016.

Research and development expenses. Research and development expenses for the three and six months ended June 30, 2016 increased 166% to $50.6 million and 150% to $92.3 million, respectively, from the comparable 2015 periods. The increases were primarily attributable to the acquisition of Par.

Litigation-related and other contingencies, net. Charges for Litigation-related and other contingencies, net for the three and six months ended June 30, 2016 totaled $5.3 million and $10.5 million, respectively, compared to $6.9 million and $19.9 million for the three months and six months ended June 30, 2015, respectively. 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 six months ended June 30, 2016 totaled $40.0 million and $169.6 million, respectively, compared to $70.2 million and $77.2 million for the three and six months ended June 30, 2015. The pre-tax, non-cash impairment charges of $40.0 million during the three months ended June 30, 2016 resulted from certain market conditions impacting the commercial potential of certain intangible assets in our U.S. Generic Pharmaceuticals segment. These charges are in addition to the $129.6 million pre-tax, non-cash impairment charges on certain intangible assets recorded during the three months ended March 31, 2016, including pre-tax, non-cash asset impairment charges of $100.3 million related to the 2016 U.S. Generic Pharmaceuticals restructuring initiative, which resulted from the discontinuation of certain commercial products and the abandonment of certain IPR&D projects. The pre-tax, non-cash impairment charges of $70.2 million recorded during the three months ended June 30, 2015 were related to certain intangible assets of our U.S. Generic Pharmaceuticals segment, resulting from certain market conditions impacting the commercial potential of certain intangible assets in our U.S. Generic Pharmaceuticals segment. As a result of a sustained downturn in the testosterone replacement therapy (TRT) market and additional competition and pricing pressure related to certain of our U.S. Generics and Canadian based products, several significant intangible assets are at risk of becoming impaired if we were to experience a decline in future market conditions below our current estimates. Specifically, the excess of undiscounted cash flows over carrying amount for our TESTOPEL, Methotrexate and Canada Base Prescription intangible assets were all less than 5 percent of carrying amount. In addition, any sustained downturns in other areas of our business could result in additional impairments of our definite and indefinite lived assets, which could be material.

Acquisition-related and integration items. Acquisition-related and integration items for the three and six months ended June 30, 2016 increased 9% to $48.2 million and decreased 23% to $60.7 million, respectively, from the comparable 2015 periods. The charges during the three months ended June 30, 2016 were primarily driven by $23.9 million of expense resulting from the change in the fair value of contingent consideration and integration costs associated with our acquisition of Par. The change in contingent consideration was due to favorable market conditions impacting the commercial potential of the underlying products. The decrease during the six months ended June 30, 2016 was due to prior year acquisition-related and integration costs associated with our acquisition of Auxilium, which closed during the first quarter of 2015. This reduction was partially offset by integration costs associated with our acquisition of Par, which closed during the third quarter of 2015, and $13.2 million of expense recorded during the six months ended June 30, 2016 resulting from the change in the fair value of certain contingent consideration. The change in contingent consideration was due to favorable market conditions impacting the commercial potential of the underlying products.

Interest expense, net. The components of Interest expense, net for the three and six months ended June 30, 2016 and 2015 are as follows (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	2016	2015
Interest expense	$ 113,097	$ 80,980	$ 230,567	$ 154,829
Interest income	(1,178)	(369)	(1,855)	(1,079)
Interest expense, net	$ 111,919	$ 80,611	$ 228,712	$ 153,750

Interest expense for the three and six months ended June 30, 2016 increased 40% to $113.1 million and increased 49% to $230.6 million, respectively, from the comparable 2015 periods. These increases were primarily attributable to an increase in our average total indebtedness to $8.4 billion during the three months ended June 30, 2016 from $5.5 billion in the comparable 2015 period and to $8.5 billion during the six months ended June 30, 2016 from $5.1 billion in the comparable 2015 period. Our period-over-period average total indebtedness has increased due primarily to the financing of the Par acquisition.

Loss on extinguishment of debt. Loss on extinguishment of debt was zero for the three and six months ended June 30, 2016 compared to $1.0 million for the six months ended June 30, 2015 period. There were no charges recognized for loss on extinguishment of debt during the three months ended June 30, 2015.

Other expense, net. The components of Other expense, net for the three and six months ended June 30, 2016 and 2015 are as follows (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	2016	2015
Foreign currency loss (gain), net	$ 1,554	$ 2,578	$ 2,550	$ (20,556)
Equity loss from unconsolidated subsidiaries, net	3,828	900	1,484	1,751
Other than temporary impairment of equity investment	—	18,869	—	18,869
Costs associated with unused financing commitments	—	2,261	—	14,071
Other miscellaneous, net	(207)	(115)	(766)	(1,637)
Other expense, net	$ 5,175	$ 24,493	$ 3,268	$ 12,498

Foreign currency loss (gain), net results from the remeasurement of the Company's foreign currency denominated assets and liabilities. During the second quarter of 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. The Company also incurred $14.1 million during the six months ended June 30, 2015 related to unused commitment fees primarily associated with financing for the Auxilium acquisition.

Income tax benefit. During the three months ended June 30, 2016, the Company recognized an income tax benefit of $555.3 million on $165.5 million of loss from continuing operations before income tax, compared to $12.7 million of tax benefit on $103.6 million of loss from continuing operations before income tax during the comparable 2015 period. During the second quarter of 2016, the Company implemented a legal entity restructuring as part of its continuing integration of our businesses that resulted in the realization of a $644.0 million discrete tax benefit arising from outside basis differences, reduced by a $196.0 million valuation allowance. The reorganization also provides operating flexibility and benefits and reduces the impact related to potential future limits that could apply to the use of tax attributes by utilizing most of the Company's attributes to offset the gain in the intercompany sale that stepped-up the tax basis of the U.S. Generics Pharmaceutical business assets. The Company also benefited from improved mix of jurisdictional pretax income and losses. The tax benefit for the comparable 2015 period was primarily related to benefits resulting from losses from continued operations.

During the six months ended June 30, 2016, the Company recognized an income tax benefit of $674.0 million on $372.9 million of loss from continuing operations before income tax, compared to $179.6 million of tax benefit on $120.0 million of loss from continuing operations before income tax during the comparable 2015 period. The tax benefit for the current period is primarily related to benefits arising from losses from continued operations and the net discrete tax benefit recorded in the second quarter discussed above. The tax benefit for the comparable 2015 period was primarily related to benefits resulting from the expected realization of deferred tax assets for certain components of our AMS business that was held for sale in such period.

Discontinued operations, net of tax. As a result of our decision to sell our AMS business and wind down our Astora business, which comprises the entirety of our former Devices segment, 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. The results of our discontinued operations totaled $46.2 million and $91.3 million of loss, net of tax, during the three and six months ended June 30, 2016 compared to $159.6 million and $385.8 million of loss, net of tax, in the comparable 2015 periods.

The fluctuation in Discontinued operations, net of tax, during the three months ended June 30, 2016 compared to the same period in 2015 was mainly due to a decrease in charges relating to mesh litigation of $268.6 million, offset partially by a decrease in income from operations resulting from the sale of the Men's Health and Prostate Health components in the third quarter of 2015, and certain tax benefits recorded as part of the divestiture of the Men's Health and Prostate Health businesses in 2015 and a full valuation allowance recorded on the Company's U.S. net deferred tax assets in 2016.

The fluctuation during the six months ended June 30, 2016 compared to the same period in 2015 was mainly due to a decrease in charges relating to mesh litigation of $271.3 million and a decrease in asset impairment charges of $201.4 million, offset partially by a decrease in income from operations resulting from the sale of the Men's Health and Prostate Health components in the third quarter of 2015, and certain tax benefits recorded as part of the divestiture of the Men's Health and Prostate Health businesses in 2015 and a full valuation allowance recorded on the Company's U.S. net deferred tax assets in 2016.

2016 Outlook

We estimate that our 2016 total revenues will be between $3.87 billion and $4.03 billion. This estimate is based on our expectation of growth for Company revenues from our core products and the full year impact of our 2015 acquisitions, including our acquisition of Par, which closed on September 25, 2015. We consistently apply principles of efficiency 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. The Company also intends to seek long-term, durable growth both internally and through strategic acquisitions in order to support its 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

The three reportable business segments in which the Company operates are: (1) U.S. Branded Pharmaceuticals, (2) U.S. Generic Pharmaceuticals and (3) International Pharmaceuticals. These segments reflect the level at which the chief operating decision maker 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 from continuing operations before income tax and 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 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 our 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 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 current financial reporting. 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 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 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 six months ended June 30, 2016 and 2015 (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	2016	2015
Net revenues to external customers:				
U.S. Branded Pharmaceuticals	$ 288,342	$ 315,913	$ 597,155	$ 600,420
U.S. Generic Pharmaceuticals	565,358	338,326	1,148,748	695,288
International Pharmaceuticals (1)	67,187	80,927	138,523	153,586
Total net revenues to external customers	$ 920,887	$ 735,166	$ 1,884,426	$ 1,449,294

(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 six months ended June 30, 2016 and 2015 (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	2016	2015
Pain Management:				
Lidoderm®	$ 27,039	$ 30,186	$ 46,751	$ 55,346
OPANA® ER	38,554	43,097	83,224	89,956
Percocet®	35,708	32,444	69,301	68,743
Voltaren® Gel	27,290	51,006	63,037	96,477
	$ 128,591	$ 156,733	$ 262,313	$ 310,522
Specialty Pharmaceuticals:				
Supprelin® LA	$ 21,211	$ 17,796	$ 38,463	$ 34,078
XIAFLEX®	42,419	39,952	86,464	67,918
	$ 63,630	$ 57,748	$ 124,927	$ 101,996
Branded Other Revenues	96,121	101,432	209,915	187,902
Total U.S. Branded Pharmaceuticals	$ 288,342	$ 315,913	$ 597,155	$ 600,420

Pain Management

Net sales of Lidoderm® for the three and six months ended June 30, 2016 decreased 10% to $27.0 million and decreased 16% to $46.8 million from the comparable 2015 periods. These decreases were attributable to volume decreases partially offset by an increase in price. In September 2013 Actavis (now Allergan) launched a generic form of Lidoderm®, in May 2014 the Company's U.S. Generic Pharmaceuticals launched its authorized generic of Lidoderm® and in August 2015 Mylan launched a generic form of Lidoderm®. To the extent additional competitors are able to launch generic versions of Lidoderm®, our revenues could decline further.

Net sales of OPANA® ER for the three and six months ended June 30, 2016 decreased 11% to $38.6 million and decreased 7% to $83.2 million from the comparable 2015 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. However, in April 2016, the U.S. District Court affirmed a ruling upholding two of the Company's patents covering OPANA® ER. In addition, in April 2016, the U.S. District Court issued an order upholding its August 2015 ruling in the Company's favor and confirming the prior injunction against the manufacture or sale of the generic version of non-crush resistant OPANA® ER currently offered by Actavis, the U.S. generics business of Allergan, and the additional approved but not yet marketed generic version of the product developed by Roxane. As a result, the generic product sold by Actavis was removed from the market and other generic versions of the product will not be launched in the near term by other generic companies.

Net sales of Percocet® for the three and six months ended June 30, 2016 increased 10% to $35.7 million and increased 1% to $69.3 million from the comparable 2015 periods. These increases were attributable to price increases, partially offset by volume decreases.

Net sales of Voltaren® Gel for the three and six months ended June 30, 2016 decreased 46% to $27.3 million and decreased 35% to $63.0 million from the comparable 2015 periods. These decreases were primarily attributable to the March 24, 2016 launch of Amneal Pharmaceuticals LLC's generic equivalent of Voltaren® Gel. Subject to FDA approval, it is possible one or more additional competing generic products could potentially enter the market during 2016, which could negatively impact future sales of Voltaren® Gel.

Specialty Pharmaceuticals

Net sales of Supprelin® LA for the three and six months ended June 30, 2016 increased 19% to $21.2 million and increased 13% to $38.5 million from the comparable 2015 periods. These revenue increases were primarily attributable to volume and price increases.

Net sales of XIAFLEX® for the three and six months ended June 30, 2016 increased 6% to $42.4 million and increased 27% to $86.5 million from the comparable 2015 periods. These revenue increases were primarily attributable to volume increases in addition to a full period of Auxilium revenues for the six months ended June 30, 2016.

Branded Other

Net sales of Branded Other products for the three and six months ended June 30, 2016 decreased 5% to $96.1 million and increased 12% to $209.9 million from the comparable 2015 periods. The decrease during the three months ended June 30, 2016 was primarily driven by decreased Frova® revenues related to generic competition. The increase during the six months ended June 30, 2016 was primarily attributable to the acquisitions of Auxilium and Par which we acquired on January 29, 2015 and September 25, 2015, respectively.

U.S. Generic Pharmaceuticals. The following table displays the significant components of our U.S. Generic Pharmaceuticals revenues to external customers for the three and six months ended June 30, 2016 and 2015 (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	2016	2015
U.S. Generic Pharmaceuticals				
U.S. Generics Base (1)	$ 331,095	$ 214,241	$ 678,524	$ 458,511
Sterile Injectables	126,245	—	249,934	—
New Launches and Alternative Dosages (2)	108,018	124,085	220,290	236,777
Total U.S. Generic Pharmaceuticals	$ 565,358	$ 338,326	$ 1,148,748	$ 695,288

(1) U.S. Generics Base includes solid oral-extended release, solid oral-immediate release and pain/controlled substances products.

(2) New Launches and Alternative Dosages includes liquids, semi-solids, patches, powders, ophthalmics, sprays and new product launches. Products are included in New Launches during the calendar year of launch and the subsequent calendar year such that the period of time any product will be considered a New Launch will range from thirteen to twenty-four months. New Launches contributed $32.9 million and $64.0 million of revenues to the three and six months ended June 30, 2016, respectively, and $9.9 million and $16.3 million of revenues to the three and six months ended June 30, 2015, respectively. The table below presents the most significant revenue producing New Launch Products from the respective most recent two calendar launches years:

Year of Launch	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	2016	2015
2014	N/A	- Valsartan/HCTZ - Lorazepam - Telemisartan	N/A	- Valsartan/HCTZ - Lorazepam - Telemisartan
2015	- Ethacrynate Sodium - Pramipexole DHCI - Propranolol - Testosterone Gel Sachets - Lamotrigine ODT	- Pramipexole DHCI - Tolcapone Tabs - Guanfacine ER Tabs - Zafirlukast - Valsartan	- Ethacrynate Sodium - Propranolol - Dutas/Tams Caps - Testosterone Gel Sachets - Pramipexole DHCI	- Pramipexole DHCI - Tolcapone Tabs - Guanfacine ER Tabs - Zafirlukast - Hydrocortisone Cream
2016	- Darifenacin HBr ER Tabs - Frova AG - Dantrolene Caps	N/A - No impact on 2015	- Darifenacin HBr ER Tabs - Frova AG - Dantrolene Caps	N/A - No impact on 2015

Net sales of U.S. Generics Base for the three and six months ended June 30, 2016 increased 55% to $331.1 million and increased 48% to $678.5 million from the comparable 2015 periods. These increases were attributable to approximately $179 million and $359 million in revenue during the three and six months ended June 30, 2016, respectively, as a result of the acquisition of Par, partially offset by a decrease as a result of competitive pressure on commoditized generic products.

Net sales of Sterile Injectables for the three and six months ended June 30, 2016 increased to $126.2 million and $249.9 million from the comparable 2015 periods. These increases were attributable to the acquisition of Par. Sterile Injectables include net sales of Vasostrict®, the first and only vasopressin injection with a New Drug Application (NDA) approved by the FDA, which were $77.2 million and $157.1 million for the three and six months ended June 30, 2016, respectively. In June 2016, the U.S. Patent and Trademark Office issued Endo a new Vasostrict® patent, which has an expiration date of January 30, 2035. Any ANDA applicant seeking FDA approval for a generic version of Vasostrict® prior to expiration of the patent has to notify Par of its ANDA filing before it can obtain FDA approval. Any ANDA filer whose application was not received prior to submission of the new patent information would be subject to a 30-month stay of marketing approval by the FDA upon the initiation of Hatch-Waxman litigation by Par against the ANDA filer.

Net sales of New Launches and Alternative Dosages for the three and six months ended June 30, 2016 decreased 13% to $108.0 million and decreased 7% to $220.3 million from the comparable 2015 periods. These decreases were primarily attributable to increased competitive pressure on patches, ophthalmics and other alternative doses, partially offset by launch products from the Par acquisition.

International Pharmaceuticals. Revenues from our International Pharmaceuticals segment for the three and six months ended June 30, 2016 decreased 17% to $67.2 million and decreased 10% to $138.5 million from the comparable 2015 periods. These decreases were primarily attributable to unfavorable fluctuations in foreign currency rates in addition to decreases in Litha revenues as a result of its recent divestiture of non-core assets.

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 six months ended June 30, 2016 and 2015 (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	2016	2015
Adjusted income (loss) from continuing operations before income tax:				
U.S. Branded Pharmaceuticals	$ 122,420	$ 169,067	$ 291,201	$ 327,861
U.S. Generic Pharmaceuticals	$ 214,968	$ 146,089	$ 426,736	$ 329,546
International Pharmaceuticals	$ 20,615	$ 19,201	$ 42,369	$ 35,767
Corporate unallocated	$ (161,737)	$ (115,050)	$ (314,810)	$ (226,118)

During the quarter ended December 31, 2015, we realigned certain costs amongst our International Pharmaceuticals segment, U.S. Branded Pharmaceuticals segment and Corporate unallocated costs based on how our chief operating decision maker currently reviews segment performance. As a result of this realignment, certain expenses included in our consolidated adjusted income (loss) from continuing operations before income tax for the three and six months ended June 30, 2015 have been reclassified among our various segments to conform to current period presentation. The net impact of these reclassification adjustments increased U.S. Branded Pharmaceuticals segment and Corporate unallocated costs by $0.5 million and $5.9 million, respectively, with an offsetting $6.4 million decrease to International Pharmaceuticals segment costs for the three months ended June 30, 2015 and increased U.S. Branded Pharmaceuticals segment and Corporate unallocated costs by $1.1 million and $13.5 million respectively, with an offsetting $14.6 million decrease to International Pharmaceuticals segment costs for the six months ended June 30, 2015. The realignment of these expenses did not impact periods prior to 2015.

U.S. Branded Pharmaceuticals. Adjusted income from continuing operations before income tax for the three and six months ended June 30, 2016 decreased 28% to $122.4 million and decreased 11% to $291.2 million from the comparable 2015 periods. These decreases are primarily attributable to decreased Voltaren® Gel, Lidoderm®, OPANA® ER and Frova® revenues related to generic competition.

U.S. Generic Pharmaceuticals. Adjusted income from continuing operations before income tax for the three and six months ended June 30, 2016 increased 47% to $215.0 million and increased 29% to $426.7 million from the comparable 2015 periods. In 2016, revenues and gross margins increased primarily due to the Par acquisition on September 25, 2015. These increases were partially offset by a decrease resulting from competitive pressure on commoditized generic products and charges to increase excess inventory reserves of approximately $26 million at our U.S. Generic Pharmaceuticals segment due to the underperformance of certain products.

International Pharmaceuticals. Adjusted income from continuing operations before income tax for the three and six months ended June 30, 2016 increased 7% to $20.6 million and increased 18% to $42.4 million from the comparable 2015 periods. These increases were primarily attributable to an increase in gross margin resulting from the divestiture of certain lower margin products and decreased operating expenses, partially offset by unfavorable fluctuations in foreign currency rates.

Corporate unallocated. Corporate unallocated adjusted loss from continuing operations before income tax for the three and six months ended June 30, 2016 increased 41% to $161.7 million and increased 39% to $314.8 million from the comparable 2015 periods. These increases were primarily attributable to the previously discussed increase in interest expense.

Reconciliation to GAAP. The table below provides reconciliations of our consolidated loss from continuing operations before income tax, which is determined in accordance with U.S. GAAP, to our segment adjusted income from continuing operations before income tax for the three and six months ended June 30, 2016 and 2015 (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	2016	2015
Total consolidated loss from continuing operations before income tax	$ (165,465)	$ (103,614)	$ (372,943)	$ (119,991)
Corporate unallocated costs (1)	161,737	115,050	314,810	226,118
Upfront and milestone payments to partners	2,688	2,135	4,105	4,802
Asset impairment charges (2)	39,951	70,243	169,576	77,243
Acquisition-related and integration items (3)	48,171	44,225	60,725	78,865
Separation benefits and other cost reduction initiatives (4)	22,174	5,780	60,630	47,587
Amortization of intangible assets	212,844	116,987	424,513	212,256
Inventory step-up and certain manufacturing costs that will be eliminated pursuant to integration plans	29,103	48,948	97,579	88,864
Non-cash interest expense related to the 1.75% Convertible Senior Subordinated Notes	—	253	—	1,632
Loss on extinguishment of debt	—	—	—	980
Impact of Voltaren® Gel generic competition	—	—	(7,750)	—
Certain litigation-related charges, net (5)	5,259	6,875	10,459	19,875
Costs associated with unused financing commitments	—	2,261	—	14,071
Acceleration of Auxilium employee equity awards at closing	—	—	—	37,603
Other than temporary impairment of equity investment	—	18,869	—	18,869
Foreign currency impact related to the remeasurement of intercompany debt instruments	417	2,792	1,672	(18,298)
Other, net	1,124	3,553	(3,070)	2,699
Total segment adjusted income from continuing operations before income tax:	$ 358,003	$ 334,357	$ 760,306	$ 693,175

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

(2) Asset impairment charges primarily related to charges to write down intangible assets as further described in Note 9. Goodwill and Other Intangibles.

(3) Acquisition-related and integration items include costs directly associated with previous acquisitions of $24.3 million and $47.5 million for the three and six months ended June 30, 2016, respectively, compared to $46.7 million and $82.2 million for the comparable 2015 periods. In addition, during the three and six months ended June 30, 2016, there is also a charge for changes in fair value of contingent consideration of $23.9 million and $13.2 million, respectively. During the three and six months ended June 30, 2015, acquisition-related and integration costs are net of a benefit due to changes in the fair value of contingent consideration of $2.5 million and $3.3 million, respectively.

(4) Separation benefits and other cost reduction initiatives include charges to increase excess inventory reserves of $6.4 million and $33.3 million related to the 2016 U.S. Generic Pharmaceuticals restructuring initiative, employee separation costs of $8.4 million and $15.2 million and other restructuring costs of $7.1 million and $11.8 million for the three and six months ended June 30, 2016, respectively. Amounts in the comparable 2015 periods include employee separation costs of $4.8 million and $37.2 million, respectively, and a $7.9 million charge recorded during the six months ended June 30, 2015, 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. These amounts were primarily recorded as Cost of revenues and Selling, general and administrative expense in our Condensed Consolidated Statements of Operations. See Note 4. Restructuring for discussion of our material restructuring initiatives.

(5) These amounts include charges for Litigation-related and other contingencies, net as further described in Note 12. Commitments and Contingencies.

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, debt service payments and acquisitions. The Company's working capital was $(288.4) million at June 30, 2016 compared to $(21.8) million at December 31, 2015. Working capital at June 30, 2016 includes restricted cash and cash equivalents of $381.6 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, 2015 included restricted cash and cash equivalents of $579.0 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 $667.8 million at June 30, 2016 compared to $272.3 million at December 31, 2015.

During and beyond 2016, we expect cash generated from operations together with our cash, cash equivalents and the revolving credit facilities 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 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 June 30, 2016, the Company's indebtedness includes a credit agreement with combined outstanding principal borrowings of $3,769.1 million and additional availability of approximately $998.0 million under the revolving credit facilities.

The 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 June 30, 2016, we were in compliance with all such covenants.

At June 30, 2016, the Company's indebtedness includes senior notes with aggregate principal amounts totaling $4.7 billion. These notes mature between 2022 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 issued or guaranteed on a senior unsecured basis, as applicable, by all of our significant subsidiaries (other than Astora Women's Health Technologies, Grupo Farmacéutico Somar, S.A. de C.V., and Litha Healthcare Group Limited) and certain of our other subsidiaries, except for the 7.25% Senior Notes due 2022, which are issued by Endo Health Solutions Inc. and guaranteed on a senior unsecured basis by the guarantors named in the Fifth Supplemental Indenture relating to such notes.

The indentures governing our various senior notes contain affirmative and negative covenants that the Company believes to be usual and customary for senior unsecured indentures. 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 June 30, 2016, we were in compliance with all covenants.

During the remainder of 2016, we anticipate that any excess cash will be used to pay down our borrowings.

Credit ratings. The Company's corporate credit ratings assigned by Moody's Investors Service and Standard & Poor's are B1 with a negative outlook and B+ with a negative outlook, respectively.

Working capital. The components of our working capital and our liquidity at June 30, 2016 and December 31, 2015 are below (dollars in thousands):

	June 30, 2016	December 31, 2015
Total current assets	$ 2,650,416	$ 3,452,537
Less: total current liabilities	(2,938,840)	(3,474,312)
Working capital	$ (288,424)	$ (21,775)
Current ratio	-0.9:1	-1.0:1

Working capital decreased by $266.6 million from December 31, 2015 to June 30, 2016. Since December 31, 2015, our current assets have decreased by $802 million. Changes in current assets impacting working capital were largely driven by a $140 million reduction in accounts receivable primarily as a result of less revenues in the second quarter of 2016 compared to the fourth quarter of 2015; a $126 million decrease in inventories resulting from continued amortization of inventory step-up related to our recent business acquisitions and excess inventory reserves recorded during the six months ended June 30, 2016; and a $198 million net differential between cash distributions made from the Qualified Settlement Funds to mesh-related product liability claimants and cash distributions into the Qualified Settlement Funds. The remaining changes in current assets did not have a significant impact on working capital. Since December 31, 2015, our current liabilities have decreased by $535 million. Changes in current liabilities impacting working capital were driven largely by a decrease in accrued liabilities of approximately $122 million, primarily associated with decreased sales deductions as a result of less gross revenues in the second quarter of 2016 compared to the fourth quarter of 2015. The remaining changes in current liabilities did not have a significant impact on working capital.

The following table summarizes our Condensed Consolidated Statements of Cash Flows for the six months ended June 30, 2016 and 2015 (in thousands):

	Six Months Ended June 30,	
	2016	2015
Net cash flow provided by (used in):		
Operating activities	$ 554,700	$ (77,486)
Investing activities	137,005	(906,341)
Financing activities	(297,690)	3,116,408
Effect of foreign exchange rate	1,459	(11,599)
Net increase in cash and cash equivalents	$ 395,474	$ 2,120,982

Net cash provided by (used in) operating activities. Net cash provided by operating activities was $554.7 million for the six months ended June 30, 2016 compared to $77.5 million used in operating activities in the comparable 2015 period.

Net cash provided by (used in) 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 and refunds in the ordinary course of business.

The $632.2 million fluctuation in Net cash provided by (used in) operating activities for the six months ended June 30, 2016 compared to the comparable 2015 period was primarily the result of a $707.3 million federal income tax refund received during the second quarter of 2016, offset partially by the timing of cash collections and cash payments related to our operations.

The following table summarizes certain of our significant pre-tax cash outlays impacting net cash provided by (used in) operating activities for the six months ended June 30, 2016 and 2015 (in thousands):

	Six Months Ended June 30,	
	2016	2015
Payments for mesh-related product liability and other litigation matters	$ 557,523	$ 395,916
Unused commitment fees	—	14,071
Separation and restructuring payments	55,793	31,550
Transaction costs and certain integration charges paid in connection with acquisitions	49,033	78,089
U.S. Federal tax refunds received	(707,303)	(70,300)
Total	$ (44,954)	$ 449,326

Net cash provided by (used in) investing activities. Net cash provided by investing activities was $137.0 million for the six months ended June 30, 2016 compared to $906.3 million used in investing activities in the comparable 2015 period.

This $1,043.3 million fluctuation in cash provided by investing activities for the six months ended June 30, 2016 compared to the comparable 2015 period relates primarily to cash used for acquisitions in 2015 of $915.9 million. In addition, $524.4 million of cash was released from the Qualified Settlement Funds (QSFs) for mesh settlements during the six months ended June 30, 2016, which was $139.4 million more than cash released from the QSFs during the prior year. Also, we paid $326.8 million into QSFs for mesh settlements during the six months ended June 30, 2016, which was $50.3 million less than cash paid into the QSFs during the prior year. These net increases were partially offset by the release of $40 million of cash from the escrow account associated with the acquisition of the remaining outstanding share capital of Litha during the six months ended June 30, 2015. Cash payments into QSFs and escrow accounts result in a cash outflow for investing activities. Cash releases from QSFs and escrow accounts result in a cash inflow for investing activities and a corresponding outflow for cash provided by (used in) operating activities. Payments related to our QSFs 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 (used in) provided by financing activities. Net cash used in financing activities was $297.7 million for the six months ended June 30, 2016 compared to $3,116.4 million provided by financing activities in the comparable 2015 period.

Items contributing to the $3,414.1 million fluctuation in cash used in financing activities for the six months ended June 30, 2016 compared to the comparable 2015 period include a decrease in issuance of ordinary shares of $2,299.6 million, a decrease in proceeds from the issuance of notes of $1,200.0 million, a decrease in proceeds from draw of revolving debt of $175.0 million and an increase in repayments of revolving debt of $50.0 million, partially offset by a decrease in the repurchase of convertible notes of $247.8 million, a decrease in payments related to the issuance of ordinary shares of $67.0 million and a decrease in cash buy-outs of controlling interests of $39.6 million related to the acquisition of the remaining 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. As of June 30, 2016, 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, 2015, filed with the Securities and Exchange Commission on February 29, 2016.

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, 2015, except as described below. 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, 2015 filed with the Securities and Exchange Commission on February 29, 2016.

As further described in Note 9, Goodwill and Other Intangible Assets of the Condensed Consolidated Financial Statements included in Part I, Item 1. of this Quarterly Report on Form 10-Q, we initiated an interim goodwill impairment analysis of our U.S. Branded and U.S. Generics reporting units during the second quarter of 2016 as a result of the significant decline in our stock price. The fair values of our reporting units are dependent upon our estimates of future discounted cash flows and other factors. Our estimates of future cash flows include assumptions concerning future operating performance and economic conditions and may differ from actual future cash flows. Estimated future cash flows are discounted to present value using a market participant, weighted average cost of capital. The financial and credit market volatility directly impacts certain inputs and assumptions used to develop the weighted average cost of capital such as the risk-free interest rate, industry beta, debt interest rate, and our market capital structure. Therefore, changes in these assumptions may affect our fair value estimate and the result of the impairment test.

We have not made any substantial changes to our methodology used in our annual impairment test since our previous assessment. Determination of the fair value of a reporting unit is a matter of judgment and involves the use of estimates and assumptions, which are based on management’s best estimates at the time.

We use an income approach (discounted cash flow approach) for the determination of fair value of our reporting units. Our projected cash flows incorporate many assumptions, the most significant of which include variables such as future sales, growth rates, operating margin, and the discount rates applied.

Assumptions related to revenue, growth rates and operating margin are based on management's annual and ongoing forecasting, budgeting and planning processes and represent our best estimate of the future results of operations across the company. These estimates are subject to many assumptions, such as the economic environment across the segments in which we operate, end demand for our products and competitor actions. The use of different assumptions would increase or decrease our estimated discounted future cash flows and the resulting estimated fair value of our reporting units, and could result in the fair value of a reporting unit being less than its carrying value in the first step of the impairment test. If the use of these assets, the projections of future cash flows, or weighted average cost of capital change in the future, we may be required to record impairment charges, which could be material. An erosion of future business results in any of the business units or significant declines in our stock price could result in an impairment charge to goodwill or other long-lived assets, which could be material. Our analysis indicated the fair values of the U.S. Branded and U.S. Generics reporting units exceeded their respective carrying values; therefore, an impairment charge was not required for the three months ended June 30, 2016. An increase of 50 basis points to our assumed discount rates used in testing any of these reporting units would not have changed the results of our analysis. In addition, a 10% reduction of annual cash flows used in testing any of these reporting units would not have changed the results of our analysis.

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 and revolving credit facilities portion of our credit agreement. To the extent we utilize amounts under our term loans and revolving credit facilities, we would be exposed to additional interest rate risk. At June 30, 2016, our term loans include principal amount of floating-rate debt of $3.8 billion. Borrowings under our Term Loan A facility bear interest at a rate equal to an applicable margin plus London Interbank Offered Rate (LIBOR), while borrowings under our Term Loan B facility bear interest at a rate equal to an applicable margin plus LIBOR, subject to a LIBOR floor of 0.75%. A hypothetical 1% increase in LIBOR over the 0.75% floor would result in $37.7 million in incremental annual interest expense.

As of June 30, 2016 and December 31, 2015, we had no other assets or liabilities with significant interest rate sensitivity.

Investment Risk

At June 30, 2016 and December 31, 2015, 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, net.

Fluctuations in foreign currency rates resulted in a net loss of $1.6 million and a net loss of $2.6 million for the three months and six months ended June 30, 2016, respectively. This compares to a net loss of $2.6 million and a net gain of $20.6 million in the comparable 2015 periods.

Based on the Company's significant foreign currency denominated intercompany loans existing at June 30, 2016, we estimate that a 10% appreciation or depreciation in the underlying currencies of our foreign currency denominated intercompany loans, relative to the U.S. Dollar, would result in approximately $5.0 million in incremental foreign currency gains or losses, respectively.

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 June 30, 2016. 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 June 30, 2016.

Changes in Internal Control over Financial Reporting

The Company acquired certain entities during the year ended December 31, 2015. Particularly as it relates to the Par acquisition, as permitted by the Securities and Exchange Commission, management 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 the Par business into its internal control over financial reporting structure during the six months ended June 30, 2016. As such, there have been changes during the six months ended June 30, 2016 associated with the establishment and continued integration of internal control over financial reporting with respect to Par.

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

There have been no material changes to the risk factors disclosed in Item 1A. "Risk Factors" of the Company's Annual Report on Form 10-K for the year ended December 31, 2015, filed with the Securities and Exchange Commission on February 29, 2016 (Annual Report), except for the changes to the risk factors included in Item 1A. “Risk Factors” of the Company’s Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2016, filed with the Securities and Exchange Commission on May 6, 2016 (Quarterly Report). Risk factors disclosed in Item 1A. "Risk Factors" of the Company's Annual Report and in Item 1A. “Risk Factors” of the Company’s Quarterly Report are incorporated into this document by reference.

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

There were no purchases or sales of equity securities by the Company during the three months ended June 30, 2016.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

JHS Agreement

During the second quarter of 2016, we entered into a new agreement with JHS (JHS Agreement). Pursuant to the JHS Agreement, JHS fills and lyophilizes the XIAFLEX® bulk drug substance, which is manufactured by the Company, and produces sterile diluent. The initial term of the JHS agreement is three years, with automatic renewal provisions thereafter for subsequent one-year terms, unless or until either party provides notification prior to expiration of the then current term of the contract. The Company 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. Amounts purchased pursuant to the JHS Agreement were not material for any of the periods presented.

Upadhyay Executive Employment Agreement

On August 3, 2016, we entered into a new executive employment agreement (the Employment Agreement) with Mr. Upadhyay, the Company’s Executive Vice President and Chief Financial Officer. The Employment Agreement generally provides for the continued employment of Mr. Upadhyay on substantially similar terms and conditions as his existing employment agreement, which will expire on September 23, 2016.

The Employment Agreement has a term of three years commencing on August 4, 2016 and ending on August 4, 2019, unless earlier terminated in accordance with its terms. Under the Employment Agreement, Mr. Upadhyay is entitled to receive a base salary of $655,000 and a target annual cash bonus of 60% of his base salary. Mr. Upadhyay is also entitled to receive a one-time grant of equity compensation on August 11, 2016 (the Grant Date) under the Company’s 2015 Stock Incentive Plan, consisting of performance share units valued at $812,500 that vest on the third anniversary of the Grant Date subject to the achievement of performance goals (the PSU Grant), restricted stock units valued at $1,625,000 that vest ratably on each of the first three anniversaries of the Grant Date (the RSU Grant) and nonqualified stock options valued at $812,500 using a Black Scholes valuation that vest ratably on each of the first three anniversaries of the Grant Date (the Stock Option Grant). During the term of the Employment Agreement, Mr. Upadhyay is also eligible to receive annual equity-based compensation to be awarded in the sole discretion of the Compensation Committee of the Board with a target grant date fair market value equal to 300% of his base salary.

The Employment Agreement also provides that on termination of Mr. Upadhyay's employment by the Company without cause or by Mr. Upadhyay for good reason (as such terms are defined in the Employment Agreement), Mr. Upadhyay will be entitled to the following amounts, subject to his execution of a release of claims: a prorated bonus for year of termination (based on actual results), a lump sum severance payment in an amount equal to two times the sum of his base salary and target bonus, accelerated vesting, non-forfeitability and exercisability of the RSU Grant, the Stock Option Grant and, solely to the extent provided for in the applicable award agreement, the PSU Grant and continued medical and life insurance benefits for Mr. Upadhyay and his dependents for two years following termination. Payments upon termination due to death or disability include a prorated bonus for the year of termination (based on actual results), continued medical and life insurance benefits for Mr. Upadhyay and/or his dependents for two years following such termination, and, in the event of disability, twenty four months of salary continuation offset by disability benefits. Payments may be reduced to the extent such payments would constitute "excess parachute payments" under Sections 280G and 4999 of the Internal Revenue Code.

The Employment Agreement also contains an eighteen month non-solicitation covenant, an eighteen month non-competition covenant, a non-disparagement covenant and a covenant providing for cooperation by Mr. Upadhyay in connection with any investigations and/or litigation. See Exhibit 10.4 to this Quarterly Report on Form 10-Q for a complete description of the Employment Agreement.

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: August 9, 2016

Exhibit Index

Exhibit No.	Title
10.1	Notice of Termination, effective as of April 27, 2017, of the Supply Agreement, dated as of April 27, 2012, by and between Endo Ventures Limited and Noramco, Inc. (incorporated by reference to Exhibit 10.1 of the Endo International plc Current Report on Form 8-K, filed with the Commission on July 18, 2016)
10.2*	Master Supply Agreement, dated as of April 22, 2016, by and between Endo Ventures Limited and Jubilant HollisterStier LLC (filed herewith)
10.3	Endo International plc Amended and Restated 2015 Stock Incentive Plan (filed herewith)
10.4	Executive Employment Agreement between Endo International plc and Suketu P. Upadhyay, dated as of August 3, 2016 and effective as of August 4, 2016 (filed herewith)
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 June 30, 2016, 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 Income (Loss), (iv) the Condensed Consolidated Statements of Cash Flows and (v) the Notes to Condensed Consolidated Financial Statements
*	Confidential portions of this exhibit (indicated by asterisks) have been redacted and filed separately with the Securities and Exchange Commission pursuant to a confidential treatment request in accordance with Rule 24b-2 of the Securities Exchange Act of 1934, as amended

The confidential portions of this exhibit have been filed separately with the Securities and Exchange Commission pursuant to a confidential treatment request in accordance with Rule 24b-2 under the Securities Exchange Act of 1934, as amended. REDACTED PORTIONS OF THIS EXHIBIT ARE MARKED BY AN *.**

MASTER SUPPLY AGREEMENT

By and Between

Jubilant HollisterStier LLC

And

Endo Ventures Limited

This Master Supply Agreement (this "Agreement") is made effective as of this 1st day of January 2016 (the "Effective Date"), by and between Endo Ventures Limited, a company organized and existing under the laws of Ireland (registered number 442731) having its principal office at Minerva House, Simmonscourt Road, Ballsbridge, Dublin 4, Ireland ("Endo") and Jubilant HollisterStier LLC, a Delaware limited liability company located at 3525 North Regal, Spokane, Washington, 99207, United States ("Supplier") (each individually a "Party" and collectively the "Parties").

WITNESSETH:

WHEREAS, Endo wishes to purchase certain pharmaceuticals for human use (hereinafter "Products"); and

WHEREAS, Supplier has the experience and expertise necessary to perform the Manufacturing Services for, and supply the Products to, Endo; and

WHEREAS, Endo desires Supplier to perform the Manufacturing Services and to supply such Products to Endo; and Supplier desires to perform the Manufacturing Services and to sell such Products to Endo, all on the terms and conditions set forth in this Agreement;

NOW, THEREFORE, in consideration of the mutual covenants and promises set forth herein, the Parties agree as follows:

1. DEFINITIONS

The following terms, whether used in the singular or plural, shall have the meaning assigned to them below for purposes of this Agreement:

1.1. "Adjusted Product Price" shall have the meaning set forth in Section 3.8 hereof.

1.1. "ANDA" shall have the meaning set forth in Section 2.1.3 hereof.

1.2. "Affiliate" shall mean any entity or individual which directly or indirectly controls, is controlled by, or is under common control with a Party. An entity shall be regarded as in control of another entity if it owns or directly or indirectly controls at least fifty (50%) of the voting interests of the other entity, or, in the absence of the ownership of at least fifty percent (50%) of the voting interests of an entity, has the power to direct or cause the direction of the management and policies of such entity, as applicable.

1.3. "Agreement" shall have the meaning set forth in the Preamble hereof.

1.4. "API (active pharmaceutical ingredient)" shall mean any substance or mixture of substances intended to be used in the manufacture of drug product and that, when used in the production of a drug, becomes an active ingredient of the drug product. Such substances are intended to furnish pharmacologic activity or other direct effect in the diagnosis, cure, mitigation, treatment or prevention of disease or to affect the structure and function of the body.

1.5. "Applicable Laws" means all laws, statutes, rules, regulations, orders, judgments, injunctions and/or ordinances of any Governmental Agency.

1.6. "Batch Record" shall mean the written procedures for production, process control and testing of the Products designed to assure that the Products has the identity, strength, quality, and purity they purport or are represented to possess and is used to ensure uniformity from batch to batch and compliance with cGMPs.

1.7. "Business Day" means a day other than a Saturday, Sunday or a day that is a statutory holiday in Dublin, Ireland or the United States of America.

1.8. "cGMP" means those practices in the manufacture of pharmaceutical products that are recognized as the current good manufacturing practices by the FDA or European Medicines Agency (EMA) in accordance with FDA or European regulations, guidelines, other administrative interpretations, and rulings in connection therewith, including but not limited to those regulations cited in 21 C.F.R. parts 210 and 211, all as they may be amended from time to time.

1.9. "Confidential Information" shall have the meaning set forth in Section 14 hereof.

1.10. "Contract Year" shall mean, for the first year, the period commencing on the Effective Date up to and including December 31 of the same calendar year, and for each year thereafter, shall mean a calendar year beginning on January 1 and ending on December 31.

1.11. "DEA" shall mean the Drug Enforcement Administration of the U.S. Department of Justice, or any successor entity.

1.12. "DMF" means Supplier's Drug Master File for each Product.

1.13. "Effective Date" shall have the meaning set forth in the Preamble hereof.

1.14. "Endo Facility" means Endo's Dublin, Ireland or other location designated by Endo.

1.15. "Environmental Laws" means all applicable laws, directives, rules, ordinances, codes, guidelines, regulations, governmental, administrative or judicial orders or decrees or other legal requirements of any kind, whether currently in existence or hereafter promulgated, enacted, adopted or amended, relating to (i) safety (including

occupational health and safety); conservation, preservation or protection of human health, drinking water, natural resources, biota and the environment; (ii) the introduction of any chemical substances, products or finished articles into the stream of commerce; (iii) the imposition of any discharge levy or other economic instrument to prevent or reduce discharge of pollutants; (iv) the conduct of environmental impact assessment in connection with the design, development and operation of any Facility or project; (v) the notification, classifications, registrations and labeling of new chemical substances; and/or (vi) the generation, use, storage, handling, treatment, transportation or disposal of Waste including without limitation any matters related to Releases and threatened Releases of Hazardous Materials.

1.16. "Environmental Losses" means any and all fines, penalties, costs, liabilities, damages or losses incurred by Endo or an Affiliate of Endo, or for which Endo or an Affiliate of Endo is liable or obligated pursuant to any Environmental Law or Release or threatened Release of Hazardous Materials (i) arising out of the operation or ownership of the facilities of Supplier, the facilities of any Affiliate of Supplier, or the facilities of any subcontractor of Supplier or such subcontractor's Affiliates or (ii) relating to, arising from, or in any way connected with, the testing, manufacture, packaging, generation, processing, storage, transportation, distribution, treatment, disposal or other handling of Product or materials used in the manufacture or packaging of Product, or associated by-products, raw materials, intermediates, Wastes or returned Product, by Supplier, Affiliates of Supplier, or subcontractors of Supplier or such subcontractor's Affiliates, or their respective officers, directors, employees, agents or contractors but not any transportation or handling of Products after released to an Endo-designated carrier.

1.17. "FCPA" shall have the meaning set forth in Section 8.1.5 hereof.

1.18. "FD&C Act" shall mean the United States Federal Food, Drug and Cosmetic Act, as amended.

1.19. "FDA" shall mean the United States Food and Drug Administration, or any successor entity.

1.20. "Finished Product" means any finished pharmaceutical product in human dosage form that contains any Product finished to the extent specified in the PSS (defined herein) and is intended for commercial sale by Endo.

1.21. "Force Majeure Event" shall have the meaning set forth in Section 15 hereof.

1.22. "Free Goods Issue" means key starting materials, API, or bulk drug product to be supplied by Endo to Supplier free of charge for the purposes of this Agreement and as described in the Product Supply Scope for the Product, as may be amended by the mutual agreement of the Parties duly signed in writing.

1.23. "Governmental Agency" means 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, including, without limitation, the FDA and the DEA.

1.24. "Hazardous Materials" means any and all materials (including without limitation substances, chemicals compounds, mixtures, products, byproducts, biologic agents, living or genetically modified materials, wastes, pollutants and contaminants), that are (A) used by Supplier in performing services under this Agreement and are identified in any of the following clauses of this Section 1.26; (B) (i) listed, classified, characterized or regulated pursuant to Environmental Laws; (ii) identified or classified as "hazardous", "dangerous", "toxic", "pollutant", "contaminant", "waste", "irritant", "corrosive", "flammable", "radioactive", "reactive", "carcinogenic", "mutagenic", "bioaccumulative", or "persistent" in the environment; or (iii) in quantity or concentration capable of causing harm or injury to human health, natural resources or the environment, if Released or resulting in human exposure; or (C) petroleum products and their derivatives, asbestos-containing material, lead-based paint, polychlorinated biphenyls, urea formaldehyde, or viral, bacterial or fungal material.

1.25. "Inability to Supply" shall have the meaning set forth in Section 3.6 hereof.

1.26. "Initial Term" shall have the meaning set forth in Section 11.1 hereof.

1.27. "Laws" means all international, national, federal, state, provincial and local laws, statutes, codes, rules, regulations, ordinances, orders, decrees or other pronouncements of any governmental, administrative or judicial authority having the effect of law, including, without limitation, Environmental Laws.

1.28. "Lock Period" shall have the meaning set forth in each Product Supply Scope.

1.29. "Manufacture" and "Manufacturing Services" means the manufacturing, quality control, quality assurance and stability testing, packaging and related services, as contemplated in this Agreement, required to produce the Products.

1.30. "Manufacturing Process" shall mean any and all processes (or any step in any process) used or planned to be used by Supplier to Manufacture the Products, as evidenced in the Batch Records.

1.31. "Manufacturing Site" means the facility, owned and operated by Supplier that is located at 3525 North Regal, Spokane, Washington.

1.32. "Master Production Plan" shall have the meaning set forth in Section 3.1 hereof.

1.33. "NDA" shall have the meaning set forth in Section 2.1.3. hereof.

1.34. "Officials" shall have the meaning set forth in Section 8.1.5 hereof.

1.35. "Payment" shall have the meaning set forth in Section 4.1 hereof.

1.36. "Procurement Quota" means the quota allotted to Endo or the Supplier on behalf of Endo by the DEA pursuant to applicable DEA regulations so as to permit shipment of Product from Supplier to Endo or the Supplier.

1.37. "Product" or "Products" means medical device(s)/API(s)/bulk Product/finished dosage form pharmaceuticals manufactured specifically for Endo and as more specifically described in Product Supply Scope attached hereto as Exhibit 1.

1.38. "Product Price" means the price to be charged by Supplier for Product manufactured and supplied hereunder as delivered to Endo, which price shall include the cost of materials (except Free Goods Issue), manufacturing, standard quality control and quality assurance costs, testing, documentation, packaging, shipping materials, Manufacturing related transportation and taxes and which price is set forth in the Product Supply Scope.

1.39. "Purchase Order" means an order from Endo specifying requested Purchase Order Delivery Dates, cost and quantities of the Products to be Manufactured by Supplier.

1.40. "Purchase Order Delivery Date" shall mean a date for which delivery of any Product is stated in a Purchase Order and confirmed by Supplier. Unless the Parties otherwise agree in writing, on Delivery Date Product shall be released by both Parties and prepared for shipment per Section 3.4.

1.41. "Product Supply Scope (PSS)" means the document attached to this Agreement as Exhibit 1 that defines Product costs and product specific manufacturing requirements including: Product pricing, price lock period, batch size, safety stock requirements.

1.42. "Quality Agreement" shall mean a separate Quality Agreement entered into by the Parties.

1.43. "Raw Material" means, collectively, raw materials, all excipients, packaging components, required to be used in order to produce the Products in accordance with the Specifications.

1.44. "Release" means any release, spill, emission, leaking, pumping, injection, deposit, disposal, discharge, dispersal, leaching or migration into the indoor or outdoor environment, including the uncontrolled presence or the movement of Hazardous Materials through the ambient air, soil, subsurface water, groundwater, wetlands, lands or subsurface strata.

1.45. "Services" shall mean Manufacturing Services Supplier performs for Endo as requested from time to time. All Manufacturing Services performed by Supplier for Endo shall be on a project basis. For each project, Supplier will submit a written proposal to Endo outlining the services to be provided and the estimated costs for performing such services (the "Project"). Upon approval of the Project by Endo, the Parties will complete and execute a Product Supply Scope for each Project similar to the form attached hereto as Exhibit 1. Upon execution by both Parties, each PSS shall be deemed to be incorporated into this Agreement by Reference. Supplier will undertake the performance of the Project only upon full execution of a PSS by Endo and Supplier.

1.46. "Specifications" means the quality assurance and quality release specifications for Raw Materials and Product approved by Endo and Supplier.

1.47. "Third Party" shall mean any person or entity other than Endo, Supplier and their respective Affiliates.

1.48. "Waste" means all wastes which arise from the manufacture, handling or storage of Product hereunder, prior to release of Product to an Endo-designated carrier, or which is otherwise produced by Supplier or any of its Affiliates through the implementation of this Agreement, including Hazardous Materials.

The definitions in this Section 1 shall apply equally to both the singular and plural forms of the terms defined. As used in this Agreement, (i) the words "include", "includes" and "including" shall be deemed to be followed by the phrase "without limitation"; (ii) the words "hereof", "herein", "hereby" and derivatives or similar words refer to this entire Agreement; (iii) all references to Sections shall be deemed references to Sections of this Agreement and all references to Attachments shall be deemed references to Attachments to this Agreement, unless the context shall otherwise require; and (iv) whenever this Agreement refers to a number of days, such number shall refer to calendar days unless otherwise specified.

2. MANUFACTURING SERVICES

2.1. Supplier will perform the Manufacturing Services for, and ship the Products to, Endo in accordance with this Agreement. In performing the Manufacturing Services and supplying the Products to Endo:

2.1.1. Quality Control and Quality Assurance. Supplier will perform the quality control and quality assurance testing specified in the Quality Agreement. Batch review and release to Endo will be the responsibility of Supplier's quality assurance group. Supplier will perform its batch review and release responsibilities in accordance with Supplier's standard operating procedures. To obtain Endo's written authorization to ship; Supplier shall provide to Endo via dublinsupplyops@endo.com mailbox the following documents in English:

2.1.1.1. Certificate of analysis; and

2.1.1.2. Certificate of compliance; and

2.1.1.3. Endo formatted notice of production; and

2.1.1.4. Executed batch records: The form and style of batch documents, including but not limited to, batch production records, lot packaging records, equipment set up control, operating parameters, and Supplier data printouts. Specific Product-related information contained in those batch documents is the exclusive property of Endo.

The Quality Agreement further details the quality assurance obligations and responsibilities of the Parties with respect to the Products. Notwithstanding anything to the contrary in this Agreement or in any other document or agreement, in the event of a conflict between this Agreement and the Quality Agreement, the Quality Agreement shall govern and control only with respect to the quality matters and this Agreement shall govern and control with respect to all other matters.

2.1.2. Process and Specification Changes. Except required by Applicable Law, Supplier shall not make any changes to its process, raw materials, supply sources, Specifications, manufacturing locations or facilities used to make Product for Endo under this Agreement, including, without limitation, any such changes that may require Endo to provide notification to regulatory authorities, without the prior written consent of Endo, which consent shall not be unreasonably withheld or unduly delayed.

2.1.2.1. Endo Requested Changes. In the event Endo requests to change the Specifications or the Quality Agreement; Endo shall promptly advise Supplier in writing of such intention. Such amendments will only be implemented following a technical review by Supplier and in the event that such changes directly impact Supplier's scheduling or costs, Supplier shall promptly advise Endo as to any scheduling and/or price adjustments caused by such changes. Prior to implementation of such changes, the Parties agree to negotiate in good faith in an attempt to reach agreement on (1) the new price for any Product which embodies such changes, provided that the price shall not change more than the direct effect of such changes on Supplier's costs for the Product, and (2) any other amendments to this Agreement which may be necessitated by such changes (e.g., an adjustment to the lead time for Purchase Orders). Once agreement is reached on items (1) and (2) above; Endo shall have the option of proceeding with the requested changes or not. If Endo elects to proceed with such changes, Endo shall reimburse Supplier for the actual out-of- pocket expenses incurred by Supplier as a result of such changes, including, but not limited to, reimbursing Supplier for its out-of-pocket

validation and development costs, capital expenditure costs and costs for any Manufactured Products rendered unusable as a result of such changes.

2.1.2.2. Changes Required by Applicable Law. If Supplier is required to change the Specifications in order to comply with Applicable Law or Governmental Agency, Supplier will promptly notify Endo of such changes and the cost of such changes. If either Party is unable or unwilling to make such changes, Endo will have the option of terminating the Product PSS with *** notice to Supplier and Supplier will have the option of terminating this Agreement with *** notice to Endo

2.1.3. Technical Data. Supplier shall provide to Endo, without charge, all data and reports generated for Product as needed and required for Endo's New Drug Application ("NDA") or abbreviated New Drug Application ("ANDA") or other FDA or Governmental Agency requests and/or requirements, in each case relating to any Finished Product.

2.1.4. Raw Materials. Supplier will purchase and test all Raw Materials as required by the Specifications.

2.1.5. Packaging. Supplier will purchase packaging materials and package the Products in specified batch sizes as specified by Endo in a manner suitable for safe and lawful shipment.

2.1.6. Validation Activities. Supplier shall prepare the documentation, protocols, and procedures. Supplier shall validate its pharmaceutical manufacturing processes, tests, and methods as well as associated facilities, equipment and systems, keep such processes, tests, methods, facilities, equipment and systems, keep such processes, tests, methods, facilities, equipment, and systems current, and make results of validation and annual reviews of such processes, tests, methods, facilities, equipment, and systems available on site for audit or review by Endo in accordance with the Quality Agreement.

2.1.7. DMFs. Supplier shall maintain all DMF(s) in compliance with FDA regulations and shall make reasonable commercial efforts to update such DMF(s) to accommodate any additional references thereto in any amendments that may be made to Endo's NDA(s) or ANDA(s) or any accompanying supplements. For the avoidance of doubt, Supplier is under no obligation to make any changes to a DMF absent mutual agreement. Supplier shall furnish Endo with a Letter of Authorization granting Endo permission to cite the Supplier's DMF in filings.

2.1.8. Compliance. Supplier shall comply with all Applicable Laws applicable to or related to the use, possession, handling, transportation, sale or disposal of the Products.

3. MASTER PRODUCTION PLAN AND PURCHASE ORDERS, PURCHASE OF PRODUCT; DELIVERIES

3.1. Master Production Plan and Purchase. Orders Endo shall deliver to Supplier a Master Production Plan on or before the last working day of each calendar month during the Term that covers a *** period, which includes *** rolling binding, non-cancellable purchase orders, a firm PO, if required for the *** non-binding forecast (the "Master Production Plan").

All firm orders for Product (the "Purchase Order") placed for the *** shall specify: (i) the type of Product being ordered; (ii) the amount of such Product being requested (which shall be in whole batch size quantities with the batch size for each Product defined in Exhibit 1); and (iii) the requested Purchase Order Delivery Date which, unless otherwise agreed by Supplier in writing, shall be *** after receipt of the Purchase Order. Each Master Production Plan and accompanying binding Purchase Order shall be deemed to be automatically accepted unless Supplier notifies Endo of its rejection of the same within *** of its receipt. Once accepted by Supplier, Purchase Orders are firm and may not be cancelled or modified without the consent of the other Party. However, Supplier may reject Purchase Order Delivery Date and offer another Purchase Order Delivery Date but the new Purchase Order Delivery Date cannot be more than *** later than original Purchase Order Delivery Date. If there is a new Endo accepted Purchase Order Delivery Date, the Master Production Plan, to include Purchase Order, will be updated the following month to reflect agreed upon date.

3.2. Purchase Quantities. Quantities actually shipped pursuant to a given Purchase Order may vary from the quantities reflected in such Purchase Order by *** and still be deemed to be in compliance with such Purchase Order; provided, that Endo shall only be invoiced and required to pay for the quantities of the Products which Supplier actually delivers to Endo. Changes from committed Purchase Order Delivery Dates will be acceptable ***. If Supplier does not meet the committed Purchase Order Delivery Date, Supplier is deemed not able to meet its obligations under this Agreement per Section 3.5, Late Delivery.

3.3. Adjustments to Master Production Plan and Purchase Orders. Any change to the accepted Purchase Order amount or Purchase Order Delivery Date cannot occur without both Parties agreeing to change in writing duly signed by their authorized signatories.

3.4. Delivery Terms and Purchase Order Delivery Date. Terms of delivery for the Products shall be *** (ICC Incoterms® 2010). By the Purchase Order Delivery Date, title and risk of loss and/or damage to the Products shall pass to ***. All Products shall be properly prepared for safe and lawful shipment by Supplier and accompanied by appropriate transportation and other agreed upon documentation.

3.5. Late Delivery. Provided Endo has provided acceptable Free Goods Issue within the PSS specified lead time, notwithstanding the foregoing, in the event that Product is delivered after the Purchase Order Delivery Date specified in the applicable Purchase Order, and such late delivery has not been delivered by the *** the specified Purchase Order Delivery Date, then Endo may begin charging Supplier a late delivery charge. Late delivery charge will be for *** that the delivery is late equal to the following percentages of the Product Price payable to Endo in respect to such Product, as determined pursuant to PSS, ***

For example, if the Product was delivered in the *** following the *** after the specified Purchase Order Delivery Date, the late fee would be ***. Endo may deduct any such charge from any payment subsequently due to Supplier hereunder. If Product is not delivered *** after the specified Purchase Order Delivery Date, Inability to Supply will apply.

3.6. Inability to Supply. Starting with ***, Supplier is considered to be in an "Inability to Supply" status. In the event of any Inability to Supply: (i) Supplier shall fulfill Purchase Orders with such quantities of conforming Product as are available; (ii) unless and until such Inability to Supply is remedied, Endo shall be *** under this Agreement to ***. Nothing in this Section 3.6 shall relieve Supplier of any other obligation or liability under this Agreement.

Without limiting the generality of the foregoing, in the event of, and during the occurrence of, any Inability to Supply, if Endo elects to purchase any Product from a Third Party in order to replace Products that Supplier could not deliver to Endo hereunder, ***. The remedies granted to Endo pursuant to this Section shall be in addition to, and not in lieu of, any other remedies available to Endo at law or in equity.

3.7. Alternate Suppliers. Nothing in this Agreement shall prevent, prohibit or restrict Endo from purchasing the Products from any Third Party.

3.8. Price Change. Effective after the Lock Period as set out in the PSS for the Product, Product Price may be adjusted *** in Producer Price Index (PPI) for Total Manufacturing Industries as published by the United States Department of Labor Bureau. The Adjusted Product Price is calculated by ***

The Adjusted Product Price shall be effective for all Product deliveries *** in which the adjustment is requested.

4. PAYMENT: TAXES

4.1. Payment. Endo shall pay Supplier only for the Services requested by Endo and identified in the PSS. If Supplier anticipates that a project shall exceed the costs identified in the PSS, Supplier shall notify Endo, as soon as possible, of such additional costs. Endo must approve such additional costs in writing prior to Supplier incurring any such costs. Supplier shall submit invoices to Endo upon Product ready

for delivery as set forth in Purchase Order. Endo shall be obliged to pay Product Price stated in the applicable PSS. Endo shall pay all undisputed amounts due in ($) USD within forty-five (45) calendar days from the date of the invoice. If Endo disputes all or any portion of an invoice, it shall be required to pay only the amount not in dispute, and in such event Endo shall notify Supplier of the amount and nature of the dispute within five (5) business days of receipt of invoice. All payments due to Supplier shall be made by check or wire transfer for deposit to the bank account of Supplier at a designated bank in the country where the Supplier's place of business is located. Endo may be required to disclose certain payments made under this Agreement pursuant to the Transparency Reports and Reporting of Physician Ownership Interests provisions of the Social Security Act (42 U.S.C. 1320a-7h) ("Physician Payment Sunshine Act") and any other applicable local, state and federal laws, rules, regulations and guidelines relating to the performance of this Agreement.

4.2. Taxes. Notwithstanding anything contained herein, the Manufacturing Services do not include sales, use, consumption, or excise taxes of any taxing authority. The amount of such taxes, if any, will be added to the Manufacturing Services in effect at the time of the delivery of the Product thereof and shall be reflected in the invoices submitted to Endo by Supplier pursuant to this Agreement. Endo shall pay the amount of such taxes to Supplier in accordance with the payment provisions of this Agreement.

5. RECALLS

5.1. Control of Recall. All recalls of any Finished Product, and EMA and FDA contacts relating to any such recalls shall be the responsibility of, and under the control of, Endo. Endo shall notify the EMA, FDA, DEA, and any foreign regulatory agencies of any recall, and shall be responsible for coordinating all necessary activities regarding the action taken. In the event that either Party has reason to believe that any Finished Products should be recalled or withdrawn from distribution, such Party shall promptly inform the other in writing prior to taking any such action. Endo shall have the responsibility for making the final decision regarding any recall, withdrawal or field correction relating to any Finished Product.

5.2. Supplier Fault. If any Finished Product is recalled as a result of Supplier's failure to supply any Product in accordance with this Agreement or manufacturing defect in the Product due to negligence of Supplier, then Supplier shall reimburse Endo for all documented out-of-pocket expenses incurred by Endo or its Affiliates as a result of such recall. Endo shall give Supplier prompt written notice of any Finished Product recalls that Endo believes were caused or may have been caused by such failure by Supplier.

5.3. Sharing of Recall Expenses. If each Party contributes to the cause for a recall, the expenses actually incurred as a result of such recall will be shared in proportion to each Party's responsibility.

6. **INTELLECTUAL PROPERTY**

6.1. Endo Property.

6.1.3. All materials, inventions, know-how, methodologies, trademarks, Specifications, information, data, writings and other property in any form whatsoever, which is provided or otherwise made available to Supplier by or on behalf of Endo, whether or not it is used by Supplier with respect to the performance of its obligations hereunder, and which was owned or Controlled by Endo prior to being provided or made available to Supplier, shall remain the property of Endo (the "Endo Property"). Without limiting the foregoing, Endo shall retain all rights, title and interest in and to such Endo Property, including without limitation all patents, copyrights, trademarks, trade secrets and other intellectual property and proprietary rights and any ideas, concepts, designs, inventions and expressions embodied in or appurtenant to such Endo Property. Endo hereby grants to Supplier a non-transferable, non-exclusive license to use any Endo Property supplied to Supplier hereunder solely to the extent and for the duration necessary to enable Supplier to perform its obligations hereunder. Supplier shall not acquire any other right, title or interest in or to the Endo Property as a result of its performance hereunder. "Controlled" means, with respect to any material, item of information or intellectual property right, the possession, whether by ownership or license, of the right to grant a license or other right with respect thereto without violating the contractual or intellectual property rights of any third party.

6.1.4. Any improvements or modifications to Endo Property ("Improvements"), and any creative ideas, proprietary information, developments, or inventions developed, conceived, created, authored or reduced to practice by or on behalf of Supplier during the Term and related to the activities carried out in the performance of this Agreement ("Developments"), either alone or in concert with Endo or any third parties, shall be the exclusive property of Endo, and Endo shall own all rights, title and interest in and to such Improvements and Developments. Such ownership shall inure to the benefit of Endo from the date of the conception, creation, reduction to practice or fixation in a tangible medium of expression of the Improvements or Developments, as the case may be. All copyrightable aspects of such Improvements and Developments shall be considered "Work Made For Hire" as defined in §101 of the 1976 Copyright Act (as amended), and all rights, title and interest in and to such Improvements and Developments hereby is and shall be transferred to and vested in Endo without any additional compensation to Supplier or its Personnel. In the event that any Improvements or Developments do not qualify to be Work Made For Hire, Supplier hereby irrevocably transfers, assigns and conveys, and shall cause its Personnel to irrevocably transfer, assign and convey, all rights, title and interest in and to such Improvements or Developments to Endo, at no cost to Endo, free and clear of any liens and encumbrances, and Supplier agrees to execute, and shall cause its Personnel to execute, all documents necessary, in Endo's discretion, to do so. All such assignments shall include, but are not limited to, those relating to existing or prospective copyrights, patent rights and all other intellectual property rights in any country. Supplier also agrees that it shall, and shall cause its Personnel to, promptly notify Endo of any intellectual property developed or otherwise included as

Improvements or Developments, and to provide reasonable assistance *** in the procurement or enforcement of any such intellectual property.

7. **Supplier Property**

7.1. All materials, inventions, know-how, methodologies, trademarks, information, data, writings and other property, in any form whatsoever, which is provided to Endo by or on behalf of Supplier, or which was used by Supplier with respect to the performance of its obligations hereunder, and which was owned or Controlled by Supplier prior to its performance hereunder, shall remain the property of Supplier (the "Supplier Property"). For avoidance of doubt, Supplier Property excludes any Endo Property, Improvements and Developments. Endo shall acquire no right, title or interest in Supplier Property as a result of Supplier's or Endo's performance hereunder. In producing Improvements and Developments, Supplier shall not incorporate into such Improvements and Developments any Supplier Property or other materials in which Supplier or any third party has pre-existing proprietary rights (collectively, "Pre- Existing Materials"), except such Pre-Existing Materials as may be approved in advance by Endo in writing. Any such Pre-Existing Materials incorporated into the Improvements and Developments but not approved in advance by Endo in writing shall be deemed Improvements and Developments. With respect to Pre-Existing Materials incorporated into Improvements and Developments which are approved in advance by Endo in writing, Supplier hereby grants to Endo, in the case of Supplier's Pre-Existing Materials, or shall obtain for Endo, in the case of third party Pre- Existing Materials, a non-transferable, non-exclusive license to use, disclose, reproduce, modify, prepare derivative works, publicly perform and display, transmit, sublicense, sell, offer for sale and distribute (including the right to sublicense, sell, offer for sale and distribute through multiple tiers), practice, make, have made, import and otherwise make use of such Pre-Existing Materials in connection with the Product, Improvements and Developments. Such rights shall extend to Endo's present and future Affiliates, successors and assigns.

8. **REPRESENTATIONS AND WARRANTIES**

8.1. Supplier represents and warrants:

8.1.3. that it has the experience, capability and resources to efficiently and expeditiously provide the Manufacturing Services under this Agreement, and that the Manufacturing Services shall be performed in a workmanlike manner with professional diligence and skill and in conformance with applicable specifications or requirements as set forth in this Agreement or the PSS.

8.1.4. that it is not a party to any agreement that would prevent it from fulfilling its obligations under this Agreement or any PSS, and that it shall not enter into an agreement to provide services that would restrict its ability to perform under this Agreement during its term.

8.1.5. that Supplier is not now nor has in the past been suspended, proposed for debarment or debarred by the United States Food and Drug Administration or any other government or regulatory authority; Supplier has never been convicted of a felony

under federal law for conduct relating to the development or approval of a drug product and/or relating to a drug product; Supplier is not currently suspended or otherwise excluded by any governmental entity from receiving federal contracts; and Supplier's employees, agents, representatives and subcontractors who perform Manufacturing Services under this Agreement are not suspended, proposed for debarment or debarred by the federal government.

8.1.6. that it and its employees, subcontractors, agents, representatives, and invitees shall comply with all applicable laws, regulations, rules, requirements, ordinances and other requirements of local and state authorities and the federal government during the term of and in the performance of this Agreement, and that Supplier's actions in establishing and performing this Agreement have been and will be consistent with ethical business practices and without the influence of any association with an Endo employee, officer or director that would amount to a conflict of interest.

8.1.7. that Supplier shall not make any payment, either directly or indirectly, of money or other assets, including but not limited to the compensation Supplier derives from this Agreement, or provide any gifts, entertainment or other thing of value (hereinafter collectively referred to as a "Payment") to government or political party rolling forecast, employees of state-owned entities, including employees of state-owned medical/clinical facilities, officials of international organizations, candidates for public office, or representatives of other businesses or persons acting on behalf of any of the foregoing (collectively, "Officials") where such payment would constitute violation of any law, including, the U.S. Foreign Corrupt Practices Act of 1977, 15 U.S.C. *§§* 78dd-l, et seq. ("FCPA"). In addition, regardless of legality, Supplier shall make no Payment either directly or indirectly to Officials if such payment is for the purpose of influencing decisions or actions with respect to the subject matter of this Agreement or any other aspect of Endo's business.

8.1.8. that as of the Effective Date, it has not received written notice from a Third Party asserting that Supplier's Product or the Manufacturing Process of a Product infringe a claim of a patent owned or controlled by such party.

8.1.9. to Endo that the Products, at the time of delivery to Endo shall (a) be of merchantable quality, and be free from defects in material and workmanship; (b) conform to the Specifications, as then in effect, (c) have been Manufactured in compliance with all Applicable Laws and in accordance with cGMPs; (d) not be (i) adulterated or misbranded by Supplier within the meaning of the FD&C Act or (ii) an article that may not be introduced into interstate commerce under the provisions of Section 404 or 505 of the FD&C Act; (e) meet all standards and requirements under Applicable Laws to be lawfully shipped and sold; and (f) date of manufacture shall not be more than the PSS defined number of days from Purchase Order Delivery Date on accepted Purchase Order.

8.2. Supplier and Endo represent and warrant to the other that the execution, delivery and performance of this Agreement have been authorized by all necessary corporate action, do not conflict with or result in a material breach of the articles of incorporation or by-laws of such Party or any material agreement by which such Party is bound, or any law, regulation or decree of any governmental entity or court that has jurisdiction over such Party.

8.3. Supplier and Endo warrant that they shall report any suspected or actual violation of any anti-bribery/anti-corruption laws to the other party immediately.

8.4. Endo represents warrants and covenants that it will not request or require Supplier to perform any assignments or tasks in a manner that would violate any applicable law or regulation or to handle any substances or materials that do not have specific safe handling instructions. Endo shall be solely responsible for its decision to use or report (or not use or report) data or information provided by Supplier. Endo will cooperate with Supplier in taking any actions that Supplier reasonably believes are necessary to comply with any regulatory obligations that are agreed by the parties to be transferred by Endo to Supplier in accordance herewith (at Endo's sole cost and expense). Supplier shall inform Endo of the result of any regulatory inspection which directly concerns or affects the Manufacturing Services (to the extent that such information is capable of being disclosed by Supplier without breaching any obligation of confidentiality, law or regulatory requirement).

8.5. Disclaimer. EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, NEITHER PARTY MAKES ANY REPRESENTATIONS OR EXTENDS ANY WARRANTIES OF ANY KIND, EITHER EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR NON- INFRINGEMENT.

8.6. Alleged Infringement. If subsequent to the Effective Date, Supplier's Product or process of manufacture of a Product becomes or is likely to become the subject of an infringement claim, Supplier may at its sole option: (i) procure the right to use the applicable intellectual property in the process for manufacture of such Product; (ii) modify the process of manufacture; or (iii) if, in Supplier's opinion, neither (i) nor (ii) above are commercially reasonable, Supplier may terminate Supplier's obligations (and the Company's rights) hereunder with respect to such Product.

8.7. Reservation of Rights. All rights to and interests in Supplier's and its Affiliates' intellectual property, including any improvements thereto, will remain solely with Supplier and its Affiliates and no right or interest therein is transferred or granted to Endo except as expressly provided for herein. Endo agrees that it does not acquire a license or any other right to Supplier or its Affiliate's intellectual property or improvements thereto. Without limiting the foregoing, Supplier and its Affiliates expressly reserve all patent rights directed to end products or to APl(s) in combination

with excipients or other active pharmaceutical ingredients, including but not limited to therapeutic uses and drug delivery technology.

8.8. Legal Compliance. Each Party shall comply in all material respects with all Applicable Laws applicable to the conduct of its business pursuant to this Agreement, including, but not limited to, the FD&C Act.

9. ENVIRONMENTAL REPRESENTATIONS AND WARRANTIES

9.1. Environmental Representations.

9.1.3. Supplier hereby represents and warrants that as of the Effective Date of this Agreement there is no pending or likely governmental enforcement action or private claim against Supplier, no Release or threatened Release of Hazardous Materials, nor any other environmental conditions, events or circumstances that are reasonably likely to limit, impede or otherwise jeopardize the Supplier's ability to meet its obligations under this Agreement.

9.1.4. Supplier shall perform all of the services provided herein in compliance with all Environmental Laws and all necessary environmental or other licenses, registrations, notifications, certificates, approvals, authorizations or permits required under Environmental Laws and any private permission. Supplier shall abate any condition or practice, regardless of whether such condition or practice constitutes non- compliance with Environmental Laws that poses a significant threat to human health, safety, or the environment, or would be reasonably likely to limit, impede, or otherwise jeopardize Supplier's ability to fulfill its obligations to Endo.

9.1.5. Supplier shall be solely responsible for all Environmental Losses incurred during the manufacturing of the Product under this Agreement.

9.2. Permits, Licenses and Authorization; notice to Endo.

9.2.1. Supplier shall be solely responsible for obtaining, and shall obtain in a timely manner, and maintain in good standing, all necessary environmental or other licenses, registrations, notifications, certificates, approvals, authorizations or permits required under Environmental Laws and any private permissions, whether *de novo* documents or modifications to existing documents, which are necessary to perform the services hereunder, and shall bear all costs and expenses associated therewith.

9.2.2. Supplier shall provide copies of all items referenced in Section 9.2.1. to Endo upon request by Endo.

9.2.3. Supplier shall provide Endo with immediate verbal notice, confirmed in writing within ***, in the event of any significant condition incident, which shall include any event, occurrence, or circumstance, including any governmental or private action, which could materially impact Supplier's ability to fulfill its obligations under this Agreement. These include, but are not limited to: (i) material revocation or

modification of any of the documents described in Section 9.2.1., (ii) any action by governmental authorities that may reasonably lead to the material revocation or modification of Supplier's required permits, licenses, or authorizations, (iii) above, any third party claim against the management or ownership of the facility that could reasonably impact Supplier's obligations under this Agreement, (iv) any fire, explosion, significant accident, or catastrophic release of hazardous substances, or significant "near miss" incident, (v) any significant non-compliance with Environmental Laws, and (vi) any environmental condition or operating practice that may reasonably be believed to present a significant threat to human health, safety or the environment.

9.3. Hazardous Materials and Waste.

9.3.1. The generation, collection, storage, handling, transportation, movement of all Hazardous Materials and Waste, as applicable, in compliance with Environmental Laws as well as the investigation, remediation and monitoring of Release or threatened Release of Hazardous Materials shall be the sole responsibility of Supplier at it sole cost and expense. Without limiting other legally applicable requirements, Supplier shall prepare, execute and maintain, as the generator of Waste, all registrations, notices, shipping documents and manifests required under Environmental Laws and in accordance therewith. Supplier shall utilize only reputable and lawful waste transportation and disposal vendors, and shall not knowingly utilize any such vendor whose operations endanger human health or the environment.

9.3.2. Supplier acknowledges that the selection of Waste transportation, treatment, and disposal vendors belongs to it alone, subject only to the condition stated in this Section 9.3.

9.4. Supplier's Waste Liability. Supplier agrees to release Endo from any liability and waive any claim, pursuant to statute, code, or common law, that Endo is liable to it or to any third party, for any Environmental Loss arising out of the management of Supplier's Waste.

9.5. Equipment. Supplier shall be solely responsible for the safe operation and maintenance of all equipment used to fulfill its obligations under this Agreement, and all associated employee training, regardless of whether the equipment is owned by Endo, Supplier, or a third party.

9.6. Survival. The representations, warranties and obligations of Supplier under this Section 9 shall survive termination or expiration of this Agreement.

10. CO-OPERATION

10.1. Governmental Agencies. Each Party may communicate with any Governmental Agency regarding the Products if, in the opinion of that Party's counsel, the

communication is necessary to comply with the terms of this Agreement or the requirements of any Applicable Law. Unless there is a legal prohibition against doing so, upon being contacted by any Governmental Agency for any regulatory purpose related to the Product or the NDA for the Product, Supplier shall immediately notify Endo. Endo shall be responsible for providing all responses directly to the Governmental Agency regarding inquiries related to the manufacture, export, import, marketing, promotion, and /or sale of the Product, including any amendments or supplements to the NDA for the Product relating to its marketing, promotion and/or sale and Endo shall copy Supplier with all such responses.

10.2. Records and Accounting by Supplier. Supplier will keep records of the Manufacture, testing, and shipping of the Products, and retain samples of the Products as are necessary to comply with Applicable Law, as well as to assist with resolving Product complaints and other similar investigations. Copies of the records and samples will be retained for a period of one year following the date of Product expiry, or longer if required by Applicable Law, at which time Endo will be contacted concerning the delivery and destruction of the documents and/or samples of Products.

10.3. Inspection. Endo may inspect the Manufacturing Site, Supplier facilities, Manufacturing reports, and Manufacturing records relating to this Agreement ***. This limit does not apply to audits for cause. The right of inspection provided in this Section 10.3 does not include a right to access or inspect Supplier's financial records that are unrelated to Supplier's performance under this Agreement. If there are regulatory inspections due to new market filings submitted by Endo, the Supplier will communicate in writing to Endo any proposed regulatory inspection audit costs ***.

10.4. Access. Supplier will give Endo access, together with Supplier representatives, to the Manufacturing Site in which the Products are Manufactured, stored, handled, or shipped to permit Endo to verify that the Manufacturing Services are being performed in accordance with the Specifications, cGMPs, and Applicable Laws.

10.5. Notification of Regulatory Inspections. Supplier will notify Endo within five (5) Business Day (if it is permitted by Law) of any inspections by any Governmental Agency specifically involving or potentially affecting the Products. Supplier will also notify Endo of receipt of any form 483's or warning letters or any other significant regulatory action which Supplier's quality assurance group determines could impact the regulatory status of the Products.

11. TERM; TERMINATION

11.1. Term. Unless sooner terminated pursuant to the terms hereof, the term of this Agreement shall commence on the Effective Date and shall continue for three (3) years unless terminated early pursuant to this Section (the "Initial Term"). After the expiration of the Initial Term, this Agreement shall automatically renew for

successive terms of one (1) year each, unless and until it is terminated (as set out below).

11.2. At Will Termination. This Agreement may be terminated at any time for any reason by either Party with *** to the other Party. *** In the event of any termination of this Agreement or any individual PSS, ***.

11.3. Termination for Default; Finished Product Withdrawal, Inability to Supply.

11.3.1. Default. This Agreement may be terminated by either Party in the event of the material breach or default by the other Party of the terms and conditions hereof; provided that the other Party shall first give to the defaulting Party written notice of the proposed termination or cancellation of this Agreement, specifying the grounds therefor. Upon receipt of such notice, the defaulting Party shall have *** to respond by curing such default; or by delivering to the other Party a certificate that such breach is not capable of being cured within such *** and that the breaching Party is working diligently to cure such breach; but in no event shall the time period for curing such breach exceed an additional ***. If the breaching Party does not so respond or fails so to work diligently and to cure such breach within the additional time set forth above, then the other Party may either suspend the Agreement indefinitely or terminate the Agreement. Termination of this Agreement pursuant to this Section 11.3.1 shall not affect any other rights or remedies which may be available to the non-defaulting Party.

11.3.2. Finished Product Withdrawal. The PSS will automatically terminate with regard to a particular Product covered under a PSS without any further action by either Party if the Finished Product containing such Product is withdrawn as a result of FDA or EMA actions or voluntarily withdrawn by Endo.

11.3.3. Inability to Supply. at Endo’s sole discretion, Endo may terminate this Agreement immediately by written notice to Supplier upon the occurrence of an Inability to Supply.

11.4. Bankruptcy; Insolvency. Either Party may terminate this Agreement upon the occurrence of either of the following:

11.4.1. the entry of a decree or order for relief by a court having jurisdiction in respect of the other Party in an involuntary case under the Federal Bankruptcy Code, as now constituted or hereafter amended, or under any other applicable federal or state insolvency or other similar law and the continuance of any such decree or order unstayed and in effect for a period of sixty (60) consecutive days; or

11.4.2. the filing by the other Party of a petition for relief under the Federal Bankruptcy Code, as now constituted or hereafter amended, or any other applicable federal or state insolvency or other similar law.

11.5. Termination by Mutual Agreement This Agreement may be terminated at any time upon mutual written agreement between the Parties duly signed by their authorized signatories.

11.6. Expiration: Termination; Consequences.

11.6.1. Upon receipt of written notice to terminate this Agreement, both Parties shall promptly meet to finalize a plan to conclude/wind-down Supplier's activities within ***. Within a reasonable time after any termination of this Agreement, Supplier shall deliver to Endo all work product and Materials resulting from the performance of the Manufacturing Services. Upon receipt of notice of termination of the PSS, Supplier shall cease all work and collect and deliver to Endo whatever work product and Materials then exists in the manner prescribed by Endo in the notice. Any advance payments or other funds held by Supplier that are unearned at the end of the *** shall be returned to Endo within ***. If, however, Endo fails to pay undisputed invoices when due, in addition to its other rights under this Agreement, in law or under equity, Supplier will ***. If Supplier in its discretion determines that its continued performance of Manufacturing Services could constitute a potential or actual violation of regulatory requirements, then Supplier may terminate this Agreement by giving notice stating the effective date of such termination.

11.6.2. Upon expiration or termination of this Agreement, whichever is sooner (but in the case of termination, only if directed by the terminating Party in the notice of termination), Supplier shall Manufacture and ship, and Endo shall purchase in accordance with the provisions hereof, any and all amounts of Products ordered by Endo hereunder prior to the date on which such notice is given; provided that, upon termination in respect of a specific Product pursuant to Section 11.3.2. hereof or upon termination pursuant to Section 11.3.3. hereof, Endo shall no longer be obligated to the then current Master Production Plan and shall have no obligation to purchase any further amounts of the applicable Product(s) from Supplier.

12. NONCONFORMING PRODUCTS

12.1. Nonconforming Products. In the event that any of the Products delivered to Endo hereunder shall, upon visual inspection, fail to conform with any warranty set forth herein, Endo shall reject such Product by giving written notice ("Deficiency Notice") to Supplier within *** after Endo's receipt of such Product and all associated quality assurance documents, including, without limitation, the certificate of analysis. Endo shall give a Deficiency Notice of any defect not discovered during *** after discovery thereof by Endo, but in no event after the expiration date of such Product. Any Deficiency Notice given hereunder shall specify the manner in which the Product fails to meet the Specifications, cGMPs or Applicable Laws. Upon receipt of a Deficiency Notice, Supplier shall have *** to advise Endo by notice in writing that it disagrees with the contents of such Deficiency Notice. If Endo and Supplier fail to agree within *** after Supplier's notice to Endo as to whether any Products

identified in the Deficiency Notice deviate from the Specifications, cGMPs or Applicable Laws, then the Parties shall mutually select an independent laboratory to evaluate if the Products deviate from the Specifications, cGMPs or Applicable Laws. If it is determined by agreement of the Parties (or in the absence or agreement of the Parties, by such independent laboratory, ***) that the nonconformity is due to damage to the Product caused by ***. If the nonconformity is caused by Supplier's breach of this Agreement, negligence or willful misconduct, then Supplier ***. If Endo shall have previously paid for such defective Products, ***.

12.2. Disposition of Nonconforming Product. In any case where Endo expects to make a claim against Supplier with respect to damaged or otherwise nonconforming Product, Endo shall not dispose of such Product without written authorization and instructions of Supplier either to dispose of the Product or to return the Product to Supplier.

13. INDEMNIFICATION AND INSURANCE

13.1. Indemnification by Endo. Endo shall indemnify, defend and hold Supplier, its Affiliates and their respective directors, officers, employees, agents, successors and assigns, harmless from and against any damages, judgments, claims, suits, actions liabilities, costs and expenses (including, but not limited to, reasonable attorneys' fees) resulting from any Third Party claims or suits arising out of (a) Endo's breach of this Agreement including any of its warranties or representations hereunder, or (b) Endo's negligent act or omissions or willful misconduct.

13.2. Indemnification by Supplier. Except as otherwise provided in Section 13.1 above, Supplier shall indemnify, defend and hold Endo, its Affiliates and their respective directors, officers, employees, agents, successors and assigns harmless from and against any damages, judgments, claims, suits, actions, liabilities, costs and expenses (including, but not limited to reasonable attorneys' fees) resulting from any Third Party claims or suits arising out of (a) Supplier's breach of this Agreement, (b) Supplier's breach of any of its warranties or representations hereunder, or (c) Supplier's negligent acts or omissions or willful misconduct.

13.3. Limitation of Liability and Claims. **IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER PARTY FOR INCIDENTAL, SPECIAL, CONSEQUENTIAL OR PUNITIVE DAMAGES, INCLUDING, BUT NOT LIMITED TO, ANY CLAIM FOR DAMAGES BASED UPON LOST PROFITS OR LOST BUSINESS OPPORTUNITY.**

13.4. Notwithstanding anything contained in this Agreement, Supplier's aggregate liability to Endo and its Affiliates under this Agreement shall be ***.

13.5. Insurance. Each Party shall maintain during the performance of this Agreement the following insurance or self-insurance in amounts no less than that specified for each type:

13.5.1. General liability insurance with combined limits of not less than *** and *** for bodily injury, including death, and property damage;

13.5.2. Worker's compensation insurance in the amounts required by the law of the state(s) in which such Party's workers are located and employer's liability insurance with limits of not less than ***;

13.5.3. In the event that the use of a Supplier-owned motor vehicle is required in the performance of this Agreement, automobile liability insurance with combined limits of not less than *** and *** for bodily injury, including death, and property damage is required; and

13.5.4. Product liability insurance with limits not less than ***.

13.6. Evidence of Insurance. Each Party shall provide the other with evidence of its insurance upon written request. Each Party shall provide to the other thirty (30) days, prior written notice of any cancellation or change in its coverage.

14. CONFIDENTIALITY

14.1. Each of Endo and Supplier agrees not to publish, disclose or use for any purpose other than its performance hereunder any of the other Party's confidential or proprietary information, including, without limitation, information stored on audio or video tapes and disks, or information or knowledge visually acquired by or generated by Endo or Supplier personnel in the form of written notes and memoranda memorializing information or knowledge acquired visually, aurally or orally as might be the case, in the course, for example, of one Party's inspection of the other's Manufacturing or Product records (collectively, "Confidential Information"). Confidential Information includes, without limitation, the terms and conditions of this Agreement. Confidential Information shall also include information of the Endo or Supplier that a reasonable person would consider confidential or proprietary under the circumstances.

14.2. Each Party shall limit disclosure of Confidential Information received hereunder to only those of its (or its Affiliates') officers and employees who are directly concerned with the performance of this Agreement. Each Party shall advise such officers or employees upon disclosure of any Confidential Information to them of the confidential nature of the Confidential Information and the terms and conditions of this Article, and shall use all reasonable safeguards to prevent unauthorized disclosure of the Confidential Information by such officers and employees.

14.3. Both Parties agree that the following shall not be considered Confidential Information subject to this Agreement:

14.3.1. information that is in the public domain by publication or otherwise, provided that such publication is not in violation of this Agreement by receiving party;

14.3.2. information that the receiving Party can establish in writing was in the receiving Party's possession prior to the time of disclosure by the disclosing Party and was not acquired, directly or indirectly, from the disclosing Party;

14.3.3. information that the receiving Party lawfully receives from a Third Party; provided that such Third Party was not legally required to hold such information in confidence;

14.3.4. information that, prior to the disclosing Party's disclosure thereof, was independently developed by the receiving Party without reference to or reliance on any Confidential Information as established by appropriate documentation; and

14.3.5. information that the receiving Party is compelled to disclose by a court, administrative agency, or other tribunal; provided that in such case the receiving Party shall immediately give as much advance notice as feasible to the disclosing Party to enable the disclosing Party to exercise its legal rights to prevent and/or limit such disclosure. In any event, the receiving Party shall disclose only that portion of the Confidential Information that is legally required to be disclosed.

14.4. All Confidential Information shall remain the property of the disclosing Party. At the termination of this Agreement upon the request of disclosing party, receiving party shall immediately return or destroy any disclosing party Confidential Information in receiving party's possession, custody or control, except that receiving party may keep one (1) copy for archival purposes.

14.5. Each Party acknowledges and expressly agrees that the remedy at law for any breach by it of the terms of this Section 14 shall be inadequate and that the full amount of damages which would result from such breach are not readily susceptible to being measured in monetary terms. Accordingly, in the event of a breach or threatened breach by either Party of this Section 14, the other Party shall be entitled to immediate injunctive relief prohibiting any such breach and requiring the immediate return of all Confidential Information. The remedies set forth in this Section 14 shall be in addition to any other remedies available for any such breach or threatened breach, including the recovery of damages from the breaching Party.

14.6. The terms and conditions of this Agreement, but not the fact of its existence, shall constitute Confidential Information of either Party, except that either Party may disclose such terms and conditions to its Affiliates in accordance with Section 14.2 hereof.

14.7. The confidentiality obligations of receiving party hereunder shall continue during the term of this Agreement and shall survive for *** from the expiration or termination of this Agreement.

15. **FORCE MAJEURE**

15.1. Effects of Force Majeure. Except for Endo's obligation to make payments under this Agreement, neither Party shall be held liable or responsible for failure or delay in fulfilling or performing any of its obligations under this Agreement in case such failure or delay is due to any condition beyond the reasonable control of the affected Party including, without limitation, Acts of God, Government/FDA actions or guidance and/or foreign equivalents, strikes or other labor disputes, lockout, war, riot, earthquake, tornado, hurricane, fire, civil disorder, explosion, accident, flood, sabotage, lack of or inability to obtain adequate fuel, power, materials, labor containers, transportation, supplies or equipment, breakage or failure of machinery or apparatus, national defense requirements, or Raw Material's supplier strike, lockout or injunction (a "Force Majeure Event"). Such excuse shall continue as long as the Force Majeure Event continues, provided that Endo may cancel without penalty any and all Purchase Orders in the event Supplier is unable to fulfill an outstanding Purchase Order within *** of its scheduled Purchase Order Delivery Date due to a Force Majeure Event. Upon cessation of such Force Majeure Event, Supplier shall promptly resume performance on all Purchase Orders which have not been terminated.

15.2. Notice of Force Majeure Event. In the event either Party is delayed or rendered unable to perform due to a Force Majeure Event, the affected Party shall give notice thereof and its expected duration to the other Party promptly after the occurrence of the Force Majeure Event; and thereafter, the obligations of the affected Party will be suspended during the continuance of the Force Majeure Event. The affected Party shall take commercially reasonable steps to remedy the Force Majeure Event with all reasonable dispatch, but such obligation shall not require the settlement of strikes or labor controversies on terms unfavorable to the affected Party.

16. PRESS RELEASES; USE OF NAMES

16.1. Use of Names. Except as expressly provided or contemplated hereunder and except as otherwise required by Applicable Law, no right is granted pursuant to this Agreement to either Party to use in any manner the trademarks or name of the other Party, or any other trade name, service mark, or trademark owned by or licensed to the other Party in connection with the performance of this Agreement.

16.2. Notwithstanding the above, as may be required by Applicable Law, Endo, Supplier and their respective Affiliates shall be permitted to use the other Party's name and to disclose the existence of this Agreement in connection with securities or other required public filings, but shall request confidential treatment of sensitive business terms contained herein.

17. DISPUTE RESOLUTION; VENUE

17.1. Dispute Resolution. The Parties recognize that a bona fide dispute may from time to time arise while this Agreement is in effect which relates to either Party's rights and/

or obligations hereunder. In the event of the occurrence of such a dispute, either Party may, by notice to the other Party, have such dispute referred to their senior officers as may be designated by each Party for attempted resolution by good faith negotiations within thirty (30) days after such notice is received. In the event the designated officers are not able to resolve such dispute within such thirty (30) day period, or such other period of time as the Parties may mutually agree in writing, each Party shall have the right to pursue any and all remedies available at law or in equity.

17.2. ANY LEGAL SUIT, ACTION OR PROCEEDING ARISING OUT OF OR BASED UPON THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY MAY BE INSTITUTED IN THE FEDERAL COURTS OF THE UNITED STATES OF AMERICA LOCATED IN THE STATE OF NEW YORK, AND EACH PARTY IRREVOCABLY SUBMITS TO THE EXCLUSIVE JURISDICTION OF SUCH COURTS IN ANY SUCH SUIT, ACTION OR PROCEEDING. SERVICE OF PROCESS, SUMMONS, NOTICE OR OTHER DOCUMENT BY MAIL TO SUCH PARTY'S ADDRESS SET FORTH HEREIN SHALL BE EFFECTIVE SERVICE OF PROCESS FOR ANY SUIT, ACTION OR OTHER PROCEEDING BROUGHT IN ANY SUCH COURT. THE PARTIES IRREVOCABLY AND UNCONDITIONALLY WAIVE ANY OBJECTION TO THE LAYING OF VENUE OF ANY SUIT, ACTION OR ANY PROCEEDING IN SUCH COURTS AND IRREVOCABLY WAIVE AND AGREE NOT TO PLEAD OR CLAIM IN ANY SUCH COURT THAT ANY SUCH SUIT, ACTION OR PROCEEDING BROUGHT IN ANY SUCH COURT HAS BEEN BROUGHT IN AN INCONVENIENT FORUM.

17.3. EACH PARTY ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY WHICH MAY ARISE UNDER THIS AGREEMENT IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES AND, THEREFORE, EACH SUCH PARTY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LEGAL ACTION ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY. EACH PARTY CERTIFIES AND ACKNOWLEDGES THAT (A) NO REPRESENTATIVE OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT SEEK TO ENFORCE THE FOREGOING WAIVER IN THE EVENT OF A LEGAL ACTION, (B) SUCH PARTY HAS CONSIDERED THE IMPLICATIONS OF THIS WAIVER, (C) SUCH PARTY MAKES THIS WAIVER VOLUNTARILY, AND (D) SUCH PARTY HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

18. **MISCELLANEOUS**

18.1. Independent Contractors. The relationship between Endo and Supplier is that of independent contractors and nothing herein shall be deemed to constitute the relationship of partners, joint venturers, nor of principal and agent between Endo and Supplier. Neither Party shall have any express or implied right or authority to assume

or create any obligations on behalf of or in the name of the other Party or to bind the other Party to any contract, agreement or undertaking with any Third Party.

18.2. Assignment; Subcontractors. This Agreement may not be assigned or otherwise transferred by either Party without the prior written consent of the other Party; provided that either Party may, without such consent, assign this Agreement (a) in connection with the transfer or sale of all or substantially all of the assets of such Party or the line of business of which this Agreement forms a part, (b) in the event of the merger or consolidation of a Party hereto with another; or (c) to any Affiliate of the assigning Party. Any purported assignment in violation of the preceding sentence shall be void. Any permitted assignee shall assume all obligations of its assignor under this Agreement. No assignment shall relieve either Party of responsibility for the performance of any obligation which accrued prior to the effective date of such assignment. Supplier may not use subcontractors to perform any part of this Agreement without Endo's prior written consent, which consent shall not be unreasonably withheld or unduly delayed.

18.3. Continuing Obligations. Termination, assignment or expiration of this Agreement shall not relieve either Party from full performance of any obligations including payment obligations incurred prior thereto.

18.4. Waiver. Neither Party's waiver of any breach or failure to enforce any of the terms and conditions of this Agreement, at any time, shall in any way affect, limit or waive such Party's right thereafter to enforce and compel strict compliance with every term and condition of this Agreement.

18.5. Severability. Each Party hereby expressly agrees that it has no intention to violate any public policy, statutory or common laws, rules, regulations, treaty or decision of any government agency or executive body thereof of any country or community or association of countries, and that if any word, sentence, paragraph, clause or combination thereof in this Agreement is found by a court or executive body with judicial powers having jurisdiction over this Agreement or either Party hereto, in a final unappealled order, to be in violation of any such provisions in any country or community or association of countries, such words, sentences, paragraphs, clauses or combination shall be inoperative in such country or community or association of countries and the remainder of this Agreement shall remain binding upon the Parties, so long as enforcement of the remainder does not violate the Parties' overall intentions in this transaction.

18.6. Exhibits, Schedules and Attachments. Any and all exhibits, schedules and attachments referred to herein form an integral part of this Agreement and are incorporated into this Agreement by such reference.

18.7. Notice. All notices and other communications required or permitted to be given under this Agreement shall be in writing and shall be delivered personally or sent by (a) registered or certified mail, return receipt requested, (b) a nationally-recognized courier service guaranteeing next-day delivery, charges prepaid or (c) e-mail, as the case may be. Any such notices shall be addressed to the receiving Party at such Party's address set forth below, or at such other address as may from time to time be furnished by similar notice by either Party.

If to Supplier: Jubilant HollisterStier LLC
1155 Business Center Drive, Suite 220
Horsham, PA 19044 Attention: Corporate Legal

Email: mitchell_guss@jubl.com

Copy to:

Jubilant Life Sciences Limited, Plot 1A, Sector 16A
Noida – 201301, India Attention: Legal Department

Email: head_legal@jubl.com

If to Endo: Endo Ventures Limited Minerva House Simmonscourt Road Ballsbridge, Dublin 4, Ireland
Attention: Vice President, Supply Operations

Email: moes.michael@endo.com

With a copy to:

Minerva House Simmonscourt Road Ballsbridge, Dublin 4, Ireland
Attention: International Legal Counsel

Email: dunlea.orla@endo.com

18.8. Counterparts. This Agreement and any amendment or supplement hereto may be executed in any number of counterparts and any Party hereto may execute any such counterpart, each of which when executed and delivered shall be deemed to be an original and all of which counterparts taken together shall constitute but one and the same instrument. The execution of this Agreement and any such amendment or supplement by any Party hereto will not become effective until counterparts hereof have been executed by both Parties hereto.

18.9. Governing Law; Entire Agreement. The validity, interpretation and performance of this Agreement shall be governed and construed in accordance with the laws of the State of New York without regard to the choice of laws and conflicts of laws provisions thereof. This Agreement constitutes the full understanding of the Parties and a complete and exclusive statement of the terms of their agreement for the purpose of this Agreement. No terms, conditions, understanding, or agreement purporting to modify or vary the terms of this Agreement shall be binding unless hereafter made in writing and signed by the Party to be bound. No modification to this Agreement shall be effected by the acknowledgement or acceptance of any Purchase Order or shipping instruction forms or similar documents containing terms or conditions at variance with or in addition to those set forth herein.

18.10. Headings. Paragraph headings and captions used herein are for convenience of reference only and shall not be used in the construction or interpretation of this Agreement.

18.11. Survival. Section 8, 11.5, 13.1, 13.2, 13.3, 13.4, 15, 17 and 18 shall survive for five years from the termination or expiration of this Agreement.

18.12. Exhibits. The following Exhibit is attached hereto and incorporated herein by reference:

Exhibit 1: Product Supply Scope:

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their respective duly authorized representative as of the Effective Date.

ENDO VENTURES LIMITED	JUBILANT HOLLISTERSTIER LLC
By: /s/Michael Moes	By: /s/Amit Arora
Name: Michael Moes	Name: Amit Arora
Title: Director	Title: Business Head & CMO

EXHIBIT 1

PRODUCT SUPPLY SCOPE (PSS) No. #

This Product Supply Scope ("PSS") dated___is subject to the terms of the Master Supply Agreement dated 1 January 2016 (the "Agreement") between Endo Ventures Limited, for itself and its subsidiaries each of which shall be bound by this Agreement as if each had separately executed this Agreement, (collectively "Endo") and Jubilant HollisterStier LLC ("Supplier"). Pursuant to the Agreement, Supplier has agreed to perform certain Services, as defined in the Agreement, in accordance with written PSS such as this one describing such Services.

The Parties hereby agree as follows:

1. Services to be Provided and Schedule for Providing Services: Supplier will render such Services as described below:

   a. **Product**.
   Describe the specific Product(s).

   b. **Services**. Supplier will provide the following Services to Endo:
   Describe the specific Services to be conducted by Supplier.

   c. **Free Goods Issue:**
   Describe the specific Free Goods Issue to be provided by Endo to Supplier.

   d. **Supplier Liability of Free Goods Issue**.
   Describe Supplier liability for Free Goods Issue provided by Endo.

   e. **Authorized Sub-contractors:** *(list)*

   f. **Equipment.**
   Describe any equipment that will be provided or paid for by Endo, to be used by Supplier in performance of the Services.

2. Main Contact at Supplier: The individual set forth below in this Paragraph shall be Supplier's primary contact with regard to Services under this PSS:

   Title: _____
   Telephone: _____
   E-mail: _____

   Main Contact at Endo: The individual set forth below in this Paragraph shall be Endo's primary contact with regard to Services under this PSS:

   Name: _____
   Title: _____
   Telephone: _____
   E-mail: _____

3. Fee Rate and Payment Schedule: Endo shall pay Supplier for the Services performed hereunder in accordance with the payment schedule provided below:

   a. Product Price in U. S. Dollars:

   b. Lock Period:

   The total amount paid by Endo to Supplier for fees associated with the Services covered under this PSS shall not exceed the estimates set forth above without the prior written approval of Endo.

   Supplier shall send all invoices to: accounts.payable@endo.com

   OR

   Endo Ventures Limited Attn: Accounts Payable
   P.O. Box 455 Devault, PA 19432

   OR

   eFax: 610-884-5879

4. The provisions of the Agreement are incorporated by reference and made part of this PSS. This PSS and any attachments, together with the Agreement, shall constitute the entire agreement of the parties with regard to the Services. To the extent that the terms of the PSS and the Agreement are inconsistent, the terms of the Agreement shall control.

ACKNOWLEDGED, ACCEPTED AND AGREED TO:

	ENDO		**SUPPLIER**
By:		By:	
Name:	Michael Moes	Name:	
Title:	Director	Title:	

ENDO INTERNATIONAL PLC
AMENDED AND RESTATED 2015 STOCK INCENTIVE PLAN

1. Establishment and Purpose.

The purpose of the Endo International plc Amended and Restated 2015 Stock Incentive Plan (the "Plan") is to promote the interests of the Company and the shareholders of the Company by providing directors, officers, employees and consultants of the Company with appropriate incentives and rewards to encourage them to enter into and continue in the employ or service of the Company, to acquire a proprietary interest in the long-term success of the Company and to reward the performance of individuals in fulfilling long-term corporate objectives.

2. Administration of the Plan.

The Plan shall be administered by a Committee appointed by the Board of Directors. The Committee shall have the authority, in its sole discretion, subject to and not inconsistent with the express terms and provisions of the Plan, to administer the Plan and to exercise all the powers and authorities either specifically granted to it under the Plan or necessary or advisable in the administration of the Plan, including, without limitation, the authority to grant Awards; to determine the persons to whom and the time or times at which Awards shall be granted; to determine the type and number of Awards to be granted (including whether an Option granted is an Incentive Stock Option or a Nonqualified Stock Option); to determine the number of shares of stock to which an Award may relate and the terms, conditions, restrictions and performance criteria, if any, relating to any Award; to determine whether, to what extent, and under what circumstances an Award may be settled, cancelled, forfeited, exchanged or surrendered; to make adjustments in the performance goals that may be required for any award in recognition of unusual or nonrecurring events affecting the Company or the financial statements of the Company (to the extent not inconsistent with Section 162(m) of the Code, if applicable), or in response to changes in applicable laws, regulations, or accounting principles; to construe and interpret the Plan and any Award; to prescribe, amend and rescind rules and regulations relating to the Plan; to determine the terms and provisions of Agreements; and to make all other determinations deemed necessary or advisable for the administration of the Plan.

The Committee may, in its absolute discretion, without amendment to the Plan, (a) accelerate the date on which any Option granted under the Plan becomes exercisable, waive or amend the operation of Plan provisions respecting exercise after termination of service or otherwise adjust any of the terms of such Option, and (b) accelerate the vesting date, or waive any condition imposed hereunder, with respect to any share of Restricted Stock, or other Award or otherwise adjust any of the terms applicable to any such Award. Notwithstanding the foregoing, and subject to Sections 4(d) and 4(e), neither the Board of Directors, the Committee nor their respective delegates shall have the authority, without first obtaining the approval of the Company's shareholders, to (a) re-price (or cancel and/or re-grant) any Option, Stock Appreciation Right or, if applicable, other Award at a lower exercise, base or purchase price, (b) cancel underwater Options or Stock Appreciation Rights in exchange for cash or (c) grant an Option in consideration for, or conditioned on, the delivery of Company Stock to the Company

in payment of the exercise price and/or the withholding taxes of an Award. For purposes of this Section 2, Options and Stock Appreciation Rights will be deemed to be "underwater" at any time when the Fair Market Value of the Company Stock is less than the exercise price of the Option or Stock Appreciation Right.

Subject to Section 162(m) of the Code and except as required by Rule 16b-3 with respect to grants of Awards to individuals who are subject to Section 16 of the Exchange Act, or as otherwise required for compliance with Rule 16b-3 or other applicable law, the Committee may delegate all or any part of its authority under the Plan to an employee, employees or committee of employees.

All decisions, determinations and interpretations of the Committee or the Board of Directors shall be final and binding on all persons with any interest in an Award, including the Company and the Participant (or any person claiming any rights under the Plan from or through any Participant). No member of the Committee or the Board of Directors shall be liable for any action taken or determination made in good faith with respect to the Plan or any Award.

Notwithstanding any provision of the Plan to the contrary, in order to comply with the laws in other countries in which Participants are located, or in order to comply with the requirements of any foreign stock exchange, the Committee, in its sole discretion, shall have the power and authority to: (a) determine which Subsidiaries shall be covered by the Plan; (b) determine which Participants outside the United States are eligible to participate in the Plan; (c) modify the terms and conditions of any Award granted to Participants outside the United States to comply with applicable foreign laws or listing requirements of any such foreign stock exchange; (d) establish subplans and modify exercise procedures and other terms and procedures, to the extent such actions may be necessary or advisable (any such subplans and/or modifications shall be attached to the Plan as appendices); provided, however, that no such subplans and/or modifications shall increase the share limitations contained in Section 4; and (e) take any action, before or after an Award is made, that it deems advisable to obtain approval or comply with any necessary local governmental regulatory exemptions or approvals or listing requirements of any such foreign stock exchange. Notwithstanding the foregoing, the Committee may not take any actions hereunder, and no Awards shall be granted, that would violate the Exchange Act or any other securities law or governing statute or any other applicable law.

3. Definitions.

(a) “Agreement” shall mean the written agreement between the Company and a Participant evidencing an Award.

(b) “Annual Incentive Award” shall mean an Award described in Section 6(g) hereof that is based upon a period of one year or less.

(c) “Award” shall mean any Option, Restricted Stock, Stock Bonus award, Stock Appreciation Right, Performance Award, Other Stock-Based Award or Other Cash-Based Award granted pursuant to the terms of the Plan.

(d) “Board of Directors” shall mean the Board of Directors of the Company.

(e) “Cause” shall mean a termination of a Participant's service to the Company or any of its Subsidiaries due to (i) the continued failure, after written notice, by such Participant substantially to perform his or her duties with the Company or any of its Subsidiaries (other than any such failure resulting from incapacity due to reasonably documented physical illness or injury or mental illness), (ii) the engagement by such Participant in serious misconduct that causes, or in the good faith judgment of the Board of Directors may cause, harm (financial or otherwise) to the Company or any of its Subsidiaries including, without limitation, (A) the disclosure of material secret or confidential information of the Company or any of its Subsidiaries, (B) the potential debarment of the Company or any of its Subsidiaries by the U.S. Food and Drug Administration or any successor agency (the “FDA”), or (C) the possibility that the registration of the Company or any of its Subsidiaries with the U.S. Drug Enforcement Administration or any successor agency (the “DEA”) could be revoked or an application with the DEA could be denied, (iii) the potential debarment of such Participant by the FDA, or (iv) the material breach by the Participant of any agreement between such Participant, on the one hand, and the Company, on the other hand. Notwithstanding the above, with respect to any Participant who is a party to an employment agreement with the Company, Cause shall have the meaning set forth in such employment agreement.

(f) A “Change in Control” shall be deemed to have occurred upon the first occurrence of an event set forth in any one of the following paragraphs:

(i) any Person is or becomes the “Beneficial Owner” (as defined in Rule 13d-3 under 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) representing 30% or more 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 paragraph (iii) below; or

(ii) the following individuals cease for any reason to constitute a majority of the number of directors then serving: individuals who, on the Effective Date, constitute the Board of Directors 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 of Directors or nomination for election by the Company's shareholders was approved or recommended by a vote of at least a two-thirds of the directors then still in office who either were directors on the Effective Date or whose appointment, election or nomination for election was previously so approved or recommended; or

(iii) there is consummated a merger or consolidation of the Company with any other corporation other than (A) a merger or consolidation which would result in 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) at least 50% of the combined voting power of the voting securities of the Company or such surviving entity or any parent thereof outstanding immediately after such merger or consolidation, or (B) a merger or consolidation effected to implement a re-capitalization 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) representing 30% or more of the combined voting power of the Company's then outstanding securities; or

(iv) the shareholders 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, other than a sale or disposition by the Company of all or substantially all of the Company's assets to an entity at least 75% of the combined voting power of the voting securities of which are owned by Persons in substantially the same proportions as their ownership of the Company immediately prior to such sale.

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.

(g) "Code" shall mean the Internal Revenue Code of 1986, as amended from time to time, and any regulations promulgated thereunder. References in the Plan to specific sections of the Code shall be deemed to include any successor provisions thereto.

(h) "Committee" shall mean, at the discretion of the Board of Directors, a Committee of the Board of Directors, which shall consist of two or more persons, each of whom, unless otherwise determined by the Board of Directors, is an "outside director" within the meaning of Section 162(m) of the Code and a "nonemployee director" within the meaning of Rule 16b-3.

(i) "Company" shall mean Endo International plc, an Irish public limited company, and, where appropriate, each of its Subsidiaries.

(j) "Company Stock" shall mean ordinary shares of the Company, par value $.0001 per share.

(k) "Disability" shall mean permanent disability as determined pursuant to the Company's long-term disability plan or policy, in effect at the time of such disability.

(l) “Effective Date” shall mean the date as of which this Plan is adopted by the Board of Directors.

(m) “Exchange Act” shall mean the Securities Exchange Act of 1934, as amended from time to time.

(n) The “Fair Market Value” of a share of Company Stock, as of a date of determination, shall mean (1) the closing sales price per share of Company Stock on the national securities exchange on which such stock is principally traded on the date of the grant of such Award, or (2) if the shares of Company Stock are not listed or admitted to trading on any such exchange, the closing price as reported by the Nasdaq Stock Market for the last preceding date on which there was a sale of such stock on such exchange, or (3) if the shares of Company Stock are not then listed on a national securities exchange or traded in an over-the-counter market or the value of such shares is not otherwise determinable, such value as determined by the Committee in good faith upon the advice of a qualified valuation expert. In no event shall the fair market value of any share of Company Stock, the Option exercise price of any Option, the appreciation base per share of Company Stock under any Stock Appreciation Right, or the amount payable per share of Company Stock under any other Award, be less than the par value per share of Company Stock.

(o) “Full Value Award” means any Award, other than an Option or a Stock Appreciation Right, which Award is settled in Stock.

(p) “Incentive Stock Option” shall mean an Option that is an “incentive stock option” within the meaning of Section 422 of the Code, or any successor provision, and that is designated by the Committee as an Incentive Stock Option.

(q) “Long Term Incentive Award” shall mean an Award described in Section 6(g) hereof that is based upon a period in excess of one year.

(r) “Nonemployee Director” shall mean a member of the Board of Directors who is not an employee of the Company.

(s) “Nonqualified Stock Option” shall mean an Option other than an Incentive Stock Option.

(t) “Option” shall mean an option to purchase shares of Company Stock granted pursuant to Section 6(b).

(u) “Other Cash-Based Award” shall mean a right or other interest granted to a Participant pursuant to Section 6(g) hereof other than an Other Stock-Based Award.

(v) “Other Stock-Based Award” shall mean a right or other interest granted to a Participant, valued in whole or in part by reference to, or otherwise based on, or related to, Company Stock pursuant to Section 6(g) hereof, including but not limited to (i) unrestricted Company Stock awarded as a bonus or upon the attainment of performance goals or otherwise as

permitted under the Plan, and (ii) a right granted to a Participant to acquire Company Stock from the Company containing terms and conditions prescribed by the Committee.

(w) "Participant" shall mean an employee, consultant or director of the Company to whom an Award is granted pursuant to the Plan, and, upon the death of the employee, consultant or director, his or her successors, heirs, executors and administrators, as the case may be.

(x) "Performance Award" shall mean an Award granted to a Participant pursuant to Section 6(f) hereof.

(y) "Person" shall have the meaning set forth in Section 3(a)(9) of the Exchange Act, except that such term shall not include (1) the Company, (2) a trustee or other fiduciary holding securities under an employee benefit plan of the Company, (3) an underwriter temporarily holding securities pursuant to an offering of such securities, or (4) a corporation owned, directly or indirectly, by the shareholders of the Company in substantially the same proportions as their ownership of stock of the Company.

(z) "Restricted Stock" shall mean a share of Company Stock which is granted pursuant to the terms of Section 6(e) hereof.

(aa) "Retirement" shall mean, in the case of employees, the termination of service to the Company (other than for Cause) during or after the calendar year in which a Participant has or will reach (i) age 55 with ten years of service with the Company, or (ii) age 60 with five years of service with the Company.

(bb) "Rule 16b-3" shall mean the Rule 16b-3 promulgated under the Exchange Act, as amended from time to time.

(cc) "Securities Act" shall mean the Securities Act of 1933, as amended from time to time.

(dd) "Stock Appreciation Right" shall mean the right, granted to a Participant under Section 6(d), to be paid an amount measured by the appreciation in the Fair Market Value of a share of Company Stock from the date of grant to the date of exercise of the right, with payment to be made in cash and/or a share of Company Stock, as specified in the Award or determined by the Committee.

(ee) "Stock Bonus" shall mean a bonus payable in shares of Company Stock granted pursuant to Section 6(e) hereof.

(ff) "Subsidiary" shall have the meaning set forth in section 155 of the Companies Act 1963 of the Republic of Ireland; provided that, to the extent required to avoid the imposition of additional taxes under Section 409A of the Code, an entity shall not be treated as a Subsidiary unless it is also an entity in which the Company has a "controlling interest" (as defined in Treas. Reg. Sec. 1.409A-1(b)(5)(ii)(E)(1)), either directly or through a chain of

corporations or other entities in which each corporation or other entity has a “controlling interest” in another corporation or entity in the chain, as determined by the Committee.

4. Stock Subject to the Plan.

(a) Shares Available for Awards.

The maximum number of shares of Company Stock reserved for issuance under the Plan (all of which may be granted as Incentive Stock Options) shall be the sum of (in each case, subject to adjustment as provided herein) (i) five million (5,000,000) shares, (ii) the number of shares reserved but unissued under the Company’s 2010 Stock Incentive Plan as of the date the Plan is approved by shareholders, and (iii) the number of shares becoming available for reuse following the date the Plan is approved by shareholders under the Company’s 2010 Stock Incentive Plan in accordance with the provisions of Section 4(e) hereof. Notwithstanding the forgoing, of the shares reserved for issuance pursuant to clauses (i) and (ii) of the preceding sentence, no more than half of such shares shall be issued as Full Value Awards. Shares reserved under the Plan may be authorized but unissued Company Stock or authorized and issued Company Stock held in the Company's treasury. The Committee may direct that any stock certificate evidencing shares issued pursuant to the Plan shall bear a legend setting forth such restrictions on transferability as may apply to such shares pursuant to the Plan.

(b) Individual Limitation.

To the extent required by Section 162(m) of the Code, the total number of shares of Company Stock subject to Awards granted to any one Participant during any tax year of the Company, shall not exceed one million five hundred thousand (1,500,000) shares (based on highest levels of performance resulting in maximum payout), subject to adjustment as provided herein.

(c) Director Limitation.

Subject to adjustment as provided by Section 4(d), the maximum Fair Market Value, as of the grant date, of shares of Company Stock subject to Awards granted to a Nonemployee Director in any consecutive twelve month period will be $750,000.

(d) Adjustment for Change in Capitalization.

In the event that the Committee shall determine that any dividend or other distribution (whether in the form of cash, Company Stock, or other property), or any other alteration to the capital structure of the Company whether by way of recapitalization, Company Stock split, reverse Company Stock split, reorganization, merger, consolidation, spin-off, combination, repurchase, or share exchange, or other similar corporate transaction or event, makes an adjustment appropriate in order to prevent dilution or enlargement of the rights of Participants under the Plan, then the Committee shall make such equitable changes or adjustments as it deems necessary or appropriate to any or all of (1) the number and kind of shares of Company Stock which may thereafter be issued in connection with Awards, (2) the number and kind of shares of

Company Stock, securities or other property (including cash) issued or issuable in respect of outstanding Awards, (3) the exercise price, grant price or purchase price relating to any Award, and (4) the maximum number of shares subject to Awards which may be awarded to any employee during any tax year of the Company; provided that, with respect to Incentive Stock Options, any such adjustment shall be made in accordance with Section 424 of the Code; and provided further that, no such adjustment shall cause any Award hereunder which is or could be subject to Section 409A of the Code to fail to comply with the requirements of such section; and provided further that in no event shall the per share exercise price of an Option or subscription price per share of an Award be reduced to an amount that is lower than the par value of a share.

(e) Reuse of Shares.

Except as set forth below, if any shares subject to an Award are forfeited, cancelled, exchanged or surrendered, or if an Award terminates or expires without a distribution of shares to the Participant, the shares of stock with respect to such Award shall, to the extent of any such forfeiture, cancellation, exchange, surrender, withholding, termination or expiration, again be available for Awards under the Plan. Notwithstanding the foregoing, upon the exercise of any Award granted in tandem with any other Awards, such related Awards shall be cancelled to the extent of the number of shares of Company Stock as to which the Award is exercised and such number of shares shall no longer be available for Awards under the Plan, and upon the exercise of a Stock Appreciation Right, the number of shares of Company Stock reserved and available for issuance under the Plan shall be reduced by the full number of shares of Company Stock with respect to which such award is being exercised. In addition, notwithstanding the forgoing, the shares of stock surrendered or withheld as payment of either the exercise price of an Option (including shares of stock otherwise underlying an Award of a Stock Appreciation Right that are retained by the Company to account for the appreciation base of such Stock Appreciation Right) and/or withholding taxes in respect of an Award shall no longer be available for Awards under the Plan.

5. Eligibility.

The persons who shall be eligible to receive Awards pursuant to the Plan shall be the individuals the Committee shall select from time to time, who are employees (including officers of the Company and its Subsidiaries, whether or not they are directors of the Company or its Subsidiaries), Nonemployee Directors, and consultants of the Company and its Subsidiaries; provided, that Incentive Stock Options may be granted only to employees (including officers and directors who are also employees) of the Company or its Subsidiaries.

6. Awards Under the Plan.

(a) Agreement.

The Committee may grant Awards in such amounts and with such terms and conditions as the Committee shall determine in its sole discretion, subject to the terms and provisions of the Plan. Each Award granted under the Plan (except an unconditional Stock Bonus) shall be evidenced by an Agreement as the Committee may in its sole discretion deem necessary or

desirable and unless the Committee determines otherwise, such Agreement must be signed, acknowledged and returned by the Participant to the Company. Unless the Committee determines otherwise, any failure by the Participant to sign and return the Agreement within such period of time following the granting of the Award as the Committee shall prescribe shall cause such Award to the Participant to be null and void. By accepting an Award or other benefits under the Plan (including participation in the Plan), each Participant, shall be conclusively deemed to have indicated acceptance and ratification of, and consent to, all provisions of the Plan and the Agreement.

(b) Stock Options.

(i) Grant of Stock Options. The Committee may grant Options under the Plan to purchase shares of Company Stock in such amounts and subject to such terms and conditions as the Committee shall from time to time determine in its sole discretion, subject to the terms and provisions of the Plan. The exercise price of the share purchasable under an Option shall be determined by the Committee, but in no event shall the exercise price be less than the Fair Market Value per share on the grant date of such Option. The date as of which the Committee adopts a resolution granting an Option shall be considered the day on which such Option is granted unless such resolution specifies a later date.

(ii) Notwithstanding the foregoing, if the vesting condition for any Option (other than Options excluded from the minimum vesting requirement as set forth in Section 6(j)) relates exclusively to the passage of time and continued employment, such time period shall not be less than 36 months, with no more than thirty-three and one-third percent (33⅓%) of the Award vesting every 12 months from the date of the Award, subject to Sections 7 and 8. If the vesting condition for any Option, relates to the attainment of specified Performance Goals, such Option shall vest over a performance period of not less than one (1) year, subject to Sections 7 and 8.

(iii) Each Option shall be clearly identified in the applicable Agreement as either an Incentive Stock Option or a Nonqualified Stock Option and shall state the number of shares of Company Stock to which the Option (and/or each type of Option) relates.

(c) Special Requirements for Incentive Stock Options.

(i) To the extent that the aggregate Fair Market Value of shares of Company Stock with respect to which Incentive Stock Options are exercisable for the first time by a Participant during any calendar year under the Plan and any other stock option plan of the Company shall exceed $100,000, such Options shall be treated as Nonqualified Stock Options. Such Fair Market Value shall be determined as of the date on which each such Incentive Stock Option is granted.

(ii) No Incentive Stock Option may be granted to an individual if, at the time of the proposed grant, such individual owns (or is deemed to own under the Code) stock possessing more than ten percent of the total combined voting power of all classes of stock of the Company unless (A) the exercise price of such Incentive Stock Option is at least 110 percent of the Fair Market Value of a share of Company Stock at the time such Incentive Stock Option is granted and (B) such Incentive Stock Option is not exercisable after the expiration of five years from the date such Incentive Stock Option is granted.

(d) Stock Appreciation Rights.

(i) The Committee may grant a related Stock Appreciation Right in connection with all or any part of an Option granted under the Plan, either at the time such Option is granted or at any time thereafter prior to the exercise, termination or cancellation of such Option, and subject to such terms and conditions as the Committee shall from time to time determine in its sole discretion, consistent with the terms and provisions of the Plan, provided, however, that in no event shall the appreciation base of the shares of Company Stock subject to the Stock Appreciation Right be less than the Fair Market Value per share on the grant date of such Stock Appreciation Right. The holder of a related Stock Appreciation Right shall, subject to the terms and conditions of the Plan and the applicable Agreement, have the right by exercise thereof to surrender to the Company for cancellation all or a portion of such related Stock Appreciation Right, but only to the extent that the related Option is then exercisable, and to be paid therefor an amount equal to the excess (if any) of (i) the aggregate Fair Market Value of the shares of Company Stock subject to the related Stock Appreciation Right or portion thereof surrendered (determined as of the exercise date), over (ii) the aggregate appreciation base of the shares of Company Stock subject to the Stock Appreciation Right or portion thereof surrendered. Upon any exercise of a related Stock Appreciation Right or any portion thereof, the number of shares of Company Stock subject to the related Option shall be reduced by the number of shares of Company Stock in respect of which such Stock Appreciation Right shall have been exercised.

(ii) The Committee may grant unrelated Stock Appreciation Rights in such amount and subject to such terms and conditions, as the Committee shall from time to time determine in its sole discretion, subject to the terms and provisions of the Plan, provided, however, that in no event shall the appreciation base of the shares of Company Stock subject to the Stock Appreciation Right be less than the Fair Market Value per share on the grant date of such Stock Appreciation Right. The holder of an unrelated Stock Appreciation Right shall, subject to the terms and conditions of the Plan and the applicable Agreement, have the right to surrender to the Company for cancellation all or a portion of such Stock Appreciation Right, but only to the extent that such Stock Appreciation Right is then exercisable, and to be paid therefor an amount equal to

the excess (if any) of (i) the aggregate Fair Market Value of the shares of Company Stock subject to the Stock Appreciation Right or portion thereof surrendered (determined as of the exercise date), over (ii) the aggregate appreciation base of the shares of Company Stock subject to the Stock Appreciation Right or portion thereof surrendered.

(iii) The grant or exercisability of any Stock Appreciation Right shall be subject to such conditions as the Committee, in its sole discretion, shall determine, subject to the terms and conditions of the Plan.

(iv) Notwithstanding the foregoing, if the vesting condition for any Stock Appreciation Right (other than Stock Appreciation Rights excluded from the minimum vesting requirement as set forth in Section 6(j)) relates exclusively to the passage of time and continued employment, such time period shall not be less than 36 months, with no more than thirty-three and one-third percent (33⅓%) of the Award vesting every 12 months from the date of the Award, subject to Sections 7 and 8. If the vesting condition for any Stock Appreciation Right relates to the attainment of specified Performance Goals, such Stock Appreciation Right shall vest over a performance period of not less than one (1) year, subject to Sections 7 and 8.

(e) Restricted Stock and Stock Bonus.

(i) The Committee may grant Restricted Stock awards, alone or in tandem with other Awards under the Plan, subject to such restrictions, terms and conditions, as the Committee shall determine in its sole discretion and as shall be evidenced by the applicable Agreements. The vesting of a Restricted Stock award granted under the Plan may be conditioned upon the completion of a specified period of service with the Company or any Subsidiary, upon the attainment of specified performance goals, and/or upon such other criteria as the Committee may determine in its sole discretion, subject to the terms and conditions of the Plan.

(ii) Notwithstanding the foregoing, if the vesting condition for any Full Value Award (including an Award of Restricted Stock, but other than any Full Value Awards excluded from the minimum vesting requirement as set forth in Section 6(j)) relates exclusively to the passage of time and continued employment, such time period shall not be less than 36 months, with no more than thirty-three and one-third percent (33⅓%) of the Award vesting every 12 months from the date of the Award, subject to Sections 7 and 8. If the vesting condition for any Full Value Award (including Award of Restricted Stock) relates to the attainment of specified Performance Goals, such Full Value Award shall vest over a performance period of not less than one (1) year, subject to Sections 7 and 8.

(iii) Each Agreement with respect to a Restricted Stock award shall set forth the amount (if any) to be paid by the Participant with respect to

such Award and when and under what circumstances such payment is required to be made.

(iv) The Committee may, upon such terms and conditions as the Committee determines in its sole discretion, provide that a certificate or certificates representing the shares underlying a Restricted Stock award shall be registered in the Participant's name and bear an appropriate legend specifying that such shares are not transferable and are subject to the provisions of the Plan and the restrictions, terms and conditions set forth in the applicable Agreement, or that such certificate or certificates shall be held in escrow by the Company on behalf of the Participant until such shares become vested or are forfeited. Except as provided in the applicable Agreement, no shares underlying a Restricted Stock award may be assigned, transferred, or otherwise encumbered or disposed of by the Participant until such shares have vested in accordance with the terms of such Award.

(v) If and to the extent that the applicable Agreement may so provide, a Participant shall have the right to vote and receive dividends on the shares underlying a Restricted Stock award granted under the Plan. Unless otherwise provided in the applicable Agreement, any stock received as a dividend on or in connection with a stock split of the shares underlying a Restricted Stock award shall be subject to the same restrictions as the shares underlying such Restricted Stock award.

(vi) The Committee may grant Stock Bonus awards, alone or in tandem with other Awards under the Plan, subject to such terms and conditions as the Committee shall determine in its sole discretion and as may be evidenced by the applicable Agreement.

(f) Performance Awards.

(i) The Committee may grant Performance Awards, alone or in tandem with other Awards under the Plan, to acquire shares of Company Stock in such amounts and subject to such terms and conditions as the Committee shall from time to time in its sole discretion determine, subject to the terms of the Plan. To the extent necessary to satisfy the short-term deferral exception to Section 409A of the Code, unless the Committee shall determine otherwise, the Performance Awards shall provide that payment shall be made within 2½ months after the end of the year in which the Participant has a legally binding vested right to such award.

(ii) In the event that the Committee grants a Performance Award or other Award (other than Nonqualified Stock Option or Incentive Stock Option or a Stock Appreciation Right) that is intended to constitute qualified performance-based compensation within the meaning Section 162(m) of the Code, the following rules shall apply (as such rules may be modified by the

Committee to conform with Section 162(m) of the Code and the Treasury Regulations thereunder as may be in effect from time to time, and any amendments, revisions or successor provisions thereto): (a) payments under the Performance Award shall be made solely on account of the attainment of one or more objective performance goals established in writing by the Committee not later than 90 days after the commencement of the period of service to which the Performance Award relates (but in no event after 25 percent of the period of service has elapsed); (b) the performance goal(s) to which the Performance Award relates may be based on one or more of the following business criteria applied to the Participant and/or a business unit or the Company and/or a Subsidiary: (1) stock appreciation (including, without limitation, total shareholder return and compounded annual growth rate); (2) net revenues; (3) return on total shareholders' equity; (4) earnings per share of Company Stock; (5) net income (before or after taxes); (6) return on assets (gross or net), return on investment, return on capital or return on equity; (7) earnings from continuing operations; levels of expense, cost or liability; (8) earnings before all or any interest, taxes, depreciation and/or amortization ("EBIT", "EBITA" or "EBITDA"); (9) inventory goals; (10) market share; (11) cost reduction goals; (12) business development goals (including without limitation regulatory submissions, product launches and other business development-related opportunities); (13) customer satisfaction goals; (14) employee satisfaction or employee engagement goals; (15) identification or consummation of investment opportunities or completion of specified projects in accordance with corporate business plans, including strategic mergers, acquisitions or divestitures; (16) entry into new markets (either geographically or by business unit); (17) meeting specified market penetration or value added goals; (18) development of new technologies (including patent application or issuance goals); (19) cash flow, free cash flow, cash flow return on investment (discounted or otherwise), net cash provided by operations, or cash flow in excess of cost of capital; (20) tax efficiency metrics; (21) any combination of, or a specified increase or decrease of one or more of the foregoing over a specified period; and (22) such other criteria as the shareholders of the Company may approve; in each case as applicable, as determined in accordance with generally accepted accounting principles; and (c) once granted, the Committee may not have discretion to increase the amount payable under such Award, provided, however, that whether or not an Award is intended to constitute qualified performance-based compensation within the meaning of Section 162(m) of the Code, the Committee, to the extent provided by the Committee at the time the Award is granted or as otherwise permitted under Section 162(m) of the Code, shall have the authority to make appropriate adjustments in performance goals under an Award to reflect the impact of extraordinary items not reflected in such goals. For purposes of the Plan, extraordinary items shall be defined as (1) any profit or loss attributable to acquisitions or dispositions of stock or assets, (2) any changes in accounting standards that may be required or permitted by the Financial Accounting Standards Board or adopted by the Company after the goal is established, (3) all items of gain, loss or expense for the year related to

restructuring charges for the Company, (4) all items of gain, loss or expense for the year determined to be unusual in nature or infrequent in occurrence or related to the disposal of a segment of a business, (5) all items of gain, loss or expense for the year related to discontinued operations that do not qualify as a segment of a business as defined in APB Opinion No. 30, and (6) such other items as may be prescribed by Section 162(m) of the Code and the Treasury Regulations thereunder as may be in effect from time to time, and any amendments, revisions or successor provisions and any changes thereto. The Committee shall, prior to making payment under any award under this Section 6(f), certify in writing that all applicable performance goals have been attained. Notwithstanding anything to the contrary contained in the Plan or in any applicable Agreement, no dividends or dividend equivalents will be paid with respect to unvested Performance Awards.

(g) Other Stock-or Cash-Based Awards.

(i) The Committee is authorized to grant Awards to Participants in the form of Other Stock-Based Awards or Other Cash-Based Awards, as deemed by the Committee to be consistent with the purposes of the Plan. To the extent necessary to satisfy the short-term deferral exception to Section 409A of the Code, unless the Committee shall determine otherwise, the awards shall provide that payment shall be made within 2½ months after the end of the year in which the Participant has a legally binding vested right to such award. With respect to Other Cash-Based Awards intended to qualify as performance based compensation under Section 162(m) of the Code, (i) the maximum value of the aggregate payment that any Participant may receive with respect to any such Other Cash-Based Award that is an Annual Incentive Award is $5,000,000, (ii) the maximum value of the aggregate payment that any Participant may receive with respect to any such Other Cash-Based Award that is a Long Term Incentive Award is the amount set forth in clause (i) above multiplied by a fraction, the numerator of which is the number of months in the performance period and the denominator of which is twelve, and (iii) such additional rules set forth in Section 6(f) applicable to Awards intended to qualify as performance-based compensation under Section 162(m) shall apply. The Committee may establish such other rules applicable to the Other Stock- or Cash-Based Awards to the extent not inconsistent with Section 162(m) of the Code.

(h) Exercisability of Awards; Cancellation of Awards in Certain Cases.

(i) Except as hereinafter provided, each Agreement with respect to an Option or Stock Appreciation Right shall set forth the period during which and the conditions subject to which the Option or Stock Appreciation Right evidenced thereby shall be exercisable, and each Agreement with respect to a Restricted Stock award, Stock Bonus award, Performance Award or other Award shall set forth the period after which and the conditions subject to which amounts

underlying such Award shall vest or be deliverable, all such periods and conditions to be determined by the Committee in its sole discretion.

(ii) Except as provided in Section 7(d) hereof, no Option or Stock Appreciation Right may be exercised and no shares of Company Stock underlying any other Award under the Plan may vest or become deliverable more than ten (10) years after the date of grant (the "Stated Expiration Date").

(iii) Except as provided in Section 7 hereof, no Option or Stock Appreciation Right may be exercised and no ordinary shares underlying any other Award under the Plan may vest or become deliverable unless the Participant is at such time in the employ (for Participants who are employees) or service (for Participants who are Nonemployee Directors or consultants) of the Company or a Subsidiary (or a company, or a parent or subsidiary company of such company, issuing or assuming the relevant right or award in a Change in Control) and has remained continuously so employed or in service since the relevant date of grant of the Award.

(iv) An Option or Stock Appreciation Right shall be exercisable by the filing of a written notice of exercise or a notice of exercise in such other manner with the Company, on such form and in such manner as the Committee shall in its sole discretion prescribe, and by payment in accordance with Section 6(i) hereof.

(v) Unless the applicable Agreement provides otherwise, the "Option exercise date" and the "Stock Appreciation Right exercise date" shall be the date that the written notice of exercise, together with payment, are received by the Company.

(i) Payment of Award Price.

(i) Unless the applicable Agreement provides otherwise or the Committee in its sole discretion otherwise determines, any written notice of exercise of an Option or Stock Appreciation Right must be accompanied by payment of the full Option or Stock Appreciation Right exercise price.

(ii) Payment of the Option exercise price and of any other payment required by the Agreement to be made pursuant to any other Award shall be made in any combination of the following: (a) by certified or official bank check payable to the Company (or the equivalent thereof acceptable to the Committee), (b) with the consent of the Committee in its sole discretion, by personal check (subject to collection) which may in the Committee's discretion be deemed conditional, and/or (c) unless otherwise provided in applicable agreement, and as permitted by the Committee and subject to applicable law, on a net-settlement basis with the Company withholding the amount of ordinary shares sufficient to cover the exercise price and tax withholding obligation. Payment in

accordance with clause (a) of this Section 6(i)(ii) may be deemed to be satisfied, if and to the extent that the applicable Agreement so provides or the Committee permits, by delivery to the Company of an assignment of a sufficient amount of the proceeds from the sale of Company Stock to be acquired pursuant to the Award to pay for all of the Company Stock to be acquired pursuant to the Award and an authorization to the broker or selling agent to pay that amount to the Company and to effect such sale at the time of exercise or other delivery of shares of Company Stock.

(j) Minimum Vesting Requirement. Subject to Sections 7 and 8, no Award or portion thereof shall provide for vesting prior to the first anniversary of its date of grant; provided, however, that, notwithstanding the foregoing, Awards that result in the issuance of an aggregate of up to 5% of the shares of Company Stock available pursuant to Section 4(a) may be granted under the Plan without regard to such minimum vesting provision.

7. Termination of Service.

(a) Unless the applicable Agreement provides otherwise or the Committee in its sole discretion determines otherwise, upon termination of a Participant's service to (or in the case of an Incentive Stock Option, the Participant's employment with) the Company and its Subsidiaries by the Company or its Subsidiary for Cause (or in the case of a Nonemployee Director upon such Nonemployee Director's failure to be renominated as Nonemployee Director of the Company), the portions of outstanding Options and Stock Appreciation Rights granted to such Participant that are exercisable as of the date of such termination of service shall remain exercisable, and any payment or notice provided for under the terms of any other outstanding Award as respects the portion thereof that is vested as of the date of such termination of service, may be given, for a period of thirty (30) days from and including the date of termination service (and shall thereafter terminate). All portions of outstanding Options or Stock Appreciation Rights granted to such Participant which are not exercisable as of the date of such termination of service, and any other outstanding Award which is not vested as of the date of such termination of service shall terminate upon the date of such termination of service.

(b) Unless the applicable Agreement provides otherwise or the Committee in its sole discretion determines otherwise, upon termination of the Participant's service to (or in the case of an Incentive Stock Option, the Participant's employment with) the Company and its Subsidiaries for any reason other than as described in subsection (a), (c), (d) or (e) hereof, the portions of outstanding Options and Stock Appreciation Rights granted to such Participant that are exercisable as of the date of such termination of service shall remain exercisable for a period of ninety (90) days (and shall terminate thereafter), and any payment or notice provided for under the terms of any other outstanding Award as respects the portion thereof vested as of the date of termination of service may be given, for a period of ninety (90) days from and including the date of termination of service (and shall terminate thereafter). All additional portions of outstanding Options or Stock Appreciation Rights granted to such Participant which are not exercisable as of the date of such termination of service, and any other outstanding Award which

is not vested as of the date of such termination of service shall terminate upon the date of such termination of service.

(c) Unless the applicable Agreement provides otherwise or the Committee in its sole discretion determines otherwise, if the Participant voluntarily Retires with the consent of the Company or the Participant's service (or in the case of an Incentive Stock Option, the Participant's employment) terminates due to Disability, all outstanding Options, Stock Appreciation Rights and all other outstanding Awards (except, in the event a Participant voluntarily Retires, with respect to Awards (other than Options and Stock Appreciation Rights) intended to qualify as performance-based compensation within the meaning of Section 162(m) of the Code) granted to such Participant shall continue to vest in accordance with the terms of the applicable Agreements. The Participant shall be entitled to exercise each such Option or Stock Appreciation Right and to make any payment, give any notice or to satisfy other condition under each such other Award, in each case, for a period of one (1) year from and including the later of (i) date such entire Award becomes vested or exercisable in accordance with the terms of such Award and (ii) the date of Retirement, and thereafter such Awards or parts thereof shall be canceled. Notwithstanding the foregoing, the Committee may in its sole discretion provide for a longer or shorter period for exercise of an Option or Stock Appreciation Right or may permit a Participant to continue vesting under an Option, Stock Appreciation Right or Restricted Stock award or to make any payment, give any notice or to satisfy other condition under any other Award. The Committee may in its sole discretion, and in accordance with Section 409A of the Code, determine (i) for purposes of the Plan, whether any termination of service is a voluntary Retirement with the Company's consent or is due to Disability for purposes of the Plan, (ii) whether any leave of absence (including any short-term or long-term Disability or medical leave) constitutes a termination of service, or a failure to have remained continuously in service, for purposes of the Plan (regardless of whether such leave or status would constitute such a termination or failure for purposes of employment law), (iii) the applicable date of any such termination of service, and (iv) the impact, if any, of any of the foregoing on Awards under the Plan.

(d) Unless the applicable Agreement provides otherwise or the Committee in its sole discretion determines otherwise, if the Participant's service (or in the case of an Incentive Stock Option, the Participant's employment) terminates by reason of death, or if the Participant's service terminates under circumstances providing for continued rights under subsection (b), (c) or (e) of this Section 7 and during the period of continued rights described in subsection (b), (c) or (e) the Participant dies, all outstanding Options, Restricted Stock and Stock Appreciation Rights granted to such Participant shall vest and become fully exercisable, and any payment or notice provided for under the terms of any other outstanding Award may be immediately paid or given and any condition may be satisfied, by the person to whom such rights have passed under the Participant's will (or if applicable, pursuant to the laws of descent and distribution) for a period of one (1) year from and including the date of the Participant's death and thereafter all such Awards or parts thereof shall be canceled.

(e) Unless the applicable Agreement provides otherwise or the Committee in its sole discretion determines otherwise, upon termination of a Participant's service to (or in the

case of an Incentive Stock Option, the Participant's employment with) the Company and its Subsidiaries (i) by the Company or its Subsidiaries without Cause (including, in case of a Nonemployee Director, the failure to be elected as a Nonemployee Director) or (ii) by the Participant for "good reason" or any like term as defined under any employment agreement with the Company or a Subsidiary to which a Participant may be a party to, the portions of outstanding Options and Stock Appreciation Rights granted to such Participant which are exercisable as of the date of termination of service of such Participant shall remain exercisable, and any payment or notice provided for under the terms of any other outstanding Award as respects the portion thereof vested as of the date of termination of service may be given, for a period of one (1) year from and including the date of termination of service and shall terminate thereafter. Unless the applicable Agreement provides otherwise or the Committee in its sole discretion determines otherwise, any other outstanding Award shall terminate as of the date of such termination of service.

(f) Notwithstanding anything in this Section 7 to the contrary, no Option or Stock Appreciation Right may be exercised and no shares of Company Stock underlying any other Award under the Plan may vest or become deliverable past the Stated Expiration Date.

8. Effect of Change in Control.

Unless otherwise determined in an Award Agreement, in the event of a Change in Control:

(a) With respect to each outstanding Award that is assumed or substituted in connection with a Change in Control, in the event of a termination of a Participant's service to the Company without Cause during the 24-month period following such Change in Control, on the date of such termination (i) such Award shall become fully vested and, if applicable, exercisable, (ii) the restrictions, payment conditions, and forfeiture conditions applicable to any such Award granted shall lapse, and (iii) any performance conditions imposed with respect to Awards shall be deemed to be fully achieved at target levels.

(b) With respect to each outstanding Award that is not assumed or substituted in connection with a Change in Control, immediately upon the occurrence of the Change in Control, (i) such Award shall become fully vested and, if applicable, exercisable, (ii) the restrictions, payment conditions, and forfeiture conditions applicable to any such Award granted shall lapse, and (iii) any performance conditions imposed with respect to Awards shall be deemed to be fully achieved at target levels.

(c) For purposes of this Section 8, an Award shall be considered assumed or substituted for if, following the Change in Control, the Award remains subject to the same terms and conditions that were applicable to the Award immediately prior to the Change in Control except that, if the Award related to Shares, the Award instead confers the right to receive common stock of the acquiring entity.

(d) Notwithstanding any other provision of the Plan, (i) in the event of a Change in Control, except as would otherwise result in adverse tax consequences under Section

409A of the Code, the Board may, in its sole discretion, provide that each Award shall, immediately upon the occurrence of a Change in Control, be cancelled in exchange for a payment in cash or securities in an amount equal to (x) the excess of the consideration paid per Share in the Change in Control over the exercise or purchase price (if any) per Share subject to the Award multiplied by (y) the number of Shares granted under the Award and (ii) with respect to any Award that constitutes a deferral of compensation subject to Section 409A of the Code, in the event of a Change in Control that does not constitute a change in the ownership or effective control of the Company or in the ownership of a substantial portion of the assets of the Company under Section 409A(a)(2)(A)(v) of the Code and regulations thereunder, such Award shall be settled in accordance with its original terms or at such earlier time as permitted by Section 409A of the Code.

9. Miscellaneous.

(a) Agreements evidencing Awards under the Plan shall contain such other terms and conditions, not inconsistent with the Plan, as the Committee may determine in its sole discretion, including penalties for the commission of competitive acts or other actions detrimental to the Company. Notwithstanding any other provision hereof, the Committee shall have the right at any time to deny or delay a Participant's exercise of Options if such Participant is reasonably believed by the Committee (i) to be engaged in material conduct adversely affecting the Company or (ii) to be contemplating such conduct, unless and until the Committee shall have received reasonable assurance that the Participant is not engaged in, and is not contemplating, such material conduct adverse to the interests of the Company.

(b) Participants are and at all times shall remain subject to the trading window policies adopted by the Company from time to time throughout the period of time during which they may exercise Options, Stock Appreciation Rights or sell shares of Company Stock acquired pursuant to the Plan.

(c) Notwithstanding any other provision of this Plan, (a) the Company shall not be obliged to issue any shares pursuant to an Award unless at least the par value of such newly issued share has been fully paid in advance in accordance with applicable law (which requirement may mean the holder of an Award is obliged to make such payment) and (b) the Company shall not be obliged to issue or deliver any shares in satisfaction of Awards until all legal and regulatory requirements associated with such issue or delivery have been complied with to the satisfaction of the Committee.

(d) Awards shall be subject to any compensation recovery policy adopted by the Company from time to time, including, without limitation, policies adopted to comply with applicable law.

10. No Special Employment Rights; No Right to Award.

(a) Nothing contained in the Plan or any Agreement shall confer upon any Participant any right with respect to the continuation of employment or service by the Company or interfere in any way with the right of the Company, subject to the terms of any separate

employment agreement to the contrary, at any time to terminate such employment or service or to increase or decrease the compensation of the Participant.

(b) No person shall have any claim or right to receive an Award hereunder. The Committee's granting of an Award to a Participant at any time shall neither require the Committee to grant any other Award to such Participant or other person at any time or preclude the Committee from making subsequent grants to such Participant or any other person.

11. Securities Matters.

(a) The Company shall be under no obligation to effect the registration pursuant to the Securities Act of any interests in the Plan or any shares of Company Stock to be issued hereunder or to effect similar compliance under any state laws. Notwithstanding anything herein to the contrary, the Company shall not be obligated to cause to be issued or delivered any certificates evidencing shares of Company Stock pursuant to the Plan unless and until the Company is advised by its counsel that the issuance and delivery of such certificates is in compliance with all applicable laws, regulations of governmental authority and the requirements of any securities exchange on which shares of Company Stock are traded. The Committee may require, as a condition of the issuance and delivery of certificates evidencing shares of Company Stock pursuant to the terms hereof, that the recipient of such shares make such agreements and representations, and that such certificates bear such legends, as the Committee, in its sole discretion, deems necessary or desirable.

(b) The transfer of any shares of Company Stock hereunder shall be effective only at such time as counsel to the Company shall have determined that the issuance and delivery of such shares is in compliance with all applicable laws, regulations of governmental authority and the requirements of any securities exchange on which shares of Company Stock are traded. The Committee may, in its sole discretion, defer the effectiveness of any transfer of shares of Company Stock hereunder in order to allow the issuance of such shares to be made pursuant to registration or an exemption from registration or other methods for compliance available under federal or state securities laws. The Committee shall inform the Participant in writing of its decision to defer the effectiveness of a transfer. During the period of such deferral in connection with the exercise of an Award, the Participant may, by written notice, withdraw such exercise and obtain the refund of any amount paid with respect thereto.

12. Withholding Taxes.

(a) Whenever cash is to be paid pursuant to an Award, the Company shall have the right to deduct therefrom an amount sufficient to satisfy any federal, state and local withholding tax requirements related thereto.

(b) Whenever shares of Company Stock are to be delivered pursuant to an Award, the Company shall have the right to require the Participant to remit to the Company in cash an amount sufficient to satisfy any federal, state and local withholding tax requirements related thereto. With the approval of the Committee and subject to applicable law, a Participant may satisfy the foregoing requirement by electing to have the Company withhold from delivery

shares of Company Stock having a value equal to the minimum amount of tax required to be withheld or such other amount that will not cause adverse accounting consequences for the Company and is permitted under applicable withholding rules promulgated by the Internal Revenue Service or another applicable governmental entity. Such shares shall be valued at their Fair Market Value on the date of which the amount of tax to be withheld is determined. Fractional share amounts shall be settled in cash. Such a withholding election may be made with respect to all or any portion of the shares to be delivered pursuant to an Award.

13. Non-Competition and Confidentiality.

By accepting Awards and as a condition to the exercise of Awards and the enjoyment of any benefits of the Plan, including participation therein, each Participant agrees to be bound by and subject to non-competition, confidentiality and invention ownership agreements acceptable to the Committee or any officer or director to whom the Committee elects to delegate such authority.

14. Notification of Election Under Section 83(b) of the Code.

If any Participant shall, in connection with the acquisition of shares of Company Stock under the Plan, make the election permitted under Section 83(b) of the Code, such Participant shall notify the Company of such election within 10 days of filing notice of the election with the Internal Revenue Service.

15. Amendment or Termination of the Plan.

The Board of Directors or the Committee may, at any time, suspend or terminate the Plan or revise or amend it in any respect whatsoever; provided, however, that the requisite shareholder approval shall be required if and to the extent the Board of Directors or Committee determines that such approval is appropriate or necessary for purposes of satisfying Sections 162(m) or 422 of the Code or Rule 16b-3 or other applicable law. Awards may be granted under the Plan prior to the receipt of such shareholder approval of the Plan but each such grant shall be subject in its entirety to such approval and no Award may be exercised, vested or otherwise satisfied prior to the receipt of such approval. No amendment or termination of the Plan may, without the consent of a Participant, adversely affect the Participant's rights under any outstanding Award.

16. Transfers Upon Death; Nonassignability.

(a) A Participant may file with the Committee a written designation of a beneficiary on such form as may be prescribed by the Committee and may, from time to time, amend or revoke such designation. If no designated beneficiary survives the Participant, upon the death of a Participant, outstanding Awards granted to such Participant may be exercised only by the executor or administrator of the Participant's estate or by a person who shall have acquired the right to such exercise by will or by the laws of descent and distribution. No transfer of an Award by will or the laws of descent and distribution shall be effective to bind the Company unless the Committee shall have been furnished with written notice thereof and with a copy of the will and/or such evidence as the Committee may deem necessary to establish the validity of

the transfer and an agreement by the transferee to comply with all the terms and conditions of the Award that are or would have been applicable to the Participant and to be bound by the acknowledgments made by the Participant in connection with the grant of the Award.

(b) During a Participant's lifetime, the Committee may, in its discretion, pursuant to the provisions set forth in this clause (b), permit the transfer, assignment or other encumbrance of an outstanding Option unless such Option is an Incentive Stock Option and the Committee and the Participant intends that it shall retain such status. Subject to the approval of the Committee and to any conditions that the Committee may prescribe, a Participant may, upon providing written notice to the General Counsel of the Company, elect to transfer any or all Options granted to such Participant pursuant to the Plan to members of his or her immediate family, including, but not limited to, children, grandchildren and spouse or to trusts for the benefit of such immediate family members or to partnerships in which such family members are the only partners; provided, however, that no such transfer by any Participant may be made in exchange for consideration. Any such transferee must agree, in writing, to be bound by all provisions of the Plan.

17. Effective Date and Term of Plan.

The Plan shall become effective on the Effective Date, but the Plan shall be subject to the requisite approval of the shareholders of the Company. In the absence of such approval, such Awards shall be null and void. Unless earlier terminated by the Board of Directors, the right to grant Awards under the Plan shall terminate on the tenth anniversary of the Effective Date. Awards outstanding at Plan termination shall remain in effect according to their terms and the provisions of the Plan.

18. Applicable Law.

Except to the extent preempted by any applicable federal law, the Plan shall be construed and administered in accordance with the laws of the State of Delaware, without reference to its principles of conflicts of law.

19. Participant Rights.

(a) No Participant shall have any claim to be granted any award under the Plan, and there is no obligation for uniformity of treatment for Participants. Except as provided specifically herein, a Participant or a transferee of an Award shall have no rights as a shareholder with respect to any shares covered by any award until the date of the issuance of a Company Stock certificate to him or her for such shares.

(b) Determinations by the Committee under the Plan relating to the form, amount and terms and conditions of grants and Awards need not be uniform, and may be made selectively among persons who receive or are eligible to receive grants and awards under the Plan, whether or not such persons are similarly situated.

20. Unfunded Status of Awards.

The Plan is intended to constitute an “unfunded” plan for incentive and deferred compensation. With respect to any payments not yet made to a Participant pursuant to an Award, nothing contained in the Plan or any Agreement shall give any such Participant any rights that are greater than those of a general creditor of the Company.

21. No Fractional Shares.

No fractional shares of Company Stock shall be issued or delivered pursuant to the Plan. The Committee shall determine whether cash, other Awards, or other property shall be issued or paid in lieu of such fractional shares or whether such fractional shares or any rights thereto shall be forfeited or otherwise eliminated.

22. Interpretation.

The Plan is designed and intended to the extent applicable, to comply with Section 162(m) of the Code, and to provide for grants and other transactions which are exempt under Rule 16b-3, and all provisions hereof shall be construed in a manner to so comply. Awards under the Plan are intended to comply with Code Section 409A to the extent subject thereto and the Plan and all Awards 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 effective date of the Plan. Notwithstanding any provision in the Plan to the contrary, no payment or distribution under this Plan that constitutes an item of deferred compensation under Code Section 409A and becomes payable by reason of a Participant’s termination of employment or service with the Company will be made to such Participant until such Participant’s termination of employment or service constitutes a “separation from service” (as defined in Code Section 409A). For purposes of this Plan, 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 22 (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 Plan will be paid in accordance with the normal payment dates specified for them herein.

Execution Version

ENDO HEALTH SOLUTIONS INC.

EXECUTIVE EMPLOYMENT AGREEMENT

THIS AGREEMENT (this "Agreement") is hereby entered into as of the 3rd day of August, 2016, by and between Endo Health Solutions Inc. (the "Company"), a wholly-owned subsidiary of Endo International plc ("Endo"), and Suketu P. Upadhyay ("Executive") (hereinafter collectively referred to as "the parties").

In consideration of the respective agreements of the parties contained herein, it is agreed as follows:

1. Term. The term of this Agreement shall be for the period commencing on August 4, 2016 (the "Effective Date") and ending, subject to earlier termination as set forth in Section 6, on the third anniversary thereof (the "Employment Term").

2. Employment. During the Employment Term:

(a) Executive shall serve as Executive Vice President and Chief Financial Officer of Endo and shall be assigned with the customary duties and responsibilities of such position as may reasonably be assigned to Executive from time to time by the Chief Executive Officer of Endo. Executive shall report directly to Endo's Chief Executive Officer. Executive shall perform the duties, undertake the responsibilities and exercise the authority customarily performed, undertaken and exercised by persons situated in a similar executive capacity. If, at any time, Executive is elected as a director of Endo or as a director or officer of any of Endo's affiliates, Executive will fulfill Executive's duties as such director or officer without additional compensation; provided, that at the time of Executive's termination of employment with the Company for any reason, Executive shall resign from the Board of Directors of Endo (the "Board") and or the board of directors of any of Endo's affiliates.

(b) Executive shall devote substantially full-time attention to the business and affairs of the Company and its affiliates. Executive may (i) serve on corporate, civil, charitable or non-profit boards or committees, subject in all cases to the prior approval of the Board and other applicable written policies of the Company and its affiliates as in effect from time to time, and (ii) manage personal and family investments, participate in industry organizations and deliver lectures at educational institutions, so long as no such service or activity unreasonably

interferes, individually or in the aggregate, with the performance of his responsibilities hereunder.

(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. Special Equity Compensation.

(a) Initial Performance Share Unit Grant. On August 11, 2016 (the "Grant Date"), Executive shall receive performance share units ("Initial PSUs") under Endo's 2015 Stock Incentive Plan or any successor plan thereto (the "Plan"). The number of Initial PSUs shall be equal to $812,500, 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"), which shall be consistent with the methodology used in respect of performance-vested grants made to Executive in 2016, subject to adjustment for a performance period ending on the third anniversary of the Grant Date. 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 restricted stock units under the Plan (the "Initial RSUs"). The number of Initial RSUs shall be equal to $1,625,000, 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 three-year period, at a rate of one-third (33 1/3%) of the total Initial RSUs on each of the three anniversaries 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 nonqualified stock options under the Plan (the "Initial Stock Options") valued at $812,500 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 three-year period, at a rate of one-

third (33 1/3%) of the total Initial Stock Options on each of the three 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.

4. Annual Compensation.

(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 $655,000 per annum or such increased amount in accordance with this Section 4(a) (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. Such Base Salary shall be reviewed at least annually by the Board or by the Committee, and may be increased in the sole discretion of the Committee, but not decreased.

(b) Incentive Compensation. For each fiscal year of the Company ending during the Employment Term, beginning with the 2016 fiscal year, Executive shall be eligible to receive a target annual cash bonus of 60% of the 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, subject to the achievement of performance targets set by the Committee. Such annual cash bonus ("Incentive Compensation") shall be paid in no event later than the 15th day of the third month following the end of the taxable year (of the Company or Executive, whichever is later) in which the performance targets have been achieved. If the parties (following good faith negotiation) fail to enter into a new employment agreement following expiration of the Employment Term and Executive terminates his employment within ninety (90) days following expiration of the Employment Term under circumstances that would have constituted Good Reason (as defined in Section 6(e)) had such termination occurred during the Employment Term or if, during such 90-day period, the Company terminates Executive's employment under circumstances that would not have constituted Cause (as defined in Section 6(c)) had such termination occurred during the Employment Term, then the Company shall pay Executive a Pro-Rata Bonus (as defined in Section 8(b)(ii) hereof) in a lump sum at the time bonuses are payable to other senior executives of the Company.

(c) Long-Term Compensation. During the Employment Term, Executive shall be eligible to receive equity-based compensation to be awarded, in the sole discretion of the Committee, for each fiscal year or part thereof during the Employment

Term. Beginning with grants made in 2017 with respect to 2016 performance, Executive shall be eligible to receive equity-based compensation with a targeted grant date Fair Market Value equal to 300% of Executive's Base Salary for such fiscal year, subject to any increase in the Committee's sole discretion. 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; provided, that such terms and conditions shall be no less favorable than those provided for other senior executives of the Company. If the parties (following good faith negotiation) fail to enter into a new employment agreement following expiration of the Employment Term and Executive terminates his employment within ninety (90) days following expiration of the Employment Term under circumstances that would have constituted Good Reason had such termination occurred during the Employment Term or if, during such 90-day period, the Company terminates Executive's employment under circumstances that would not have constituted Cause had such termination occurred during the Employment Term, then such termination of employment shall be treated as a termination of employment for Good Reason or without Cause, as applicable, for purposes of the Initial RSUs, the Initial Stock Options and the performance-based restricted stock units held by Executive as of the date of such termination of employment, including the Initial PSUs (and such awards shall be treated in accordance with the terms of the applicable award agreements).

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 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 (other than taxes that are the Company's responsibility) 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 (other than taxes that are the Company's responsibility) 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 in accordance with current Company policy. For the avoidance of doubt, Executive shall not be entitled to any excise tax gross-up under Section 280G or Section 4999 of the Internal Revenue Code of 1986, as amended (the "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. Such reimbursement shall be made 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 at the Company's headquarters, with such secretarial and other support facilities as are commensurate with Executive's status with the Company and its affiliates, which facilities shall be adequate for the performance of Executive's duties hereunder.

(f) Vacation and Sick Leave. Executive shall be entitled, without loss of pay, to absent himself voluntarily from the performance of Executive's employment under this Agreement, 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 weeks per year; vacation must be taken at such time or times as approved by the 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 be considered to have terminated employment with the Company for purposes of this Agreement unless Executive would be considered to have incurred a "separation from service" from the Company within the meaning of Section 409A of the Code.

(a) Disability. The Company may terminate Executive's employment, on written notice to Executive after having reasonably established Executive's Disability. 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 six months or more under the Company's long-term disability plan. 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 (as defined below), effective as of the date of the Notice of Termination (as defined in Section 7 below) and as evidenced by a resolution adopted by two-thirds of the independent members of the Board. "Cause" shall mean, for purposes of this Agreement: (a) the continued failure by Executive substantially to perform Executive's duties under this Agreement (other than any such failure resulting from Disability or other illness); (b) Executive makes, or is found to have made, a certification relating to the Company's financial statements that Executive knows is false; (c) the criminal felony indictment of Executive by a court of competent jurisdiction; (d) the engagement by Executive in misconduct that has caused, or in the good faith judgment of the Board may cause if not discontinued, material harm (financial or otherwise) to the Company or any of its affiliates, such harm to include, without limitation, (i) the willful disclosure of material secret or

Confidential Information (as defined in Section 10(d)) 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 (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; (e) the debarment of Executive by the FDA; or (f) the continued material breach by Executive of this Agreement. For purposes of this definition, Cause shall not exist unless written demand is delivered by the Board to Executive which specifically identifies the conduct, events or circumstances that may provide grounds for Cause in reasonable detail within ninety (90) calendar days of the Company's knowledge of such conduct, events or circumstances. During the thirty (30) day period after receipt of such demand, Executive shall have an opportunity to cure or remedy such conduct, events or circumstances and present his case to the full Board (with the assistance of counsel chosen by Executive) before any termination for Cause is finalized by a vote by at least two-thirds of the independent members of the Board at a meeting of the Board called and held for such purpose. 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 without Cause. The Company shall deliver to Executive a Notice of Termination (as defined in Section 7 below) not less than thirty (30) days prior to the termination of Executive's employment without Cause and the Company shall have the option of terminating Executive's duties and responsibilities prior to the expiration of such thirty-day notice period provided the Company pays Base Salary through the end of such notice period.

(e) Good Reason. Executive may terminate employment with the Company for Good Reason (as defined below) by delivering to the Company a Notice of Termination (as defined in Section 7 below) 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: (i) a diminution in Executive's Base Salary, Target Bonus (provided that in no event shall a failure to earn a bonus equal or in excess of the Target Bonus by reason of failure to achieve applicable performance goals be deemed Good Reason) or a material diminution in benefits; (ii) a material, adverse change to Executive's position, duties or responsibilities without Executive's express written consent; (iii) any change in reporting structure such that Executive is required to report to someone other than Endo's

Chief Executive Officer, or following a Change in Control (as such term is defined in the Plan), the chief executive officer of Endo's ultimate parent; (iv) any material breach by the Company of its obligations under this Agreement (including the material failure to pay any amounts due hereunder when due or the failure of the Company to abide by the requirements of Section 14(a)(i) below with respect to successors or permitted assigns); or (v) the Company requiring Executive to be based at any office or location that increases the length of Executive's commute by more than fifty (50) miles. 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.

(f) 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.

7. Notice of Termination. Any purported termination by the Company or by Executive shall be communicated by written Notice of Termination 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).

8. Compensation Upon Termination. Upon termination of Executive's employment during the Employment Term, Executive shall be entitled to the following benefits:

(a) Termination by the Company for Cause or by Executive Without Good Reason. If Executive's employment is terminated by the Company for Cause or by Executive without Good Reason, the Company shall pay Executive all amounts earned or accrued hereunder through the termination date, including:

(i) any accrued and unpaid Base Salary, payable on the next payroll date;

(ii) any Incentive Compensation earned but unpaid in respect of any completed fiscal year preceding the termination date, payable at the time incentive compensation is paid to other senior executives;

(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, which amount shall be reimbursed within thirty (30) days of the Company's receipt of proper documentation from Executive;

(iv) any accrued and unpaid vacation pay, payable on the next payroll date;

(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, paid pursuant to the terms of such plans or arrangements; and

(vi) any amount or benefit as provided under any benefit plan or program 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 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 actual performance for such year relative to the performance goals applicable to Executive (but without any exercise of negative discretion with respect to Executive in excess of that applied to either senior executives of the Company generally or in accordance with the Company's historical past practice), shall be multiplied by a fraction (A) the numerator of which is the number of days in such fiscal year through the 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. 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; and

(iii) 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 the same basis as active employees, 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.

(c) Termination By Reason of Death. If Executive's employment is terminated by reason of Executive's death, the Company shall pay Executive's beneficiaries:

(i) the Accrued Compensation;

(ii) the Pro-Rata Bonus; and

(iii) 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.

(d) Termination by the Company Without Cause or by Executive for Good Reason. If Executive's employment by the Company shall be terminated by the Company without Cause (other than on account of Executive's Disability or death) or by Executive for Good Reason, then, subject to Section 14(f) of this Agreement, Executive shall be entitled to the benefits provided in this Section 8(d):

(i) the Accrued Compensation;

(ii) the Pro-Rata Bonus;

(iii) in lieu of any further Base Salary or other compensation and benefits for periods subsequent to the termination date, an amount in cash, which amount shall be payable in a lump sum payment within sixty (60) days following such termination (subject to Section 9(c)), equal to two (2) times the sum of (A) Executive's Base Salary and (B) the Target Bonus; and

(iv) accelerated vesting, non-forfeitability and exercisability, as of the termination date, of the Initial RSUs, the Initial Stock Options and, solely to the extent provided for in the applicable award agreement, the Initial PSUs;

(v) continued coverage 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 the same basis as active employees, 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. Notwithstanding the above, in the event such continued coverage, by reason of change in the applicable law, may, in the Company's reasonable view, result in tax or other penalties on the Company, this provision shall terminate and the parties shall, in good faith, negotiate for a substitute provision that provides substantially similar benefit to Executive but does not result in such tax or other penalties.

(e) No Mitigation. Executive shall not be required to mitigate the amount of any payment provided for under this Section 8 by seeking other employment or otherwise and, except as provided in Section 8(b)(iii) 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. Further, the Company's obligations to make any payments hereunder shall not be subject to or affected by any set-off, counterclaim or defense which the Company may have against Executive.

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, (except as provided herein below) 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 (including federal, state and local income taxes, employment, social security and Medicare taxes and all other applicable 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 based upon Section 9(b) below. 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, absent manifest error. For purposes of making the calculations required by this Section 9(a), the Accounting Firm may make reasonable assumptions and approximations concerning applicable taxes and rates, and rely on reasonable, good faith interpretations concerning the application of the Code, and other applicable legal authority. In furtherance of the above, to the extent requested by Executive, the Company shall cooperate in good faith in valuing, and the Accounting Firm shall value, services to be provided by Executive (including Executive refraining from performing services pursuant to

any covenant not to compete) before, on or after the date of the transaction which causes the application of Section 4999 of the Code, such that payments in respect of such services may be considered to be "reasonable compensation" within the meaning of the regulations under Section 4999 of the Code.

(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. In the event the Company determines that a payment or benefit under this Agreement may not be in compliance with Section 409A of the Code, subject to Section 5(c) herein, the Company shall reasonably confer with Executive in order to modify or amend this Agreement to comply with Section 409A of the Code and to do so in a manner to best preserve the economic benefit of this Agreement. 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 (as defined below) 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) without limiting Section 10(g) of this Agreement, when required to do so by law or requested 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, to the

extent legally permitted, notifies the Company prior to such disclosure, (y) in the course of any proceeding under Section 11 or 12 of this Agreement or Section 6 of the Release, subject to the prior entry of a confidentiality order 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) On Executive's last day of employment with the Company, or at such earlier date as requested by the Company, (i) Executive will return to the Company all written Confidential Information (as defined below) that has been provided to, or prepared by, Executive; (ii) at the election of the Company, Executive will return to the Company or destroy all copies of any analyses, compilations, studies or other documents prepared by Executive or for Executive's use containing or reflecting any Confidential Information; and (iii) Executive will return all Company property. Executive shall deliver to the Company a document certifying his compliance 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, (iii) information that is required to be disclosed by law or legal process, and (iv) Executive's rolodex and similar address books, including electronic address books, containing contact information.

(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, contacts, correspondence, personal diaries, and personal files (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.

(f) Executive's obligations under this Section 10 shall survive the termination of the Employment Term.

(g) Pursuant to Section 1833(b) of the Defend Trade Secrets Act of 2016, Executive acknowledges that Executive shall not have criminal or civil liability under any federal or State trade secret law for the disclosure of a trade secret that (i) is made (A) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney and (B) solely for the purpose of reporting or investigating a suspected violation of law; or (ii) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. Nothing in this Agreement is intended to conflict with Section 1833(b) of the Defend Trade Secrets Act of 2016 or create liability for disclosures of trade secrets that are expressly allowed by such Section.

11. Covenant Not to Solicit, Not to Compete, Not to Disparage, to Cooperate in Litigation and Not to Cooperate with Non-Governmental Third Parties.

(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 customers, clients, suppliers, employees or agents of the Company or its affiliates. For purposes of this covenant, "solicit" or "solicitation" means directly or indirectly influencing or attempting to influence any customers, clients, suppliers, employees or agents of the Company or its affiliates to cease doing business with, or to reduce the level of business with, the Company and its affiliates or, with respect to employees or exclusive agents, to become employed or engaged by 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 affiliate's employees or the provision of references shall not constitute a breach of such obligations.

(b) Covenant Not to Compete.

(i) The Company and its affiliates are currently engaged in the business of branded and generic pharmaceuticals, with a focus on product development, clinical development, manufacturing, distribution and sales & marketing. 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 anywhere in the world where, at the time of Executive's termination of employment, the Company develops, manufactures, distributes, markets or sells its products, 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 or services compete in whole or in part with the products or services (both on the 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 revenue on the termination date (a "Competing Business"); 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 Competing 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 its affiliates has had a product(s) licensing agreement during the Employment Term and any entity with which the Company or any of its affiliates is at the time of termination actively negotiating, and eventually concludes within twelve (12) months of the Employment Term, a commercial agreement.

(iii) Notwithstanding the foregoing, it shall not be a violation of this Section 11(b), for Executive to provide services to (or engage in activities involving): (A) a subsidiary, division or affiliate of a Competing Business where such subsidiary, division or affiliate is not engaged in a Competing Business and Executive does not provide services to, or have any responsibilities regarding, the Competing Business; (B) any entity that is, or is a general partner in, or manages or participates in managing, a private or public fund (including, without limitation, a hedge fund) or other investment vehicle, which is engaged in venture capital investments, leveraged buy-outs, investments in public or private companies, other forms of private or alternative equity transactions, or in public equity transactions, and that might make an investment which Executive could not make directly, provided that in connection therewith, Executive does not provide services to, engage in activities involved with, or have any responsibilities regarding a Competing Business; and (C) an affiliate of a Competing Business if Executive does not provide services, directly or indirectly, to such Competing Business and the basis of the affiliation is solely due to common ownership by a private equity or similar investment fund; provided, that, in each case, Executive shall remain bound by all other post-employment obligations under this Agreement including, but not limited to, Executive's obligations under Sections 10, 11(a), (c) and (d) herein; provided, further, that Executive's provision of services to (or engagement in activities involving) any entity described in clauses (A) or (B) of this Section 11(b)(iii) shall be subject to the prior approval of the Board.

(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 director or officer, will issue any written statement that disparages Executive to any third parties or otherwise encourage or induce others to disparage Executive, and the Company shall instruct its officers and directors not to make any statement that disparages Executive to any third parties or otherwise encourage or induce 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 Executive, or (ii) the business reputation of the Company Entities and Persons or Executive. Nothing in this Agreement is intended to or shall prevent either party from providing, or limiting testimony in any judicial, administrative or legal process or otherwise as required by law, prevent either party from engaging in truthful testimony pursuant to any proceeding under this Section 11 or Section 12 below or Section 6 of the Release or prevent Executive from making statements in the course of doing his normal duties for the Company.

(d) Cooperation in Any Investigations and Litigation; No Cooperation with Non-Governmental Third Parties. 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 was involved or of which Executive has knowledge as a result of Executive's service with the Company by providing truthful information. Such cooperation shall be subject to Executive's business and personal commitments and shall not require Executive to cooperate against his own legal interests or the legal interests of any future employer of Executive. The Company agrees to promptly reimburse Executive for reasonable expenses reasonably incurred by Executive, in connection with Executive's cooperation pursuant to this Section 11(d) (including travel expenses at the level of travel permitted by this Agreement and reasonable attorney fees in the event Executive reasonably determines that separate legal counsel for Executive is appropriate). Such reimbursements shall be made as soon as practicable, and in no event later

than the calendar year following the year in which the expenses are incurred. Executive also shall not (i) support (financially or otherwise), counsel or assist any attorneys or their clients or any other non-governmental person in the presentation or prosecution of, (ii) encourage any non-governmental person to raise, or (iii) suggest or recommend to any non-governmental person that such person could or should raise, in each case, any disputes, differences, grievances, claims, charges, or complaints against the Company and/or its affiliates that (x) arises out of, or relates to, any period of time on or prior to Executive's last day of employment with the Company or (y) involves any information Executive learned during his employment with the Company; provided, that after eighteen (18) months following Executive's termination of employment with the Company, such prohibition shall not extend to any such actions taken by Executive on behalf of (A) Executive's then current employer, (B) any entity with respect to which Executive is then a member of the board of directors or managers (as applicable) or (C) any non-publicly traded entity with respect to which Executive is a 5% or more equity owner (or any affiliate of any such entities referenced in clauses (A), (B) or (C)). 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 the Chief Legal Officer of the Company 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) Survive. 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 by action of the Board (and of any other person or body whose action is required) 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 permitted 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. 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 $15,000, 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. Executive is responsible for any taxes that may be due based upon the value of the fees and expenses reimbursed by the Company. 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.

(c) 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 the Chief Legal Officer of the Company with a copy to the Chairman of the Committee. 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.

(d) Indemnification. Executive shall be indemnified by the Company as, and to the extent, to the maximum extent permitted by applicable law as provided in the memorandum and articles of association of Endo. In addition, the Company agrees to continue and maintain, at the Company's sole expense, a directors' and officers' liability insurance policy covering Executive both during and the Employment Term and while the potential liability exists (but in no event longer than six (6) years, if such limitation applies to all other individuals covered by such policy) after the Employment Term, that is no less favorable than the policy covering Board members and other executive officers of the Company from time to time. The obligations under this paragraph shall survive any termination of the Employment Term.

(e) 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.

(f) Release of Claims. The termination benefits described in Section 8(d) and Section 8(e) of this Agreement shall be conditioned on Executive delivering to the Company, a signed release of claims in the form of Exhibit A 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, or be covered under any directors' and officers' liability insurance of, the Company under Section 14(d) of this Agreement and provided further that, following a Change in Control, Executive's requirement to deliver a release shall be contingent on the Company delivering to Executive a release of claims in the form of Exhibit A hereto.

(g) 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.

(h) Executive Acknowledgement. Executive acknowledges Common Stock Ownership Guidelines for Non-Employee Directors and Executive Management of Endo International plc, as may be amended from time to time, and Endo's compensation recoupment policy, as may be amended from time to time.

(i) 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 compliance 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 agreement 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.

(j) 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, 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.

(k) 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. Any dispute hereunder may be adjudicated 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.

(l) No Conflicts. (A) 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. (B) 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.

(m) 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.

(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) 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.

(r) 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 and CEO

EXECUTIVE

By: /S/ SUKETU P. UPADHYAY

Name: Suketu P. Upadhyay

Title: EVP, Chief Financial Officer

EXHIBIT A

FORM OF RELEASE AGREEMENT

THIS RELEASE AGREEMENT (the "Release") is made by and between Suketu Upadhyay ("Executive") and Endo Health Solutions, Inc. (the "Company").

1. FOR AND IN CONSIDERATION of the payments and benefits provided in Section 8(d)(ii), (iii), (iv) and (v) of the Employment Agreement between Executive and the Company dated as of August 3, 2016, (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 Executive executes 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, the Equal Pay Act, any claim arising under the provisions of the False Claims Act; 31 U.S.C.A. § 3730, including, but not limited to, any right to personal gain with respect to any claim asserted under its "qui tam" provisions, Sections 1981 through 1988 of Title 42 of the United States Code, the Immigration Reform and Control Act, the Workers Adjustment and Retraining Notification Act, the Occupational Safety and Health Act, the Family and Medical Leave Act, the Fair Labor Standards Act of 1938, Executive Order 11246, the Pennsylvania Human Relations Act, the Pennsylvania Whistleblower Law and/or the applicable state or local law or ordinance 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; (g) any rights to the payments and benefits provided in Section [8(d)(iii) and (iv)] of the Employment Agreement; and (h) 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. Nothing in this Release is intended to prohibit or restrict Executive's right to file a charge with or participate in a charge by the Equal Employment Opportunity Commission, or any other local, state, or federal administrative body or government agency that is authorized to enforce or administer laws related to employment; provided that Executive hereby waives the right to recover any monetary damages or other relief against any Releasees.

[Upon the Release becoming effective, the Company hereby discharges and generally releases Executive from all claims, causes of action, suits, agreements, and damages which the Company may have now or in the future against Executive for any act, omission or event relating to his employment with the Company or termination of employment therefrom occurring up to and including the date on which the Company signs the Release (excluding any acts or omissions constituting fraud, theft, embezzlement or breach of fiduciary duty by Executive) to the extent that such claim, cause of action, suit, agreement or damages is based on facts, acts, omissions, circumstances or events actually known, or which should have been reasonably known, on the date on which the Company signs the Release by any officer or member of the Board of Directors of the Company.]

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 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, 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 provided below.

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.	Suketu P. Upadhyay
Dated:	Dated:

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: August 9, 2016

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: August 9, 2016

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 June 30, 2016 (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: August 9, 2016

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 June 30, 2016 (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: August 9, 2016

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.