

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

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In re:) Chapter 11
)
AKORN, INC., <i>et al.</i> , ¹) Case No. 20-11177 (KBO)
)
Debtors.) (Jointly Administered)
)
) Objection Deadline: June 24, 2020 at 4:00 p.m. (ET)
) Hearing Date: July 1, 2020 at 2:30 p.m. (ET)
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**DEBTORS' MOTION
FOR ENTRY OF AN ORDER
(I) APPROVING THE ADEQUACY OF
THE DISCLOSURE STATEMENT, (II) APPROVING
THE SOLICITATION AND NOTICE PROCEDURES WITH
RESPECT TO CONFIRMATION OF THE JOINT CHAPTER 11 PLAN
OF AKORN, INC. AND ITS DEBTOR AFFILIATES, (III) APPROVING
THE FORMS OF BALLOTS AND NOTICES IN CONNECTION THEREWITH,
AND (IV) SCHEDULING CERTAIN DATES WITH RESPECT THERETO**

The above-captioned debtors and debtors in possession (collectively, the "Debtors") respectfully state the following in support of this motion:

Relief Requested

1. The Debtors seek entry of an order (the "Order"), substantially in the form attached hereto as **Exhibit A**, granting the following relief and such other relief as is just and proper:
 - a. ***Disclosure Statement.*** Approving the *Disclosure Statement for Joint Chapter 11 Plan of Akorn, Inc. and Its Debtor Affiliates*, substantially in the form attached to the Order as **Schedule 1**

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, if any, are: Akorn, Inc. (7400); 10 Edison Street LLC (7890); 13 Edison Street LLC; Advanced Vision Research, Inc. (9046); Akorn (New Jersey), Inc. (1474); Akorn Animal Health, Inc. (6645); Akorn Ophthalmics, Inc. (6266); Akorn Sales, Inc. (7866); Clover Pharmaceuticals Corp. (3735); Covenant Pharma, Inc. (0115); Hi-Tech Pharmacal Co., Inc. (8720); Inspire Pharmaceuticals, Inc. (9022); Oak Pharmaceuticals, Inc. (6647); Olta Pharmaceuticals Corp. (3621); VersaPharm Incorporated (6739); VPI Holdings Corp. (6716); and VPI Holdings Sub, LLC. The location of the Debtors' service address is: 1925 W. Field Court, Suite 300, Lake Forest, Illinois 60045.



(the “Disclosure Statement”),² as containing “adequate information” pursuant to section 1125 of the Bankruptcy Code;

- b. ***Solicitation and Voting Procedures.*** Approving procedures for: (i) soliciting, receiving, and tabulating votes to accept or reject the Plan; (ii) voting to accept or reject the Plan; and (iii) filing objections to the Plan (the “Solicitation and Voting Procedures”), substantially in the form attached to the Order as **Schedule 2**;
- c. ***Ballots.*** Approving the Term Loan Claims ballots, General Unsecured Claims ballots, Section 510(b) Claims ballots, Akorn Interests ballots, Beneficial Holder ballots, and Master ballots (collectively, the “Ballots”), substantially in the forms attached to the Order as **Schedules 3A, 3B, 3C, 3D, 3E and 3F**, respectively;
- d. ***Nonvoting Status Notices.*** Approving: (i) the form of notice applicable to Holders of Claims that are Unimpaired under the Plan and who are, pursuant to section 1126(f) of the Bankruptcy Code, conclusively presumed to accept the Plan; and (ii) the form of notice applicable to Holders of Claims or Interests that are subject to a pending objection by the Debtors and who are not entitled to vote the disputed portion of such Claim (each, a “Nonvoting Status Notice”), substantially in the forms attached to the Order as **Schedules 4, 4A, 5, and 5A** respectively;
- e. ***Solicitation Packages.*** Approving the solicitation materials and documents included in the solicitation packages (the “Solicitation Packages”) that will be sent to, among others, Holders of Claims and Interests entitled to vote to accept or reject the Plan;
- f. ***Cover Letter.*** Approving the form of letter (the “Cover Letter”) that the Debtors will send to Holders of Claims and Interests entitled to vote to accept or reject the Plan urging such parties to vote in favor of the Plan, substantially in the form attached to the Order as **Schedule 6**;
- g. ***Confirmation Hearing Notice.*** Approving the form and manner of notice of the hearing to be held by the Court to consider confirmation of the Plan (the “Confirmation Hearing,” and the notice thereof, the “Confirmation Hearing Notice”) pursuant to section 1129 of the Bankruptcy Code, substantially in the form attached to the Order as **Schedule 7**;

² Capitalized terms used, but not otherwise defined herein have the meanings ascribed to them in the *Joint Chapter 11 Plan of Akorn, Inc. and Its Debtor Affiliates* filed contemporaneously herewith (as may be amended, supplemented, or modified from time to time, the “Plan”), a copy of which is attached as Exhibit A to the Disclosure Statement.

- h. **Plan Supplement Notice.** Approving the notice related to the filing of the Plan Supplement, substantially in the form attached to the Order as **Schedule 8** (the “Plan Supplement Notice”);
- i. **Rejection Notice.**³ Approving the form of notice to counterparties to Executory Contracts and Unexpired Leases that will be rejected pursuant to the Plan (the “Rejection Notice”), substantially in the form attached to the Order as **Schedule 9**; and
- j. **Confirmation Timeline.** Establishing certain dates and deadlines with respect to confirmation of the Plan, subject to modification as necessary.

2. On May 21, 2020, the Debtors filed the *Debtors’ Motion Seeking Entry of an Order (A) Authorizing and Approving Bidding Procedures, (B) Scheduling an Auction and a Sale Hearing, (C) Approving the Form and Manner of Notice Thereof, (D) Establishing Notice and Procedures for the Assumption and Assignment of Certain Executory Contracts and Leases, and (E) Granting Related Relief* [Docket No. 18] (the “Bidding Procedures Motion”), which seeks entry of an order (the “Bidding Procedures Order”) establishing certain dates and deadlines in connection with the Auction and Sale as follows:⁴

Event or Deadline	Date and Time
Bid Deadline	August 3, 2020
Auction (If Necessary)	August 10, 2020
Contract Objection Deadline	August 15, 2020
Sale Objection Deadline	August 15, 2020
Sale Hearing	August 20, 2020

³ A process for serving notice to all counterparties to Executory Contracts and Unexpired Leases that will be assumed or assumed and assigned to the Stalking Horse Bidder (or other Successful Bidder, if any) in connection with the Sale was included in the Assumption Procedures (the “Assumption Procedures”) submitted as part of the Bidding Procedures Motion. Accordingly, such counterparties shall receive notice in accordance with the Assumption Procedures as set forth in the Bidding Procedures Order.

⁴ Capitalized terms in the below chart shall have the meanings ascribed to them in the Bidding Procedures Motion or proposed Bidding Procedures Order, as applicable.

3. By this motion, the Debtors seek to establish the following additional dates and deadlines in connection with the approval of the Disclosure Statement and Plan Confirmation:

Event	Date and Time	Description
Voting Record Date	July 1, 2020.	Date for determining (i) which Holders of Claims and Interests in the Voting Classes (as defined herein) are entitled to vote to accept or reject the Plan and receive Solicitation Packages in connection therewith and (ii) whether Claims have been properly assigned or transferred to an assignee under Bankruptcy Rule 3001(e) such that the assignee or transferee, as applicable, can vote to accept or reject the Plan as the holder of a respective Claim (the " <u>Voting Record Date</u> ").
Solicitation Deadline	As soon as practicable after entry of the Disclosure Statement Order, but in no event later than five (5) business days thereafter.	The deadline for distributing Solicitation Packages, including Ballots, to Holders of Claims and Interests entitled to vote to accept or reject the Plan (the " <u>Solicitation Deadline</u> ").
Publication Deadline	Within five (5) business days after entry of the Disclosure Statement Order or as soon as reasonably practicable thereafter.	The date by which the Debtors will submit the Confirmation Hearing Notice in a format modified for publication (the " <u>Publication Notice</u> ").
3018 Motion Deadline	Ten (10) days from the later of the (a) mailing of the Confirmation Hearing Notice and (b) filing of a claim objection.	The deadline by which creditors seeking to have a claim temporarily allowed for purposes of voting to accept or reject the Plan pursuant to Bankruptcy Rule 3018(a) must file a motion (a " <u>3018 Motion</u> ").
3018 Motion Objection Deadline	Ten (10) days prior to the Voting Deadline.	The deadline by which the Debtors or other parties in interest must file objections to any 3018 Motions.
Voting Deadline	August 15, 2020, at 5:00 p.m., prevailing Eastern Time.	The date by which <i>all</i> Ballots must be properly executed, completed, and delivered (the " <u>Voting Deadline</u> "), so that they are <i>actually received</i> by Kurtzman Carson Consultants LLC (the " <u>Notice and Claims Agent</u> ").
Confirmation Objection Deadline	August 15, 2020, at 4:00 p.m., prevailing Eastern Time.	The deadline by which objections to the Plan must be filed with the Court and served so as to be <i>actually received</i> by the appropriate notice parties (the " <u>Confirmation Objection Deadline</u> ").
Deadline to File Voting Report	Two (2) business days prior to the Confirmation Hearing, at 12:00 p.m., prevailing Eastern Time.	Date by which the report tabulating the voting on the Plan (the " <u>Voting Report</u> ") shall be filed with the Court.

Event	Date and Time	Description
Deadline to File Confirmation Brief and Confirmation Objection Reply / Statement(s) in Support of Confirmation	Two (2) business days prior to the Confirmation Hearing, at 12:00 p.m., prevailing Eastern Time.	Date by which the Debtors shall file their brief in support of Confirmation of the Plan (the " <u>Confirmation Brief Deadline</u> ") and deadline by which replies to objections to the Plan or other statements in support must be filed with the Court (the " <u>Confirmation Objection Reply Deadline</u> ").
Confirmation Hearing	August 20, 2020, at [●] p.m., prevailing Eastern Time.	Date and time for hearing at which the Court will consider Confirmation of the Plan.

Jurisdiction and Venue

4. The United States Bankruptcy Court for the District of Delaware (the "Court") has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware, dated February 29, 2012. The Debtors confirm their consent, pursuant to rule 7008 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), and Rule 9013-1(f) of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the "Local Rules"), to the entry of a final order by the Court in connection with this motion to the extent that it is later determined that the Court, absent consent of the parties, cannot enter final orders or judgments in connection herewith consistent with Article III of the United States Constitution.

5. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

6. The statutory bases for the relief requested herein are sections 105, 1125, 1126, and 1128 of the Bankruptcy Code, rules 2002, 3016, 3017, 3018, and 3020 of the Bankruptcy Rules, and Local Rules 2002-1 and 3017-1.

Background

7. Akorn, Inc., together with its Debtor and non-Debtor subsidiaries (collectively, "Akorn") is a specialty pharmaceutical company that develops, manufactures, and

markets generic and branded prescription pharmaceuticals, branded as well as private-label over-the-counter consumer health products, and animal health pharmaceuticals. Akorn is an industry leader in the development, manufacturing, and marketing of specialized generic pharmaceutical products in alternative dosage forms. Headquartered in Lake Forest, Illinois, Akorn has approximately 2,180 employees worldwide and maintains a global manufacturing presence, with pharmaceutical manufacturing facilities located in Illinois, New Jersey, New York, Switzerland, and India. Akorn's operations generated approximately \$682 million in revenue and approximately \$124 million of Adjusted EBITDA in 2019. The Debtors commenced these chapter 11 cases to conduct an orderly sale process that will position the Debtors for sustained future success by right-sizing their balance sheet and addressing their litigation overhangs.

8. On the Petition Date, each of the Debtors filed a voluntary petition with the Court under chapter 11 of the Bankruptcy Code. The Debtors continue to operate their businesses and manage their properties as debtors and debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. The Debtors' chapter 11 cases have been consolidated for procedural purposes only and are being jointly administered pursuant to Bankruptcy Rule 1015(b) [Docket No. 57]. No party has requested the appointment of a trustee or examiner in these chapter 11 cases, and no committees have been appointed or designated as of the date hereof.

Plan Summary

9. The Debtors commenced these chapter 11 cases to take the next step in marketing a going-concern sale of their businesses—specifically, a value-maximizing, in-court sale process that will publicly “market test” the value of their business—to address the Debtors' capital structure needs and litigation liabilities in a single forum. To that end, prior to the Petition Date, the Debtors and approximately 80% in principal amount of the Term Loan Lenders entered into a restructuring support agreement (the “RSA”) that solidifies their support for a sale transaction

(whether to their existing term loan lenders or a third party) and provides for the orderly wind-down of the Debtors' estates and sufficient capital to fund the Debtors' operations until consummation of a transaction. To execute the value-maximizing restructuring contemplated by the RSA, certain of the RSA parties have also agreed to provide \$30 million of debtor-in-possession ("DIP") financing to fund the chapter 11 cases and sale process.

10. To facilitate the swift resolution of these chapter 11 cases, the Debtors are pursuing confirmation of a wind-down plan on substantially the same timeline as the process for market testing the Stalking Horse Bid. To that end, contemporaneously herewith, the Debtors have filed the Plan and Disclosure Statement. The Plan and Disclosure Statement contemplate the distribution of proceeds (if any) from the Sale to Holders of Allowed Claims and Interests in each case, generally in accordance with the priorities established by the Bankruptcy Code. The Debtors believe that the Plan will maximize value for all stakeholders and is in the best interests of the Debtors' Estates and their stakeholders, and therefore the Debtors seek to confirm the Plan.

11. The Plan classifies Holders of Claims or Interests into the following Classes of Claims and Interests for all purposes including with respect to voting on the Plan, pursuant to section 1126 of the Bankruptcy Code. The following chart represents the Classes of Claims and Interests under the Plan:⁵

Class	Claims and Interests	Status	Voting Rights
Class 1	Other Priority Claims	Unimpaired	Not Entitled to Vote (Deemed to Accept)
Class 2	Other Secured Claims	Unimpaired	Not Entitled to Vote (Deemed to Accept)
Class 3	Term Loan Claims	Impaired	Entitled to Vote
Class 4	General Unsecured Claims	Impaired	Entitled to Vote

⁵ The Plan constitutes a separate chapter 11 plan for each Debtor. The classifications set forth in Classes 1–8 shall be deemed to apply to each Debtor, as applicable. The Debtors reserve the right to modify the Plan in accordance with the terms thereof, including the right to withdraw the Plan as to an individual Debtor at any time before the Confirmation Date.

Class	Claims and Interests	Status	Voting Rights
Class 5	Intercompany Claims	Unimpaired / Impaired	Not Entitled to Vote (Deemed to Accept) / Not Entitled to Vote (Deemed to Reject)
Class 6	Intercompany Interests	Unimpaired	Not Entitled to Vote (Deemed to Accept)
Class 7	Section 510(b) Claims	Impaired	Entitled to Vote
Class 8	Akorn Interests	Impaired	Entitled to Vote

12. The Plan provides for the following distributions to be made to the Debtors' creditors and equity holders:

Class	Claim/Interest	Treatment of Claims and Interests
Class 1	Other Priority Claims	Except to the extent that a Holder of an Allowed Priority Claim agrees to less favorable treatment, in full and final satisfaction, compromise, settlement, and release of and in exchange for each Allowed Other Priority Claim, each Holder of an Allowed Other Priority Claim shall receive payment in full in Cash or other treatment rendering such Claim Unimpaired, in each case on the Effective Date.
Class 2	Other Secured Claims	<p>Except to the extent that a Holder of an Allowed Other Secured Claim agrees to less favorable treatment, in full and final satisfaction, compromise, settlement, and release of and in exchange for each Allowed Other Secured Claim, each Holder of an Allowed Other Secured Claim shall receive, at the election of the Debtors, in consultation with the Required Consenting Term Loan Lenders and in each case, on the Effective Date:</p> <ul style="list-style-type: none"> (i) payment in full in Cash of such Allowed Other Secured Claim; (ii) the Collateral securing such Allowed Other Secured Claim; (iii) Reinstatement of such Allowed Other Secured Claim, notwithstanding any contractual provision or applicable non-bankruptcy Law that entitles the holder of such claim to demand or to receive payment prior to the stated maturity of such Allowed Other Secured Claim from and after the occurrence of default; or (iv) such other treatment rendering such Allowed Other Secured Claim Unimpaired.

Class	Claim/Interest	Treatment of Claims and Interests
Class 3	Term Loan Claims	<p>In full and final satisfaction, compromise, settlement, release, and discharge of its Claim (unless the applicable Holder agrees to a less favorable treatment), each Holder of Allowed Term Loan Claim shall receive on the Effective Date either:</p> <ul style="list-style-type: none"> (i) In the event the Sale Transaction is not a Term Loan Credit Bid Transaction, its Pro Rata share of the Distributable Proceeds pursuant to the Waterfall Recovery; or (ii) In the event the Sale Transaction is a Term Loan Credit Bid Transaction, on account of the Allowed Term Loan Claims <i>less</i> the Term Loan Credit Bid Amount, its Pro Rata share of the Distributable Proceeds, if any, pursuant to the Waterfall Recovery. <p>For the avoidance of doubt, in the event the Sale Transaction is a Term Loan Credit Bid Transaction, the Term Loan Lenders shall be entitled to immediate possession of the Purchased Assets as and solely to the extent set forth in the Sale Order, with no further order of the Bankruptcy Court required.</p>
Class 4	General Unsecured Claims	<p>In full and final satisfaction, compromise, settlement, release, and discharge of its Claim (unless the applicable Holder agrees to a less favorable treatment), each Holder of an Allowed General Unsecured Claim that is not assumed by the Purchaser shall receive its Pro Rata share of the Distributable Proceeds, if any, pursuant to the Waterfall Recovery.</p> <p>For the avoidance of doubt, all General Unsecured Claims that are assumed by the Purchaser pursuant to the Sale Transaction Documentation shall be satisfied by the Purchaser in full in Cash following the Effective Date in the ordinary course of business; <i>provided that</i> any Allowed General Unsecured Claim that has been expressly assumed by the Purchaser under the Sale Transaction shall not be an obligation of the Debtors as of or after the Effective Date.</p>
Class 5	Intercompany Claims	<p>In full and final satisfaction of each Allowed Intercompany Claim, each Allowed Intercompany Claim, unless otherwise provided for under the Plan and subject to the Description of Transaction Steps, will either be Reinstated, distributed, contributed, set off, settled, cancelled and released or otherwise addressed at the option of the Debtors, in consultation with the Required Consenting Term Loan Lenders; provided, that no distributions shall be made on account of any such Intercompany Claims.</p>
Class 6	Intercompany Interests	<p>In full and final satisfaction of each Allowed Intercompany Interest, subject to the Description of Transaction Steps, each Intercompany Interest shall be Reinstated solely to maintain the Debtors' corporate structure.</p>

Class	Claim/Interest	Treatment of Claims and Interests
Class 7	Section 510(b) Claims	On the Effective Date, in full and final satisfaction, compromise, settlement, release, and discharge of its Claim, each Holder of an Allowed Class 7 Section 510(b) Claim shall receive its Pro Rata share of the Distributable Proceeds, if any, pursuant to the Waterfall Recovery; <i>provided that</i> for purposes of receiving the treatment provided herein, each Holder of an Allowed Section 510(b) Claim shall be treated as if such Holder held a number of Allowed Class 8 Akorn Interests equal in value to the amount of its Allowed Section 510(b) Claim.
Class 8	Akorn Interests	On the Effective Date, in full and final satisfaction, compromise, settlement, release, and discharge of its Claim, each Holder of Allowed Class 8 Akorn Interests shall receive its Pro Rata share of the Distributable Proceeds, if any, pursuant to the Waterfall Recovery.

13. Based on the foregoing (and as discussed in greater detail herein), the Debtors are proposing to solicit votes to accept or reject the Plan from Holders of Claims and Interests in Classes 3, 4, 7, and 8 (each, a “Voting Class,” and collectively, the “Voting Classes”). The Debtors are not proposing to solicit votes from Holders of Claims or Interests in Classes 1, 2, 5, or 6 (each, a “Non-Voting Class,” and collectively, the “Non-Voting Classes”).

Basis for Relief

I. The Court Should Approve the Disclosure Statement.

A. The Standard for Approval of the Disclosure Statement.

14. Pursuant to section 1125 of the Bankruptcy Code, the proponent of a proposed chapter 11 plan must provide “adequate information” regarding that plan to holders of impaired claims and interests entitled to vote on the plan. Specifically, section 1125(a)(1) of the Bankruptcy Code provides, in relevant part, as follows:

‘[A]dequate information’ means information of a kind, and in sufficient detail, as far as is reasonably practicable in light of the nature and history of the debtor and the condition of the debtor’s books and records, including a discussion of the potential material Federal tax consequences of the plan to the debtor, any successor to the debtor, and a hypothetical investor typical of the holders of claims or interests in the case, that would enable such a hypothetical

investor of the relevant class to make an informed judgment about the plan.

11 U.S.C. § 1125(a)(1).

15. The primary purpose of a disclosure statement is to provide all material information that creditors and interest holders affected by a proposed plan need to make an informed decision regarding whether or not to vote for the plan. *See, e.g., Century Glove, Inc. v. First Am. Bank of N.Y.*, 860 F.2d 94, 100 (3d Cir. 1988) (“[Section] 1125 seeks to guarantee a minimum amount of information to the creditor asked for its vote.”); *In re Monnier Bros.*, 755 F.2d 1336, 1342 (8th Cir. 1985) (“The primary purpose of a disclosure statement is to give the creditors the information they need to decide whether to accept the plan.”); *In re Phoenix Petrol., Co.*, 278 B.R. 385, 392 (Bankr. E.D. Pa. 2001) (“[T]he general purpose of the disclosure statement is to provide ‘adequate information’ to enable ‘impaired’ classes of creditors and interest holders to make an informed judgment about the proposed plan and determine whether to vote in favor of or against that plan.”); *In re Unichem Corp.*, 72 B.R. 95, 97 (Bankr. N.D. Ill. 1987) (“The primary purpose of a disclosure statement is to provide all material information which creditors and equity security holders affected by the plan need in order to make an intelligent decision whether to vote for or against the plan.”). Congress intended that such informed judgments would be needed to both negotiate the terms of, and vote on, a plan of reorganization. *See Century Glove, Inc.*, 860 F.2d at 100.

16. “Adequate information” is a flexible standard, based on the facts and circumstances of each case. 11 U.S.C. § 1125(a)(1) (“‘adequate information’ means information of a kind, and in sufficient detail, as far as is reasonably practicable in light of the nature and history of the debtor and the condition of the debtor’s books and records”); *see also Oneida Motor Freight, Inc. v. United Jersey Bank*, 848 F.2d 414, 417 (3d Cir. 1988) (“From the legislative history of § 1125 we

discern that adequate information will be determined by the facts and circumstances of each case.”); *First Am. Bank of N.Y. v. Century Glove, Inc.*, 81 B.R. 274, 279 (D. Del. 1988) (noting that adequacy of disclosure for a particular debtor will be determined based on how much information is available from outside sources); S. Rep. No. 95-989, at 121 (1978), *as reprinted in* 1978 U.S.C.C.A.N. 5787, 5907 (“the information required will necessarily be governed by the circumstances of the case”).

17. Courts in the Third Circuit acknowledge that determining what constitutes “adequate information” for the purpose of satisfying section 1125 of the Bankruptcy Code resides within the broad discretion of the court. *See, e.g., In re River Village Assoc.*, 181 B.R. 795, 804 (E.D. Pa. 1995) (“[T]he Bankruptcy Court is thus given substantial discretion in considering the adequacy of a disclosure statement.”); *In re Phoenix Petroleum Co.*, 278 B.R. at 393 (same). Accordingly, the determination of whether a disclosure statement contains adequate information must be made on a case-by-case basis, focusing on the unique facts and circumstances of each case. *See In re Phoenix Petroleum Co.*, 278 B.R. at 393; *In re PC Liquidation Corp.*, 383 B.R. 856, 865 (E.D.N.Y. 2008) (“The standard for disclosure is, thus, flexible and what constitutes ‘adequate disclosure’ in any particular situation is determined on a case-by-case basis, with the determination being largely within the discretion of the bankruptcy court.”) (internal citations omitted); *In re Lisanti Foods, Inc.*, 329 B.R. 491, 507 (Bankr. D. N.J. 2005) (“The information required will necessarily be governed by the circumstances of the case.”).

18. In making a determination as to whether a disclosure statement contains adequate information as required by section 1125 of the Bankruptcy Code, courts typically look for disclosures related to topics such as:

- a. the events that led to the filing of a bankruptcy petition;
- b. the relationship of the debtor with its affiliates;

- c. a description of the available assets and their value;
- d. the debtor's anticipated future performance;
- e. the source of information stated in the disclosure statement;
- f. the debtor's condition while in chapter 11;
- g. claims asserted against the debtor;
- h. the estimated return to creditors under a chapter 7 liquidation of the debtor;
- i. the future management of the debtor;
- j. the chapter 11 plan or a summary thereof;
- k. financial information, valuations, and projections relevant to a creditor's decision to accept or reject the chapter 11 plan;
- l. information relevant to the risks posed to creditors under the plan;
- m. the actual or projected realizable value from recovery of preferential or otherwise avoidable transfers;
- n. litigation likely to arise in a nonbankruptcy context; and
- o. tax attributes of the debtor.

See In re U.S. Brass Corp., 194 B.R. 420, 424–25 (Bankr. E.D. Tex. 1996); *see also In re Scioto Valley Mortg. Co.*, 88 B.R. 168, 170–71 (Bankr. S.D. Ohio 1988) (listing the factors courts have considered in determining the adequacy of information provided in a disclosure statement); *In re Metrocraft Pub. Serv., Inc.*, 39 B.R. 567, 568 (Bankr. N.D. Ga. 1984) (same). Disclosure regarding all topics is not necessary in every case. *See In re U.S. Brass Corp.*, 194 B.R. at 424; *see also In re Phoenix Petroleum*, 278 B.R. at 393 (“[C]ertain categories of information which may be necessary in one case may be omitted in another; no one list of categories will apply in every case.”).

B. The Disclosure Statement Contains Adequate Information in Accordance with Section 1125 of the Bankruptcy Code.

19. The Disclosure Statement provides “adequate information” to allow Holders of Claims and Interests in the Voting Classes to make informed decisions about whether to vote to accept or reject the Plan. Specifically, the Disclosure Statement contains a number of categories of information that courts consider “adequate information,” including:

Category	Description	Location in Disclosure Statement
Business Description and Background to the Chapter 11 Cases	An overview of the Debtors’ corporate history, business operations, organizational structure, and capital structure.	Article III
Events Leading Up to the Chapter 11 Cases	An overview of the Debtors’ out-of-court restructuring efforts in response to liquidity constraints.	Article IV
Administration of the Chapter 11 Cases	A summary of the course of events in the chapter 11 cases.	Article V
Voting and Confirmation	Confirmation procedures and statutory requirements for confirmation and consummation of the Plan.	Article VII
Solicitation and Voting Procedures	A description of the procedures for soliciting votes to accept or reject the Plan and voting on the Plan.	Article VII
Certain Risk Factors to be Considered Before Voting	Certain risks associated with the Debtors’ businesses, as well as certain risks associated with forward-looking statements and an overall disclaimer as to the information provided by and set forth in the Disclosure Statement.	Article VIII
Material United States Federal Income Tax Consequences of the Plan	A description of certain U.S. federal income tax law consequences of the Plan.	Article IX
Recommendation of the Debtors	A recommendation by the Debtors that Holders of Claims and Interests in the Voting Classes should vote to accept the Plan.	Article X

20. Based on the foregoing, the Debtors respectfully submit that the Disclosure Statement complies with all aspects of section 1125 of the Bankruptcy Code and addresses the information set forth above in a manner that provides adequate information to Holders of Claims and Interests entitled to vote to accept or reject the Plan. Accordingly, the

Debtors submit that the Disclosure Statement contains “adequate information” and, therefore, should be approved.

C. The Disclosure Statement Provides Sufficient Notice of Injunction, Release, and Exculpation Provisions in the Plan.

21. Bankruptcy Rule 3016(c) requires that, if a plan provides for an injunction against conduct not otherwise enjoined under the Bankruptcy Code, the plan and disclosure statement must describe, in specific and conspicuous language, the acts to be enjoined and the entities subject to the injunction. Fed. R. Bankr. P. 3016(c).

22. Article VIII.H of the Plan and Article VI.R of the Disclosure Statement describe in detail the entities subject to the Plan injunction and the acts that such entities are enjoined from pursuing after the Effective Date. Moreover, Articles VIII.D, VIII.E and VIII.F of the Plan, as well as Articles VI.R.1., VI.R.2., and VI.R.3 of the Disclosure Statement each describe in detail the entities subject to the release provisions under the Plan and the Claims and Causes of Action so released. Article VIII.G of the Plan and Article VI.R.4 of the Disclosure Statement also describe in detail the entities entitled to exculpation under the Plan. Each of the foregoing sections is set forth conspicuously in bold font, making such sections clear to Holders of Claims and Interests. Accordingly, the Debtors respectfully submit that the Disclosure Statement complies with Bankruptcy Rule 3016(c) by conspicuously describing the conduct and parties enjoined, released, or exculpated by the Plan.

II. The Court Should Approve the Solicitation and Voting Procedures, Including the Voting and Tabulation Procedures, the Materials, and the Timeline for Soliciting Votes on the Plan.

A. The Standard for Approval of Voting and Tabulation Procedures.

23. Section 1126(c) of the Bankruptcy Code provides that:

A class of claims has accepted a plan if such plan has been accepted by creditors, other than any entity designated under section (e) of

this section, that hold at least two-thirds in amount and more than one-half in number of the allowed claims of such class held by creditors, other than any entity designed under subsection (e) of this section, that have accepted or rejected the plan.

11 U.S.C. § 1126(c). Additionally, Bankruptcy Rule 3018(c) provides, in part, that “[a]n acceptance or rejection [of a plan] shall be in writing, identify the plan or plans accepted or rejected, be signed by the creditor or equity security holder or an authorized agent and conform to the appropriate Official Form.” Fed. R. Bankr. P. 3018(c). Consistent with these requirements, the Debtors propose to use the Solicitation and Voting Procedures, which procedures include specific voting and tabulation requirements and processes (the “Voting and Tabulation Procedures”), as follows:

1. Completion of Ballots.

24. To facilitate the process of tabulating all votes received, the Debtors propose that a Ballot be counted in determining the acceptance or rejection of the Plan only if it satisfies certain criteria. Specifically, the Voting and Tabulation Procedures provide that the Debtors not count a Ballot if it is, among other things, illegible, submitted by a holder of a Claim that is not entitled to vote on the Plan, unsigned, or not clearly marked. Further, the Debtors, subject to a contrary order of the Court, may waive any defects or irregularities as to any particular Ballot at any time, either before or after the close of voting, and any such waivers shall be documented in the Voting Report.

2. General Ballot Tabulation and Voting Procedures.

25. The proposed Voting and Tabulation Procedures set forth specific criteria with respect to the general tabulation of Ballots, and voting procedures applicable to Holders of Claims and Interests. The Debtors believe that the proposed Voting and Tabulation Procedures will facilitate the Plan confirmation process. Specifically, the procedures will clarify any obligations of Holders of Claims and Interests entitled to vote to accept or reject the Plan and will create a

straightforward process by which the Debtors can determine whether they have satisfied the numerosity requirements of section 1126(c) of the Bankruptcy Code. Accordingly, the Debtors submit that the Voting and Tabulation Procedures are in the best interests of their estates, Holders of Claims and Interests, and other parties in interest, and that good cause supports the relief requested herein.

B. The Court Should Approve the Forms of the Ballots.

26. In accordance with Bankruptcy Rule 3018(c), the Debtors have prepared customized Ballots. Although based on Official Form No. 314, the Ballots have been modified to (a) address the particular circumstances of these chapter 11 cases, and (b) include certain additional information that is relevant and appropriate for Claims in certain of the Voting Classes. The proposed Ballots for each Voting Class are annexed as Schedules 3A, 3B, 3C, 3D, 3E, and 3F to the Order, respectively. The Debtors respectfully submit that the forms of the Ballots comply with Bankruptcy Rule 3018(c) and, therefore, should be approved.

C. The Court Should Approve the Form and Distribution of the Solicitation Packages and Cover Letter to Parties Entitled to Vote on the Plan.

27. Bankruptcy Rule 3017(d) specifies the materials to be distributed to holders of allowed claims and/or equity interests upon approval of a disclosure statement, including the plan or a court-approved summary of the plan, the disclosure statement approved by the court, and notice of the time within which acceptances and rejections of the plan may be filed. Fed. R. Bankr. P. 3017(d).

28. In accordance with this requirement, the Debtors propose to send the Solicitation Packages to provide Holders of Claims and Interests in the Voting Classes with the information they need to be able to make informed decisions with respect to how to vote on the Plan. Specifically, on or before the Solicitation Deadline, the Debtors will cause the Solicitation

Packages to be distributed by first-class U.S. mail to those Holders of Claims and Interests in the Voting Classes. Each Solicitation Package will include the following materials:

- a. a copy of the Solicitation and Voting Procedures;
- b. a Ballot, together with detailed voting instructions and a pre-addressed, postage prepaid return envelope;
- c. the Cover Letter;
- d. the Disclosure Statement (and the exhibits attached thereto, including the Plan);
- e. the Confirmation Hearing Notice;
- f. the Order (without exhibits except as set forth above); and
- g. any other materials as the Court may direct.

29. The Debtors request that they be authorized to distribute the Plan, the Disclosure Statement, and the Order (without exhibits, except for the Solicitation and Voting Procedures) to Holders of Claims and Interests entitled to vote on the Plan in electronic format (i.e., on a CD-ROM or flash drive). Only the Ballots, the Cover Letter, and the Confirmation Hearing Notice will be provided in paper format. Distribution in this manner will translate into significant monetary savings for the Debtors' estates (the Plan, the Disclosure Statement, and the Order, collectively, total hundreds of pages) by reducing printing and postage costs. Bankruptcy courts in this and other districts have permitted debtors to transmit solicitation documents in electronic format in other large chapter 11 cases in the interest of saving printing and mailing costs. *See, e.g., PES Holdings, LLC*, No. 19-11626 (KG) (Bankr. D. Del. Dec. 11, 2019) (authorizing the debtors to transmit solicitation documents in electronic format); *In re RMBR Liquidation, Inc.*, No. 19-10234 (KG) (Bankr. D. Del. May 7, 2019) (same); *In re Z Gallerie, LLC*, No. 19-10488 (LSS) (Bankr. D. Del. May 2, 2019) (same); *In re ATD Corporation*, No. 18-12221 (KJC)

(Bankr. D. Del. Nov. 14, 2018) (same); *In re VER Techs. Holdco LLC*, No. 18-10834 (KG) (Bankr. D. Del. June 4, 2018) (same).

30. In certain instances, brokerage firms and banks or their agents (collectively, the “Nominees”) hold Class 8 (Akorn Interests) rather than the individual holders themselves (collectively, the “Beneficial Holders”). To ensure proper tabulation of votes for all Akorn Interests in Class 8, the Notice and Claims Agent will deliver Solicitation Packages to holders of record as of the Voting Record Date, including Nominees. Additionally, the Notice and Claims Agent will distribute Master Ballots and Beneficial Holder Ballots to Nominees under separate cover from the Solicitation Packages delivered to all other holders of record. The Beneficial Holder Ballot will instruct each Beneficial Holder voting on the Plan through a Nominee to return the Beneficial Holder Ballot to the appropriate Nominee with sufficient time for such Nominee to timely cast votes to accept or reject the Plan on behalf of the Beneficial Holders or otherwise follow the directions of the Nominee. The Notice and Claims Agent will then tabulate each of the Master Ballots and Beneficial Holder Ballots received.

31. Additionally, the Debtors will provide (a) complete Solicitation Packages (excluding the Ballots) to the United States Trustee for the District of Delaware (the “U.S. Trustee”) and (b) the Order (in electronic format) and the Confirmation Hearing Notice to all parties required to be notified under Rule 2002 of the Bankruptcy Rules and Rule 2002-1 of the Local Rules (the “2002 List”) as of the Voting Record Date. Any party that receives the materials in electronic format, but would prefer paper format, may contact the Notice and Claims Agent and request paper copies of the corresponding materials previously received in electronic format (to be provided at the Debtors’ expense) by (a) visiting the Debtors’ restructuring website at <https://www.kccllc.net/akorn>, (b) writing to: Akorn Ballot Processing Center, c/o KCC, 222 N. Pacific Coast Highway, Suite 300, El Segundo, California 90245; (c) emailing

AkornInfo@kccllc.com, and/or (d) calling the Debtors' Notice and Claims Agent at (877) 725-7539, (U.S. and Canada) or (424) 236-7247, (International). Parties in interest may also obtain these documents and any other pleadings filed in the chapter 11 cases (for a fee) via PACER at <https://ecf.deb.uscourts.gov>. The Debtors will not mail Solicitation Packages or other solicitation materials to Holders of Claims and Interests that have already been paid in full during the chapter 11 cases or that are expected to be paid in full in the ordinary course of business pursuant to an order previously entered by this Court in the chapter 11 cases.

32. The Debtors respectfully request that the Notice and Claims Agent be authorized (to the extent not authorized by another order of the Court) to assist the Debtors in (a) distributing the Solicitation Packages, (b) receiving, tabulating, and reporting on Ballots cast to accept or reject the Plan by Holders of Claims and Interests against the Debtors, (c) responding to inquiries from Holders of Claims and Interests and other parties in interest relating to the Disclosure Statement, the Plan, the Ballots, the Solicitation Packages, and all other related documents and matters related thereto, including the procedures and requirements for voting to accept or reject the Plan and for objecting to the Plan, (d) soliciting votes on the Plan, and (e) if necessary, contacting creditors regarding the Plan.

33. In addition to accepting hard copy Ballots via first class mail, overnight courier, and hand delivery, the Debtors request authorization to accept Ballots via electronic, online transmissions, solely through a customized online balloting portal on the Debtors' case website. Parties entitled to vote may cast an electronic Ballot and electronically sign and submit a Ballot instantly by utilizing the online balloting portal (which allows a holder to submit an electronic signature). Instructions for electronic, online transmission of Ballots are set forth on the forms of Ballots. The encrypted ballot data and audit trail created by such electronic submission shall become part of the record of any Ballot submitted in this manner, and the creditor's electronic

signature will be deemed to be immediately legally valid and effective. For the avoidance of doubt, Ballots submitted via the customized online balloting portal shall be deemed to contain an original signature.

34. All votes to accept or reject the Plan must be cast by using the appropriate Ballot. All Ballots must be properly executed, completed, and delivered according to their applicable voting instructions by: (a) first class mail (using the reply envelope provided in the Solicitation Package or otherwise); (b) overnight courier; or (c) personal delivery, so that the Ballots are *actually received* by the Notice and Claims Agent no later than the Voting Deadline at the return address set forth in the applicable Ballot. Alternatively, Ballots may be submitted via an electronic Ballot through the Notice and Claims Agent's online electronic Ballot submission portal at www.kccllc.net/akorn by no later than the Voting Deadline. For the avoidance of doubt, Beneficial Holders must properly execute, complete, and deliver Beneficial Holder Ballots to their respective Nominee in sufficient time so that the Nominees may verify, tabulate, and include such Beneficial Holder's voting instructions in a Master Ballot and return the Master Ballots, so that they are *actually received* by the Notice and Claims Agent no later than the Voting Deadline. Further, Nominees only are permitted to return Master Ballots to the Notice and Claims Agent via electronic mail.

D. The Court Should Approve the Notice of Confirmation Hearing.

35. The Debtors will serve the Confirmation Hearing Notice on all known Holders of Claims and Interests and the 2002 List (regardless of whether such parties are entitled to vote on the Plan) by no later than July 16, 2020, which will provide all parties in interest with at least 28 days' notice of the Confirmation Objection Deadline and at least 35 days' notice of the Confirmation Hearing. The Confirmation Hearing Notice will include the following: (a) instructions as to how to view or obtain copies of the Disclosure Statement (including the Plan

and the other exhibits attached thereto), the Order, and all other materials in the Solicitation Package (excluding Ballots) from the Notice and Claims Agent and/or the Court's website via PACER; (b) notice of the Voting Deadline; (c) notice of the date by which the Debtors will file the Plan Supplement; (d) notice of the Confirmation Objection Deadline; and (e) notice of the Confirmation Hearing and information related thereto.

36. Bankruptcy Rule 2002(l) permits the court to "order notice by publication if it finds that notice by mail is impracticable or that it is desirable to supplement the notice." Fed. R. Bankr. P. 2002(1). Therefore, in addition to the foregoing distribution of the Confirmation Hearing Notice, the Debtors will publish the Publication Notice within five business days following entry of the Order on one occasion in *The New York Times* (National Edition) and *PM360*. The Debtors believe that the Publication Notice will provide sufficient notice of, among other things, the entry of the Order, the Voting Deadline, the Confirmation Objection Deadline, and the Confirmation Hearing to parties who did not otherwise receive notice thereof by mail. Additionally, service and publication of the Confirmation Hearing Notice comports with the requirements of Bankruptcy Rule 2002 and should be approved.

E. The Court Should Approve the Plan Supplement Notice.

37. The Plan defines "Plan Supplement" to mean the compilation of documents and forms of documents, schedules, and exhibits to the Plan (as may be altered, amended, modified, or supplemented from time to time in accordance with the terms of the Plan and in accordance with the Bankruptcy Code and Bankruptcy Rules) that the Debtors will file at least five (5) days prior to the Voting Deadline, (or such later date as may be approved by the Bankruptcy Court). See Plan at Art. I.A.88. The Plan Supplement will include, among other materials, the following materials, as applicable: (a) the Assumed Contracts and Leases List; (b) the identity of the Plan Administrator and the terms of compensation of the Plan Administrator; (c) Schedule of Retained

Causes of Action; (d) any transition services agreement between the Purchaser and the Debtors; (e) the Description of the Transaction Steps, if applicable; and (f) any other necessary documentation related to the Restructuring Transactions as contemplated by the Restructuring Support Agreement, each of which shall be consistent with the Restructuring Support Agreement and acceptable in form and substance to the Debtors and the Required Consenting Term Loan Lenders; *provided that*, through the Effective Date, the Plan Supplement, and the exhibits thereto may be amended or modified in accordance with this Plan and the Restructuring Support Agreement, provided that any such amendment or modification shall be reasonably acceptable in form and substance to the Debtors and the Required Consenting Term Loan Lenders.

38. To ensure that all Holders of Claims and Interests receive notice of the Debtors' filing of the Plan Supplement, the Debtors propose to send the Plan Supplement Notice on the date the Debtors file the Plan Supplement or as soon as practicable thereafter. The Debtors respectfully submit that the Plan Supplement Notice should be approved.

F. The Court Should Approve the Form of Notices to Non-Voting Classes.

39. As discussed above, the Non-Voting Classes are not entitled to vote on the Plan. As a result, they will not receive Solicitation Packages and, instead, the Debtors propose that such parties receive a Nonvoting Status Notice. Specifically, in lieu of solicitation materials, the Debtors propose to provide the following to Holders of Claims and Interests in Non-Voting Classes:

Class	Status	Treatment
Classes 1 and 2	Unimpaired—Conclusively Presumed to Accept	Will receive a Nonvoting Status Notice, substantially in the form attached to the Order as Schedule 4 and 4A in lieu of a Solicitation Package.
N/A	Disputed Claims	Holders of Claims and Interests that are subject to a pending objection by the Debtors are not entitled to vote the disputed portion of their Claim. As such, Holders of such Claims will receive a notice, substantially in the forms attached to the Order as Schedules 5 and 5A (which notice shall be served together with such objection).

40. Additionally, the Debtors will not provide the Holders of Class 5 (Intercompany Claims) or Class 6 (Intercompany Interests) with a Solicitation Package or any other type of notice in connection with solicitation. Intercompany Claims, unless otherwise provided for under the Plan and subject to the Description of Transaction Steps, will either be Reinstated, distributed, contributed, set off, settled, cancelled, and released, or otherwise addressed at the option of the Debtors; *provided*, that no distributions shall be made on account of any such Intercompany Claims. Intercompany Interests, subject to the Description of Transaction Steps, shall be Reinstated solely to maintain the Debtors' corporate structure. Thus, Holders of Intercompany Claims and Intercompany Interests will not be entitled to vote to accept or reject the Plan. Moreover, in light of the fact that the Debtors or affiliates of the Debtors hold the Intercompany Claims and Intercompany Interests and such Debtors and affiliates are presumed to accept the Plan, the Debtors request a waiver from any requirement to serve such Holders of Intercompany Claims and Intercompany Interests.

41. Each of the Nonvoting Status Notices will include, among other things: (a) instructions as to how to view or obtain copies of the Disclosure Statement (including the Plan and the other exhibits thereto), the Order, and all other materials in the Solicitation Package (excluding Ballots) from the Notice and Claims Agent free of charge or the Court's website via

PACER; (b) a disclosure regarding the settlement, release, exculpation, and injunction language set forth in Article VIII of the Plan; (c) notice of the Confirmation Objection Deadline; (d) notice of the Confirmation Hearing; and (e) information related thereto.

42. The Debtors believe that the mailing of Nonvoting Status Notices in lieu of Solicitation Packages satisfies the requirements of Bankruptcy Rule 3017(d). Accordingly, unless the Court orders otherwise, the Debtors do not intend to distribute Solicitation Packages to Holders of Claims in the Non-Voting Classes.

43. The Debtors further request that they not be required to mail Solicitation Packages or other solicitation materials to the following: (a) Holders of Claims or Interests that have already been paid in full during these chapter 11 cases or that are authorized to be paid in full in the ordinary course of business pursuant to an order previously entered by this Court; or (b) any party to whom a notice of the hearing regarding the Court's approval of the Disclosure Statement was sent, but was subsequently returned as undeliverable.

G. The Court Should Approve the Rejection Notice.

44. Article V.A of the Plan provides that each of the Debtors' Executory Contracts and Unexpired Leases will be deemed automatically rejected pursuant to sections 365 and 1123 of the Bankruptcy Code as of the Plan Effective Date, unless such Executory Contract or Unexpired Lease: (a) is specifically described in the Plan as to be assumed and assigned to the Plan Administrator, or other Entity, in connection with Confirmation of the Plan, or is specifically scheduled to be assumed or assumed and assigned to the Plan Administrator, or other Entity, pursuant to the Plan or the Plan Supplement; (b) is subject to a pending motion to assume such Unexpired Lease or Executory Contract as of the Effective Date; (c) is to be assumed by the Debtors or assumed by the Debtors and assigned to the Purchaser or another third party, as applicable, in connection with the Sale Transaction following the consummation thereof; (d) is a

contract, instrument, release, indenture, or other agreement or document entered into in connection with the Plan; (e) is a D&O Policy; or (f) is the Sale Transaction Documentation. *See* Plan at Art. V.A.

45. To ensure that counterparties to Executory Contracts and Unexpired Leases receive notice of assumption or rejection of their Executory Contract or Unexpired Lease (and any corresponding Cure Costs) pursuant to the Plan, the Debtors will mail a Contract Assumption Notice or Rejection Notice,⁶ as appropriate, within the time periods specified in the Plan. If certain, but not all, of a contract counterparty's Executory Contracts and Unexpired Leases are assumed pursuant to the Plan, the Confirmation Order will be a determination that such counterparty's Executory Contracts and Unexpired Leases that are being rejected pursuant to the Plan are severable agreements that are not integrated with those Executory Contracts and Unexpired Leases that are being assumed pursuant to the Plan. Parties seeking to contest this finding with respect to their Executory Contracts and/or Unexpired Leases must file a timely objection by the Confirmation Objection Deadline on the grounds that their agreements are integrated and not severable.

III. The Court Should Approve the Materials and Timeline for Soliciting Votes on the Plan.

A. The Court Should Approve the Voting Record Date, Solicitation Deadline, and Voting Deadline.

46. Bankruptcy Rule 3017(d) provides that, for the purposes of soliciting votes in connection with the confirmation of a plan, "creditors and equity security holders shall include holders of stocks, bonds, debentures, notes, and other securities of record on the date the order approving the disclosure statement is entered or another date fixed by the court, for cause, after

⁶ Counterparties to Executory Contracts and Unexpired Leases that will be assumed or assumed and assigned will receive notice pursuant to the relevant procedures set forth in the Bidding Procedures Order.

notice and a hearing.” Fed. R. Bankr. P. 3017(d). Bankruptcy Rule 3018(a) contains a similar provision regarding determination of the record date for voting purposes. Fed. R. Bankr. P. 3018(a).

47. The Debtors request that the Court exercise its authority under Bankruptcy Rules 3017(d) and 3018(a) to establish the date of the hearing on approval of the Disclosure Statement as the Voting Record Date. Moreover, the Debtors propose that, with respect to any transferred Claim, the transferee shall be entitled to receive a Solicitation Package and, if the holder of such Claim is entitled to vote with respect to the Plan, cast a Ballot on account of such Claim only if: (a) all actions necessary to effectuate the transfer of the Claim pursuant to Bankruptcy Rule 3001(e) have been completed by the Voting Record Date, or (b) the transferee files by the Voting Record Date (i) the documentation required by Bankruptcy Rule 3001(e) to evidence the transfer and (ii) a sworn statement of the transferor supporting the validity of the transfer. In the event a Claim is transferred after the Voting Record Date, the transferee of such Claim shall be bound by any vote on the Plan made by the holder of such Claim as of the Voting Record Date.

48. The Debtors request that, after the Debtors distribute Solicitation Packages to Holders of Claims and Interests entitled to vote on the Plan by the Solicitation Deadline, the Court require that all Holders of Claims and Interests entitled to vote on the Plan complete, execute, and return their customized Ballots (in accordance with the instructions on the Ballots) so that they are actually received by the Notice and Claims Agent on or before the Voting Deadline.

49. The foregoing timing and materials will afford Holders of Claims and Interests entitled to vote on the Plan at least 28 days within which to review and analyze such materials and subsequently make an informed decision as to whether to vote to accept or reject the Plan before the Voting Deadline consistent with the requirements of the applicable Bankruptcy Rules and

Local Rules. *See* Fed. R. Bankr. P. 3017(d) (after approval of a disclosure statement, the debtor must transmit the plan, the approved disclosure statement, a notice of the time within which acceptances and rejections of such plan may be filed, and any other information that the Court may direct to certain holders of claims); *see also* Del. Bankr. L.R. 3017-1(a) (following the filing of a disclosure statement, the plan proponent must provide notice of hearing and objection dates in accordance with Bankruptcy Rule 3017). Accordingly, the Debtors request that the Court approve the form of and the Debtors' proposed procedures for distributing the Solicitation Packages to the Holders of Claims and Interests in the Voting Classes.

Non-Substantive Modifications

50. The Debtors request authorization to make non-substantive changes to the Disclosure Statement, Disclosure Statement Hearing Notice, Plan, Confirmation Hearing Notice, Solicitation Packages, Nonvoting Status Notices, Ballots, Publication Notice, Cover Letter, Solicitation and Voting Procedures, Plan Supplement Notice, Rejection Notice, Voting and Tabulation Procedures, and related documents after the Order is entered without further order of the Court, including changes to correct typographical and grammatical errors, if any, and to make conforming changes to the Disclosure Statement, the Plan, and any other materials in the Solicitation Packages before distribution.

Notice

51. The Debtors will provide notice of this motion to: (a) the U.S. Trustee for the District of Delaware; (b) the holders of the 30 largest unsecured claims against the Debtors (on a consolidated basis); (c) Wilmington Savings Fund Society, FSB, in its capacity as successor administrative agent under the Term Loan Credit Agreement, or any of its predecessors or successors (the "Term Loan Agent"); (d) counsel to the Term Loan Agent; (e) counsel to the ad hoc group of the Debtors' Prepetition Lenders (the "Ad Hoc Group"); (f) the United States

Attorney's Office for the District of Delaware; (g) the Internal Revenue Service; (h) the Food and Drug Administration; (i) the Drug Enforcement Administration; (j) the Securities Exchange Commission; (k) the state attorneys general for all states in which the Debtors conduct business; and (l) any party that requests service pursuant to Bankruptcy Rule 2002.

[Remainder of page intentionally left blank]

WHEREFORE, the Debtors respectfully request entry of the Order, substantially in the form attached hereto as **Exhibit A**, (a) granting the relief requested herein and (b) granting such other relief as is just and proper.

Wilmington, Delaware
May 26, 2020

/s/ Paul N. Heath

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*Proposed Co-Counsel for the
Debtors and Debtors in Possession*

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:)	
	)	Chapter 11
AKORN, INC., <i>et al.</i> , ¹)	
	)	Case No. 20-11177 (KBO)
Debtors.)	
	)	(Jointly Administered)
)	
	)	Objection Deadline: June 24, 2020 at 4:00 p.m. (ET)
	)	Hearing Date: July 1, 2020 at 2:30 p.m. (ET)

NOTICE OF MOTION AND HEARING

PLEASE TAKE NOTICE that, on May 26, 2020, the above-captioned debtors and debtors in possession (collectively, the “Debtors”) filed the *Debtors’ Motion for Entry of an Order (I) Approving the Adequacy of the Disclosure Statement, (II) Approving the Solicitation and Notice Procedures with Respect to Confirmation of the Joint Chapter 11 Plan of Akorn, Inc. and Its Debtor Affiliates, (III) Approving the Forms of Ballots and Notices in Connection Therewith, and (IV) Scheduling Certain Dates with Respect Thereto* (the “Motion”) with the United States Bankruptcy Court for the District of Delaware (the “Court”).

PLEASE TAKE FURTHER NOTICE that any responses or objections to the relief requested in the Motion, if any, must be in writing and filed with the Clerk of the United States Bankruptcy Court for the District of Delaware, 4th Floor, 824 Market Street, Wilmington, Delaware, 19801, on or before **June 24, 2020 at 4:00 p.m. (prevailing Eastern Time)**.

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, if any, are: Akorn, Inc. (7400); 10 Edison Street LLC (7890); 13 Edison Street LLC; Advanced Vision Research, Inc. (9046); Akorn (New Jersey), Inc. (1474); Akorn Animal Health, Inc. (6645); Akorn Ophthalmics, Inc. (6266); Akorn Sales, Inc. (7866); Clover Pharmaceuticals Corp. (3735); Covenant Pharma, Inc. (0115); Hi-Tech Pharmacal Co., Inc. (8720); Inspire Pharmaceuticals, Inc. (9022); Oak Pharmaceuticals, Inc. (6647); Olta Pharmaceuticals Corp. (3621); VersaPharm Incorporated (6739); VPI Holdings Corp. (6716); and VPI Holdings Sub, LLC. The location of the Debtors’ service address is: 1925 W. Field Court, Suite 300, Lake Forest, Illinois 60045.

PLEASE TAKE FURTHER NOTICE that if any objections to the Motion are received, the Motion and such objections shall be considered at a hearing before The Honorable Karen B. Owens, United States Bankruptcy Judge for the District of Delaware, at the Bankruptcy Court, 824 Market Street, 6th Floor, Courtroom No. 3, Wilmington, Delaware, 19801 on **July 1, 2020 at 2:30 p.m. (prevailing Eastern Time)**.

PLEASE TAKE FURTHER NOTICE THAT IF NO OBJECTIONS TO THE MOTION ARE TIMELY FILED IN ACCORDANCE WITH THIS NOTICE, THE COURT MAY GRANT THE RELIEF REQUESTED IN THE MOTION WITHOUT FURTHER NOTICE OR HEARING.

Wilmington, Delaware
May 26, 2020

/s/ Amanda R. Steele

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*Proposed Co-Counsel for the
Debtors and Debtors in Possession*

Exhibit A

Disclosure Statement Order

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:)	
	)	Chapter 11
)	
AKORN, INC., ¹	)	Case No. 20-11177 (KBO)
)	
Debtors.	)	(Jointly Administered)
)	
	)	Re: Docket No. _____

**ORDER (I) APPROVING THE ADEQUACY OF
THE DISCLOSURE STATEMENT, (II) APPROVING
THE SOLICITATION AND NOTICE PROCEDURES WITH
RESPECT TO CONFIRMATION OF THE JOINT CHAPTER 11 PLAN
OF AKORN, INC. AND ITS DEBTOR AFFILIATES, (III) APPROVING THE
FORMS OF BALLOTS AND NOTICES IN CONNECTION THEREWITH,
AND (IV) SCHEDULING CERTAIN DATES WITH RESPECT THERETO**

Upon the motion (the “Motion”)² of the above-captioned debtors and debtors in possession (collectively, the “Debtors”), for entry of an order (this “Order”), pursuant to sections 105, 1125, 1126, and 1128 of the Bankruptcy Code, Bankruptcy Rules 2002, 3016, 3017, 3018, and 3020, and Local Rules 2002-1 and 3017-1, approving (a) the *Disclosure Statement for Joint Chapter 11 Plan of Akorn, Inc. and Its Debtor Affiliates* (the “Disclosure Statement”), (b) the Voting Record Date, Solicitation Deadline, and Voting Deadline, (c) the manner and form of the Solicitation Packages and the materials contained therein, (d) the Plan Supplement Notice, (e) the Nonvoting Status Notices, (f) the Rejection Notice, (g) the Solicitation and Voting Procedures, (h) the

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, if any, are: Akorn, Inc. (7400); 10 Edison Street LLC (7890); 13 Edison Street LLC; Advanced Vision Research, Inc. (9046); Akorn (New Jersey), Inc. (1474); Akorn Animal Health, Inc. (6645); Akorn Ophthalmics, Inc. (6266); Akorn Sales, Inc. (7866); Clover Pharmaceuticals Corp. (3735); Covenant Pharma, Inc. (0115); Hi-Tech Pharmacal Co., Inc. (8720); Inspire Pharmaceuticals, Inc. (9022); Oak Pharmaceuticals, Inc. (6647); Olta Pharmaceuticals Corp. (3621); VersaPharm Incorporated (6739); VPI Holdings Corp. (6716); and VPI Holdings Sub, LLC. The location of the Debtors’ service address is: 1925 W. Field Court, Suite 300, Lake Forest, Illinois 60045.

² Capitalized terms used but not otherwise defined herein have the meanings ascribed to them in the Motion.

Confirmation Objection Deadline, Confirmation Hearing Date, and Confirmation Hearing Notice, and (i) certain dates and deadlines related thereto, all as more fully set forth in the Motion; and upon the First Day Declaration; and this Court having jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware, dated February 29, 2012; and that this Court may enter a final order consistent with Article III of the United States Constitution; and this Court having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that the Debtors' notice of the Motion and opportunity for a hearing on the Motion were appropriate and no other notice need be provided, except as set forth herein; and this Court having reviewed the Motion and having heard the statements in support of the relief requested therein at a hearing before this Court (the "Hearing"); and this Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein; and upon all of the proceedings had before this Court; and after due deliberation and sufficient cause appearing therefor, it is HEREBY ORDERED THAT:

1. The Motion is granted as provided herein.

I. Approval of the Disclosure Statement.

2. The Disclosure Statement, substantially in the form attached hereto as **Schedule 1**, is hereby approved as providing Holders of Claims and Interests entitled to vote on the Plan with adequate information to make an informed decision as to whether to vote to accept or reject the Plan in accordance with section 1125(a)(1) of the Bankruptcy Code.

3. The Disclosure Statement (including all applicable exhibits thereto) provides Holders of Claim or Interests, and other parties in interest with sufficient notice of the injunction,

exculpation, and release provisions contained in Article VIII of the Plan, in satisfaction of the requirements of Bankruptcy Rule 3016(c).

II. Approval of the Solicitation and Voting Procedures.

4. The Debtors are authorized to solicit, receive, and tabulate votes to accept the Plan in accordance with the Solicitation and Voting Procedures, substantially in the form attached hereto as **Schedule 2**, which are hereby approved in their entirety.

5. Any party wishing to file a motion under Bankruptcy Rule 3018(a) to temporarily allow a Claim or Interest for purposes of voting to accept or reject the Plan shall have until ten (10) days from the later of (a) the mailing of the Confirmation Hearing Notice and (b) the filing of a claim objection to file such a motion. The Debtors and other parties in interest shall have until the date that is ten (10) days prior to the Voting Deadline as the deadline to file objections to any motion filed pursuant to Bankruptcy Rule 3018(a).

III. Approval of the Materials and Timeline for Soliciting Votes and the Procedures for Confirming the Plan.

A. Approval of Certain Dates and Deadlines with Respect to the Plan and Disclosure Statement.

6. The following dates are hereby established (subject to modification as necessary)

with respect to solicitation of votes on the Plan and confirmation of the Plan:³

Event	Date
Voting Record Date	July 1, 2020.
Solicitation Deadline	As soon as practicable after entry of the Disclosure Statement Order, but in no event more than five (5) business days thereafter.
Publication Deadline	Within five (5) business days after entry of the Disclosure Statement Order or as soon as reasonably practicable thereafter.

³ The dates established in this Order are in addition to the dates set forth in the Bidding Procedures Order, as applicable.

Event	Date
3018 Motion Deadline	Ten (10) days from the later of (a) the mailing of the Confirmation Hearing Notice and (b) the filing of a claim objection.
3018 Motion Objection Deadline	Ten (10) days prior to the Voting Deadline.
Voting Deadline	August 15, 2020, at 5:00 p.m., prevailing Eastern Time.
Confirmation Objection Deadline	August 15, 2020, at 4:00 p.m., prevailing Eastern Time.
Deadline to File Voting Report	Two (2) business days prior to the Confirmation Hearing, at 12:00 p.m., prevailing Eastern Time.
Deadline to File Confirmation Brief and Confirmation Objection Reply/Statements in Support of Confirmation	Two (2) business days prior to the Confirmation Hearing, at 12:00 p.m., prevailing Eastern Time.
Confirmation Hearing	August 20, 2020, at [●] p.m., prevailing Eastern Time.

B. Approval of the Form of and Distribution of Solicitation Packages to Parties Entitled to Vote on the Plan.

7. In addition to the Disclosure Statement and exhibits thereto, the Solicitation Packages to be transmitted on or before the Solicitation Deadline to those Holders of Claims and Interests in the Voting Classes entitled to vote on the Plan as of the Voting Record Date, shall include the following, the form of each of which is hereby approved:

- a. an appropriate form of Ballot substantially in the forms attached hereto as **Schedules 3A, 3B, 3C, 3D, 3E, and 3F** respectively;⁴
- b. the Cover Letter substantially in the form attached hereto as **Schedule 6**; and
- c. the Confirmation Hearing Notice substantially in the form attached hereto as **Schedule 7**.

8. The Solicitation Packages provide the Holders of Claims and Interests entitled to vote on the Plan with adequate information to make informed decisions with respect to voting on

⁴ The Debtors will use commercially reasonable efforts to ensure that any holder of a Claim who has filed duplicate Claims against the Debtors (whether against the same or multiple Debtors) that are classified under the Plan in the same Voting Class receives no more than one Solicitation Package (and, therefore, one Ballot) on account of such Claim and with respect to that Class.

the Plan in accordance with Bankruptcy Rules 2002(b) and 3017(d), the Bankruptcy Code, and the Local Rules.

9. The Debtors shall distribute Solicitation Packages to all Holders of Claims and Interests entitled to vote on the Plan on or before the Solicitation Deadline. Such service shall satisfy the requirements of the Bankruptcy Code, the Bankruptcy Rules, and the Local Rules.

10. The Debtors are authorized, but not directed or required, to distribute the Plan, the Disclosure Statement, and this Order to Holders of Claims and Interests entitled to vote on the Plan in electronic format (i.e., on a CD-ROM or flash drive). **Only** the Ballots, as well as the Cover Letter and the Confirmation Hearing Notice, will be provided in paper form. On or before the Solicitation Deadline, the Debtors shall provide (a) complete Solicitation Packages (other than Ballots) to the U.S. Trustee and (b) the Order (in electronic format) and the Confirmation Hearing Notice to all parties on the 2002 List as of the Voting Record Date.

11. Any party that receives materials in electronic format, but would prefer to receive materials in paper format, may contact the Notice and Claims Agent and request paper copies of the corresponding materials previously received in electronic format (to be provided at the Debtors' expense).

12. The Notice and Claims Agent is authorized to assist the Debtors in (a) distributing the Solicitation Package, (b) receiving, tabulating, and reporting on Ballots cast to accept or reject the Plan by Holders of Claims and Interests against the Debtors, (c) responding to inquiries from Holders of Claims and Interests and other parties in interest relating to the Disclosure Statement, the Plan, the Ballots, the Solicitation Package, and all other related documents and matters related thereto, including the procedures and requirements for voting to accept or reject the Plan and for

objecting to the Plan, (d) soliciting votes on the Plan, and (e) if necessary, contacting creditors regarding the Plan.

13. The Notice and Claims Agent is also authorized to accept Ballots via electronic online transmission solely through a customized online balloting portal on the Debtors' case website. The encrypted ballot data and audit trail created by such electronic submission shall become part of the record of any Ballot submitted in this manner and the creditor's electronic signature will be deemed to be immediately legally valid and effective. Ballots submitted via the customized online balloting portal shall be deemed to contain an original signature.

14. All votes to accept or reject the Plan must be cast by using the appropriate Ballot. All Ballots must be properly executed, completed, and delivered according to their applicable voting instructions by: (a) first class mail (using the reply envelope provided in the Solicitation Package or otherwise); (b) overnight courier; or (c) personal delivery, so that the Ballots are *actually received* by the Notice and Claims Agent no later than the Voting Deadline at the return address set forth in the applicable Ballot. Alternatively, Ballots may be submitted via an electronic Ballot through the Notice and Claims Agent's online electronic Ballot submission portal at www.kccllc.net/Akorn by no later than the Voting Deadline. The Debtors are authorized to extend the Voting Deadline in their sole discretion and without further order of the Court. Beneficial Holders must properly execute, complete, and deliver Beneficial Holder Ballots to their respective Nominee in sufficient time so that the Nominees may verify, tabulate, and include such Beneficial Holder Ballots in a Master Ballot and return the Master Ballots, so that they are *actually received* by the Notice and Claims Agent no later than the Voting Deadline.

C. Approval of the Confirmation Hearing Notice.

15. The Confirmation Hearing Notice, substantially in the form attached hereto as **Schedule 7**, shall be filed by the Debtors and served upon parties in interest in the chapter 11 cases

within five business days after the entry of this Order. The Confirmation Hearing Notice constitutes adequate and sufficient notice of the hearing to consider approval of the Plan, the manner in which a copy of the Plan could be obtained, and the time fixed for filing objections thereto, in satisfaction of the requirements of the applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, and the Local Rules. The Debtors shall publish the Confirmation Hearing Notice (in a format modified for publication) one time within five (5) business days after entry of this Order in *The New York Times* (National Edition) and *PM360*.

D. Approval of Notice of Filing of the Plan Supplement.

16. The Debtors are authorized to send notice of the filing of the Plan Supplement, which will be filed and served at least five (5) days prior to the Voting Deadline (or such later date as may be approved by the Bankruptcy Court), substantially in the form attached hereto as **Schedule 8**, on the date the Plan Supplement is filed pursuant to the terms of the Plan, or as soon as practicable thereafter.

E. Approval of the Form of Notices to Non-Voting Classes.

17. Except to the extent the Debtors determine otherwise, the Debtors are not required to provide Solicitation Packages to Holders of Claims in Non-Voting Classes, as such Holders are not entitled to vote on the Plan. Instead, on or before the Solicitation Deadline, the Notice and Claims Agent shall mail (first-class postage prepaid) a Nonvoting Status Notice in lieu of Solicitation Packages, the form of each of which is hereby approved, to those parties, outlined below, who are not entitled to vote on the Plan:

Class	Status	Treatment
Classes 1 and 2	Unimpaired—Conclusively Presumed to Accept	Will receive a Nonvoting Status Notice, substantially in the form attached to the Order as Schedule 4 and 4A in lieu of a Solicitation Package.
N/A	Disputed Claims	Holders of Claims and Interests that are subject to a pending objection by the Debtors are not entitled to vote the disputed portion of their Claim. As such, Holders of such Claims will receive a notice, substantially in the forms attached to the Order as Schedules 5 and 5A (which notice shall be served together with such objection).

18. The Debtors will not provide the Holders of Class 5 (Intercompany Claims) or Class 6 (Intercompany Interests) with a Solicitation Package or any other type of notice in connection with solicitation.

19. The Debtors are not required to mail Solicitation Packages or other solicitation materials to the following: (a) Holders of Claims or Interests that have already been paid in full during the chapter 11 cases or that are authorized to be paid in full in the ordinary course of business pursuant to an order previously entered by this Court; or (b) any party to whom the Disclosure Statement Hearing Notice was sent but was subsequently returned as undeliverable.

F. Approval of Rejection Notice.⁵

20. The Debtors are authorized to mail a Rejection Notice of any Executory Contracts or Unexpired Leases, substantially in the form attached hereto as **Schedule 9**, to the applicable counterparties to Executory Contracts and Unexpired Leases that will be rejected pursuant to the Plan, within the time periods specified in the Plan. If certain, but not all, of a contract counterparty's Executory Contracts and Unexpired Leases are assumed pursuant to the Plan, the

⁵ Counterparties to Executory Contracts and Unexpired Leases that are proposed to be assumed or assumed and assigned will receive notice pursuant to the relevant procedures set forth in the Bidding Procedures Order.

Confirmation Order will be a determination that such counterparty's Executory Contracts and Unexpired Leases that are being rejected pursuant to the Plan are severable agreements that are not integrated with those Executory Contracts and Unexpired Leases that are being assumed pursuant to the Plan. Parties seeking to contest this finding with respect to their Executory Contracts and/or Unexpired Leases must file a timely objection by the Confirmation Objection Deadline on the grounds that their agreements are integrated and not severable.

G. Approval of the Procedures for Filing Objections to the Plan.

21. Objections to the Plan will not be considered by the Court unless such objections are timely filed and properly served in accordance with this Order. Additionally, all objections to confirmation of the Plan or requests for modifications to the Plan, if any, *must*: (a) be in writing, (b) conform to the Bankruptcy Rules and the Local Rules, (c) state, with particularity, the legal and factual basis for the objection and, if practicable, a proposed modification to the Plan (or related materials) that would resolve such objection, and (d) be filed with the Court (contemporaneously with a proof of service) and served upon the notice parties identified in the Confirmation Hearing Notice on or before **August 15, 2020, at 4:00 p.m.**, prevailing Eastern Time.

IV. Miscellaneous.

22. The Debtors may make non-substantive changes to the Disclosure Statement, Disclosure Statement Hearing Notice, Plan, Confirmation Hearing Notice, Solicitation Packages, Nonvoting Status Notices, Ballots, Publication Notice, Cover Letter, Solicitation and Voting Procedures, Plan Supplement Notice, Rejection Notice, Voting and Tabulation Procedures, and related documents after the entry of this Order without further order of the Court, including changes to correct typographical and grammatical errors, if any, and to make conforming changes

to the Disclosure Statement, the Plan, and any other materials in the Solicitation Packages before distribution.

23. The Debtors reserve the right to modify the Plan without further order of the Court in accordance with Article X of the Plan, including the right to withdraw the Plan as to any or all Debtors at any time before the Confirmation Date.

24. Nothing in this Order shall be construed as a waiver of the right of the Debtors or any other party in interest, as applicable, to object to a proof of claim at any time.

25. All time periods set forth in this Order shall be calculated in accordance with Bankruptcy Rule 9006(a).

26. Notice of the Motion as provided therein shall be deemed good and sufficient notice of such Motion.

27. The Debtors and the Notice and Claims Agent are authorized to take all actions necessary to effectuate the relief granted in this Order in accordance with the Motion.

28. This Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Order.

Schedule 1

Disclosure Statement

[Filed at Docket No. 102, Final Solicitation Version Will Be Attached to the Order]

Schedule 2

Solicitation and Voting Procedures

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:)	
	)	Chapter 11
AKORN, INC., <i>et al.</i> , ¹	)	Case No. 20-11177 (KBO)
)	
Debtors.	)	(Jointly Administered)
)	

SOLICITATION AND VOTING PROCEDURES

PLEASE TAKE NOTICE THAT on [●], 2020, the United States Bankruptcy Court for the District of Delaware (the “Court”) entered an order (the “Disclosure Statement Order”): (a) authorizing the above-captioned debtors and debtors in possession (collectively, the “Debtors”),² to solicit votes on the *Joint Chapter 11 Plan of Akorn, Inc. and Its Debtor Affiliates* (as modified, amended, or supplemented from time to time, the “Plan”); (b) approving the *Disclosure Statement for Joint Chapter 11 Plan of Akorn, Inc. and Its Debtor Affiliates* (the “Disclosure Statement”) as containing “adequate information” pursuant to section 1125 of the Bankruptcy Code; (c) approving the solicitation materials and documents to be included in the solicitation packages (the “Solicitation Packages”); and (d) approving procedures for soliciting, receiving, and tabulating votes on the Plan and for filing objections to the Plan.

A. The Voting Record Date.

The Court has established **July 1, 2020** as the record date for purposes of determining which Holders of Claims or Interests, as applicable, in Class 3 (Term Loan Claims), Class 4 (General Unsecured Claims), Class 7 (Section 510(b) Claims), and Class 8 (Akorn Interests) are entitled to vote on the Plan (the “Voting Record Date”). Accordingly, only Holders of Term Loan Claims, General Unsecured Claims, Section 510(b) Claims, and Akorn Interests as of such date are entitled to vote on the Plan.

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, if any, are: Akorn, Inc. (7400); 10 Edison Street LLC (7890); 13 Edison Street LLC; Advanced Vision Research, Inc. (9046); Akorn (New Jersey), Inc. (1474); Akorn Animal Health, Inc. (6645); Akorn Ophthalmics, Inc. (6266); Akorn Sales, Inc. (7866); Clover Pharmaceuticals Corp. (3735); Covenant Pharma, Inc. (0115); Hi-Tech Pharmacal Co., Inc. (8720); Inspire Pharmaceuticals, Inc. (9022); Oak Pharmaceuticals, Inc. (6647); Olta Pharmaceuticals Corp. (3621); VersaPharm Incorporated (6739); VPI Holdings Corp. (6716); and VPI Holdings Sub, LLC. The location of the Debtors’ service address is: 1925 W. Field Court, Suite 300, Lake Forest, Illinois 60045.

² Capitalized terms not otherwise defined herein shall have the same meaning as set forth in the Plan, the Disclosure Statement, or the Disclosure Statement Order, as applicable.

B. The Voting Deadline.

The Court has established [**August 15**], 2020, at 5:00 p.m., prevailing Eastern Time, as the voting deadline (the “Voting Deadline”) for the Plan. The Debtors may extend the Voting Deadline without further order of the Court. To be counted as votes to accept or reject the Plan, all ballots (the “Ballots”) must be properly executed, completed, and delivered by: (1) first class mail (using the reply envelope provided in the Solicitation Package or otherwise); (2) overnight courier; or (3) personal delivery so that they are **actually received** by the Notice and Claims Agent, in any case, no later than the Voting Deadline. The Ballots will clearly indicate the appropriate return address. Alternatively, Ballots may be submitted via an electronic Ballot through the Notice and Claims Agent’s on-line electronic Ballot submission portal at www.kccllc.net/akorn by no later than the Voting Deadline.

C. Form, Content, and Manner of Notices.

1. The Solicitation Package.

The following materials shall constitute the solicitation package (the “Solicitation Package”):

- a. a copy of these Solicitation and Voting Procedures;
- b. the approved Disclosure Statement annexed as **Schedule 1** to the Disclosure Statement Order (and exhibits thereto, including the Plan);
- c. the applicable form of Ballot, in substantially the forms of the Ballots annexed as **Schedules 3A, 3B, 3C, 3D, 3E, and 3F** to the Disclosure Statement Order, as applicable;
- d. a cover letter, in substantially the form annexed as **Schedule 6** to the Disclosure Statement Order, describing the contents of the Solicitation Package and urging the Holders of Claims and Interests in each of the Voting Classes to vote to accept the Plan;
- e. the *Notice of Hearing to Consider Confirmation of the Joint Chapter 11 Plan of Akorn, Inc. and Its Debtor Affiliates and Related Voting and Objection Deadlines*, in substantially the form annexed as **Schedule 7** to the Disclosure Statement Order (the “Confirmation Hearing Notice”);
- f. a pre-addressed, postage pre-paid reply envelope; and
- g. any other materials the Court has approved as part of the Solicitation Package.

2. Distribution of the Solicitation Package.

The Solicitation Package shall provide the Plan, the Disclosure Statement, and the Disclosure Statement Order (without exhibits, except for the Solicitation and Voting Procedures)

in electronic format (*i.e.*, CD-ROM or flash drive format), and all other contents of the Solicitation Package, including Ballots, shall be provided in paper format. Any party that receives the materials in electronic format, but would prefer paper format may contact Kurtzman Carson Consultants LLC (the “Notice and Claims Agent”) by: (a) calling the Notice and Claims Agent at (877) 725-7539, (U.S. and Canada) or (424) 236-7247, (International); (b) visiting the Debtors’ restructuring website at: <https://www.kccllc.net/akorn>; (c) writing to the Notice and Claims Agent at Akorn Ballot Processing Center, c/o KCC, 222 N. Pacific Coast Highway, Suite 300, El Segundo, California 90245; and/or (d) emailing AkornInfo@kccllc.com and requesting paper copies of the corresponding materials previously received in electronic format (to be provided at the Debtors’ expense).

The Debtors shall serve or cause to be served all of the materials in the Solicitation Package (excluding the Ballots) on the U.S. Trustee and all parties who have requested service of papers in this case pursuant to Bankruptcy Rule 2002 as of the Voting Record Date. In addition, the Debtors shall mail or cause to be mailed the Solicitation Package to all Holders of Claims and Interests in the Voting Classes who are entitled to vote as described in Section D below as soon as practicable after entry of the Disclosure Statement Order, but in no event later than five (5) business days thereafter.

To avoid duplication, the Debtors will use commercially reasonable efforts to ensure that any Holder of a Claim who has filed or purchased duplicative Claims against a Debtor (whether against the same or multiple Debtors) that are classified under the Plan in the same Voting Class receives no more than one Solicitation Package (and, therefore, one Ballot) on account of such Claim and with respect to that Class as against that Debtor.

3. Resolution of Disputed Claims and Interests for Voting Purposes; Resolution Event.

- a. Absent further order of the Court, the Holder of a Claim or Interest that is in a Voting Class and is the subject of a pending objection that is filed with the Court on or prior to seven (7) days before the Voting Deadline on a “reduce and allow” basis shall be entitled to vote such Claim or Interest in the reduced amount contained in such objection.
- b. If a Claim or Interest in a Voting Class is subject to an objection other than a “reduce and allow” objection that is filed with the Court on or prior to seven (7) days before the Voting Deadline:
 - (i) within two (2) business days of the objection, the Debtors shall cause the applicable Holder to be served with a Disputed Claim or Interest Notice, substantially in the form annexed as **Schedule 5** to the Disclosure Statement Order (which notice shall be served together with such objection); such notice will instruct these Holders as to how they may obtain copies of the documents contained in the Solicitation Package (excluding Ballots), as well as how they may opt out of the third-party releases set forth in **Article VIII.F** of the Plan (the “Third Party Releases”);

- (ii) the Debtors shall cause the applicable Holder to be served with an *Opt-Out Form for Holders of Disputed Claims and Interests*, substantially in the form annexed as **Schedule 5A** to the Disclosure Statement Order; and
 - (iii) the applicable Holder shall not be entitled to vote to accept or reject the Plan on account of such Claim or Interest unless a Resolution Event (as defined herein) occurs as provided herein.
- c. If a Claim or Interest in a Voting Class is subject to an objection other than a “reduce and allow” objection that is filed with the Court less than seven (7) days prior to the Voting Deadline, the applicable Claim or Interest shall be deemed temporarily allowed for voting purposes only in its filed amount, without further action by the Holder of such Claim or Interest and without further order of the Court, unless the Court orders otherwise.
- d. A “Resolution Event” means the occurrence of one or more of the following events no later than two (2) business days prior to the Voting Deadline:
 - i. an order of the Court is entered allowing such Claim or Interest pursuant to section 502(b) of the Bankruptcy Code, after notice and a hearing;
 - ii. an order of the Court is entered temporarily allowing such Claim or Interest for voting purposes only pursuant to Bankruptcy Rule 3018(a), after notice and a hearing;
 - iii. a stipulation or other agreement is executed between the Holder of such Claim or Interest and the Debtors resolving the objection and allowing such Claim or Interest in an agreed upon amount; or
 - iv. the pending objection is voluntarily withdrawn by the objecting party.
- e. No later than one (1) business day following the occurrence of a Resolution Event, the Debtors shall cause the Notice and Claims Agent to distribute via email, hand delivery, or overnight courier service a Solicitation Package and a pre-addressed, postage pre-paid envelope to the relevant Holder to the extent such Holder has not already received a Solicitation Package containing a Ballot.

4. Nonvoting Status Notices for Unimpaired Classes and Classes Deemed to Reject the Plan.

Certain Holders of Claims that are not classified in accordance with section 1123(a)(1) of the Bankruptcy Code or who are not entitled to vote because they are Unimpaired or otherwise presumed to accept the Plan pursuant to section 1126(f) of the Bankruptcy Code will receive the *Notice of Non-Voting Status to Holders of Unimpaired Claims Conclusively Presumed to Accept the Plan*, substantially in the form annexed as **Schedule 4** to the Disclosure Statement Order. Such

notice will instruct these Holders as to how they may obtain copies of the documents contained in the Solicitation Package (excluding Ballots). The Holders of such Claims will also receive an *Opt-Out Form for Holders of Unimpaired Claims Conclusively Presumed to Accept the Plan*, substantially in the form annexed as **Schedule 4A** to the Disclosure Statement Order. In addition, Holders of Claims in the classes of Unimpaired Claims conclusively presumed to accept the Plan will also receive the Disclosure Statement (together with the Plan attached as **Exhibit A** thereto).

5. Notices in Respect of Executory Contracts and Unexpired Leases.

Counterparties to Executory Contracts and Unexpired Leases that receive a notice of rejection, substantially in the form attached as **Schedule 9** to the Disclosure Statement Order, may file an objection to the Debtors' proposed rejection.

D. Voting and Tabulation Procedures.

1. Holders of Claims and Interests Entitled to Vote.

Only the following Holders of Claims and Interests in the Voting Classes shall be entitled to vote with regard to such Claims and Interests, as applicable:

- a. Holders of Claims who, on or before the Voting Record Date, have timely filed a Proof of Claim that (i) has not been expunged, disallowed, disqualified, withdrawn, or superseded prior to the Voting Record Date, and (ii) is not the subject of a pending objection, other than a "reduce and allow" objection, filed with the Court at least seven days prior to the Voting Deadline, pending a Resolution Event as provided herein; *provided* that a Holder of a Claim or Interest that is the subject of a pending objection on a "reduce and allow" basis shall receive a Solicitation Package and be entitled to vote such Claim or Interest in the reduced amount contained in such objection absent a further order of the Court;
- b. Holders of Claims or Interests who, pursuant to the Bar Date Order, are exempt from any requirement to file a Proof(s) of Claim or Interest on or before the applicable Bar Date or have filed a single, master proof of claim by the relevant Bar Date with respect to all claims under an applicable facility, loan document, or indenture;
- c. Holders of Claims or Interests that are listed in the Schedules; *provided* that Claims that are scheduled as contingent, unliquidated, or disputed (excluding such scheduled disputed, contingent, or unliquidated Claims that have been paid or superseded by a timely Filed Proof of Claim) shall be allowed to vote only in the amounts set forth in Section D.2(d) of these Solicitation and Voting Procedures;
- d. Holders whose Claims arise (i) pursuant to an agreement or settlement with the Debtors, as reflected in a document filed with the Court, (ii) in an order entered by the Court, or (iii) in a document executed by the Debtors

pursuant to authority granted by the Court, in each case regardless of whether a Proof of Claim has been filed;

- e. Holders of any Disputed Claim or Interest that has been temporarily allowed to vote on the Plan pursuant to Bankruptcy Rule 3018;
- f. the assignee of any Claim or Interest that was transferred on or before the Voting Record Date by any Entity described in subparagraphs (a) through (d) above; *provided* that such transfer or assignment has been fully effectuated pursuant to the procedures set forth in Bankruptcy Rule 3001(e) and such transfer is reflected on the Claims Register on the Voting Record Date;
- g. any Holders of Claims or Interests who have filed or purchased duplicate Claims or Interests within the same Voting Class shall be provided with only one Solicitation Package and one ballot for voting a single Claim in such Class, regardless of whether the Debtors have objected to such duplicate Claims or Interests; and
- h. Holders of Claims filed in an amount of \$0.00 are not entitled to vote.

2. Establishing Claim and Interest Amounts for Voting Purposes.

Class 3 Claims. The Claim amount of Class 3 Claims is based on Term Loan Claims of lenders under the Term Loan Credit Agreement, and for voting purposes only will be established through the administrative agent under the Term Loan Credit Agreement (the “Term Loan Agent”) in the amount of the applicable positions held as of the Voting Record Date, as evidenced by the books and records of the Term Loan Agent. The Term Loan Agent shall be directed to provide the Notice and Claims Agent with the applicable voting information for the participants to the Term Loan Facility within one (1) business day of the Voting Record Date. If a Sale Transaction is a Term Loan Credit Bid Transaction (each as defined in the Plan), then the Claim amount of Class 3 Claims shall be the Term Loan Claims of lenders under the Term Loan Credit Agreement *less* the Term Loan Credit Bid Amount (as defined in the Plan).

Class 4 Claims. The Claim amount of Class 4 Claims is based on General Unsecured Claims, and for voting purposes only will be established based on the amount of the applicable positions held by such Class 4 Claim Holder, as of the Voting Record Date, as evidenced by (a) the Debtors’ applicable books and records and (b) the claims register maintained in these chapter 11 cases.

Class 7 Claims. The Claim amount of Class 7 Claims is based on Section 510(b) Claims, and for voting purposes only will be established based on the amount of the applicable positions held by such Class 7 Claim Holder, as of the Voting Record Date, as evidenced by (a) the Debtors’ applicable books and records and (b) the claims register maintained in these chapter 11 cases.

Class 8 Interests. The Claim amount of Class 8 Interests of directly registered Holders and Beneficial Holders³ for voting purposes only will be established through the transfer agent or applicable Nominees, as the case may be, in the amount of the applicable positions held as of the Voting Record Date, (a) by such holder as evidenced by the records of the transfer agent or (b) by the applicable Nominees in Class 8 as evidenced by the securities position report(s) from The Depository Trust Company.

If a Proof of Claim is amended, the last filed Claim shall be subject to these rules and will supersede any earlier filed claim, and any earlier filed Claim will be disallowed for voting purposes.

Filed and Scheduled Claims and Interests. The Claim or Interest amount established herein shall control for voting purposes only and shall not constitute the Allowed amount of any Claim or Interest. Moreover, any amounts filled in on Ballots by the Debtors through the Notice and Claims Agent, as applicable, are not binding for purposes of allowance and distribution. In tabulating votes, the following hierarchy shall be used to determine the amount of the Claim or Interest associated with each claimant's vote:

- a. the Claim or Interest amount (i) settled and/or agreed upon by the Debtors, as reflected in a document filed with the Court, including the Plan, (ii) set forth in an order of the Court, or (iii) set forth in a document executed by the Debtors pursuant to authority granted by the Court;
- b. the Claim amount Allowed (temporarily or otherwise) pursuant to a Resolution Event under Section C.3(d) or these Solicitation and Voting Procedures;
- c. the Claim amount contained in a Proof of Claim that has been timely filed by the applicable Claims Bar Date (or deemed timely filed by the Court under applicable law), except for any amounts asserted on account of any interest accrued after the Petition Date; *provided, however*, that any Ballot cast by a Holder of a Claim who timely files a Proof of Claim in respect of (i) a contingent Claim or a Claim in a wholly-unliquidated or unknown amount (based on a reasonable review by the Debtors and/or the Notice and Claims Agent) that is not the subject of an objection will count toward satisfying the numerosity requirement of section 1126(c) of the Bankruptcy Code and will count as a Ballot for a Claim in the amount of \$1.00 solely for the purposes of satisfying the dollar amount provisions of section 1126(c) of the Bankruptcy Code, and (ii) a partially liquidated and partially unliquidated Claim, which Claim will be Allowed for voting purposes only in the liquidated amount; *provided further, however*, that to the extent the Claim amount contained in the Proof of Claim is different

³ A “**Beneficial Holder**” means a beneficial owner of publicly-traded securities whose claims have not been satisfied prior to the Voting Record Date (as defined herein) pursuant to Court order or otherwise, as reflected in the records maintained by the Nominees holding through an transfer agent or as evidenced by the securities position report from The Depository Trust Company.

from the Claim amount set forth in a document filed with the Court as referenced in subparagraph (a) above, the Claim amount in the document filed with the Court shall supersede the Claim amount set forth on the respective Proof of Claim for voting purposes;

- d. the Claim or Interest amount listed in the Schedules (to the extent such Claim is not superseded by a timely filed Proof of Claim); *provided* that such Claim is not scheduled as contingent, disputed, or unliquidated and/or has not been paid; provided, however, that if the applicable Claims Bar Date has not expired prior to the Voting Record Date, a Claim listed in the Schedules as contingent, disputed, or unliquidated shall vote at \$1.00; and
- e. in the absence of any of the foregoing, such Claim or Interest shall be disallowed for voting purposes.

3. Voting and Ballot Tabulation Procedures.

The following voting procedures and standard assumptions shall be used in tabulating Ballots, subject to the Debtors' right to waive any of the below specified requirements for completion and submission of Ballots, so long as such requirement is not otherwise required by the Bankruptcy Code, Bankruptcy Rules, or Local Rules:

- a. except as otherwise provided in the Solicitation and Voting Procedures, unless the Ballot being furnished is timely submitted on or prior to the Voting Deadline (as the same may be extended by the Debtors), the Debtors shall reject such Ballot as invalid and, therefore, shall not count it in connection with confirmation of the Plan;
- b. the Notice and Claims Agent will date-stamp all Ballots when received. The Notice and Claims Agent shall retain the original Ballots and an electronic copy of the same for a period of one year after the Effective Date of the Plan, unless otherwise ordered by the Court;
- c. the Notice and Claims Agent shall tabulate Ballots on a Debtor-by-Debtor basis;
- d. the Debtors will file with the Court by **two (2) business days prior to the Confirmation Hearing, at 12:00 p.m.**, prevailing Eastern Time, a voting report (the "Voting Report"). The Voting Report shall, among other things, delineate every Ballot that does not conform to the Solicitation and Voting Procedures or that contains any form of irregularity including, but not limited to, those Ballots that are late or (in whole or in material part) illegible; unidentifiable; lacking signatures or other necessary information; received via email, facsimile, or other unauthorized electronic means; or damaged (collectively, in each case, the "Irregular Ballots"). The Voting Report shall indicate the Debtors' decision with regard to each Irregular Ballot;

- e. the method of delivery of Ballots to be sent to the Notice and Claims Agent is at the election and risk of each Holder, and except as otherwise provided, a Ballot will be deemed delivered only when the Notice and Claims Agent actually receives the executed Ballot;
- f. an executed Ballot is required to be submitted by the Entity submitting such Ballot (except with respect to Master Ballots (as defined in the Disclosure Statement Motion) submitted by the Nominees). Delivery of a Ballot to the Notice and Claims Agent by facsimile, or any electronic means other than expressly provided in these Solicitation and Voting Procedures will not be valid;
- g. no Ballot should be sent to the Debtors, the Debtors' agents (other than the Notice and Claims Agent), or the Debtors' financial or legal advisors, and, if so sent, will not be counted;
- h. if multiple Ballots are received from the same Holder with respect to the same Claim or Interest prior to the Voting Deadline, the last properly executed Ballot timely received will be deemed to reflect that voter's intent and will supersede and revoke any prior received Ballot;
- i. Holders must vote all of their Claims or Interests within a particular Class either to accept or reject the Plan and may not split any votes. Accordingly, a Ballot that partially rejects and partially accepts the Plan will not be counted. Further, to the extent there are multiple Claims or Interests within the same Class, the applicable Debtor may, in its discretion, aggregate the Claims or Interests of any particular Holder within a Class for the purpose of counting votes;
- j. a person signing a Ballot in its capacity as a trustee, executor, administrator, guardian, attorney in fact, officer of a corporation, or otherwise acting in a fiduciary or representative capacity of a Holder of Claims or Interests must indicate such capacity when signing;
- k. the Debtors, subject to a contrary order of the Court, may waive any defects or irregularities as to any particular Irregular Ballot at any time, either before or after the close of voting, and any such waivers will be documented in the Voting Report;
- l. neither the Debtors nor any other Entity will be under any duty to provide notification of defects or irregularities with respect to delivered Ballots other than as provided in the Voting Report nor will any of them incur any liability for failure to provide such notification;
- m. unless waived or as ordered by the Court, any defects or irregularities in connection with deliveries of Ballots must be cured prior to the Voting Deadline or such Ballots will not be counted;

- n. in the event a designation of lack of good faith is requested by a party in interest under section 1126(e) of the Bankruptcy Code, the Court will determine whether any vote to accept and/or reject the Plan cast with respect to that Claim or Interest will be counted for purposes of determining whether the Plan has been accepted and/or rejected;
- o. subject to any order of the Court, the Debtors reserve the right to reject any and all Ballots not in proper form, the acceptance of which, in the opinion of the Debtors, would not be in accordance with the provisions of the Bankruptcy Code or the Bankruptcy Rules; *provided* that any such rejections will be documented in the Voting Report;
- p. if a Claim has been estimated or otherwise Allowed only for voting purposes by order of the Court, such Claim shall be temporarily Allowed in the amount so estimated or Allowed by the Court for voting purposes only, and not for purposes of allowance or distribution;
- q. if an objection to a Claim or Interest is filed, such Claim or Interest shall be treated in accordance with the procedures set forth herein;
- r. the following Ballots shall not be counted in determining the acceptance or rejection of the Plan: (i) any Ballot that is illegible or contains insufficient information to permit the identification of the Holder of such Claim or Interest; (ii) any Ballot cast by any Entity that does not hold a Claim or Interest in a Voting Class; (iii) any Ballot cast for a General Unsecured Claim or Section 510(b) Claim scheduled as unliquidated, contingent, or disputed for which no Proof of Claim was timely filed by the Voting Record Date (unless the applicable bar date has not yet passed, in which case such Claim shall be entitled to vote in the amount of \$1.00); (iv) any unsigned Ballot or Ballot lacking an original signature; (v) any Ballot not marked to accept or reject the Plan or marked both to accept and reject the Plan; and (vi) any Ballot submitted by any Entity not entitled to vote pursuant to the procedures described herein;
- s. after the Voting Deadline, no Ballot may be withdrawn or modified without the prior written consent of the Debtors;
- t. the Debtors are authorized to enter into stipulations with the Holder of any Claim or Interest agreeing to the amount of a Claim or Interest for voting purposes; and
- u. where any portion of a single Claim or Interest has been transferred to a transferee, all holders of any portion of such single Claim or Interest will be (a) treated as a single creditor for purposes of the numerosity requirements in section 1126(c) of the Bankruptcy Code (and for the other solicitation and voting procedures set forth herein), and (b) required to vote every portion of such Claim or Interest collectively to accept or reject the Plan. In

the event that (a) a Ballot, (b) a group of Ballots within a Voting Class received from a single creditor, or (c) a group of Ballots received from the various Holders of multiple portions of a single Claim or Interest partially reject and partially accept the Plan, such Ballots shall not be counted.

4. Master Ballot Voting and Tabulation Procedures.

In addition to the foregoing generally applicable voting and tabulation procedures, the following procedures shall apply to Holders of Class 8 Akorn Interests who hold their position through a broker, bank, or other nominee or an agent of a broker, bank, or other nominee (each of the foregoing, a “Nominee”):

- a. the Notice and Claims Agent shall distribute or cause to be distributed the appropriate number of copies of beneficial holder ballots (a “Beneficial Holder Ballot”) to each Beneficial Holder of a Class 8 Akorn Interest as of the Voting Record Date;
- b. Nominees identified by the Notice and Claims Agent as Entities through which Beneficial Holders hold their Claims will be provided with (i) Solicitation Packages for each Beneficial Holder represented by the Nominee as of the Voting Record Date, which will contain a Beneficial Holder Ballot for each Beneficial Holder, and (ii) a master ballot (the “Master Ballot”);
- c. any Nominee that is a holder of record with respect to Class 8 Akorn Interests shall vote on behalf of Beneficial Holders of such Claims by: (i) immediately, and in any event within five (5) Business Days after its receipt of the Solicitation Packages, distributing the Solicitation Packages, including Beneficial Holder Ballots, it receives from the Notice and Claims Agent to all such Beneficial Holders;⁵ (ii) providing such Beneficial Holders with a return address to send the completed Beneficial Holder Ballots; (iii) compiling and validating the votes and other relevant information of all such Beneficial Holders on the Master Ballot; and (iv) transmitting the Master Ballot to the Notice and Claims Agent on or before the Voting Deadline;
- d. any Beneficial Holder holding Class 8 Akorn Interests as a record holder in its own name shall vote on the Plan by completing and signing a Ballot and returning to directly to the Notice and Claims Agent on or before the Voting Deadline;
- e. any Beneficial Holder Ballot returned to a Nominee by a Beneficial Holder shall not be counted for purposes of accepting or rejecting the Plan until such Nominee properly completes and delivers to the Notice and Claims Agent a Master Ballot that reflects the vote of such Beneficial Holders on or before the Voting Deadline or otherwise validates the Beneficial Holder Ballot in a manner acceptable to the Notice and Claims Agent. Nominees

shall retain all Beneficial Holder Ballots returned by Beneficial Holders for a period of one (1) year after the Effective Date of the Plan;

- f. if a Beneficial Holder holds Class 8 Akorn Interests through more than one Nominee or through multiple accounts, such Beneficial Holder may receive more than one Beneficial Holder Ballot and each such Beneficial Holder should execute a separate Beneficial Holder Ballot for each block of Class 8 Akorn Interests that it holds through any Nominee and must return each such Beneficial Holder Ballot to the appropriate Nominee;
- g. if a Beneficial Holder holds a portion of its Class 8 Akorn Interests through a Nominee or Nominees and another portion in its own name as the record holder, such Beneficial Holder should follow the procedures described in section 4(d) herein to vote the portion held in its own name and the procedures described in section 4(c) herein to vote the portion held by the Nominee(s);
- h. votes cast by Beneficial Holders through Nominees will be applied to the applicable positions held by such Nominees in Class 8 as of the Voting Record Date, as evidenced by the applicable securities position report(s) obtained from The Depository Trust Company. Votes submitted by a Nominee pursuant to a Master Ballot will not be counted in excess of the amount of such Claims held by such Nominee as of the Voting Record Date;
- i. if conflicting votes or “over-votes” are submitted by a Nominee pursuant to a Master Ballot, the Debtors will use reasonable efforts to reconcile discrepancies with the Nominees. If over-votes on a Master Ballot are not reconciled prior to the preparation of the Voting Report, the Debtors shall apply the votes to accept and to reject the Plan in the same proportion, by voting Class, as the votes to accept and to reject the Plan submitted on the Master Ballot that contained the over-vote, but only to the extent of the Nominee’s position in Class 8;
- j. for purposes of tabulating votes, each Nominee or Beneficial Holder will be deemed to have voted the principal amount of its Claims in Class 8, although any principal amounts may be adjusted by the Notice and Claims Agent to reflect the amount of the Claim actually voted, including prepetition interest;
- k. a single Nominee may complete and deliver to the Notice and Claims Agent multiple Master Ballots. Votes reflected on multiple Master Ballots will be counted, except to the extent that they are duplicative of other Master Ballots. If two or more Master Ballots are inconsistent, the latest received valid Master Ballot received prior to the Voting Deadline will, to the extent of such inconsistency, supersede and revoke any prior received Master Ballot. Likewise, if a Beneficial Holder submits more than one Beneficial Holder Ballot to its Nominee, (i) the latest received Beneficial Holder Ballot

received before the submission deadline imposed by the Nominee shall be deemed to supersede any prior Beneficial Holder Ballot submitted by the Beneficial Holder, and (ii) the Nominee shall complete the Master Ballot accordingly; and

1. the Debtors will, upon written request, reimburse Nominees for customary mailing and handling expenses incurred by them in forwarding the Beneficial Holder Ballot and other enclosed materials to the Beneficial Holders for which they are the Nominee. No fees or commissions or other remuneration will be payable to any broker, dealer, or other person for soliciting Beneficial Holder Ballots with respect to the Plan.

E. Amendments to the Plan and Solicitation and Voting Procedures.

The Debtors reserve the right to make non-substantive or immaterial changes to the Disclosure Statement, Plan, Ballots, Confirmation Hearing Notice, Solicitation Packages, Nonvoting Status Notices, Ballots, Publication Notice, Cover Letter, Solicitation and Voting Procedures, Plan Supplement Notice, Rejection Notice, Voting and Tabulation Procedures, and related documents without further order of the Court, including, without limitation, changes to correct typographical and grammatical errors, if any, and to make conforming changes among the Disclosure Statement, the Plan, and any other materials in the Solicitation Packages before distribution.

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Schedule 3A

Form of Ballot for Holders of Class 3 Term Loan Claims

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:)	
	)	Chapter 11
AKORN, INC., et al., ¹)	
	)	Case No. 20-11177 (KBO)
Debtors.)	
	)	(Jointly Administered)
)	

**BALLOT FOR VOTING TO
ACCEPT OR REJECT THE JOINT CHAPTER 11 PLAN OF
AKORN, INC. AND ITS DEBTOR AFFILIATES**

CLASS 3 HOLDERS OF TERM LOAN CLAIMS

**PLEASE READ AND FOLLOW THE ENCLOSED INSTRUCTIONS FOR COMPLETING BALLOTS
CAREFULLY *BEFORE* COMPLETING THIS BALLOT.**

**IN ORDER FOR YOUR VOTE TO BE COUNTED, THIS BALLOT
MUST BE COMPLETED, EXECUTED, AND RETURNED SO AS TO BE
ACTUALLY RECEIVED**

**BY THE NOTICE AND CLAIMS AGENT BY [AUGUST 15], 2020, AT 5:00 P.M., PREVAILING
EASTERN TIME (THE "VOTING DEADLINE") IN ACCORDANCE WITH THE FOLLOWING:**

The above-captioned debtors and debtors in possession (collectively, the “Debtors”) are soliciting votes with respect to the *Joint Chapter 11 Plan of Akorn, Inc. and Its Debtor Affiliates* (as may be amended from time to time, the “Plan”) as set forth in the *Disclosure Statement for Joint Chapter 11 Plan of Akorn, Inc. and Its Debtor Affiliates* (as may be amended from time to time, the “Disclosure Statement”). The Bankruptcy Court for the District of Delaware (the “Bankruptcy Court”) has approved the Disclosure Statement as containing adequate information pursuant to section 1125 of the Bankruptcy Code, by entry of an order on [●], 2020 (the “Disclosure Statement Order”). Bankruptcy Court approval of the Disclosure Statement does not indicate approval of the Plan by the Bankruptcy Court. Capitalized terms used but not otherwise defined herein shall have the meanings set forth in the Plan.

You are receiving this Class 3 ballot (this “Term Loan Claim Ballot”) because you are a Holder of a Class 3 Term Loan Claim as of July 1, 2020 (the “Voting Record Date”). As a result, you are entitled to vote on behalf of your Term Loan Claim.

The rights and treatment for each Class are described in the Disclosure Statement, which was included in the package (the “Solicitation Package”) you are receiving with this Term Loan Claim Ballot (as well as the Plan, Disclosure Statement Order, and certain other materials). If you received Solicitation Package materials in electronic format and desire paper copies, or if you need to obtain additional Solicitation Packages, you may obtain them from Kurtzman Carson Consultants LLC (the “Notice and Claims Agent”) at no charge by: (i) calling the Notice and Claims Agent at (877) 725-7539, (U.S. and Canada) or (424) 236-7247, (International); (ii) visiting the Debtors’ restructuring

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, if any, are: Akorn, Inc. (7400); 10 Edison Street LLC (7890); 13 Edison Street LLC; Advanced Vision Research, Inc. (9046); Akorn (New Jersey), Inc. (1474); Akorn Animal Health, Inc. (6645); Akorn Ophthalmics, Inc. (6266); Akorn Sales, Inc. (7866); Clover Pharmaceuticals Corp. (3735); Covenant Pharma, Inc. (0115); Hi-Tech Pharmacal Co., Inc. (8720); Inspire Pharmaceuticals, Inc. (9022); Oak Pharmaceuticals, Inc. (6647); Olta Pharmaceuticals Corp. (3621); VersaPharm Incorporated (6739); VPI Holdings Corp. (6716); and VPI Holdings Sub, LLC. The location of the Debtors’ service address is: 1925 W. Field Court, Suite 300, Lake Forest, Illinois 60045.

website at: <https://www.kccllc.net/akorn>; (iii) writing to the Notice and Claims Agent at Akorn Ballot Processing Center, c/o KCC, 222 N. Pacific Coast Highway, Suite 300, El Segundo, California 90245; and/or (iv) emailing AkornInfo@kccllc.com and requesting paper copies of the corresponding materials previously received in electronic format. You may also obtain copies of any pleadings filed in the chapter 11 cases for a fee via PACER at: <https://ecf.deb.uscourts.gov>.

This Term Loan Claim Ballot may not be used for any purpose other than for casting votes to accept or reject the Plan and making certain certifications with respect to the Plan. If you believe you have received this Term Loan Claim Ballot in error, please contact the Notice and Claims Agent *immediately* at the address, telephone number, or email address set forth above.

You should review the Disclosure Statement and the Plan before you vote. You may wish to seek legal advice concerning the Plan and the Plan's classification and treatment of your Claim. Your Claims have been placed in Class 3 Term Loan Claims under the Plan. If you hold Claims in more than one Class, you will receive a ballot for each Class in which you are entitled to vote.

YOU MUST SUBMIT YOUR BALLOT BY ONE (AND ONLY ONE) OF THE FOLLOWING METHODS:

Via eBallot Portal: Submit your Term Loan Claim Ballot via the Notice and Claims Agent's online portal, by visiting <https://www.kccllc.net/akorn> (the "eBallot Portal"). Click on the "Submit eBallot" section of the Debtors' website and follow the instructions to submit your Term Loan Claim Ballot.

IMPORTANT NOTE: You will need the following information to retrieve and submit your customized electronic Ballot.

Unique eBallot ID#: _____

PIN#: _____

The Notice and Claims Agent's eBallot Portal is the sole manner in which Ballots will be accepted via electronic or online transmission. Ballots submitted by facsimile, email, or other means of electronic transmission will not be counted.

Each eBallot ID# is to be used solely for voting only those Claims described in Item 1 of your electronic Ballot. Please complete and submit an electronic Ballot for each eBallot ID# you receive, as applicable.

Creditors who cast a Ballot using the eBallot Portal should NOT also submit a paper Ballot.

OR

Via Paper Ballot. Complete, sign, and date this Ballot and return it (with an original signature) promptly in the envelope provided via first class mail, overnight courier, or hand delivery to:

**Akorn Ballot Processing Center
c/o KCC
222 N. Pacific Coast Highway, Suite 300
El Segundo, California 90245**

Item 1. Amount of Claim.

The undersigned hereby certifies that as of the Voting Record Date, the undersigned was the Holder of a Term Loan Claim in the following *aggregate* unpaid amount:

\$ _____

Item 2. Vote on Plan.

The Holder of the Term Loan Claims against the Debtors, the aggregate amount of which is set forth in Item 1, votes to (please check one):

<input type="checkbox"/> <u>ACCEPT</u> (vote FOR) the Plan	<input type="checkbox"/> <u>REJECT</u> (vote AGAINST) the Plan
---	---

Your vote on the Plan will be applied to each applicable Debtor in the same manner and in the same amount as indicated in Item 1 and Item 2 above.

Item 3. Important information regarding the Third Party Releases Contained in the Plan.

If you vote to accept the Plan, you shall be deemed to have consented to the Plan’s Third Party Release described in this Item 3 Below. If (i) you do not vote either to accept or reject the Plan, or (ii) if you vote to reject the Plan, and you do not check the box in item 3 below, you shall be deemed to have consented to the Plan’s Third Party Release provision described in this Item 3 below and be bound by it.

Regardless of whether you elect to opt out of the Plan’s Third Party Release provisions, your recovery under the Plan remains unaffected.

The Holder of a Class 3 Term Loan Claim identified in Item 1 elects to (optional):

<input type="checkbox"/> The undersigned has (i) elected not to vote on the Plan or (ii) vote to reject the Plan in Item 2 and elects to Opt Out of the Below Third Party Release (note that opting out of the release will result in you not being included in the definition of “Released Party” under the Plan).
--

Article VIII.F of the Plan contains the following Third Party Releases: As of the Effective Date, except as otherwise provided herein, each Releasing Party is deemed to have released and discharged each Debtor and Released Party from any and all Causes of Action, whether known or unknown, including any derivative claims asserted on behalf of the Debtors, that such Entity would have been legally entitled to assert (whether individually or collectively), based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the Debtors’ in- or out-of-court restructuring efforts, intercompany transactions between or among a Debtor and another Debtor, the Standstill Agreement, the Chapter 11 Cases, the formulation, preparation, dissemination, negotiation, or filing of the Restructuring Support Agreement, the DIP Loan Documents, the Disclosure Statement, the Plan, the Sale Transaction, or any Restructuring Transaction, contract, instrument, release, or other agreement or document (including providing any legal opinion requested by any Entity regarding any transaction, contract, instrument, document, or other agreement contemplated by the Plan or the reliance by any Released Party on the Plan or the Confirmation Order in lieu of such legal opinion) created or entered into in connection with the Restructuring Support Agreement, the Disclosure Statement, or the Plan, the Chapter 11 Cases, the DIP Loan Documents, the Sale Transaction, the filing of the Chapter 11 Cases, the pursuit of Confirmation, the pursuit of Consummation, the administration and implementation of the Plan, including the issuance or distribution of securities pursuant to the Plan, or the distribution of property under the Plan or any other related agreement, or upon the business or contractual arrangements between any Debtor and any Released Party, and any other related act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date relating to any of the foregoing, other than claims or

liabilities arising out of or relating to any act or omission of a Released Party that constitutes willful misconduct, fraud or gross negligence.

Notwithstanding anything to the contrary in the foregoing or any other provision of the Plan, the releases contained in the Plan do not (i) release any post-Effective Date obligations of any party or Entity under the Plan, any Restructuring Transaction, or any document, instrument, or agreement (including those set forth in the Plan Supplement) executed to implement the Plan, (ii) affect the rights of Holders of Allowed Claims and Interests to receive distributions under the Plan, or (iii) release any Claims or Causes of Action against any non-Released Party.

Entry of the Confirmation Order shall constitute the Bankruptcy Court's approval, pursuant to Bankruptcy Rule 9019, of the releases of Holders of Claims and Interests, which includes by reference each of the related provisions and definitions contained herein, and further, shall constitute the Bankruptcy Court's finding that the release herein is: (i) in exchange for the good and valuable consideration provided by the Released Parties; (ii) a good faith settlement and compromise of the claims released by the Releasing Parties; (iii) in the best interests of the Debtors and all Holders of Claims and Interests; (iv) fair, equitable and reasonable; (v) given and made after notice and opportunity for hearing; and (vi) a bar to any of the Releasing Parties asserting any Claim released by the release herein against any of the Released Parties.

* * *

UNDER THE PLAN, "RELEASING PARTIES" MEANS, COLLECTIVELY, AND IN EACH CASE, IN THEIR RESPECTIVE CAPACITIES AS SUCH: (A) THE DEBTORS; (B) THE CONSENTING TERM LOAN LENDERS; (C) THE TERM LOAN AGENT; (D) THE DIP LENDERS; (E) THE DIP AGENT; (F) THE ACQUIRED ENTITIES; (G) ALL HOLDERS OF CLAIMS OR INTERESTS THAT ARE PRESUMED TO ACCEPT THE PLAN **AND** WHO DO NOT OPT OUT OF THE RELEASES IN THE PLAN; (H) ALL HOLDERS OF CLAIMS OR INTERESTS WHO VOTE TO ACCEPT THE PLAN; (I) ALL HOLDERS OF CLAIMS OR INTERESTS THAT (X) ABSTAIN FROM VOTING ON THE PLAN **AND** WHO DO NOT OPT OUT OF THE RELEASES IN THE PLAN, (Y) VOTE TO REJECT THE PLAN **AND** WHO DO NOT OPT OUT OF THE RELEASES IN THE PLAN, OR (Z) ARE DEEMED TO REJECT THE PLAN **AND** WHO DO NOT OPT OUT OF THE RELEASES IN THE PLAN; (J) WITH RESPECT TO EACH ENTITY IN CLAUSE (A) THROUGH (I), EACH SUCH ENTITY'S CURRENT AND FORMER SUBSIDIARIES, OFFICERS, DIRECTORS, MANAGERS, PRINCIPALS, MEMBERS, EMPLOYEES, AGENTS, ADVISORY BOARD MEMBERS, FINANCIAL ADVISORS, PARTNERS, ATTORNEYS, ACCOUNTANTS, INVESTMENT BANKERS, CONSULTANTS, REPRESENTATIVES, AND OTHER PROFESSIONALS, EACH IN THEIR CAPACITY AS SUCH (UNLESS ANY SUCH ENTITY OR RELATED PARTY HAS OPTED OUT OF BEING A RELEASING PARTY, IN WHICH CASE SUCH ENTITY OR RELATED PARTY, AS APPLICABLE, SHALL NOT BE A RELEASING PARTY).

UNDER THE PLAN, "RELEASED PARTIES" MEANS, COLLECTIVELY, AND IN EACH CASE, IN THEIR RESPECTIVE CAPACITIES AS SUCH: (A) THE DEBTORS; (B) THE CONSENTING TERM LOAN LENDERS; (C) THE TERM LOAN AGENT; (D) THE DIP LENDERS; (E) THE DIP AGENT; (F) ALL RELEASING PARTIES; (G) THE ACQUIRED ENTITIES; AND (H) WITH RESPECT TO EACH ENTITY IN CLAUSE (A) THROUGH (G), EACH SUCH ENTITY'S CURRENT AND FORMER SUBSIDIARIES, OFFICERS, DIRECTORS, MANAGERS, PRINCIPALS, MEMBERS, EMPLOYEES, AGENTS, ADVISORY BOARD MEMBERS, FINANCIAL ADVISORS, PARTNERS, ATTORNEYS, ACCOUNTANTS, INVESTMENT BANKERS, CONSULTANTS, REPRESENTATIVES, AND OTHER PROFESSIONALS, EACH IN THEIR CAPACITY AS SUCH (UNLESS ANY SUCH ENTITY OR RELATED PARTY HAS OPTED OUT OF BEING A RELEASING PARTY, IN WHICH CASE SUCH ENTITY OR RELATED PARTY, AS APPLICABLE, SHALL NOT BE A RELEASED PARTY).

ALL HOLDERS OF CLAIMS AND INTERESTS THAT ARE NOT IN VOTING CLASSES THAT DO NOT FILE AN OBJECTION WITH THE BANKRUPTCY COURT IN THE CHAPTER 11 CASES THAT EXPRESSLY OBJECTS TO THE INCLUSION OF SUCH HOLDER AS A RELEASING PARTY UNDER THE PROVISIONS CONTAINED IN ARTICLE VIII.F OF THE PLAN OR DO NOT ELECT TO OPT OUT OF THE PROVISIONS CONTAINED IN ARTICLE VIII.F OF THE PLAN USING THE ENCLOSED OPT OUT FORM, WILL BE DEEMED TO HAVE EXPRESSLY, UNCONDITIONALLY, GENERALLY, INDIVIDUALLY, AND

COLLECTIVELY CONSENTED TO THE RELEASE OF ALL CLAIMS AND CAUSES OF ACTION AGAINST THE DEBTORS AND THE RELEASED PARTIES. BY OBJECTING TO OR ELECTING TO OPT OUT OF THE RELEASES SET FORTH IN ARTICLE VIII.F OF THE PLAN YOU WILL FORGO THE BENEFIT OF OBTAINING THE RELEASES SET FORTH IN ARTICLE VIII.E OF THE PLAN IF YOU OTHERWISE WOULD BE A RELEASED PARTY THEREUNDER.

Item 4. Certifications.

By signing this Term Loan Claim Ballot, the undersigned certifies to the Bankruptcy Court and the Debtors:

- (a) that, as of the Voting Record Date, either: (i) the Entity is the Holder of the Term Loan Claims being voted; or (ii) the Entity is an authorized signatory for an Entity that is a Holder of the Term Loan Claims being voted;
- (b) that the Entity (or in the case of an authorized signatory, the Holder) has received a copy of the Disclosure Statement and the Solicitation Package and acknowledges that the solicitation is being made pursuant to the terms and conditions set forth therein;
- (c) that the Entity has cast the same vote with respect to all Term Loan Claims; and
- (d) that no other Term Loan Claim Ballots with respect to the amount of the Term Loan Claims identified in Item 1 have been cast or, if any other Term Loan Claim Ballots have been cast with respect to such Term Loan Claims, then any such earlier Term Loan Claim Ballots are hereby revoked.

Name of Holder:	_____
	(Print or Type)
Signature:	_____
Name of Signatory:	_____
	(If other than Holder)
Title:	_____
Address:	_____

Telephone Number:	_____
Email:	_____
Date Completed:	_____

PLEASE COMPLETE, SIGN, AND DATE THIS TERM LOAN CLAIM BALLOT AND RETURN IT (WITH AN ORIGINAL SIGNATURE) *PROMPTLY BY ONLY ONE OF THE FOLLOWING METHODS:*

PLEASE COMPLETE THIS TERM LOAN CLAIM BALLOT AND SUBMIT IT
(IN ACCORDANCE WITH THE INSTRUCTIONS SET FORTH HEREIN)
PROMPTLY BY EITHER EBALLOT OR PAPER BALLOT

CREDITORS WHO CAST A TERM LOAN CLAIM BALLOT VIA EBALLOT SHOULD NOT ALSO SUBMIT
A PAPER TERM LOAN CLAIM BALLOT.

IF THE NOTICE AND CLAIMS AGENT DOES NOT ***ACTUALLY RECEIVE***
THIS TERM LOAN CLAIM BALLOT **ON OR BEFORE [AUGUST 15], 2020, AT 5:00 P.M., PREVAILING
EASTERN TIME,** (AND IF THE VOTING DEADLINE IS NOT EXTENDED), YOUR VOTE TRANSMITTED
BY THIS TERM LOAN CLAIM BALLOT MAY BE COUNTED TOWARD CONFIRMATION
OF THE PLAN ONLY IN THE DISCRETION OF THE DEBTORS.

Class 3 — Term Loan Claims

INSTRUCTIONS FOR COMPLETING THIS CLASS 3 BALLOT

1. The Debtors are soliciting the votes of Holders of Claims with respect to the Plan attached as **Exhibit A** to the Disclosure Statement. Capitalized terms used in the Term Loan Claim Ballot or in these instructions (the “**Ballot Instructions**”), but not otherwise defined therein or herein, shall have the meaning set forth in the Plan, a copy of which also accompanies the Class 3 Term Loan Claim Ballot. **PLEASE READ THE PLAN AND DISCLOSURE STATEMENT CAREFULLY BEFORE COMPLETING THIS TERM LOAN CLAIM BALLOT.**
2. The Plan can be confirmed by the Bankruptcy Court and thereby made binding upon you if it is accepted by the Holders of at least two-thirds in amount and more than one-half in number of Claims in at least one class of creditors that votes on the Plan and if the Plan otherwise satisfies the requirements for confirmation provided by section 1129(a) of the Bankruptcy Code. Please review the Disclosure Statement for more information.
3. To ensure that your Class 3 Ballot is counted, you **must either**: (a) complete and submit this hard copy Term Loan Claim Ballot; or (b) vote through the Debtors’ online balloting portal accessible through the Debtors’ case website <https://www.kccllc.net/akorn>. **Ballots will not be accepted by facsimile or other electronic means (other than via the online ballot portal).**
4. **Use of Hard Copy Ballot.** To ensure that your hard copy Term Loan Claim Ballot is counted, you must: (a) complete your Term Loan Claim Ballot in accordance with these instructions; (b) clearly indicate your decision either to accept or reject the Plan in the boxes provided in Item 2 of the Term Loan Claim Ballot; and (c) clearly sign and return your original Term Loan Claim Ballot in the enclosed pre-addressed, pre-paid envelope or via first class mail, overnight courier, or hand delivery to Akorn Ballot Processing Center, c/o KCC, 222 N. Pacific Coast Highway, Suite 300, El Segundo, California 90245 in accordance with paragraph 6 below.
5. **Use of Online Ballot Portal.** To ensure that your electronic Term Loan Claim Ballot is counted, please follow the instructions of the Debtors’ case administration website at <http://www.kccllc.net/Akorn>. You will need to enter your unique eBallot identification number indicated above. The online balloting portal is the sole manner in which Ballots will be accepted via electronic or online transmission. **Ballots will not be accepted by email, facsimile, or other electronic means (other than eBallot).**
6. The Term Loan Claim Ballot **must** be returned to the Notice and Claims Agent so as to be **actually received** by the Notice and Claims Agent on or before the Voting Deadline. **The Voting Deadline is [August 15], 2020, at 5:00 p.m., prevailing Eastern Time.**
7. If the Term Loan Claim Ballot is received **after** the Voting Deadline and if the Voting Deadline is not extended, it may be counted only in the discretion of the Debtors. Additionally, **the following Term Loan Claim Ballots will not be counted**:
 - (a) any Term Loan Claim Ballot that is illegible or contains insufficient information to permit the identification of the Holder of the Claim;
 - (b) any Term Loan Claim Ballot cast by a party that does not hold a Claim in a Class that is entitled to vote on the Plan;
 - (c) any Term Loan Claim Ballot sent by facsimile or any electronic means other than the online ballot portal;
 - (d) any unsigned Term Loan Claim Ballot;
 - (e) any Term Loan Claim Ballot that does not contain an original signature; *provided*, however, that any Term Loan Claim Ballot submitted via electronic mail shall be deemed to contain an original signature;
 - (f) any Term Loan Claim Ballot not marked to accept or reject the Plan; and
 - (g) any Term Loan Claim Ballot submitted by any party not entitled to cast a vote with respect to the Plan.

8. The method of delivery of Term Loan Claim Ballots to the Notice and Claims Agent is at the election and risk of each Holder of a Class 3 Term Loan Claim. Except as otherwise provided herein, such delivery will be deemed made only when the Notice and Claims Agent **actually receives** the originally executed Term Loan Claim Ballots. In all cases, Holders should allow sufficient time to assure timely delivery.
9. If multiple Term Loan Claim Ballots are received from the same Holder of a Term Loan Claim with respect to the same Term Loan Claim prior to the Voting Deadline, the latest, timely received, and properly completed Term Loan Claim Ballot will supersede and revoke any earlier received Term Loan Claim Ballots.
10. You must vote all of your Term Loan Claims within Class 3 either to accept or reject the Plan and may **not** split your vote. Further, if a Holder has multiple Term Loan Claims within Class 3, the Debtors may, in their discretion, aggregate the Claims of any particular Holder with multiple Term Loan Claims within Class 3 for the purpose of counting votes.
11. The Term Loan Claim Ballot does **not** constitute, and shall not be deemed to be, (a) a Proof of Claim or (b) an assertion or admission of a Claim.
12. **Please be sure to sign and date the Term Loan Claim Ballot.** You should indicate that you are signing a Term Loan Claim Ballot in your capacity as a trustee, executor, administrator, guardian, attorney in fact, officer of a corporation, or otherwise acting in a fiduciary or representative capacity and, if required or requested by the Notice and Claims Agent, the Debtors, or the Bankruptcy Court, must submit proper evidence to the requesting party to so act on behalf of such Holder. In addition, please provide your name and mailing address if it is different from that set forth on the attached mailing label or if no such mailing label is attached to the Term Loan Claim Ballot.
13. Each ballot votes **only** your Claims indicated on that ballot, so please complete and return each ballot you receive.

PLEASE RETURN YOUR TERM LOAN CLAIM BALLOT PROMPTLY

**IF YOU HAVE ANY QUESTIONS REGARDING THIS TERM LOAN CLAIM BALLOT,
THESE VOTING INSTRUCTIONS, OR THE PROCEDURES FOR VOTING,
PLEASE CALL THE NOTICE AND CLAIMS AGENT AT: (877) 725-7539 (U.S. AND CANADA) OR
(424) 236-7247 (INTERNATIONAL) OR EMAIL AKORNINFO@KCCLLC.COM.**

IF THE NOTICE AND CLAIMS AGENT DOES NOT *ACTUALLY RECEIVE* THIS TERM LOAN CLAIM BALLOT ON OR BEFORE THE VOTING DEADLINE, WHICH IS [AUGUST 15], 2020, AT 5:00 P.M., PREVAILING EASTERN TIME, (AND IF THE VOTING DEADLINE IS NOT EXTENDED), THE VOTES TRANSMITTED BY THIS BALLOT MAY BE COUNTED ONLY IN THE DISCRETION OF THE DEBTORS.

Schedule 3B

Form of Ballot for Holders of Class 4 General Unsecured Claims

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:)	
	)	Chapter 11
AKORN, INC., et al., ¹)	
	)	Case No. 20-11177 (KBO)
Debtors.)	
	)	(Jointly Administered)

**BALLOT FOR VOTING TO
ACCEPT OR REJECT THE JOINT CHAPTER 11 PLAN OF
AKORN, INC. AND ITS DEBTOR AFFILIATES**

CLASS 4 BALLOT FOR HOLDERS OF GENERAL UNSECURED CLAIMS

**PLEASE READ AND FOLLOW THE ENCLOSED INSTRUCTIONS FOR COMPLETING BALLOTS
CAREFULLY *BEFORE* COMPLETING THIS BALLOT.**

**IN ORDER FOR YOUR VOTE TO BE COUNTED, THIS BALLOT
MUST BE COMPLETED, EXECUTED, AND RETURNED SO AS TO BE
*ACTUALLY RECEIVED***

**BY THE NOTICE AND CLAIMS AGENT BY [AUGUST 15], 2020, AT 5:00 P.M., PREVAILING
EASTERN TIME (THE "VOTING DEADLINE") IN ACCORDANCE WITH THE FOLLOWING:**

The Debtors are soliciting votes with respect to the *Joint Chapter 11 Plan of Akorn, Inc. and Its Debtor Affiliates* (as may be amended from time to time, the "Plan") as set forth in the *Disclosure Statement for Joint Chapter 11 Plan of Akorn, Inc. and Its Debtor Affiliates* (as may be amended from time to time, the "Disclosure Statement"). The Bankruptcy Court for the District of Delaware (the "Bankruptcy Court") has approved the Disclosure Statement as containing adequate information pursuant to section 1125 of the Bankruptcy Code, by entry of an order on [●], 2020 (the "Disclosure Statement Order"). Bankruptcy Court approval of the Disclosure Statement does not indicate approval of the Plan by the Bankruptcy Court. Capitalized terms used but not otherwise defined herein shall have the meanings set forth in the Plan.

You are receiving this Class 4 ballot (this "General Unsecured Claim Ballot") because you are a Holder of a Class 4 General Unsecured Claim ("General Unsecured Claim") as of July 1, 2020 (the "Voting Record Date"). General Unsecured Claims include any unsecured Claim against a Debtor that is not: (a) paid in full prior to the Effective Date pursuant to an order of the Bankruptcy Court; (b) an Administrative Claim; (c) an Intercompany Claim; (d) an Other Priority Claim; (e) a Priority Tax Claim; (f) a Professional Fee Claim; (g) a Section 510(b) Claim; or (h) a Purchaser Assumed Claim. Accordingly, you have a right to vote to accept or reject the Plan.

The rights and treatment for each Class are described in the Disclosure Statement, which was included in the package (the "Solicitation Package") you are receiving with this General Unsecured Claim Ballot (as well as the Plan,

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, if any, are: Akorn, Inc. (7400); 10 Edison Street LLC (7890); 13 Edison Street LLC; Advanced Vision Research, Inc. (9046); Akorn (New Jersey), Inc. (1474); Akorn Animal Health, Inc. (6645); Akorn Ophthalmics, Inc. (6266); Akorn Sales, Inc. (7866); Clover Pharmaceuticals Corp. (3735); Covenant Pharma, Inc. (0115); Hi-Tech Pharmacal Co., Inc. (8720); Inspire Pharmaceuticals, Inc. (9022); Oak Pharmaceuticals, Inc. (6647); Olta Pharmaceuticals Corp. (3621); VersaPharm Incorporated (6739); VPI Holdings Corp. (6716); and VPI Holdings Sub, LLC. The location of the Debtors' service address is: 1925 W. Field Court, Suite 300, Lake Forest, Illinois 60045.

Disclosure Statement Order, and certain other materials). If you received Solicitation Package materials in electronic format and desire paper copies, or if you need to obtain additional Solicitation Packages, you may obtain them from Kurtzman Carson Consultants LLC (the “Notice and Claims Agent”) at no charge by: (i) calling the Notice and Claims Agent at (877) 725-7539, (U.S. and Canada) or (424) 236-7247, (International); (ii) visiting the Debtors’ restructuring website at: <https://www.kccllc.net/akorn>; (iii) writing to the Notice and Claims Agent at Akorn Ballot Processing Center, c/o KCC, 222 N. Pacific Coast Highway, Suite 300, El Segundo, California 90245; and/or (iv) emailing AkornInfo@kccllc.com and requesting paper copies of the corresponding materials previously received in electronic format. You may also obtain copies of any pleadings filed in the chapter 11 cases for a fee via PACER at: <https://ecf.deb.uscourts.gov>.

This General Unsecured Claim Ballot may not be used for any purpose other than for casting votes to accept or reject the Plan and making certain certifications with respect to the Plan. If you believe you have received this General Unsecured Claim Ballot in error, please contact the Notice and Claims Agent *immediately* at the address, telephone number, or email address set forth above.

You should review the Disclosure Statement and the Plan before you vote. You may wish to seek legal advice concerning the Plan and the Plan’s classification and treatment of your Claim. Your Claim has been placed in Class 4, General Unsecured Claims, under the Plan.

YOU MUST SUBMIT YOUR BALLOT BY ONE (AND ONLY ONE) OF THE FOLLOWING METHODS:

Via eBallot Portal: Submit your General Unsecured Claim Ballot via the Notice and Claims Agent’s online portal, by visiting <https://www.kccllc.net/akorn> (the “eBallot Portal”). Click on the “Submit eBallot” section of the Debtors’ website and follow the instructions to submit your General Unsecured Claim Ballot.

IMPORTANT NOTE: You will need the following information to retrieve and submit your customized electronic Ballot.

Unique eBallot ID#: _____

PIN#: _____

The Notice and Claims Agent’s eBallot Portal is the sole manner in which Ballots will be accepted via electronic or online transmission. Ballots submitted by facsimile, email, or other means of electronic transmission will not be counted.

Each eBallot ID# is to be used solely for voting only those Claims described in Item 1 of your electronic Ballot. Please complete and submit an electronic Ballot for each eBallot ID# you receive, as applicable.

Creditors who cast a Ballot using the eBallot Portal should NOT also submit a paper Ballot.

OR

Via Paper Ballot. Complete, sign, and date this Ballot and return it (with an original signature) promptly in the envelope provided via first class mail, overnight courier, or hand delivery to:

**Akorn Ballot Processing Center
c/o KCC
222 N. Pacific Coast Highway, Suite 300
El Segundo, California 90245**

Item 1. Amount of Claim.

The undersigned hereby certifies that as of the Voting Record Date, the undersigned was the Holder of Class 4 General Unsecured Claim in the following *aggregate* unpaid amount:

\$ _____

Item 2. Vote on Plan.

The Holder of the Class 4 General Unsecured Claim against the Debtors set forth in Item 1 votes to (please check one):

<input type="checkbox"/> <u>ACCEPT</u> (vote FOR) the Plan	<input type="checkbox"/> <u>REJECT</u> (vote AGAINST) the Plan
---	---

Your vote on the Plan will be applied to each applicable Debtor in the same manner and in the same amount as indicated in Item 1 and Item 2 above.

Item 3. Important information regarding the Third Party Releases Contained in the Plan.

If you vote to accept the Plan, you shall be deemed to have consented to the Plan’s Third Party Release described in this Item 3 Below. If (i) you do not vote either to accept or reject the Plan, or (ii) if you vote to reject the Plan, and you do not check the box in item 3 below, you shall be deemed to have consented to the Plan’s Third Party Release provision described in this Item 3 below and be bound by it.

Regardless of whether you elect to opt out of the Plan’s Third Party Release provisions, your recovery under the Plan remains unaffected.

The Holder of a Class 4 General Unsecured Claim identified in Item 1 elects to (optional):

<input type="checkbox"/> The undersigned has (i) elected not to vote on the Plan or (ii) vote to reject the Plan in Item 2 and elects to Opt Out of the Below Third Party Release (note that opting out of the release will result in you not being included in the definition of “Released Party” under the Plan).
--

Article VIII.F of the Plan contains the following Third Party Releases: As of the Effective Date, except as otherwise provided herein, each Releasing Party is deemed to have released and discharged each Debtor and Released Party from any and all Causes of Action, whether known or unknown, including any derivative claims asserted on behalf of the Debtors, that such Entity would have been legally entitled to assert (whether individually or collectively), based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the Debtors’ in- or out-of-court restructuring efforts, intercompany transactions between or among a Debtor and another Debtor, the Standstill Agreement, the Chapter 11 Cases, the formulation, preparation, dissemination, negotiation, or filing of the Restructuring Support Agreement, the DIP Loan Documents, the Disclosure Statement, the Plan, the Sale Transaction, or any Restructuring Transaction, contract, instrument, release, or other agreement or document (including providing any legal opinion requested by any Entity regarding any transaction, contract, instrument, document, or other agreement contemplated by the Plan or the reliance by any Released Party on the Plan or the Confirmation Order in lieu of such legal opinion) created or entered into in connection with the Restructuring Support Agreement, the Disclosure Statement, or the Plan, the Chapter 11 Cases, the DIP Loan Documents, the Sale Transaction, the filing of the Chapter 11 Cases, the pursuit of Confirmation, the pursuit of Consummation, the administration and implementation of the Plan, including the issuance or distribution of securities pursuant to the Plan, or the distribution of property under the Plan or any other related agreement, or upon the business or contractual arrangements between any Debtor and any Released Party, and any other related act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date relating to any of the foregoing, other than claims or

liabilities arising out of or relating to any act or omission of a Released Party that constitutes willful misconduct, fraud or gross negligence.

Notwithstanding anything to the contrary in the foregoing or any other provision of the Plan, the releases contained in the Plan do not (i) release any post-Effective Date obligations of any party or Entity under the Plan, any Restructuring Transaction, or any document, instrument, or agreement (including those set forth in the Plan Supplement) executed to implement the Plan, (ii) affect the rights of Holders of Allowed Claims and Interests to receive distributions under the Plan, or (iii) release any Claims or Causes of Action against any non-Released Party.

Entry of the Confirmation Order shall constitute the Bankruptcy Court's approval, pursuant to Bankruptcy Rule 9019, of the releases of Holders of Claims and Interests, which includes by reference each of the related provisions and definitions contained herein, and further, shall constitute the Bankruptcy Court's finding that the release herein is: (i) in exchange for the good and valuable consideration provided by the Released Parties; (ii) a good faith settlement and compromise of the claims released by the Releasing Parties; (iii) in the best interests of the Debtors and all Holders of Claims and Interests; (iv) fair, equitable and reasonable; (v) given and made after notice and opportunity for hearing; and (vi) a bar to any of the Releasing Parties asserting any Claim released by the release herein against any of the Released Parties.

* * *

UNDER THE PLAN, "RELEASING PARTIES" MEANS, COLLECTIVELY, AND IN EACH CASE, IN THEIR RESPECTIVE CAPACITIES AS SUCH: (A) THE DEBTORS; (B) THE CONSENTING TERM LOAN LENDERS; (C) THE TERM LOAN AGENT; (D) THE DIP LENDERS; (E) THE DIP AGENT; (F) THE ACQUIRED ENTITIES; (G) ALL HOLDERS OF CLAIMS OR INTERESTS THAT ARE PRESUMED TO ACCEPT THE PLAN **AND** WHO DO NOT OPT OUT OF THE RELEASES IN THE PLAN; (H) ALL HOLDERS OF CLAIMS OR INTERESTS WHO VOTE TO ACCEPT THE PLAN; (I) ALL HOLDERS OF CLAIMS OR INTERESTS THAT (X) ABSTAIN FROM VOTING ON THE PLAN **AND** WHO DO NOT OPT OUT OF THE RELEASES IN THE PLAN, (Y) VOTE TO REJECT THE PLAN **AND** WHO DO NOT OPT OUT OF THE RELEASES IN THE PLAN, OR (Z) ARE DEEMED TO REJECT THE PLAN **AND** WHO DO NOT OPT OUT OF THE RELEASES IN THE PLAN; (J) WITH RESPECT TO EACH ENTITY IN CLAUSE (A) THROUGH (I), EACH SUCH ENTITY'S CURRENT AND FORMER SUBSIDIARIES, OFFICERS, DIRECTORS, MANAGERS, PRINCIPALS, MEMBERS, EMPLOYEES, AGENTS, ADVISORY BOARD MEMBERS, FINANCIAL ADVISORS, PARTNERS, ATTORNEYS, ACCOUNTANTS, INVESTMENT BANKERS, CONSULTANTS, REPRESENTATIVES, AND OTHER PROFESSIONALS, EACH IN THEIR CAPACITY AS SUCH (UNLESS ANY SUCH ENTITY OR RELATED PARTY HAS OPTED OUT OF BEING A RELEASING PARTY, IN WHICH CASE SUCH ENTITY OR RELATED PARTY, AS APPLICABLE, SHALL NOT BE A RELEASING PARTY).

UNDER THE PLAN, "RELEASED PARTIES" MEANS, COLLECTIVELY, AND IN EACH CASE, IN THEIR RESPECTIVE CAPACITIES AS SUCH: (A) THE DEBTORS; (B) THE CONSENTING TERM LOAN LENDERS; (C) THE TERM LOAN AGENT; (D) THE DIP LENDERS; (E) THE DIP AGENT; (F) ALL RELEASING PARTIES; (G) THE ACQUIRED ENTITIES; AND (H) WITH RESPECT TO EACH ENTITY IN CLAUSE (A) THROUGH (G), EACH SUCH ENTITY'S CURRENT AND FORMER SUBSIDIARIES, OFFICERS, DIRECTORS, MANAGERS, PRINCIPALS, MEMBERS, EMPLOYEES, AGENTS, ADVISORY BOARD MEMBERS, FINANCIAL ADVISORS, PARTNERS, ATTORNEYS, ACCOUNTANTS, INVESTMENT BANKERS, CONSULTANTS, REPRESENTATIVES, AND OTHER PROFESSIONALS, EACH IN THEIR CAPACITY AS SUCH (UNLESS ANY SUCH ENTITY OR RELATED PARTY HAS OPTED OUT OF BEING A RELEASING PARTY, IN WHICH CASE SUCH ENTITY OR RELATED PARTY, AS APPLICABLE, SHALL NOT BE A RELEASED PARTY).

ALL HOLDERS OF CLAIMS AND INTERESTS THAT ARE NOT IN VOTING CLASSES THAT DO NOT FILE AN OBJECTION WITH THE BANKRUPTCY COURT IN THE CHAPTER 11 CASES THAT EXPRESSLY OBJECTS TO THE INCLUSION OF SUCH HOLDER AS A RELEASING PARTY UNDER THE PROVISIONS CONTAINED IN ARTICLE VIII.F OF THE PLAN OR DO NOT ELECT TO OPT OUT OF THE PROVISIONS CONTAINED IN ARTICLE VIII.F OF THE PLAN USING THE ENCLOSED OPT OUT FORM, WILL BE DEEMED TO HAVE EXPRESSLY, UNCONDITIONALLY, GENERALLY, INDIVIDUALLY, AND

COLLECTIVELY CONSENTED TO THE RELEASE OF ALL CLAIMS AND CAUSES OF ACTION AGAINST THE DEBTORS AND THE RELEASED PARTIES. BY OBJECTING TO OR ELECTING TO OPT OUT OF THE RELEASES SET FORTH IN ARTICLE VIII.F OF THE PLAN YOU WILL FORGO THE BENEFIT OF OBTAINING THE RELEASES SET FORTH IN ARTICLE VIII.E OF THE PLAN IF YOU OTHERWISE WOULD BE A RELEASED PARTY THEREUNDER.

Item 4. Certifications.

By signing this General Unsecured Claim Ballot, the undersigned certifies:

- (a) that, as of the Voting Record Date, either: (i) the Entity is the Holder of the General Unsecured Claims being voted; or (ii) the Entity is an authorized signatory for an Entity that is the Holder of the General Unsecured Claims being voted;
- (b) that the Entity (or in the case of an authorized signatory, the Holder) has received a copy of the Disclosure Statement and the Solicitation Package and acknowledges that the solicitation is being made pursuant to the terms and conditions set forth therein;
- (c) that the Entity has cast the same vote with respect to all General Unsecured Claims in a single Class; and
- (d) that no other General Unsecured Claim Ballots with respect to the amount of the General Unsecured Claims identified in Item 1 have been cast or, if any other General Unsecured Claim Ballots have been cast with respect to such General Unsecured Claims, then any such earlier General Unsecured Claim Ballots are hereby revoked.

Name of Holder:	_____
	(Print or Type)
Signature:	_____
Name of Signatory:	_____
	(If other than Holder)
Title:	_____
Address:	_____

Telephone Number:	_____
Email:	_____
Date Completed:	_____

PLEASE COMPLETE, SIGN, AND DATE THIS GENERAL UNSECURED CLAIM BALLOT AND RETURN IT (WITH AN ORIGINAL SIGNATURE) *PROMPTLY* BY *ONLY ONE* OF THE FOLLOWING METHODS:

PLEASE COMPLETE THIS GENERAL UNSECURED CLAIM BALLOT AND SUBMIT IT
(IN ACCORDANCE WITH THE INSTRUCTIONS SET FORTH HEREIN)
PROMPTLY BY EITHER EBALLOT OR PAPER BALLOT

CREDITORS WHO CAST A GENERAL UNSECURED CLAIM BALLOT VIA EBALLOT SHOULD NOT
ALSO SUBMIT A PAPER GENERAL UNSECURED CLAIM BALLOT.

IF THE NOTICE AND CLAIMS AGENT DOES NOT ***ACTUALLY RECEIVE***
THIS GENERAL UNSECURED CLAIM BALLOT **ON OR BEFORE [AUGUST 15], 2020, AT 5:00 P.M.,
PREVAILING EASTERN TIME,** (AND IF THE VOTING DEADLINE IS NOT EXTENDED), YOUR VOTE
TRANSMITTED
BY THIS GENERAL UNSECURED CLAIM BALLOT MAY BE COUNTED TOWARD CONFIRMATION
OF THE PLAN ONLY IN THE DISCRETION OF THE DEBTORS.

Class 4 — General Unsecured Claims

INSTRUCTIONS FOR COMPLETING THIS CLASS 4 GENERAL UNSECURED CLAIM BALLOT

1. The Debtors are soliciting the votes of Holders of Claims with respect to the Plan attached as **Exhibit A** to the Disclosure Statement. Capitalized terms used in the General Unsecured Claim Ballot or in these instructions (the “**Ballot Instructions**”) but not otherwise defined therein or herein shall have the meaning set forth in the Plan, a copy of which also accompanies the General Unsecured Claim Ballot. **PLEASE READ THE PLAN AND DISCLOSURE STATEMENT CAREFULLY BEFORE COMPLETING THIS CLASS 4 GENERAL UNSECURED CLAIM BALLOT.**
2. The Plan can be confirmed by the Bankruptcy Court and thereby made binding upon you if it is accepted by the Holders of at least two-thirds in amount and more than one-half in number of Claims in at least one class of creditors that votes on the Plan and if the Plan otherwise satisfies the requirements for confirmation provided by section 1129(a) of the Bankruptcy Code. Please review the Disclosure Statement for more information.
3. To ensure that your General Unsecured Claim Ballot is counted, you **must either**: (a) complete and submit this hard copy General Unsecured Claim Ballot; or (b) vote through the Debtors’ online balloting portal accessible through the Debtors’ case website <https://www.kccllc.net/akorn>. **Ballots will not be accepted by facsimile or other electronic means (other than via the online ballot portal).**
4. **Use of Hard Copy Ballot.** To ensure that your hard copy General Unsecured Claim Ballot is counted, you must: (a) complete your General Unsecured Claim Ballot in accordance with these instructions; (b) clearly indicate your decision either to accept or reject the Plan in the boxes provided in Item 2 of the General Unsecured Claim Ballot; and (c) clearly sign and return your original General Unsecured Claim Ballot in the enclosed pre-addressed, pre-paid envelope or via first class mail, overnight courier, or hand delivery to Akorn Ballot Processing Center, c/o KCC, 222 N. Pacific Coast Highway, Suite 300, El Segundo, California 90245 in accordance with paragraph 6 below.
5. **Use of Online Ballot Portal.** To ensure that your electronic General Unsecured Claim Ballot is counted, please follow the instructions of the Debtors’ case administration website at <http://www.kccllc.net/Akorn>. You will need to enter your unique eBallot identification number indicated above. The online balloting portal is the sole manner in which Ballots will be accepted via electronic or online transmission. **Ballots will not be accepted by email, facsimile, or other electronic means (other than eBallot).**
6. The General Unsecured Claim Ballot **must** be returned to the Notice and Claims Agent so as to be **actually received** by the Notice and Claims Agent on or before the Voting Deadline. **The Voting Deadline is [August 15], 2020, at 5:00 p.m., prevailing Eastern Time.**
7. If the General Unsecured Claim Ballot is received **after** the Voting Deadline and if the Voting Deadline is not extended, it may be counted only in the discretion of the Debtors. Additionally, **the following General Unsecured Claim Ballots will not be counted**:
 - (a) any General Unsecured Claim Ballot that is illegible or contains insufficient information to permit the identification of the Holder of the Claim;
 - (b) any General Unsecured Claim Ballot cast by a party that does not hold a Claim in a Class that is entitled to vote on the Plan;
 - (c) any General Unsecured Claim Ballot sent by facsimile or any electronic means other via the online ballot portal;
 - (d) any unsigned General Unsecured Claim Ballot;
 - (e) any General Unsecured Claim Ballot that does not contain an original signature; *provided*, however, that any General Unsecured Claim Ballot submitted via electronic mail shall be deemed to contain an original signature;
 - (f) any General Unsecured Claim Ballot not marked to accept or reject the Plan; and
 - (g) any General Unsecured Claim Ballot submitted by any party not entitled to cast a vote with respect to the Plan.

8. The method of delivery of General Unsecured Claim Ballots to the Notice and Claims Agent is at the election and risk of each Holder of a Class 4 Claim. Except as otherwise provided herein, such delivery will be deemed made only when the Notice and Claims Agent **actually receives** the originally executed General Unsecured Claim Ballot. In all cases, Holders should allow sufficient time to assure timely delivery.
9. If multiple General Unsecured Claim Ballots are received from the same Holder of a General Unsecured Claim with respect to the same General Unsecured Claim prior to the Voting Deadline, the latest, timely received, and properly completed General Unsecured Claim Ballot will supersede and revoke any earlier received General Unsecured Claim Ballots.
10. You must vote all of your General Unsecured Claims within Class 4 either to accept or reject the Plan and may **not** split your vote. Further, if a Holder has multiple General Unsecured Claims within Class 4, the Debtors may, in their discretion, aggregate the Claims of any particular Holder with multiple General Unsecured Claims within Class 4 for the purpose of counting votes.
11. The General Unsecured Claim Ballot does **not** constitute, and shall not be deemed to be, (a) a Proof of Claim or (b) an assertion or admission of a Claim.
12. **Please be sure to sign and date the Class 4 General Unsecured Claim Ballot.** You should indicate that you are signing a General Unsecured Claim Ballot in your capacity as a trustee, executor, administrator, guardian, attorney in fact, officer of a corporation, or otherwise acting in a fiduciary or representative capacity and, if required or requested by the Notice and Claims Agent, the Debtors, or the Bankruptcy Court, must submit proper evidence to the requesting party to so act on behalf of such Holder. In addition, please provide your name and mailing address if it is different from that set forth on the attached mailing label or if no such mailing label is attached to the General Unsecured Claim Ballot.
13. Each ballot votes **only** your Claims indicated on that ballot, so please complete and return each ballot that you received.

PLEASE RETURN YOUR GENERAL UNSECURED CLAIM BALLOT PROMPTLY

IF YOU HAVE ANY QUESTIONS REGARDING THIS GENERAL UNSECURED CLAIM BALLOT, THESE VOTING INSTRUCTIONS, OR THE PROCEDURES FOR VOTING, PLEASE CALL THE NOTICE AND CLAIMS AGENT AT: (877) 725-7539 (U.S. AND CANADA) OR (424) 236-7247 (INTERNATIONAL) OR EMAIL AKORNINFO@KCCLLC.COM.

IF THE NOTICE AND CLAIMS AGENT DOES NOT *ACTUALLY RECEIVE* THIS GENERAL UNSECURED CLAIM BALLOT ON OR BEFORE THE VOTING DEADLINE, WHICH IS [AUGUST 15], 2020, AT 5:00 P.M., PREVAILING EASTERN TIME, (AND IF THE VOTING DEADLINE IS NOT EXTENDED), THE VOTES TRANSMITTED BY THIS BALLOT MAY BE COUNTED ONLY IN THE DISCRETION OF THE DEBTORS.

Schedule 3C

Form of Ballot for Holders of Class 7 Section 510(b) Claims

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:)	
	)	Chapter 11
AKORN, INC., et al., ¹	)	Case No. 20-11177 (KBO)
)	
Debtors.	)	(Jointly Administered)
)	

**BALLOT FOR VOTING TO
ACCEPT OR REJECT THE JOINT CHAPTER 11 PLAN OF
AKORN, INC. AND ITS DEBTOR AFFILIATES**

CLASS 7 BALLOT FOR HOLDERS OF SECTION 510(b) CLAIMS

**PLEASE READ AND FOLLOW THE ENCLOSED INSTRUCTIONS FOR COMPLETING BALLOTS
CAREFULLY *BEFORE* COMPLETING THIS BALLOT.**

**IN ORDER FOR YOUR VOTE TO BE COUNTED, THIS BALLOT
MUST BE COMPLETED, EXECUTED, AND RETURNED SO AS TO BE
*ACTUALLY RECEIVED***

**BY THE NOTICE AND CLAIMS AGENT BY [AUGUST 15], 2020, AT 5:00 P.M., PREVAILING
EASTERN TIME (THE "VOTING DEADLINE") IN ACCORDANCE WITH THE FOLLOWING:**

The Debtors are soliciting votes with respect to the *Joint Chapter 11 Plan of Akorn, Inc. and Its Debtor Affiliates* (as may be amended from time to time, the "Plan") as set forth in the *Disclosure Statement for Joint Chapter 11 Plan of Akorn, Inc. and Its Debtor Affiliates* (as may be amended from time to time, the "Disclosure Statement"). The Bankruptcy Court for the District of Delaware (the "Bankruptcy Court") has approved the Disclosure Statement as containing adequate information pursuant to section 1125 of the Bankruptcy Code, by entry of an order on [●], 2020 (the "Disclosure Statement Order"). Bankruptcy Court approval of the Disclosure Statement does not indicate approval of the Plan by the Bankruptcy Court. Capitalized terms used but not otherwise defined herein shall have the meanings set forth in the Plan.

You are receiving this Class 7 ballot (this "Section 510(b) Claim Ballot") because you are a Holder of a Class 7 Section 510(b) Claim ("Section 510(b) Claim") as of July 1, 2020 (the "Voting Record Date"). Section 510(b) Claim means any Claim against any of the Debtors that is subordinated under section 510(b) of the Bankruptcy Code, including, for the avoidance of doubt, the Section 510(b) Claims and any Shareholder Litigation Claims not settled pursuant to the Shareholder Settlement. Accordingly, you have a right to vote to accept or reject the Plan.

The rights and treatment for each Class are described in the Disclosure Statement, which was included in the package (the "Solicitation Package") you are receiving with this Section 510(b) Claim Ballot (as well as the Plan, Disclosure

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, if any, are: Akorn, Inc. (7400); 10 Edison Street LLC (7890); 13 Edison Street LLC; Advanced Vision Research, Inc. (9046); Akorn (New Jersey), Inc. (1474); Akorn Animal Health, Inc. (6645); Akorn Ophthalmics, Inc. (6266); Akorn Sales, Inc. (7866); Clover Pharmaceuticals Corp. (3735); Covenant Pharma, Inc. (0115); Hi-Tech Pharmacal Co., Inc. (8720); Inspire Pharmaceuticals, Inc. (9022); Oak Pharmaceuticals, Inc. (6647); Olta Pharmaceuticals Corp. (3621); VersaPharm Incorporated (6739); VPI Holdings Corp. (6716); and VPI Holdings Sub, LLC. The location of the Debtors' service address is: 1925 W. Field Court, Suite 300, Lake Forest, Illinois 60045.

Statement Order, and certain other materials). If you received Solicitation Package materials in electronic format and desire paper copies, or if you need to obtain additional Solicitation Packages, you may obtain them from Kurtzman Carson Consultants LLC (the “Notice and Claims Agent”) at no charge by: (i) calling the Notice and Claims Agent at (877) 725-7539, (U.S. and Canada) or (424) 236-7247, (International); (ii) visiting the Debtors’ restructuring website at: <https://www.kccllc.net/akorn>; (iii) writing to the Notice and Claims Agent at Akorn Ballot Processing Center, c/o KCC, 222 N. Pacific Coast Highway, Suite 300, El Segundo, California 90245; and/or (iv) emailing AkornInfo@kccllc.com and requesting paper copies of the corresponding materials previously received in electronic format. You may also obtain copies of any pleadings filed in the chapter 11 cases for a fee via PACER at: <https://ecf.deb.uscourts.gov>.

This Section 510(b) Claim Ballot may not be used for any purpose other than for casting votes to accept or reject the Plan and making certain certifications with respect to the Plan. If you believe you have received this Section 510(b) Claim Ballot in error, please contact the Notice and Claims Agent *immediately* at the address, telephone number, or email address set forth above.

You should review the Disclosure Statement and the Plan before you vote. You may wish to seek legal advice concerning the Plan and the Plan’s classification and treatment of your Claim. Your Claim has been placed in Class 7, Section 510(b) Claims, under the Plan.

YOU MUST SUBMIT YOUR BALLOT BY ONE (AND ONLY ONE) OF THE FOLLOWING METHODS:

Via eBallot Portal: Submit your Section 510(b) Claim Ballot via the Notice and Claims Agent’s online portal, by visiting <https://www.kccllc.net/akorn> (the “eBallot Portal”). Click on the “Submit eBallot” section of the Debtors’ website and follow the instructions to submit your Section 510(b) Claim Ballot.

IMPORTANT NOTE: You will need the following information to retrieve and submit your customized electronic Ballot.

Unique eBallot ID#: _____

PIN#: _____

The Notice and Claims Agent’s eBallot Portal is the sole manner in which Ballots will be accepted via electronic or online transmission. Ballots submitted by facsimile, email, or other means of electronic transmission will not be counted.

Each eBallot ID# is to be used solely for voting only those Claims described in Item 1 of your electronic Ballot. Please complete and submit an electronic Ballot for each eBallot ID# you receive, as applicable.

Creditors who cast a Ballot using the eBallot Portal should NOT also submit a paper Ballot.

OR

Via Paper Ballot. Complete, sign, and date this Ballot and return it (with an original signature) promptly in the envelope provided via first class mail, overnight courier, or hand delivery to:

**Akorn Ballot Processing Center
c/o KCC
222 N. Pacific Coast Highway, Suite 300
El Segundo, California 90245**

Item 1. Amount of Claim.

The undersigned hereby certifies that as of the Voting Record Date, the undersigned was the Holder of a Class 7 Section 510(b) Claim in the following *aggregate* unpaid amount:

\$ _____

Item 2. Vote on Plan.

The Holder of the Class 7 Section 510(b) Claim against the Debtors set forth in Item 1 votes to (please check one):

<input type="checkbox"/> <u>ACCEPT</u> (vote FOR) the Plan	<input type="checkbox"/> <u>REJECT</u> (vote AGAINST) the Plan
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Your vote on the Plan will be applied to each applicable Debtor in the same manner and in the same amount as indicated in Item 1 and Item 2 above.

Item 3. Important information regarding the Third Party Releases Contained in the Plan.

If you vote to accept the Plan, you shall be deemed to have consented to the Plan’s Third Party Release described in this Item 3 Below. If (i) you do not vote either to accept or reject the Plan, or (ii) if you vote to reject the Plan, and you do not check the box in item 3 below, you shall be deemed to have consented to the Plan’s Third Party Release provision described in this Item 3 below and be bound by it.

Regardless of whether you elect to opt out of the Plan’s Third Party Release provisions, your recovery under the Plan remains unaffected.

The Holder of a Class 7 Section 510(b) Claim identified in Item 1 elects to (optional):

<input type="checkbox"/> The undersigned has (i) elected not to vote on the Plan or (ii) vote to reject the Plan in Item 2 and elects to Opt Out of the Below Third Party Release (note that opting out of the release will result in you not being included in the definition of “Released Party” under the Plan).
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Article VIII.F of the Plan contains the following Third Party Releases: As of the Effective Date, except as otherwise provided herein, each Releasing Party is deemed to have released and discharged each Debtor and Released Party from any and all Causes of Action, whether known or unknown, including any derivative claims asserted on behalf of the Debtors, that such Entity would have been legally entitled to assert (whether individually or collectively), based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the Debtors’ in- or out-of-court restructuring efforts, intercompany transactions between or among a Debtor and another Debtor, the Standstill Agreement, the Chapter 11 Cases, the formulation, preparation, dissemination, negotiation, or filing of the Restructuring Support Agreement, the DIP Loan Documents, the Disclosure Statement, the Plan, the Sale Transaction, or any Restructuring Transaction, contract, instrument, release, or other agreement or document (including providing any legal opinion requested by any Entity regarding any transaction, contract, instrument, document, or other agreement contemplated by the Plan or the reliance by any Released Party on the Plan or the Confirmation Order in lieu of such legal opinion) created or entered into in connection with the Restructuring Support Agreement, the Disclosure Statement, or the Plan, the Chapter 11 Cases, the DIP Loan Documents, the Sale Transaction, the filing of the Chapter 11 Cases, the pursuit of Confirmation, the pursuit of Consummation, the administration and implementation of the Plan, including the issuance or distribution of securities pursuant to the Plan, or the distribution of property under the Plan or any other related agreement, or upon the business or contractual arrangements between any Debtor and any Released Party, and any other related act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date relating to any of the foregoing, other than claims or liabilities arising out of or relating to any act or omission of a Released Party that constitutes willful misconduct, fraud or gross negligence.

Notwithstanding anything to the contrary in the foregoing or any other provision of the Plan, the releases contained in the Plan do not (i) release any post-Effective Date obligations of any party or Entity under the Plan, any Restructuring Transaction, or any document, instrument, or agreement (including those set forth in the Plan Supplement) executed to implement the Plan, (ii) affect the rights of Holders of Allowed Claims and Interests to receive distributions under the Plan, or (iii) release any Claims or Causes of Action against any non-Released Party.

Entry of the Confirmation Order shall constitute the Bankruptcy Court's approval, pursuant to Bankruptcy Rule 9019, of the releases of Holders of Claims and Interests, which includes by reference each of the related provisions and definitions contained herein, and further, shall constitute the Bankruptcy Court's finding that the release herein is: (i) in exchange for the good and valuable consideration provided by the Released Parties; (ii) a good faith settlement and compromise of the claims released by the Releasing Parties; (iii) in the best interests of the Debtors and all Holders of Claims and Interests; (iv) fair, equitable and reasonable; (v) given and made after notice and opportunity for hearing; and (vi) a bar to any of the Releasing Parties asserting any Claim released by the release herein against any of the Released Parties.

* * *

UNDER THE PLAN, "RELEASING PARTIES" MEANS, COLLECTIVELY, AND IN EACH CASE, IN THEIR RESPECTIVE CAPACITIES AS SUCH: (A) THE DEBTORS; (B) THE CONSENTING TERM LOAN LENDERS; (C) THE TERM LOAN AGENT; (D) THE DIP LENDERS; (E) THE DIP AGENT; (F) THE ACQUIRED ENTITIES; (G) ALL HOLDERS OF CLAIMS OR INTERESTS THAT ARE PRESUMED TO ACCEPT THE PLAN **AND** WHO DO NOT OPT OUT OF THE RELEASES IN THE PLAN; (H) ALL HOLDERS OF CLAIMS OR INTERESTS WHO VOTE TO ACCEPT THE PLAN; (I) ALL HOLDERS OF CLAIMS OR INTERESTS THAT (X) ABSTAIN FROM VOTING ON THE PLAN **AND** WHO DO NOT OPT OUT OF THE RELEASES IN THE PLAN, (Y) VOTE TO REJECT THE PLAN **AND** WHO DO NOT OPT OUT OF THE RELEASES IN THE PLAN, OR (Z) ARE DEEMED TO REJECT THE PLAN **AND** WHO DO NOT OPT OUT OF THE RELEASES IN THE PLAN; (J) WITH RESPECT TO EACH ENTITY IN CLAUSE (A) THROUGH (I), EACH SUCH ENTITY'S CURRENT AND FORMER SUBSIDIARIES, OFFICERS, DIRECTORS, MANAGERS, PRINCIPALS, MEMBERS, EMPLOYEES, AGENTS, ADVISORY BOARD MEMBERS, FINANCIAL ADVISORS, PARTNERS, ATTORNEYS, ACCOUNTANTS, INVESTMENT BANKERS, CONSULTANTS, REPRESENTATIVES, AND OTHER PROFESSIONALS, EACH IN THEIR CAPACITY AS SUCH (UNLESS ANY SUCH ENTITY OR RELATED PARTY HAS OPTED OUT OF BEING A RELEASING PARTY, IN WHICH CASE SUCH ENTITY OR RELATED PARTY, AS APPLICABLE, SHALL NOT BE A RELEASING PARTY).

UNDER THE PLAN, "RELEASED PARTIES" MEANS, COLLECTIVELY, AND IN EACH CASE, IN THEIR RESPECTIVE CAPACITIES AS SUCH: (A) THE DEBTORS; (B) THE CONSENTING TERM LOAN LENDERS; (C) THE TERM LOAN AGENT; (D) THE DIP LENDERS; (E) THE DIP AGENT; (F) ALL RELEASING PARTIES; (G) THE ACQUIRED ENTITIES; AND (H) WITH RESPECT TO EACH ENTITY IN CLAUSE (A) THROUGH (G), EACH SUCH ENTITY'S CURRENT AND FORMER SUBSIDIARIES, OFFICERS, DIRECTORS, MANAGERS, PRINCIPALS, MEMBERS, EMPLOYEES, AGENTS, ADVISORY BOARD MEMBERS, FINANCIAL ADVISORS, PARTNERS, ATTORNEYS, ACCOUNTANTS, INVESTMENT BANKERS, CONSULTANTS, REPRESENTATIVES, AND OTHER PROFESSIONALS, EACH IN THEIR CAPACITY AS SUCH (UNLESS ANY SUCH ENTITY OR RELATED PARTY HAS OPTED OUT OF BEING A RELEASING PARTY, IN WHICH CASE SUCH ENTITY OR RELATED PARTY, AS APPLICABLE, SHALL NOT BE A RELEASED PARTY).

ALL HOLDERS OF CLAIMS AND INTERESTS THAT ARE NOT IN VOTING CLASSES THAT DO NOT FILE AN OBJECTION WITH THE BANKRUPTCY COURT IN THE CHAPTER 11 CASES THAT EXPRESSLY OBJECTS TO THE INCLUSION OF SUCH HOLDER AS A RELEASING PARTY UNDER THE PROVISIONS CONTAINED IN ARTICLE VIII.F OF THE PLAN OR DO NOT ELECT TO OPT OUT OF THE PROVISIONS CONTAINED IN ARTICLE VIII.F OF THE PLAN USING THE ENCLOSED OPT OUT FORM, WILL BE DEEMED TO HAVE EXPRESSLY, UNCONDITIONALLY, GENERALLY, INDIVIDUALLY, AND COLLECTIVELY CONSENTED TO THE RELEASE OF ALL CLAIMS AND CAUSES OF ACTION AGAINST THE DEBTORS AND THE RELEASED PARTIES. BY OBJECTING TO OR ELECTING TO OPT OUT OF THE RELEASES SET FORTH IN ARTICLE VIII.F OF THE PLAN YOU WILL FORGO THE BENEFIT OF

OBTAINING THE RELEASES SET FORTH IN ARTICLE VIII.E OF THE PLAN IF YOU OTHERWISE WOULD BE A RELEASED PARTY THEREUNDER.

Item 4. Certifications.

By signing this Section 510(b) Claim Ballot, the undersigned certifies:

- (a) that, as of the Voting Record Date, either: (i) the Entity is the Holder of the Section 510(b) Claims being voted; or (ii) the Entity is an authorized signatory for an Entity that is the Holder of the Section 510(b) Claims being voted;
- (b) that the Entity (or in the case of an authorized signatory, the Holder) has received a copy of the Disclosure Statement and the Solicitation Package and acknowledges that the solicitation is being made pursuant to the terms and conditions set forth therein;
- (c) that the Entity has cast the same vote with respect to all Section 510(b) Claims in a single Class; and
- (d) that no other Section 510(b) Claim Ballots with respect to the amount of the Section 510(b) Claims identified in Item 1 have been cast or, if any other Section 510(b) Claim Ballots have been cast with respect to such Section 510(b) Claims, then any such earlier Section 510(b) Claim Ballots are hereby revoked.

Name of Holder:	_____
	(Print or Type)
Signature:	_____
Name of Signatory:	_____
	(If other than Holder)
Title:	_____
Address:	_____

Telephone Number:	_____
Email:	_____
Date Completed:	_____

PLEASE COMPLETE, SIGN, AND DATE THIS SECTION 510(b) CLAIM BALLOT AND RETURN IT (WITH AN ORIGINAL SIGNATURE) *PROMPTLY* BY *ONLY ONE* OF THE FOLLOWING METHODS:

PLEASE COMPLETE THIS SECTION 510(B) CLAIM BALLOT AND SUBMIT IT
(IN ACCORDANCE WITH THE INSTRUCTIONS SET FORTH HEREIN)
PROMPTLY BY EITHER EBALLOT OR PAPER BALLOT

CREDITORS WHO CAST A SECTION 510(B) CLAIM BALLOT VIA EBALLOT SHOULD NOT ALSO
SUBMIT A PAPER SECTION 510(B) BALLOT.

IF THE NOTICE AND CLAIMS AGENT DOES NOT ***ACTUALLY RECEIVE***
THIS SECTION 510(B) CLAIM BALLOT **ON OR BEFORE [AUGUST 15], 2020, AT 5:00 P.M.,
PREVAILING EASTERN TIME,** (AND IF THE VOTING DEADLINE IS NOT EXTENDED), YOUR VOTE
TRANSMITTED BY THIS SECTION 510(B) CLAIM BALLOT MAY BE COUNTED
TOWARD CONFIRMATION OF THE PLAN ONLY IN THE DISCRETION OF THE DEBTORS.

Class 7 — Section 510(b) Claims
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INSTRUCTIONS FOR COMPLETING THIS CLASS 7 SECTION 510(b) CLAIM BALLOT

1. The Debtors are soliciting the votes of Holders of Claims with respect to the Plan attached as **Exhibit A** to the Disclosure Statement. Capitalized terms used in the Section 510(b) Claim Ballot or in these instructions (the “**Ballot Instructions**”) but not otherwise defined therein or herein shall have the meaning set forth in the Plan, a copy of which also accompanies the Section 510(b) Claim Ballot. **PLEASE READ THE PLAN AND DISCLOSURE STATEMENT CAREFULLY BEFORE COMPLETING THIS CLASS 7 SECTION 510(b) CLAIM BALLOT.**
2. The Plan can be confirmed by the Bankruptcy Court and thereby made binding upon you if it is accepted by the Holders of at least two-thirds in amount and more than one-half in number of Claims in at least one class of creditors that votes on the Plan and if the Plan otherwise satisfies the requirements for confirmation provided by section 1129(a) of the Bankruptcy Code. Please review the Disclosure Statement for more information.
3. To ensure that your Section 510(b) Claim Ballot is counted, you **must either**: (a) complete and submit this hard copy Section 510(b) Claim Ballot; or (b) vote through the Debtors’ online balloting portal accessible through the Debtors’ case website <https://www.kccllc.net/akorn>. **Ballots will not be accepted by facsimile or other electronic means (other than via the online ballot portal).**
4. **Use of Hard Copy Ballot.** To ensure that your hard copy Section 510(b) Claim Ballot is counted, you must: (a) complete your Section 510(b) Claim Ballot in accordance with these instructions; (b) clearly indicate your decision either to accept or reject the Plan in the boxes provided in Item 2 of the Section 510(b) Claim Ballot; and (c) clearly sign and return your original Section 510(b) Claim Ballot in the enclosed pre-addressed, pre-paid envelope or via first class mail, overnight courier, or hand delivery to Akorn Ballot Processing Center, c/o KCC, 222 N. Pacific Coast Highway, Suite 300, El Segundo, California 90245 in accordance with paragraph 6 below.
5. **Use of Online Ballot Portal.** To ensure that your electronic Section 510(b) Claim Ballot is counted, please follow the instructions of the Debtors’ case administration website at <http://www.kccllc.net/Akorn>. You will need to enter your unique eBallot identification number indicated above. The online balloting portal is the sole manner in which Ballots will be accepted via electronic or online transmission. **Ballots will not be accepted by email, facsimile, or other electronic means (other than eBallot).**
6. The Section 510(b) Claim Ballot **must** be returned to the Notice and Claims Agent so as to be **actually received** by the Notice and Claims Agent on or before the Voting Deadline. **The Voting Deadline is [August 15], 2020, at 5:00 p.m., prevailing Eastern Time.**
7. If the Section 510(b) Claim Ballot is received **after** the Voting Deadline and if the Voting Deadline is not extended, it may be counted only in the discretion of the Debtors. Additionally, **the following Section 510(b) Claim Ballots will not be counted**:
 - (a) any Section 510(b) Claim Ballot that is illegible or contains insufficient information to permit the identification of the Holder of the Claim;
 - (b) any Section 510(b) Claim Ballot cast by a party that does not hold a Claim in a Class that is entitled to vote on the Plan;
 - (c) any Section 510(b) Claim Ballot sent by facsimile or any electronic means other than eBallot;
 - (d) any unsigned Section 510(b) Claim Ballot;
 - (e) any Section 510(b) Claim Ballot that does not contain an original signature; *provided*, however, that any Section 510(b) Claim Ballot submitted via eBallot shall be deemed to contain an original signature;
 - (f) any Section 510(b) Claim Ballot not marked to accept or reject the Plan; and
 - (g) any Section 510(b) Claim Ballot submitted by any party not entitled to cast a vote with respect to the Plan.

8. The method of delivery of Section 510(b) Claim Ballots to the Notice and Claims Agent is at the election and risk of each Holder of a Class 7 Claim. Except as otherwise provided herein, such delivery will be deemed made only when the Notice and Claims Agent *actually receives* the originally executed Section 510(b) Claim Ballot. In all cases, Holders should allow sufficient time to assure timely delivery.
9. If multiple Section 510(b) Claim Ballots are received from the same Holder of an Section 510(b) Claim with respect to the same Section 510(b) Claim prior to the Voting Deadline, the latest, timely received, and properly completed Section 510(b) Claim Ballot will supersede and revoke any earlier received Section 510(b) Claim Ballots.
10. You must vote all of your Section 510(b) Claims within Class 7 either to accept or reject the Plan and may **not** split your vote. Further, if a Holder has multiple Section 510(b) Claims within Class 7, the Debtors may, in their discretion, aggregate the Claims of any particular Holder with multiple Section 510(b) Claims within Class 7 for the purpose of counting votes.
11. The Section 510(b) Claim Ballot does **not** constitute, and shall not be deemed to be, (a) a Proof of Claim or (b) an assertion or admission of a Claim.
12. **Please be sure to sign and date the Class 7 Section 510(b) Claim Ballot.** You should indicate that you are signing a Section 510(b) Claim Ballot in your capacity as a trustee, executor, administrator, guardian, attorney in fact, officer of a corporation, or otherwise acting in a fiduciary or representative capacity and, if required or requested by the Notice and Claims Agent, the Debtors, or the Bankruptcy Court, must submit proper evidence to the requesting party to so act on behalf of such Holder. In addition, please provide your name and mailing address if it is different from that set forth on the attached mailing label or if no such mailing label is attached to the Section 510(b) Claim Ballot.
13. Each ballot votes **only** your Claims indicated on that ballot, so please complete and return each ballot that you received.

PLEASE RETURN YOUR SECTION 510(b) CLAIM BALLOT PROMPTLY

**IF YOU HAVE ANY QUESTIONS REGARDING THIS SECTION 510(b) CLAIM BALLOT,
THESE VOTING INSTRUCTIONS, OR THE PROCEDURES FOR VOTING,
PLEASE CALL THE NOTICE AND CLAIMS AGENT AT: (877) 725-7539 (U.S. AND CANADA) OR
(424) 236-7247 (INTERNATIONAL) OR EMAIL AKORNINFO@KCCLLC.COM.**

**IF THE NOTICE AND CLAIMS AGENT DOES NOT *ACTUALLY RECEIVE*
THIS SECTION 510(B) CLAIM BALLOT ON OR BEFORE THE
VOTING DEADLINE, WHICH IS [AUGUST 15], 2020, AT 5:00 P.M., PREVAILING EASTERN TIME,
(AND IF THE VOTING DEADLINE IS NOT EXTENDED), THE VOTES TRANSMITTED
BY THIS BALLOT MAY BE COUNTED ONLY IN THE DISCRETION OF THE DEBTORS.**

Schedule 3D

Form of Ballot for Holders of Class 8 Akorn Interests

Claims Agent at (877) 725-7539, (U.S. and Canada) or (424) 236-7247, (International); (ii) visiting the Debtors' restructuring website at: <https://www.kccllc.net/akorn>; (iii) writing to the Notice and Claims Agent at Akorn Ballot Processing Center, c/o KCC, 222 N. Pacific Coast Highway, Suite 300, El Segundo, California 90245; and/or (iv) emailing AkornInfo@kccllc.com and requesting paper copies of the corresponding materials previously received in electronic format. You may also obtain copies of any pleadings filed in the chapter 11 cases for a fee via PACER at: <https://ecf.deb.uscourts.gov>.

This Akorn Interest Ballot may not be used for any purpose other than for casting votes to accept or reject the Plan and making certain certifications with respect to the Plan. If you believe you have received this Akorn Interest Ballot in error, please contact the Notice and Claims Agent *immediately* at the address, telephone number, or email address set forth above.

You should review the Disclosure Statement and the Plan before you vote. You may wish to seek legal advice concerning the Plan and the Plan's classification and treatment of your Claim. Your Claim has been placed in Class 8, Akorn Interests, under the Plan.

YOU MUST SUBMIT YOUR BALLOT BY ONE (AND ONLY ONE) OF THE FOLLOWING METHODS:

Via eBallot Portal: Submit your Akorn Interest Ballot via the Notice and Claims Agent's online portal, by visiting <https://www.kccllc.net/akorn> (the "eBallot Portal"). Click on the "Submit eBallot" section of the Debtors' website and follow the instructions to submit your Akorn Interest Ballot.

IMPORTANT NOTE: You will need the following information to retrieve and submit your customized electronic Ballot.

Unique eBallot ID#: _____

PIN#: _____

The Notice and Claims Agent's eBallot Portal is the sole manner in which Ballots will be accepted via electronic or online transmission. Ballots submitted by facsimile, email, or other means of electronic transmission will not be counted.

Each eBallot ID# is to be used solely for voting only those Claims described in Item 1 of your electronic Ballot. Please complete and submit an electronic Ballot for each eBallot ID# you receive, as applicable.

Creditors who cast a Ballot using the eBallot Portal should NOT also submit a paper Ballot.

OR

Via Paper Ballot. Complete, sign, and date this Ballot and return it (with an original signature) promptly in the envelope provided via first class mail, overnight courier, or hand delivery to:

Akorn Ballot Processing Center
c/o KCC
222 N. Pacific Coast Highway, Suite 300
El Segundo, California 90245

Item 1. Amount of Claim.

The undersigned hereby certifies that as of the Voting Record Date, the undersigned was the Holder of a Class 8 Akorn Interest in the following amount:

Item 2. Vote on Plan.

The Holder of the Class 8 Akorn Interest against the Debtors set forth in Item 1 votes to (please check one):

<input type="checkbox"/> <u>ACCEPT</u> (vote FOR) the Plan	<input type="checkbox"/> <u>REJECT</u> (vote AGAINST) the Plan
---	---

Your vote on the Plan will be applied to each applicable Debtor in the same manner and in the same amount as indicated in Item 1 and Item 2 above.

Item 3. Important information regarding the Third Party Releases Contained in the Plan.

If you vote to accept the Plan, you shall be deemed to have consented to the Plan’s Third Party Release described in this Item 3 Below. If (i) you do not vote either to accept or reject the Plan, or (ii) if you vote to reject the Plan, and you do not check the box in item 3 below, you shall be deemed to have consented to the Plan’s Third Party Release provision described in this Item 3 below and be bound by it.

Regardless of whether you elect to opt out of the Plan’s Third Party Release provisions, your recovery under the Plan remains unaffected.

The Holder of a Class 8 Akorn Interest identified in Item 1 elects to (optional):

<input type="checkbox"/> The undersigned has (i) elected not to vote on the Plan or (ii) vote to reject the Plan in Item 2 and elects to Opt Out of the Below Third Party Release (note that opting out of the release will result in you not being included in the definition of “Released Party” under the Plan).
--

Article VIII.F of the Plan contains the following Third Party Releases: As of the Effective Date, except as otherwise provided herein, each Releasing Party is deemed to have released and discharged each Debtor and Released Party from any and all Causes of Action, whether known or unknown, including any derivative claims asserted on behalf of the Debtors, that such Entity would have been legally entitled to assert (whether individually or collectively), based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the Debtors’ in- or out-of-court restructuring efforts, intercompany transactions between or among a Debtor and another Debtor, the Standstill Agreement, the Chapter 11 Cases, the formulation, preparation, dissemination, negotiation, or filing of the Restructuring Support Agreement, the DIP Loan Documents, the Disclosure Statement, the Plan, the Sale Transaction, or any Restructuring Transaction, contract, instrument, release, or other agreement or document (including providing any legal opinion requested by any Entity regarding any transaction, contract, instrument, document, or other agreement contemplated by the Plan or the reliance by any Released Party on the Plan or the Confirmation Order in lieu of such legal opinion) created or entered into in connection with the Restructuring Support Agreement, the Disclosure Statement, or the Plan, the Chapter 11 Cases, the DIP Loan Documents, the Sale Transaction, the filing of the Chapter 11 Cases, the pursuit of Confirmation, the pursuit of Consummation, the administration and implementation of the Plan, including the issuance or distribution of securities pursuant to the Plan, or the distribution of property under the Plan or any other related agreement, or upon the business or contractual arrangements between any Debtor and any Released Party, and any other related act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date relating to any of the foregoing, other than claims or liabilities arising out of or relating to any act or omission of a Released Party that constitutes willful misconduct, fraud or gross negligence.

Notwithstanding anything to the contrary in the foregoing or any other provision of the Plan, the releases contained in the Plan do not (i) release any post-Effective Date obligations of any party or Entity under the Plan, any Restructuring Transaction, or any document, instrument, or agreement (including those set forth in the Plan Supplement) executed to implement the Plan, (ii) affect the rights of Holders of Allowed Claims and Interests to receive distributions under the Plan, or (iii) release any Claims or Causes of Action against any non-Released Party.

Entry of the Confirmation Order shall constitute the Bankruptcy Court's approval, pursuant to Bankruptcy Rule 9019, of the releases of Holders of Claims and Interests, which includes by reference each of the related provisions and definitions contained herein, and further, shall constitute the Bankruptcy Court's finding that the release herein is: (i) in exchange for the good and valuable consideration provided by the Released Parties; (ii) a good faith settlement and compromise of the claims released by the Releasing Parties; (iii) in the best interests of the Debtors and all Holders of Claims and Interests; (iv) fair, equitable and reasonable; (v) given and made after notice and opportunity for hearing; and (vi) a bar to any of the Releasing Parties asserting any Claim released by the release herein against any of the Released Parties.

* * *

UNDER THE PLAN, "RELEASING PARTIES" MEANS, COLLECTIVELY, AND IN EACH CASE, IN THEIR RESPECTIVE CAPACITIES AS SUCH: (A) THE DEBTORS; (B) THE CONSENTING TERM LOAN LENDERS; (C) THE TERM LOAN AGENT; (D) THE DIP LENDERS; (E) THE DIP AGENT; (F) THE ACQUIRED ENTITIES; (G) ALL HOLDERS OF CLAIMS OR INTERESTS THAT ARE PRESUMED TO ACCEPT THE PLAN **AND** WHO DO NOT OPT OUT OF THE RELEASES IN THE PLAN; (H) ALL HOLDERS OF CLAIMS OR INTERESTS WHO VOTE TO ACCEPT THE PLAN; (I) ALL HOLDERS OF CLAIMS OR INTERESTS THAT (X) ABSTAIN FROM VOTING ON THE PLAN **AND** WHO DO NOT OPT OUT OF THE RELEASES IN THE PLAN, (Y) VOTE TO REJECT THE PLAN **AND** WHO DO NOT OPT OUT OF THE RELEASES IN THE PLAN, OR (Z) ARE DEEMED TO REJECT THE PLAN **AND** WHO DO NOT OPT OUT OF THE RELEASES IN THE PLAN; (J) WITH RESPECT TO EACH ENTITY IN CLAUSE (A) THROUGH (I), EACH SUCH ENTITY'S CURRENT AND FORMER SUBSIDIARIES, OFFICERS, DIRECTORS, MANAGERS, PRINCIPALS, MEMBERS, EMPLOYEES, AGENTS, ADVISORY BOARD MEMBERS, FINANCIAL ADVISORS, PARTNERS, ATTORNEYS, ACCOUNTANTS, INVESTMENT BANKERS, CONSULTANTS, REPRESENTATIVES, AND OTHER PROFESSIONALS, EACH IN THEIR CAPACITY AS SUCH (UNLESS ANY SUCH ENTITY OR RELATED PARTY HAS OPTED OUT OF BEING A RELEASING PARTY, IN WHICH CASE SUCH ENTITY OR RELATED PARTY, AS APPLICABLE, SHALL NOT BE A RELEASING PARTY).

UNDER THE PLAN, "RELEASED PARTIES" MEANS, COLLECTIVELY, AND IN EACH CASE, IN THEIR RESPECTIVE CAPACITIES AS SUCH: (A) THE DEBTORS; (B) THE CONSENTING TERM LOAN LENDERS; (C) THE TERM LOAN AGENT; (D) THE DIP LENDERS; (E) THE DIP AGENT; (F) ALL RELEASING PARTIES; (G) THE ACQUIRED ENTITIES; AND (H) WITH RESPECT TO EACH ENTITY IN CLAUSE (A) THROUGH (G), EACH SUCH ENTITY'S CURRENT AND FORMER SUBSIDIARIES, OFFICERS, DIRECTORS, MANAGERS, PRINCIPALS, MEMBERS, EMPLOYEES, AGENTS, ADVISORY BOARD MEMBERS, FINANCIAL ADVISORS, PARTNERS, ATTORNEYS, ACCOUNTANTS, INVESTMENT BANKERS, CONSULTANTS, REPRESENTATIVES, AND OTHER PROFESSIONALS, EACH IN THEIR CAPACITY AS SUCH (UNLESS ANY SUCH ENTITY OR RELATED PARTY HAS OPTED OUT OF BEING A RELEASING PARTY, IN WHICH CASE SUCH ENTITY OR RELATED PARTY, AS APPLICABLE, SHALL NOT BE A RELEASED PARTY).

ALL HOLDERS OF CLAIMS AND INTERESTS THAT ARE NOT IN VOTING CLASSES THAT DO NOT FILE AN OBJECTION WITH THE BANKRUPTCY COURT IN THE CHAPTER 11 CASES THAT EXPRESSLY OBJECTS TO THE INCLUSION OF SUCH HOLDER AS A RELEASING PARTY UNDER THE PROVISIONS CONTAINED IN ARTICLE VIII.F OF THE PLAN OR DO NOT ELECT TO OPT OUT OF THE PROVISIONS CONTAINED IN ARTICLE VIII.F OF THE PLAN USING THE ENCLOSED OPT OUT FORM, WILL BE DEEMED TO HAVE EXPRESSLY, UNCONDITIONALLY, GENERALLY, INDIVIDUALLY, AND COLLECTIVELY CONSENTED TO THE RELEASE OF ALL CLAIMS AND CAUSES OF ACTION AGAINST THE DEBTORS AND THE RELEASED PARTIES. BY OBJECTING TO OR ELECTING TO OPT OUT OF THE RELEASES SET FORTH IN ARTICLE VIII.F OF THE PLAN YOU WILL FORGO THE BENEFIT OF

OBTAINING THE RELEASES SET FORTH IN ARTICLE VIII.E OF THE PLAN IF YOU OTHERWISE WOULD BE A RELEASED PARTY THEREUNDER.

Item 4. Certifications.

By signing this Akorn Interest Ballot, the undersigned certifies:

- (a) that, as of the Voting Record Date, either: (i) the Entity is the Holder of the Akorn Interests being voted; or (ii) the Entity is an authorized signatory for an Entity that is the Holder of the Akorn Interests being voted;
- (b) that the Entity (or in the case of an authorized signatory, the Holder) has received a copy of the Disclosure Statement and the Solicitation Package and acknowledges that the solicitation is being made pursuant to the terms and conditions set forth therein;
- (c) that the Entity has cast the same vote with respect to all Akorn Interests in a single Class; and
- (d) that no other Akorn Interest Ballots with respect to the amount of the Akorn Interests identified in Item 1 have been cast or, if any other Akorn Interest Ballots have been cast with respect to such Akorn Interests, then any such earlier Akorn Interest Ballots are hereby revoked.

Name of Holder:	_____
	(Print or Type)
Signature:	_____
Name of Signatory:	_____
	(If other than Holder)
Title:	_____
Address:	_____

Telephone Number:	_____
Email:	_____
Date Completed:	_____

PLEASE COMPLETE, SIGN, AND DATE THIS AKORN INTEREST BALLOT AND RETURN IT (WITH AN ORIGINAL SIGNATURE) *PROMPTLY BY ONLY ONE* OF THE FOLLOWING METHODS:

PLEASE COMPLETE THIS AKORN INTEREST BALLOT AND SUBMIT IT
(IN ACCORDANCE WITH THE INSTRUCTIONS SET FORTH HEREIN)
PROMPTLY BY EITHER EBALLOT OR PAPER BALLOT

CREDITORS WHO CAST AN AKORN INTEREST CLAIM BALLOT VIA EBALLOT SHOULD NOT ALSO
SUBMIT A PAPER AKORN INTEREST BALLOT.

IF THE NOTICE AND CLAIMS AGENT DOES NOT ***ACTUALLY RECEIVE***
THIS AKORN INTEREST BALLOT **ON OR BEFORE [AUGUST 15], 2020, AT 5:00 P.M., PREVAILING
EASTERN TIME,** (AND IF THE VOTING DEADLINE IS NOT EXTENDED), YOUR VOTE TRANSMITTED
BY THIS AKORN INTEREST BALLOT MAY BE COUNTED TOWARD CONFIRMATION OF THE PLAN
ONLY IN THE DISCRETION OF THE DEBTORS.

Class 8 — Akorn Interests

INSTRUCTIONS FOR COMPLETING THIS CLASS 8 AKORN INTEREST BALLOT

1. The Debtors are soliciting the votes of Holders of Claims with respect to the Plan attached as **Exhibit A** to the Disclosure Statement. Capitalized terms used in the Akorn Interest Ballot or in these instructions (the “**Ballot Instructions**”) but not otherwise defined therein or herein shall have the meaning set forth in the Plan, a copy of which also accompanies the Akorn Interest Ballot. **PLEASE READ THE PLAN AND DISCLOSURE STATEMENT CAREFULLY BEFORE COMPLETING THIS CLASS 8 AKORN INTEREST BALLOT.**
2. The Plan can be confirmed by the Bankruptcy Court and thereby made binding upon you if it is accepted by the Holders of at least two-thirds in amount and more than one-half in number of Claims in at least one class of creditors that votes on the Plan and if the Plan otherwise satisfies the requirements for confirmation provided by section 1129(a) of the Bankruptcy Code. Please review the Disclosure Statement for more information.
3. To ensure that your Akorn Interest Ballot is counted, you **must either**: (a) complete and submit this hard copy Akorn Interest Ballot; or (b) vote through the Debtors’ online balloting portal accessible through the Debtors’ case website <https://www.kccllc.net/akorn>. **Ballots will not be accepted by facsimile or other electronic means (other than via the online ballot portal).**
4. **Use of Hard Copy Ballot.** To ensure that your hard copy Akorn Interest Ballot is counted, you must: (a) complete your Akorn Interest Ballot in accordance with these instructions; (b) clearly indicate your decision either to accept or reject the Plan in the boxes provided in Item 2 of the Akorn Interest Ballot; and (c) clearly sign and return your original Akorn Interest Ballot in the enclosed pre-addressed, pre-paid envelope or via first class mail, overnight courier, or hand delivery to Akorn Ballot Processing Center, c/o KCC, 222 N. Pacific Coast Highway, Suite 300, El Segundo, California 90245 in accordance with paragraph 6 below.
5. **Use of Online Ballot Portal.** To ensure that your electronic Akorn Interest Ballot is counted, please follow the instructions of the Debtors’ case administration website at <http://www.kccllc.net/Akorn>. You will need to enter your unique eBallot identification number indicated above. The online balloting portal is the sole manner in which Ballots will be accepted via electronic or online transmission. **Ballots will not be accepted by email, facsimile, or other electronic means (other than eBallot).**
6. The Akorn Interest Ballot **must** be returned to the Notice and Claims Agent so as to be **actually received** by the Notice and Claims Agent on or before the Voting Deadline. **The Voting Deadline is [August 15], 2020, at 5:00 p.m., prevailing Eastern Time.**
7. If the Akorn Interest Ballot is received **after** the Voting Deadline and if the Voting Deadline is not extended, it may be counted only in the discretion of the Debtors. Additionally, **the following Akorn Interest Ballots will not be counted**:
 - (a) any Akorn Interest Ballot that is illegible or contains insufficient information to permit the identification of the Holder of the Claim;
 - (b) any Akorn Interest Ballot cast by a party that does not hold a Claim in a Class that is entitled to vote on the Plan;
 - (c) any Akorn Interest Ballot sent by facsimile or any electronic means other than eBallot;
 - (d) any unsigned Akorn Interest Ballot;
 - (e) any Akorn Interest Ballot that does not contain an original signature; *provided*, however, that any Akorn Interest Ballot submitted via eBallot shall be deemed to contain an original signature;
 - (f) any Akorn Interest Ballot not marked to accept or reject the Plan; and
 - (g) any Akorn Interest Ballot submitted by any party not entitled to cast a vote with respect to the Plan.
8. The method of delivery of Akorn Interest Ballots to the Notice and Claims Agent is at the election and risk of each Holder of a Class 8 Claim. Except as otherwise provided herein, such delivery will be deemed made only

when the Notice and Claims Agent *actually receives* the originally executed Akorn Interest Ballot. In all cases, Holders should allow sufficient time to assure timely delivery.

9. If multiple Akorn Interest Ballots are received from the same Holder of an Akorn Interest with respect to the same Akorn Interest prior to the Voting Deadline, the latest, timely received, and properly completed Akorn Interest Ballot will supersede and revoke any earlier received Akorn Interest Ballots.
10. You must vote all of your Akorn Interests within Class 8 either to accept or reject the Plan and may **not** split your vote. Further, if a Holder has multiple Akorn Interests within Class 8, the Debtors may, in their discretion, aggregate the Claims of any particular Holder with multiple Akorn Interests within Class 8 for the purpose of counting votes.
11. The Akorn Interest Ballot does **not** constitute, and shall not be deemed to be, (a) a Proof of Claim or (b) an assertion or admission of a Claim.
12. **Please be sure to sign and date the Class 8 Akorn Interest Ballot.** You should indicate that you are signing a Akorn Interest Ballot in your capacity as a trustee, executor, administrator, guardian, attorney in fact, officer of a corporation, or otherwise acting in a fiduciary or representative capacity and, if required or requested by the Notice and Claims Agent, the Debtors, or the Bankruptcy Court, must submit proper evidence to the requesting party to so act on behalf of such Holder. In addition, please provide your name and mailing address if it is different from that set forth on the attached mailing label or if no such mailing label is attached to the Akorn Interest Ballot.
13. Each ballot votes **only** your Claims indicated on that ballot, so please complete and return each ballot that you received.

PLEASE RETURN YOUR AKORN INTEREST BALLOT PROMPTLY

**IF YOU HAVE ANY QUESTIONS REGARDING THIS AKORN INTEREST BALLOT,
THESE VOTING INSTRUCTIONS, OR THE PROCEDURES FOR VOTING,
PLEASE CALL THE NOTICE AND CLAIMS AGENT AT: (877) 725-7539 (U.S. AND CANADA) OR
(424) 236-7247 (INTERNATIONAL) OR EMAIL AKORNINFO@KCCLLC.COM.**

**IF THE NOTICE AND CLAIMS AGENT DOES NOT *ACTUALLY RECEIVE*
THIS AKORN INTEREST BALLOT ON OR BEFORE THE
VOTING DEADLINE, WHICH IS [AUGUST 15], 2020, AT 5:00 P.M., PREVAILING EASTERN TIME,
(AND IF THE VOTING DEADLINE IS NOT EXTENDED), THE VOTES TRANSMITTED
BY THIS BALLOT MAY BE COUNTED ONLY IN THE DISCRETION OF THE DEBTORS.**

Schedule 3E

Form of Class 8 Akorn Interest Beneficial Holder Ballot

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	)		)	Chapter 11
))	
AKORN, INC., et al., ¹	)		)	Case No. 20-11177 (KBO)
))	
Debtors.	)		)	(Jointly Administered)

BALLOT FOR VOTING TO
ACCEPT OR REJECT THE JOINT CHAPTER 11 PLAN OF
AKORN, INC. AND ITS DEBTOR AFFILIATES

CLASS 8 BALLOT FOR BENEFICIAL HOLDERS OF AKORN INTERESTS

PLEASE READ AND FOLLOW THE ENCLOSED INSTRUCTIONS FOR COMPLETING BALLOTS CAREFULLY *BEFORE* COMPLETING THIS BALLOT.

IN ORDER FOR YOUR VOTE TO BE COUNTED, YOUR BENEFICIAL HOLDER BALLOT MUST BE COMPLETED, EXECUTED, AND RETURNED IN ACCORDANCE WITH THE INSTRUCTIONS PROVIDED BY YOUR NOMINEE (AS DEFINED BELOW). IF YOU RECEIVED A RETURN ENVELOPE ADDRESSED TO YOUR NOMINEE OR YOUR NOMINEE’S AGENT, YOU MUST FOLLOW THE DIRECTIONS OF YOUR NOMINEE TO CAST YOUR VOTE AND ALLOW SUFFICIENT TIME FOR YOUR NOMINEE TO RECEIVE YOUR VOTE AND TRANSMIT SUCH VOTE ON A MASTER BALLOT, WHICH MASTER BALLOT MUST BE RETURNED TO THE NOTICE AND CLAIMS AGENT BY THE VOTING DEADLINE IN ORDER FOR YOUR VOTE TO BE COUNTED.

The Debtors are soliciting votes with respect to the *Joint Chapter 11 Plan of Akorn, Inc. and Its Debtor Affiliates* (as may be amended from time to time, the “Plan”) as set forth in the *Disclosure Statement for Joint Chapter 11 Plan of Akorn, Inc. and Its Debtor Affiliates* (as may be amended from time to time, the “Disclosure Statement”). The Bankruptcy Court for the District of Delaware (the “Bankruptcy Court”) has approved the Disclosure Statement as containing adequate information pursuant to section 1125 of the Bankruptcy Code, by entry of an order on [●], 2020 (the “Disclosure Statement Order”). Bankruptcy Court approval of the Disclosure Statement does not indicate approval of the Plan by the Bankruptcy Court. Capitalized terms used but not otherwise defined herein shall have the meanings set forth in the Plan.

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, if any, are: Akorn, Inc. (7400); 10 Edison Street LLC (7890); 13 Edison Street LLC; Advanced Vision Research, Inc. (9046); Akorn (New Jersey), Inc. (1474); Akorn Animal Health, Inc. (6645); Akorn Ophthalmics, Inc. (6266); Akorn Sales, Inc. (7866); Clover Pharmaceuticals Corp. (3735); Covenant Pharma, Inc. (0115); Hi-Tech Pharmacal Co., Inc. (8720); Inspire Pharmaceuticals, Inc. (9022); Oak Pharmaceuticals, Inc. (6647); Olta Pharmaceuticals Corp. (3621); VersaPharm Incorporated (6739); VPI Holdings Corp. (6716); and VPI Holdings Sub, LLC. The location of the Debtors’ service address is: 1925 W. Field Court, Suite 300, Lake Forest, Illinois 60045.

You are receiving this Class 8 Beneficial Holder ballot (this “Beneficial Holder Ballot”) because your Nominee² has identified you as a Beneficial Holder³ of a Class 8 Akorn Interest (“Akorn Interest”) as of July 1, 2020 (the “Voting Record Date”). Akorn Interest means any Interest in Akorn. Accordingly, you have a right to vote to accept or reject the Plan.

The rights and treatment for each Class are described in the Disclosure Statement, which was included in the package (the “Solicitation Package”) you are receiving with this Beneficial Holder Ballot (as well as the Plan, Disclosure Statement Order, and certain other materials). If you received Solicitation Package materials in electronic format and desire paper copies, or if you need to obtain additional Solicitation Packages, you may obtain them from Kurtzman Carson Consultants LLC (the “Notice and Claims Agent”) at no charge by: (i) calling the Notice and Claims Agent at (877) 725-7539, (U.S. and Canada) or (424) 236-7247, (International); (ii) visiting the Debtors’ restructuring website at: <https://www.kccllc.net/akorn>; (iii) writing to the Notice and Claims Agent at Akorn Ballot Processing Center, c/o KCC, 222 N. Pacific Coast Highway, Suite 300, El Segundo, California 90245; and/or (iv) emailing AkornInfo@kccllc.com and requesting paper copies of the corresponding materials previously received in electronic format. You may also obtain copies of any pleadings filed in the chapter 11 cases for a fee via PACER at: <https://ecf.deb.uscourts.gov>.

This Beneficial Holder Ballot may not be used for any purpose other than for casting votes to accept or reject the Plan and making certain certifications with respect to the Plan. If you believe you have received this Beneficial Holder Ballot in error, please contact the Notice and Claims Agent *immediately* at the address, telephone number, or email address set forth above.

You should review the Disclosure Statement and the Plan before you vote. You may wish to seek legal advice concerning the Plan and the Plan’s classification and treatment of your Claim. Your Claim has been placed in Class 8, Akorn Interests, under the Plan.

Please return your completed Beneficial Holder Ballot in accordance with your Nominee’s instructions. Nominees are authorized to collect votes to accept or to reject the Plan from Beneficial Holders in accordance with their customary practices, including the use of a “voting instruction form” in lieu of (or in addition to) this Beneficial Holder Ballot, and collecting votes from Beneficial Holders through online voting, by phone, facsimile, or other electronic means.

² “Nominee” means the broker, dealer, commercial bank, trust company, savings and loan, financial institution, or other such party in whose name your beneficial ownership in Class 8 Akorn Interests is registered or held of record on your behalf as of the Voting Record Date.

³ A “Beneficial Holder” means a beneficial owner of publicly-traded securities whose claims have not been satisfied prior to the Voting Record Date (as defined herein) pursuant to Court order or otherwise, as reflected in the records maintained by the Nominees holding through an transfer agent or as evidenced by the securities position report from The Depository Trust Company.

Item 1. Amount of Claim.

The undersigned hereby certifies that as of the Voting Record Date, the undersigned was the Holder of a Class 8 Akorn Interest in the following amount:

Item 2. Vote on Plan.

The Holder of the Class 8 Akorn Interest against the Debtors set forth in Item 1 votes to (please check one):

<input type="checkbox"/> <u>ACCEPT</u> (vote FOR) the Plan	<input type="checkbox"/> <u>REJECT</u> (vote AGAINST) the Plan
---	---

Your vote on the Plan will be applied to each applicable Debtor in the same manner and in the same amount as indicated in Item 1 and Item 2 above.

Item 3. Important information regarding the Third Party Releases Contained in the Plan.

If you vote to accept the Plan, you shall be deemed to have consented to the Plan’s Third Party Release described in this Item 3 Below. If (i) you do not vote either to accept or reject the Plan, or (ii) if you vote to reject the Plan, and you do not check the box in item 3 below, you shall be deemed to have consented to the Plan’s Third Party Release provision described in this Item 3 below and be bound by it.

Regardless of whether you elect to opt out of the Plan’s Third Party Release provisions, your recovery under the Plan remains unaffected.

The Holder of a Class 8 Akorn Interest identified in Item 1 elects to (optional):

<input type="checkbox"/> The undersigned has (i) elected not to vote on the Plan or (ii) vote to reject the Plan in Item 2 and elects to Opt Out of the Below Third Party Release (note that opting out of the release will result in you not being included in the definition of “Released Party” under the Plan).
--

Article VIII.F of the Plan contains the following Third Party Releases: As of the Effective Date, except as otherwise provided herein, each Releasing Party is deemed to have released and discharged each Debtor and Released Party from any and all Causes of Action, whether known or unknown, including any derivative claims asserted on behalf of the Debtors, that such Entity would have been legally entitled to assert (whether individually or collectively), based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the Debtors’ in- or out-of-court restructuring efforts, intercompany transactions between or among a Debtor and another Debtor, the Standstill Agreement, the Chapter 11 Cases, the formulation, preparation, dissemination, negotiation, or filing of the Restructuring Support Agreement, the DIP Loan Documents, the Disclosure Statement, the Plan, the Sale Transaction, or any Restructuring Transaction, contract, instrument, release, or other agreement or document (including providing any legal opinion requested by any Entity regarding any transaction, contract, instrument, document, or other agreement contemplated by the Plan or the reliance by any Released Party on the Plan or the Confirmation Order in lieu of such legal opinion) created or entered into in connection with the Restructuring Support Agreement, the Disclosure Statement, or the Plan, the Chapter 11 Cases, the DIP Loan Documents, the Sale Transaction, the filing of the Chapter 11 Cases, the pursuit of Confirmation, the pursuit of Consummation, the administration and implementation of the Plan, including the issuance or distribution of securities pursuant to the Plan, or the distribution of property under the Plan or any other related agreement, or upon the business or contractual arrangements between any Debtor and any Released Party, and any other related act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date relating to any of the foregoing, other than claims or liabilities arising out of or relating to any act or omission of a Released Party that constitutes willful misconduct, fraud or gross negligence.

Notwithstanding anything to the contrary in the foregoing or any other provision of the Plan, the releases contained in the Plan do not (i) release any post-Effective Date obligations of any party or Entity under the Plan, any Restructuring Transaction, or any document, instrument, or agreement (including those set forth in the Plan Supplement) executed to implement the Plan, (ii) affect the rights of Holders of Allowed Claims and Interests to receive distributions under the Plan, or (iii) release any Claims or Causes of Action against any non-Released Party.

Entry of the Confirmation Order shall constitute the Bankruptcy Court's approval, pursuant to Bankruptcy Rule 9019, of the releases of Holders of Claims and Interests, which includes by reference each of the related provisions and definitions contained herein, and further, shall constitute the Bankruptcy Court's finding that the release herein is: (i) in exchange for the good and valuable consideration provided by the Released Parties; (ii) a good faith settlement and compromise of the claims released by the Releasing Parties; (iii) in the best interests of the Debtors and all Holders of Claims and Interests; (iv) fair, equitable and reasonable; (v) given and made after notice and opportunity for hearing; and (vi) a bar to any of the Releasing Parties asserting any Claim released by the release herein against any of the Released Parties.

* * *

UNDER THE PLAN, "RELEASING PARTIES" MEANS, COLLECTIVELY, AND IN EACH CASE, IN THEIR RESPECTIVE CAPACITIES AS SUCH: (A) THE DEBTORS; (B) THE CONSENTING TERM LOAN LENDERS; (C) THE TERM LOAN AGENT; (D) THE DIP LENDERS; (E) THE DIP AGENT; (F) THE ACQUIRED ENTITIES; (G) ALL HOLDERS OF CLAIMS OR INTERESTS THAT ARE PRESUMED TO ACCEPT THE PLAN **AND** WHO DO NOT OPT OUT OF THE RELEASES IN THE PLAN; (H) ALL HOLDERS OF CLAIMS OR INTERESTS WHO VOTE TO ACCEPT THE PLAN; (I) ALL HOLDERS OF CLAIMS OR INTERESTS THAT (X) ABSTAIN FROM VOTING ON THE PLAN **AND** WHO DO NOT OPT OUT OF THE RELEASES IN THE PLAN, (Y) VOTE TO REJECT THE PLAN **AND** WHO DO NOT OPT OUT OF THE RELEASES IN THE PLAN, OR (Z) ARE DEEMED TO REJECT THE PLAN **AND** WHO DO NOT OPT OUT OF THE RELEASES IN THE PLAN; (J) WITH RESPECT TO EACH ENTITY IN CLAUSE (A) THROUGH (I), EACH SUCH ENTITY'S CURRENT AND FORMER SUBSIDIARIES, OFFICERS, DIRECTORS, MANAGERS, PRINCIPALS, MEMBERS, EMPLOYEES, AGENTS, ADVISORY BOARD MEMBERS, FINANCIAL ADVISORS, PARTNERS, ATTORNEYS, ACCOUNTANTS, INVESTMENT BANKERS, CONSULTANTS, REPRESENTATIVES, AND OTHER PROFESSIONALS, EACH IN THEIR CAPACITY AS SUCH (UNLESS ANY SUCH ENTITY OR RELATED PARTY HAS OPTED OUT OF BEING A RELEASING PARTY, IN WHICH CASE SUCH ENTITY OR RELATED PARTY, AS APPLICABLE, SHALL NOT BE A RELEASING PARTY).

UNDER THE PLAN, "RELEASED PARTIES" MEANS, COLLECTIVELY, AND IN EACH CASE, IN THEIR RESPECTIVE CAPACITIES AS SUCH: (A) THE DEBTORS; (B) THE CONSENTING TERM LOAN LENDERS; (C) THE TERM LOAN AGENT; (D) THE DIP LENDERS; (E) THE DIP AGENT; (F) ALL RELEASING PARTIES; (G) THE ACQUIRED ENTITIES; AND (H) WITH RESPECT TO EACH ENTITY IN CLAUSE (A) THROUGH (G), EACH SUCH ENTITY'S CURRENT AND FORMER SUBSIDIARIES, OFFICERS, DIRECTORS, MANAGERS, PRINCIPALS, MEMBERS, EMPLOYEES, AGENTS, ADVISORY BOARD MEMBERS, FINANCIAL ADVISORS, PARTNERS, ATTORNEYS, ACCOUNTANTS, INVESTMENT BANKERS, CONSULTANTS, REPRESENTATIVES, AND OTHER PROFESSIONALS, EACH IN THEIR CAPACITY AS SUCH (UNLESS ANY SUCH ENTITY OR RELATED PARTY HAS OPTED OUT OF BEING A RELEASING PARTY, IN WHICH CASE SUCH ENTITY OR RELATED PARTY, AS APPLICABLE, SHALL NOT BE A RELEASED PARTY).

ALL HOLDERS OF CLAIMS AND INTERESTS THAT ARE NOT IN VOTING CLASSES THAT DO NOT FILE AN OBJECTION WITH THE BANKRUPTCY COURT IN THE CHAPTER 11 CASES THAT EXPRESSLY OBJECTS TO THE INCLUSION OF SUCH HOLDER AS A RELEASING PARTY UNDER THE PROVISIONS CONTAINED IN ARTICLE VIII.F OF THE PLAN OR DO NOT ELECT TO OPT OUT OF THE PROVISIONS CONTAINED IN ARTICLE VIII.F OF THE PLAN USING THE ENCLOSED OPT OUT FORM, WILL BE DEEMED TO HAVE EXPRESSLY, UNCONDITIONALLY, GENERALLY, INDIVIDUALLY, AND COLLECTIVELY CONSENTED TO THE RELEASE OF ALL CLAIMS AND CAUSES OF ACTION AGAINST THE DEBTORS AND THE RELEASED PARTIES. BY OBJECTING TO OR ELECTING TO OPT OUT OF THE RELEASES SET FORTH IN ARTICLE VIII.F OF THE PLAN YOU WILL FORGO THE BENEFIT OF

OBTAINING THE RELEASES SET FORTH IN ARTICLE VIII.E OF THE PLAN IF YOU OTHERWISE WOULD BE A RELEASED PARTY THEREUNDER.

Item 4. Certifications.

By signing this Beneficial Holder Ballot, the undersigned certifies:

- (a) that, as of the Voting Record Date, either: (i) the Entity is the Beneficial Holder of the Akorn Interests being voted; or (ii) the Entity is an authorized signatory for an Entity that is the Beneficial Holder of the Akorn Interests being voted;
- (b) that the Entity (or in the case of an authorized signatory, the Beneficial Holder) has received a copy of the Disclosure Statement and the Solicitation Package and acknowledges that the solicitation is being made pursuant to the terms and conditions set forth therein;
- (c) that the Entity has cast the same vote with respect to all Akorn Interests in a single Class; and
- (d) that no other Beneficial Holder Ballots with respect to the amount of the Akorn Interests identified in Item 1 have been cast or, if any other Beneficial Holder Ballots have been cast with respect to such Akorn Interests, then any such earlier Beneficial Holder Ballots are hereby revoked.

Name of Holder:	_____
	(Print or Type)
Signature:	_____
Name of Signatory:	_____
	(If other than Beneficial Holder)
Title:	_____
Address:	_____

Telephone Number:	_____
Email:	_____
Date Completed:	_____

PLEASE COMPLETE THIS BENEFICIAL HOLDER BALLOT AND SUBMIT IT
(IN ACCORDANCE WITH THE INSTRUCTIONS SET FORTH HEREIN)
PROMPTLY VIA YOUR NOMINEE'S INSTRUCTIONS.

IF THE NOTICE AND CLAIMS AGENT DOES NOT **ACTUALLY RECEIVE**
THE MASTER BALLOT CONTAINING YOUR VOTE **ON OR BEFORE [AUGUST 15], 2020, AT 5:00 P.M.,**
PREVAILING EASTERN TIME, (AND IF THE VOTING DEADLINE IS NOT EXTENDED), YOUR VOTE
TRANSMITTED BY THIS BENEFICIAL HOLDER BALLOT MAY BE COUNTED
TOWARD CONFIRMATION OF THE PLAN ONLY IN THE DISCRETION OF THE DEBTORS.

Beneficial Holders of Class 8 Akorn Interests
--

INSTRUCTIONS FOR COMPLETING THIS BENEFICIAL HOLDER BALLOT

1. The Debtors are soliciting the votes of Holders of Claims with respect to the Plan attached as **Exhibit A** to the Disclosure Statement. Capitalized terms used in the Beneficial Holder Ballot or in these instructions (the “**Ballot Instructions**”) but not otherwise defined therein or herein shall have the meaning set forth in the Plan, a copy of which also accompanies the Akorn Interest Ballot. **PLEASE READ THE PLAN AND DISCLOSURE STATEMENT CAREFULLY BEFORE COMPLETING THIS BENEFICIAL HOLDER BALLOT.**

2. The Plan can be confirmed by the Court and thereby made binding upon you if it is accepted by the holders of at least two-thirds in amount and more than one-half in number of Claims in at least one class of creditors that votes on the Plan and if the Plan otherwise satisfies the requirements for confirmation provided by section 1129(a) of the Bankruptcy Code. Please review the Disclosure Statement for more information.

3. Unless otherwise instructed by your Nominee, to ensure that your vote is counted, you must submit your Beneficial Holder Ballot (or otherwise convey your vote) to your Nominee in sufficient time to allow your Nominee to process your vote and submit a Master Ballot so that the Master Ballot is actually received by the Notice and Claims Agent by the Voting Deadline. You may instruct your Nominee to vote on your behalf in the Master Ballot as follows: (a) complete the Beneficial Holder Ballot; (b) indicate your decision either to accept or reject the Plan in the boxes provided in Item 3 of the Beneficial Holder Ballot; and (c) sign and return the Beneficial Holder Ballot to your Nominee in accordance with the instructions provided by your Nominee. The Voting Deadline for the receipt of Master Ballots by the Notice and Claims Agent is **[August 15], 2020, at 5:00 p.m., prevailing Eastern Time.** Your completed Beneficial Holder Ballot must be received by your Nominee in sufficient time to permit your Nominee to deliver your votes to the Notice and Claims Agent on or before the Voting Deadline.

4. **Please follow your Nominee’s Instructions.** Nominees are authorized to collect votes to accept or to reject the Plan from Beneficial Holders in accordance with their customary practices, including the use of a “voting instruction form” in lieu of (or in addition to) this Beneficial Holder Ballot, and collecting votes from Beneficial Holders through online voting, by phone, facsimile, or other electronic means. Any Ballot received by the Notice and Claims Agent (including via a Nominee on a Master Ballot) after the Voting Deadline will not be counted with respect to acceptance or rejection of the Plan, as applicable, unless the Debtors otherwise determine. Delivery of a Ballot or Master Ballot reflecting your vote to the Notice and Claims Agent will be deemed to have occurred only when the Notice and Claims Agent ***actually receives*** the originally executed Beneficial Holder Ballot or Master Ballot (as applicable). In all cases, you should allow sufficient time to assure timely delivery.

5. **The following Beneficial Holder Ballots will not be counted:**
 - (a) any Beneficial Holder Ballot that partially rejects and partially accepts the Plan;
 - (b) any Beneficial Holder Ballot that neither accepts nor rejects the Plan;
 - (c) any Beneficial Holder Ballot sent to the Debtors, the Debtors’ agents (other than the Notice and Claims Agent and only with respect to a pre-validated Beneficial Holder Ballot), or the Debtors’ financial or legal advisors;
 - (d) any Beneficial Holder Ballot returned to a Nominee not in accordance with the Nominee’s instructions;
 - (e) any Beneficial Holder Ballot that is illegible or contains insufficient information to permit the identification of the holder of the Claim;
 - (f) any Beneficial Holder Ballot submitted by a holder not entitled to vote pursuant to the Plan;
 - (g) any unsigned Beneficial Holder Ballot (except in accordance with the Nominee’s instructions);
 - (h) any non-original Beneficial Holder Ballot (except in accordance with the Nominee’s instructions); and/or
 - (i) any Beneficial Holder Ballot not marked to accept or reject the Plan or any Beneficial Holder Ballot marked both to accept and reject the Plan

6. The Beneficial Holder Ballot does *not* constitute, and shall not be deemed to be, (a) a Proof of Claim or (b) an assertion or admission of a Claim.
7. **Please be sure to sign and date the Beneficial Holder Ballot.** You should indicate that you are signing a Beneficial Holder Ballot in your capacity as a trustee, executor, administrator, guardian, attorney in fact, officer of a corporation, or otherwise acting in a fiduciary or representative capacity and, if required or requested by the Notice and Claims Agent, the Debtors, or the Bankruptcy Court, must submit proper evidence to the requesting party to so act on behalf of such Holder. In addition, please provide your name and mailing address if it is different from that set forth on the attached mailing label or if no such mailing label is attached to the Beneficial Holder Ballot.
8. Each ballot votes *only* your Claims indicated on that ballot, so please complete and return each ballot that you received. If your Beneficial Holder Ballot is not received by your Nominee in sufficient time to be included on a timely submitted Master Ballot, it will not be counted unless the Debtors determine otherwise. In all cases, Beneficial Holders should allow sufficient time to assure timely delivery of your Beneficial Holder Ballot to your Nominee.
9. If you deliver multiple Beneficial Holder Ballots to the Nominee with respect to the same Interest prior to the Voting Deadline, the last received valid Beneficial Holder Ballot timely received will supersede and revoke any earlier received Beneficial Holder Ballots.
10. You must vote all of your Interest within Class 8 either to accept or reject the Plan and may **not** split your vote.

PLEASE RETURN YOUR BENEFICIAL HOLDER BALLOT PROMPTLY

**IF YOU HAVE ANY QUESTIONS REGARDING THIS BENEFICIAL HOLDER BALLOT,
THESE VOTING INSTRUCTIONS, OR THE PROCEDURES FOR VOTING,
PLEASE CALL THE NOTICE AND CLAIMS AGENT AT: (877) 725-7539 (U.S. AND CANADA) OR
(424) 236-7247 (INTERNATIONAL) OR EMAIL AKORNINFO@KCCLLC.COM.**

IF THE NOTICE AND CLAIMS AGENT DOES NOT ACTUALLY RECEIVE THE MASTER BALLOT REFLECTING THE VOTE CAST ON THIS BENEFICIAL HOLDER BALLOT ON OR BEFORE [AUGUST 15], 2020, AT 5:00 P.M., PREVAILING EASTERN TIME, (AND IF THE VOTING DEADLINE IS NOT EXTENDED), YOUR VOTE TRANSMITTED BY THIS BENEFICIAL HOLDER BALLOT MAY BE COUNTED TOWARD CONFIRMATION OF THE PLAN ONLY IN THE SOLE AND ABSOLUTE DISCRETION OF THE DEBTORS.

Schedule 3F

Form of Class 8 Master Ballot

PRE-VALIDATED BALLOT: You may pre-validate a Ballot by completing a Ballot with the exception of Items 2, 3, 4, 5, and 6 and indicating on the Ballot: (a) the name and authorized signature of the Nominee; (b) the aggregate principal amount of Class 8 Akorn Interests held by such Nominee for the Beneficial Holder; and (c) the account number(s) for the account(s) in which such Class 8 Akorn Interests are held by the Nominee. Once you pre-validate a Ballot, you must **IMMEDIATELY** forward the solicitation materials to each applicable Beneficial Holder, including: (x) the pre-validated Ballot; (y) a postage pre-paid return envelope addressed to the Notice and Claims Agent; and (z) clear instructions that the Beneficial Holder must return its completed and executed Ballot to the Notice and Claims Agent by the Voting Deadline (as defined herein)

NOT PRE-VALIDATED BALLOT. If you choose not to pre-validate Ballots, you must **IMMEDIATELY** forward the solicitation materials to each Beneficial Holder, including: (a) the Ballot; (b) a return envelope addressed to you, its Nominee; and (c) clear instructions stating that the Beneficial Holder must return its Ballot directly to you in sufficient time to allow you to execute this Master Ballot and return it to the Notice and Claims Agent by the Voting Deadline. Upon receipt of completed and executed Ballots returned to you by the Beneficial Holder, you must compile and validate the Beneficial Holder's votes and other relevant information using the customer's name or account number. You must then execute this Master Ballot and transmit it to the Notice and Claims Agent by the Voting Deadline. Retain such Ballots in your files for a period of one (1) year after the effective date of the Plan (as you may be ordered to produce the Beneficial Holder Ballots to the Debtors or the Bankruptcy Court).

Notwithstanding the above, you are also authorized to collect votes to accept or to reject the Plan from Beneficial Holders in accordance with your customary practices, including the use of a "voting instruction form" in lieu of (or in addition to) the Ballot, and collecting votes from Beneficial Holders through online voting, by phone, facsimile, or other electronic means; provided that you still must forward the solicitation materials, including the Ballot, to the Beneficial Holders.

NO fees or commissions or other remuneration will be payable to you in your capacity as Nominee for soliciting votes on the proposals related to the Plan. The Debtors will, however, upon written request, reimburse you for customary mailing and handling expenses you incur in forwarding the Ballot and other enclosed materials to Beneficial Holders.

This Master Ballot may not be used for any purpose other than for tabulating votes with respect to the Plan and making certain certifications with respect to the Plan. If you believe you have received this Master Ballot in error, or if you believe that you have received the wrong Master Ballot, please contact the Notice and Claims Agent immediately.

The rights and treatment for each Class are described in the Disclosure Statement, which was included in the package (the "**Solicitation Package**") you are receiving with this Master Ballot (as well as the Plan, Disclosure Statement Order, and certain other materials). If you received Solicitation Package materials in electronic format and desire paper copies, or if you need to obtain additional Solicitation Packages, you may obtain them from Kurtzman Carson Consultants LLC (the "**Notice and Claims Agent**") at no charge by: (i) calling the Notice and Claims Agent at (877) 725-7539, (U.S. and Canada) or (424) 236-7247, (International); (ii) visiting the Debtors' restructuring website at: <https://www.kccllc.net/akorn>; (iii) writing to the Notice and Claims Agent at Akorn Ballot Processing Center, c/o KCC, 222 N. Pacific Coast Highway, Suite 300, El Segundo, California 90245; and/or (iv) emailing AkornInfo@kccllc.com and requesting paper copies of the corresponding materials previously received in electronic format. You may also obtain copies of any pleadings filed in the chapter 11 cases for a fee via PACER at: <https://ecf.deb.uscourts.gov>.

VOTING—COMPLETE THIS SECTION

ITEM 1: CERTIFICATION OF AUTHORITY TO VOTE

The undersigned hereby certifies that, as of the Voting Record Date, the undersigned (*please check one and only one*):

- is a Nominee for Beneficial Holder(s) on account of the Class 8 Akorn Interests listed in Item 2 below;

- is acting under a power of attorney and/or agency agreement (a copy of which will be provided upon request) granted by the Beneficial Holder or a Nominee that is the registered Holder of the Class 8 Akorn Interests listed in Item 2 below; or
- has been granted a proxy (an original of which is annexed hereto) from: (a) a Nominee or (b) the Beneficial Holder that is the registered Holder of Class 8 Akorn Interests listed in Item 2 below.

Accordingly, the undersigned certifies that it has full power and authority to vote to accept or reject the Plan on behalf of such Beneficial Holder(s) on account of such Class 8 Akorn Interests.

Customer Account Number or Name of Each Beneficial Holder	Item 1: Amount of Class 8 Interests Voted on the Plan	Item 2: Votes to Accept or Reject the Plan		Item 3: Third Party Release Opt Out
		Accept the Plan	Reject the Plan	Opt Out
1.		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2.		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5.		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6.		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7.		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8.		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9.		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10.		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
TOTALS:				

ITEM 4: OTHER CERTIFICATIONS

By signing this Master Ballot, the undersigned certifies that:

1. it has received a copy of the solicitation materials, including the Plan, the Disclosure Statement, and Beneficial Holder Ballots, and has delivered the same to the Beneficial Holders listed on the Ballot or to any intermediary nominee,² as applicable;
2. it has received a completed and signed Ballot (or other form of transmission in accordance with the Nominee’s customary procedures) from each Beneficial Holder listed in Item 2 of this Master Ballot;
3. it is Nominee for the Beneficial Holders of the Class 8 Akorn Interests being voted;

² For purposes of these certifications, references to Beneficial Holder shall include any such Beneficial Holder’s intermediary nominee.

4. it has been authorized by each Beneficial Holder to vote on the Plan;
5. each Beneficial Holder has certified to the undersigned or to an intermediary nominee, as applicable, that it is eligible to vote on the Plan;
6. no other Master Ballots with respect to the same Class 8 Akorn Interests identified in Item 2 have been cast or, if any other Master Ballots have been cast with respect to such Claims, then any such earlier Master Ballots are hereby revoked;
7. it will maintain Ballots and evidence of separate transactions returned by Beneficial Holders (whether properly completed or defective) for at least one (1) year after the Effective Date of the Plan, as applicable, and disclose all such information to the Bankruptcy Court or the Debtors, as the case may be, if so ordered; and
8. it has properly disclosed: (a) the number of Beneficial Holders who completed Ballots; the respective amounts of Class 8 Akorn Interests owned by each Beneficial Holder who completed a Ballot; (c) each such Beneficial Holder's respective vote concerning the Plan; (d) each such Beneficial Holder's certification as to other Class 8 Akorn Interests voted; and (e) the name, customer account, or other identification number for each such Beneficial Holder.

ITEM 6: MASTER BALLOT COMPLETION AND DELIVERY

Nominee Name: _____

DTC Participant Number: _____

Name of Agent for Nominee: _____

Social Security (last 4 digits)
or Federal Tax Identification
Number (Optional): _____

Signature: _____

Signatory Name (if other than
Nominee): _____

Title: _____

Address: _____

Date Completed: _____

Email: _____

PLEASE COMPLETE, SIGN, AND DATE THIS BALLOT AND RETURN IT IN ACCORDANCE WITH INSTRUCTIONS CONTAINED HEREIN. THIS BALLOT MUST BE COMPLETED, EXECUTED, AND RETURNED SO THAT IT IS ACTUALLY RECEIVED BY THE NOTICE AND CLAIMS AGENT PRIOR

TO THE VOTING DEADLINE: (A) IN THE ENCLOSED PRE-PAID, PRE-ADDRESSED ENVELOPE RETURN ENVELOPE; (B) VIA FIRST CLASS MAIL, OVERNIGHT COURIER, OR HAND DELIVERY TO THE ADDRESS SET FORTH BELOW, OR (III) VIA EMAIL (ATTACHING A SCANNED PDF OF THE FULLY EXECUTED BALLOT) TO AkornInfo@KCCLLC.COM. PLEASE CHOOSE ONLY ONE METHOD TO RETURN YOUR BALLOT.

**Akorn Ballot Processing Center
c/o KCC
222 N. Pacific Coast Highway, Suite 300
El Segundo, California 90245**

**TELEPHONE: (877) 499-4509 (U.S. AND CANADA)
OR (917) 281-4800 (INTERNATIONAL)**

EMAIL: AKORNINFO@KCCLLC.COM.

[Remainder of page intentionally left blank]

Important information regarding the Third Party Releases Contained in the Plan”

The Plan includes the following release provisions and definitions:³

Article VIII.F of the Plan contains the following Third Party Releases: As of the Effective Date, except as otherwise provided herein, each Releasing Party is deemed to have released and discharged each Debtor and Released Party from any and all Causes of Action, whether known or unknown, including any derivative claims asserted on behalf of the Debtors, that such Entity would have been legally entitled to assert (whether individually or collectively), based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the Debtors’ in- or out-of-court restructuring efforts, intercompany transactions between or among a Debtor and another Debtor, the Standstill Agreement, the Chapter 11 Cases, the formulation, preparation, dissemination, negotiation, or filing of the Restructuring Support Agreement, the DIP Loan Documents, the Disclosure Statement, the Plan, the Sale Transaction, or any Restructuring Transaction, contract, instrument, release, or other agreement or document (including providing any legal opinion requested by any Entity regarding any transaction, contract, instrument, document, or other agreement contemplated by the Plan or the reliance by any Released Party on the Plan or the Confirmation Order in lieu of such legal opinion) created or entered into in connection with the Restructuring Support Agreement, the Disclosure Statement, or the Plan, the Chapter 11 Cases, the DIP Loan Documents, the Sale Transaction, the filing of the Chapter 11 Cases, the pursuit of Confirmation, the pursuit of Consummation, the administration and implementation of the Plan, including the issuance or distribution of securities pursuant to the Plan, or the distribution of property under the Plan or any other related agreement, or upon the business or contractual arrangements between any Debtor and any Released Party, and any other related act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date relating to any of the foregoing, other than claims or liabilities arising out of or relating to any act or omission of a Released Party that constitutes willful misconduct, fraud or gross negligence.

Notwithstanding anything to the contrary in the foregoing or any other provision of the Plan, the releases contained in the Plan do not (i) release any post-Effective Date obligations of any party or Entity under the Plan, any Restructuring Transaction, or any document, instrument, or agreement (including those set forth in the Plan Supplement) executed to implement the Plan, (ii) affect the rights of Holders of Allowed Claims and Interests to receive distributions under the Plan, or (iii) release any Claims or Causes of Action against any non-Released Party.

Entry of the Confirmation Order shall constitute the Bankruptcy Court’s approval, pursuant to Bankruptcy Rule 9019, of the releases of Holders of Claims and Interests, which includes by reference each of the related provisions and definitions contained herein, and further, shall constitute the Bankruptcy Court’s finding that the release herein is: (i) in exchange for the good and valuable consideration provided by the Released Parties; (ii) a good faith settlement and compromise of the claims released by the Releasing Parties; (iii) in the best interests of the Debtors and all Holders of Claims and Interests; (iv) fair, equitable and reasonable; (v) given and made after notice and opportunity for hearing; and (vi) a bar to any of the Releasing Parties asserting any Claim released by the release herein against any of the Released Parties.

UNDER THE PLAN, “RELEASING PARTIES” MEANS, COLLECTIVELY, AND IN EACH CASE, IN THEIR RESPECTIVE CAPACITIES AS SUCH: (A) THE DEBTORS; (B) THE CONSENTING TERM LOAN LENDERS; (C) THE TERM LOAN AGENT; (D) THE DIP LENDERS; (E) THE DIP AGENT; (F) THE ACQUIRED ENTITIES; (G) ALL HOLDERS OF CLAIMS OR INTERESTS THAT ARE PRESUMED TO ACCEPT THE PLAN **AND** WHO DO NOT OPT OUT OF THE RELEASES IN THE PLAN; (H) ALL HOLDERS OF CLAIMS OR INTERESTS WHO VOTE TO ACCEPT THE PLAN; (I) ALL HOLDERS OF CLAIMS OR INTERESTS THAT (X) ABSTAIN FROM VOTING ON THE PLAN **AND** WHO DO NOT OPT OUT OF THE RELEASES IN THE PLAN, (Y) VOTE TO REJECT THE PLAN **AND** WHO DO NOT OPT OUT OF THE RELEASES IN THE PLAN, OR (Z) ARE DEEMED TO REJECT THE PLAN **AND** WHO DO NOT OPT OUT OF THE RELEASES IN THE

³ The Plan provisions referenced herein are for summary purposes only and do not include all provisions of the Plan that may affect your rights. If there is any inconsistency between the provisions set forth herein and the Plan, the Plan governs. You should read the Plan before completing this Ballot.

PLAN; (J) WITH RESPECT TO EACH ENTITY IN CLAUSE (A) THROUGH (I), EACH SUCH ENTITY'S CURRENT AND FORMER SUBSIDIARIES, OFFICERS, DIRECTORS, MANAGERS, PRINCIPALS, MEMBERS, EMPLOYEES, AGENTS, ADVISORY BOARD MEMBERS, FINANCIAL ADVISORS, PARTNERS, ATTORNEYS, ACCOUNTANTS, INVESTMENT BANKERS, CONSULTANTS, REPRESENTATIVES, AND OTHER PROFESSIONALS, EACH IN THEIR CAPACITY AS SUCH (UNLESS ANY SUCH ENTITY OR RELATED PARTY HAS OPTED OUT OF BEING A RELEASING PARTY, IN WHICH CASE SUCH ENTITY OR RELATED PARTY, AS APPLICABLE, SHALL NOT BE A RELEASING PARTY).

UNDER THE PLAN, "RELEASED PARTIES" MEANS, COLLECTIVELY, AND IN EACH CASE, IN THEIR RESPECTIVE CAPACITIES AS SUCH: (A) THE DEBTORS; (B) THE CONSENTING TERM LOAN LENDERS; (C) THE TERM LOAN AGENT; (D) THE DIP LENDERS; (E) THE DIP AGENT; (F) ALL RELEASING PARTIES; (G) THE ACQUIRED ENTITIES; AND (H) WITH RESPECT TO EACH ENTITY IN CLAUSE (A) THROUGH (G), EACH SUCH ENTITY'S CURRENT AND FORMER SUBSIDIARIES, OFFICERS, DIRECTORS, MANAGERS, PRINCIPALS, MEMBERS, EMPLOYEES, AGENTS, ADVISORY BOARD MEMBERS, FINANCIAL ADVISORS, PARTNERS, ATTORNEYS, ACCOUNTANTS, INVESTMENT BANKERS, CONSULTANTS, REPRESENTATIVES, AND OTHER PROFESSIONALS, EACH IN THEIR CAPACITY AS SUCH (UNLESS ANY SUCH ENTITY OR RELATED PARTY HAS OPTED OUT OF BEING A RELEASING PARTY, IN WHICH CASE SUCH ENTITY OR RELATED PARTY, AS APPLICABLE, SHALL NOT BE A RELEASED PARTY).

ALL HOLDERS OF CLAIMS AND INTERESTS THAT ARE NOT IN VOTING CLASSES THAT DO NOT FILE AN OBJECTION WITH THE BANKRUPTCY COURT IN THE CHAPTER 11 CASES THAT EXPRESSLY OBJECTS TO THE INCLUSION OF SUCH HOLDER AS A RELEASING PARTY UNDER THE PROVISIONS CONTAINED IN ARTICLE VIII.F OF THE PLAN OR DO NOT ELECT TO OPT OUT OF THE PROVISIONS CONTAINED IN ARTICLE VIII.F OF THE PLAN USING THE ENCLOSED OPT OUT FORM, WILL BE DEEMED TO HAVE EXPRESSLY, UNCONDITIONALLY, GENERALLY, INDIVIDUALLY, AND COLLECTIVELY CONSENTED TO THE RELEASE OF ALL CLAIMS AND CAUSES OF ACTION AGAINST THE DEBTORS AND THE RELEASED PARTIES. BY OBJECTING TO OR ELECTING TO OPT OUT OF THE RELEASES SET FORTH IN ARTICLE VIII.F OF THE PLAN YOU WILL FORGO THE BENEFIT OF OBTAINING THE RELEASES SET FORTH IN ARTICLE VIII.E OF THE PLAN IF YOU OTHERWISE WOULD BE A RELEASED PARTY THEREUNDER.

[Remainder of page intentionally left blank]

INSTRUCTIONS FOR COMPLETING THIS MASTER BALLOT

1. As a Nominee, you MUST: (a) immediately deliver the solicitation materials, including a Ballot as pre-validated or not pre-validated (as more fully described in the Nominee Notice), to each Beneficial Holder for whom you hold Class 8 Akorn Interests; (b) following receipt of the Ballot, clearly indicate the Beneficial Holder's votes with respect to the Plan in this Master Ballot; and (c) sign, date, and return the Master Ballot to the address set forth on the enclosed, pre-paid, pre-addressed envelope as discussed below.

Notwithstanding the above, you are also authorized to collect vote to accept or to reject the Plan from Beneficial Holders in accordance with your customary practices, including the use of a "voting instruction form" in lieu of (or in addition to) the Ballot, and collecting votes from Beneficial Holders through online voting, by phone, facsimile, or other electronic means.

2. For purposes of tabulating this Master Ballot, any Ballot submitted that is incomplete or illegible, indicates unclear or inconsistent votes on the Plan will NOT be counted. Each Beneficial Holder must vote all of its Class 8 Akorn Interests to accept or reject the Plan and may not split its vote.

3. You MUST deliver this Master Ballot to the Notice and Claims Agent, so as to be **ACTUALLY RECEIVED** by the Notice and Claims Agent on or before the Voting Deadline, which is **5:00 p.m. prevailing Eastern Time on [August 15]**, in the enclosed pre-paid, pre-addressed envelope or at the following address:

Via First Class or Regular Mail, Overnight Courier or Hand Delivery:

**Akorn Ballot Processing Center
c/o KCC
222 N. Pacific Coast Highway, Suite 300
El Segundo, California 90245**

Via Electronic Mail to: AkornInfo@kccllc.com

4. Any Master Ballot not received by the Notice and Claims Agent as described above, or that the Notice and Claims Agent receives after the Voting Deadline will NOT be counted unless the Debtors otherwise determine in their sole and absolute discretion. No master Ballot may be withdrawn or modified after the Voting Deadline without the Debtors' prior consent.

5. The method of delivery of Master Ballots to the Notice and Claims Agent is at the election and risk of each Nominee. Delivery of a Master Ballot to the Notice and Claims Agent will be deemed to have occurred only when the Notice and Claims Agent actually receives the executed Master Ballot. Instead of effecting delivery by first-class mail, it is recommended, though not required, that you use electronic mail, an overnight or hand delivery service. In all cases, you should allow sufficient time to assure timely delivery.

6. If you deliver multiple Master Ballots to the Notice and Claims Agent with respect to the same Beneficial Holder's Class 8 Akorn Interests, ONLY the last properly completed Master Ballot timely received will be deemed to reflect the Beneficial Holder's intent and will supersede and revoke any prior received Master Ballot with respect to such Claims. The Master Ballot controls in the event a Beneficial Holder mistakenly delivers a Ballot that has not been pre-validated to the Notice and Claims Agent.

7. This Master Ballot does not constitute, and shall not be deemed to be, a Proof of Claim or Interest, or an assertion or admission of a Claim or an Interest, in the Debtors' Chapter 11 Cases.

8. SIGN AND DATE your Master Ballot.⁴ In addition, please provide your name and mailing address if it is different from that set forth on the attached mailing label or if no such mailing label is attached to the Ballot.

PLEASE RETURN YOUR MASTER BALLOT PROMPTLY

**IF YOU HAVE ANY QUESTIONS REGARDING THIS MASTER BALLOT,
THESE VOTING INSTRUCTIONS, OR THE PROCEDURES FOR VOTING,
PLEASE CALL THE NOTICE AND CLAIMS AGENT AT: (877) 499-4509 (U.S. AND CANADA) OR
(917) 281-4800 (INTERNATIONAL) OR EMAIL AKORNINFO@KCCLLC.COM.**

**IF THE NOTICE AND CLAIMS AGENT DOES NOT *ACTUALLY RECEIVE*
THIS MASTER BALLOT ON OR BEFORE THE
VOTING DEADLINE, WHICH IS [AUGUST 15], 2020, AT 5:00 P.M., PREVAILING EASTERN TIME,
(AND IF THE VOTING DEADLINE IS NOT EXTENDED), THE VOTES TRANSMITTED
BY THIS BALLOT MAY BE COUNTED ONLY IN THE DISCRETION OF THE DEBTORS.**

[Remainder of page intentionally left blank]

⁴ If you are signing a master Ballot in your capacity as a trustee, executor, administrator, guardian, attorney-in-fact, or officer of a corporation or otherwise acting in a fiduciary or representative capacity, you must indicate such capacity when signing and, if required or requested by the Solicitation Agent, the Company, the Company's counsel, or the Bankruptcy Court, must submit proper evidence to the requesting party of authority to so act on behalf of such Nominee or Beneficial Holder.

Schedule 4

Form Notice of Non-Impaired, Non-Voting Status

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:)	
	)	Chapter 11
AKORN, INC., <i>et al.</i> , ¹	)	Case No. 20-11177 (KBO)
)	
Debtors.	)	(Jointly Administered)
)	

**NOTICE OF NON-VOTING STATUS TO HOLDERS OF
UNIMPAIRED CLAIMS CONCLUSIVELY PRESUMED TO ACCEPT THE PLAN**

PLEASE TAKE NOTICE THAT on [●], 2020, the United States Bankruptcy Court for the District of Delaware (the “Court”) entered an order [Docket No. [●]] (the “Disclosure Statement Order”): (a) authorizing Akorn, Inc. and its affiliated debtors and debtors in possession (collectively, the “Debtors”), to solicit acceptances for the *Joint Chapter 11 Plan of Akorn, Inc. and Its Debtor Affiliates* (as modified, amended, or supplemented from time to time, the “Plan”);² (b) approving the *Disclosure Statement for Joint Chapter 11 Plan of Akorn, Inc. and Its Debtor Affiliates* (the “Disclosure Statement”) as containing “adequate information” pursuant to section 1125 of the Bankruptcy Code; (c) approving the solicitation materials and documents to be included in the solicitation packages; and (d) approving procedures for soliciting, receiving, and tabulating votes on the Plan and for filing objections to the Plan.

PLEASE TAKE FURTHER NOTICE THAT because of the nature and treatment of your Claim under the Plan, *you are not entitled to vote on the Plan*. Specifically, under the terms of the Plan, as a Holder of a Claim (as currently asserted against the Debtors) that is not Impaired and conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code, you are *not* entitled to vote on the Plan.

PLEASE TAKE FURTHER NOTICE THAT the hearing at which the Court will consider confirmation of the Plan (the “Confirmation Hearing”) will commence **on August [20], 2020, at [●] p.m., prevailing Eastern Time**, before the Honorable Karen B. Owens, in the United States Bankruptcy Court for the District of Delaware, located at 824 N. Market Street, [●] Floor, Wilmington, Delaware 19801.

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, if any, are: Akorn, Inc. (7400); 10 Edison Street LLC (7890); 13 Edison Street LLC; Advanced Vision Research, Inc. (9046); Akorn (New Jersey), Inc. (1474); Akorn Animal Health, Inc. (6645); Akorn Ophthalmics, Inc. (6266); Akorn Sales, Inc. (7866); Clover Pharmaceuticals Corp. (3735); Covenant Pharma, Inc. (0115); Hi-Tech Pharmacal Co., Inc. (8720); Inspire Pharmaceuticals, Inc. (9022); Oak Pharmaceuticals, Inc. (6647); Olta Pharmaceuticals Corp. (3621); VersaPharm Incorporated (6739); VPI Holdings Corp. (6716); and VPI Holdings Sub, LLC. The location of the Debtors’ service address is: 1925 W. Field Court, Suite 300, Lake Forest, Illinois 60045.

² Capitalized terms not otherwise defined herein have the same meanings as set forth in the Plan.

PLEASE TAKE FURTHER NOTICE THAT the deadline for filing objections to the Plan is **August [15], 2020, at 4:00 p.m.**, prevailing Eastern Time (the “Confirmation Objection Deadline”). Any objection to the Plan **must**: (a) be in writing, (b) conform to the Bankruptcy Rules, the Local Rules, and any orders of the Court, (c) state, with particularity, the basis and nature of any objection to the Plan and, if practicable, a proposed modification to the Plan that would resolve such objection, and (d) be filed with the Court (contemporaneously with a proof of service).

PLEASE TAKE FURTHER NOTICE THAT if you would like to obtain a copy of the Disclosure Statement, the Plan, the Plan Supplement, or related documents, you should contact Kurtzman Carson Consultants LLC, the notice and claims agent retained by the Debtors in the chapter 11 cases (the “Notice and Claims Agent”), by: (a) calling the Notice and Claims Agent at (877) 725-7539, (U.S. and Canada) or (424) 236-7247, (International); (b) visiting the Debtors’ restructuring website at: <https://www.kccllc.net/akorn>; (c) writing to the Notice and Claims Agent at Akorn Ballot Processing Center, c/o KCC, 222 N. Pacific Coast Highway, Suite 300, El Segundo, California 90245; and/or (d) emailing AkornInfo@kccllc.com and requesting paper copies of the corresponding materials previously received in electronic format (to be provided at the Debtors’ expense). You may also obtain copies of any pleadings filed in the chapter 11 cases for a fee via PACER at: <https://ecf.deb.uscourts.gov>.

ARTICLE VIII OF THE PLAN CONTAINS RELEASE, EXCULPATION, AND INJUNCTION PROVISIONS, AND ARTICLE VIII.F CONTAINS A THIRD-PARTY RELEASE. PURSUANT TO THE PLAN YOU ARE PRESUMED TO ACCEPT THE PLAN AND THEREFORE ARE DEEMED TO HAVE CONSENTED TO THE RELEASES SET FORTH IN ARTICLE VIII.F. THUS, YOU ARE ADVISED TO REVIEW AND CONSIDER THE PLAN CAREFULLY BECAUSE YOUR RIGHTS MIGHT BE AFFECTED THEREUNDER.

Article VIII.F of the Plan contains the following Third Party Releases: As of the Effective Date, except as otherwise provided herein, each Releasing Party is deemed to have released and discharged each Debtor and Released Party from any and all Causes of Action, whether known or unknown, including any derivative claims asserted on behalf of the Debtors, that such Entity would have been legally entitled to assert (whether individually or collectively), based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the Debtors’ in- or out-of-court restructuring efforts, intercompany transactions between or among a Debtor and another Debtor, the Standstill Agreement, the Chapter 11 Cases, the formulation, preparation, dissemination, negotiation, or filing of the Restructuring Support Agreement, the DIP Loan Documents, the Disclosure Statement, the Plan, the Sale Transaction, or any Restructuring Transaction, contract, instrument, release, or other agreement or document (including providing any legal opinion requested by any Entity regarding any transaction, contract, instrument, document, or other agreement contemplated by the Plan or the reliance by any Released Party on the Plan or the Confirmation Order in lieu of such legal opinion) created or entered into in connection with the Restructuring Support Agreement, the Disclosure Statement, or the Plan, the Chapter 11 Cases, the DIP Loan Documents, the Sale Transaction, the filing of the Chapter 11 Cases, the pursuit of Confirmation, the pursuit of Consummation, the administration and implementation of the Plan, including the issuance or distribution of securities pursuant to

the Plan, or the distribution of property under the Plan or any other related agreement, or upon the business or contractual arrangements between any Debtor and any Released Party, and any other related act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date relating to any of the foregoing, other than claims or liabilities arising out of or relating to any act or omission of a Released Party that constitutes willful misconduct, fraud or gross negligence.

Notwithstanding anything to the contrary in the foregoing or any other provision of the Plan, the releases contained in the Plan do not (i) release any post-Effective Date obligations of any party or Entity under the Plan, any Restructuring Transaction, or any document, instrument, or agreement (including those set forth in the Plan Supplement) executed to implement the Plan, (ii) affect the rights of Holders of Allowed Claims and Interests to receive distributions under the Plan, or (iii) release any Claims or Causes of Action against any non-Released Party.

Entry of the Confirmation Order shall constitute the Bankruptcy Court's approval, pursuant to Bankruptcy Rule 9019, of the releases of Holders of Claims and Interests, which includes by reference each of the related provisions and definitions contained herein, and further, shall constitute the Bankruptcy Court's finding that the release herein is: (i) in exchange for the good and valuable consideration provided by the Released Parties; (ii) a good faith settlement and compromise of the claims released by the Releasing Parties; (iii) in the best interests of the Debtors and all Holders of Claims and Interests; (iv) fair, equitable and reasonable; (v) given and made after notice and opportunity for hearing; and (vi) a bar to any of the Releasing Parties asserting any Claim released by the release herein against any of the Released Parties.

* * *

UNDER THE PLAN, "RELEASING PARTIES" MEANS, COLLECTIVELY, AND IN EACH CASE, IN THEIR RESPECTIVE CAPACITIES AS SUCH: (A) THE DEBTORS; (B) THE CONSENTING TERM LOAN LENDERS; (C) THE TERM LOAN AGENT; (D) THE DIP LENDERS; (E) THE DIP AGENT; (F) THE ACQUIRED ENTITIES; (G) ALL HOLDERS OF CLAIMS OR INTERESTS THAT ARE PRESUMED TO ACCEPT THE PLAN **AND** WHO DO NOT OPT OUT OF THE RELEASES IN THE PLAN; (H) ALL HOLDERS OF CLAIMS OR INTERESTS WHO VOTE TO ACCEPT THE PLAN; (I) ALL HOLDERS OF CLAIMS OR INTERESTS THAT (X) ABSTAIN FROM VOTING ON THE PLAN **AND** WHO DO NOT OPT OUT OF THE RELEASES IN THE PLAN, (Y) VOTE TO REJECT THE PLAN **AND** WHO DO NOT OPT OUT OF THE RELEASES IN THE PLAN, OR (Z) ARE DEEMED TO REJECT THE PLAN **AND** WHO DO NOT OPT OUT OF THE RELEASES IN THE PLAN; (J) WITH RESPECT TO EACH ENTITY IN CLAUSE (A) THROUGH (I), EACH SUCH ENTITY'S CURRENT AND FORMER SUBSIDIARIES, OFFICERS, DIRECTORS, MANAGERS, PRINCIPALS, MEMBERS, EMPLOYEES, AGENTS, ADVISORY BOARD MEMBERS, FINANCIAL ADVISORS, PARTNERS, ATTORNEYS, ACCOUNTANTS, INVESTMENT BANKERS, CONSULTANTS, REPRESENTATIVES, AND OTHER PROFESSIONALS, EACH IN THEIR CAPACITY AS SUCH (UNLESS ANY SUCH ENTITY OR RELATED PARTY HAS OPTED OUT OF BEING A RELEASING PARTY, IN WHICH CASE SUCH

ENTITY OR RELATED PARTY, AS APPLICABLE, SHALL NOT BE A RELEASING PARTY).

UNDER THE PLAN, “RELEASED PARTIES” MEANS, COLLECTIVELY, AND IN EACH CASE, IN THEIR RESPECTIVE CAPACITIES AS SUCH: (A) THE DEBTORS; (B) THE CONSENTING TERM LOAN LENDERS; (C) THE TERM LOAN AGENT; (D) THE DIP LENDERS; (E) THE DIP AGENT; (F) ALL RELEASING PARTIES; (G) THE ACQUIRED ENTITIES; AND (H) WITH RESPECT TO EACH ENTITY IN CLAUSE (A) THROUGH (G), EACH SUCH ENTITY’S CURRENT AND FORMER SUBSIDIARIES, OFFICERS, DIRECTORS, MANAGERS, PRINCIPALS, MEMBERS, EMPLOYEES, AGENTS, ADVISORY BOARD MEMBERS, FINANCIAL ADVISORS, PARTNERS, ATTORNEYS, ACCOUNTANTS, INVESTMENT BANKERS, CONSULTANTS, REPRESENTATIVES, AND OTHER PROFESSIONALS, EACH IN THEIR CAPACITY AS SUCH (UNLESS ANY SUCH ENTITY OR RELATED PARTY HAS OPTED OUT OF BEING A RELEASING PARTY, IN WHICH CASE SUCH ENTITY OR RELATED PARTY, AS APPLICABLE, SHALL NOT BE A RELEASED PARTY).

ALL HOLDERS OF CLAIMS AND INTERESTS THAT ARE NOT IN VOTING CLASSES THAT DO NOT FILE AN OBJECTION WITH THE BANKRUPTCY COURT IN THE CHAPTER 11 CASES THAT EXPRESSLY OBJECTS TO THE INCLUSION OF SUCH HOLDER AS A RELEASING PARTY UNDER THE PROVISIONS CONTAINED IN ARTICLE VIII.F OF THE PLAN OR DO NOT ELECT TO OPT OUT OF THE PROVISIONS CONTAINED IN ARTICLE VIII.F OF THE PLAN USING THE ENCLOSED OPT OUT FORM, WILL BE DEEMED TO HAVE EXPRESSLY, UNCONDITIONALLY, GENERALLY, INDIVIDUALLY, AND COLLECTIVELY CONSENTED TO THE RELEASE OF ALL CLAIMS AND CAUSES OF ACTION AGAINST THE DEBTORS AND THE RELEASED PARTIES. BY OBJECTING TO OR ELECTING TO OPT OUT OF THE RELEASES SET FORTH IN ARTICLE VIII.F OF THE PLAN YOU WILL FORGO THE BENEFIT OF OBTAINING THE RELEASES SET FORTH IN ARTICLE VIII.E OF THE PLAN IF YOU OTHERWISE WOULD BE A RELEASED PARTY THEREUNDER.

THIS NOTICE IS BEING SENT TO YOU FOR INFORMATIONAL PURPOSES ONLY. IF YOU HAVE QUESTIONS WITH RESPECT TO YOUR RIGHTS UNDER THE PLAN OR ABOUT ANYTHING STATED HEREIN OR IF YOU WOULD LIKE TO OBTAIN ADDITIONAL INFORMATION, CONTACT THE NOTICE AND CLAIMS AGENT.

Wilmington, Delaware
[DATE], 2020

/s/

RICHARDS, LAYTON & FINGER, P.A.

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*Proposed Co-Counsel for the
Debtors and Debtors in Possession*

Schedule 4A

Opt-Out Form for Holders of Unimpaired Claims Conclusively Presumed to Accept the Plan

OPTIONAL: RELEASE OPT OUT FORM

You are receiving this opt out form (the “Opt Out Form”) because you are a Holder of a Claim that is not entitled to vote on the *Joint Chapter 11 Plan of Akorn, Inc. and Its Debtor Affiliates* (as may be amended from time to time, the “Plan”). You may choose to opt out of the releases set forth in Article VIII.F of the Plan.

Item 1. Important information regarding the Third Party Releases.

AS A “RELEASING PARTY” UNDER THE PLAN, YOU ARE DEEMED TO PROVIDE THE RELEASES CONTAINED IN ARTICLE VIII.F OF THE PLAN SET FORTH BELOW.

IF YOU ELECT TO OPT OUT OF THE RELEASES SET FORTH IN ARTICLE VIII.F OF THE PLAN, YOU WILL FOREGO THE BENEFIT OF OBTAINING THE RELEASES SET FORTH IN ARTICLE VIII.E OF THE PLAN IF YOU ARE A RELEASED PARTY IN CONNECTION THEREWITH.

OPTIONAL RELEASE ELECTION. YOU MAY ELECT TO OPT OUT OF THE RELEASE CONTAINED IN ARTICLE VIII.F OF THE PLAN ONLY IF YOU CHECK THE BOX BELOW:

OPT OUT of the Third Party Releases

Article VIII.F of the Plan contains the following Third Party Releases: As of the Effective Date, except as otherwise provided herein, each Releasing Party is deemed to have released and discharged each Debtor and Released Party from any and all Causes of Action, whether known or unknown, including any derivative claims asserted on behalf of the Debtors, that such Entity would have been legally entitled to assert (whether individually or collectively), based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the Debtors’ in- or out-of-court restructuring efforts, intercompany transactions between or among a Debtor and another Debtor, the Standstill Agreement, the Chapter 11 Cases, the formulation, preparation, dissemination, negotiation, or filing of the Restructuring Support Agreement, the DIP Loan Documents, the Disclosure Statement, the Plan, the Sale Transaction, or any Restructuring Transaction, contract, instrument, release, or other agreement or document (including providing any legal opinion requested by any Entity regarding any transaction, contract, instrument, document, or other agreement contemplated by the Plan or the reliance by any Released Party on the Plan or the Confirmation Order in lieu of such legal opinion) created or entered into in connection with the Restructuring Support Agreement, the Disclosure Statement, or the Plan, the Chapter 11 Cases, the DIP Loan Documents, the Sale Transaction, the filing of the Chapter 11 Cases, the pursuit of Confirmation, the pursuit of Consummation, the administration and implementation of the Plan, including the issuance or distribution of securities pursuant to the Plan, or the distribution of property under the Plan or any other related agreement, or upon the business or contractual arrangements between any Debtor and any Released Party, and any other related act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date relating to any of the foregoing, other than claims or liabilities arising out of or relating to any act or omission of a Released Party that constitutes willful misconduct, fraud or gross negligence.

Notwithstanding anything to the contrary in the foregoing or any other provision of the Plan, the releases contained in the Plan do not (i) release any post-Effective Date obligations of any party or Entity under the Plan, any Restructuring Transaction, or any document, instrument, or agreement (including those set forth in the Plan Supplement) executed to implement the Plan, (ii) affect the rights of Holders of Allowed Claims and Interests to receive distributions under the Plan, or (iii) release any Claims or Causes of Action against any non-Released Party.

Entry of the Confirmation Order shall constitute the Bankruptcy Court’s approval, pursuant to Bankruptcy Rule 9019, of the releases of Holders of Claims and Interests, which includes by reference each of the related provisions and definitions contained herein, and further, shall constitute the Bankruptcy Court’s finding that the release herein is: (i) in exchange for the good and valuable consideration provided by the Released Parties; (ii) a good faith settlement and compromise of the claims released by the Releasing Parties;

(iii) in the best interests of the Debtors and all Holders of Claims and Interests; (iv) fair, equitable and reasonable; (v) given and made after notice and opportunity for hearing; and (vi) a bar to any of the Releasing Parties asserting any Claim released by the release herein against any of the Released Parties.

* * *

UNDER THE PLAN, “RELEASING PARTIES” MEANS, COLLECTIVELY, AND IN EACH CASE, IN THEIR RESPECTIVE CAPACITIES AS SUCH: (A) THE DEBTORS; (B) THE CONSENTING TERM LOAN LENDERS; (C) THE TERM LOAN AGENT; (D) THE DIP LENDERS; (E) THE DIP AGENT; (F) THE ACQUIRED ENTITIES; (G) ALL HOLDERS OF CLAIMS OR INTERESTS THAT ARE PRESUMED TO ACCEPT THE PLAN **AND** WHO DO NOT OPT OUT OF THE RELEASES IN THE PLAN; (H) ALL HOLDERS OF CLAIMS OR INTERESTS WHO VOTE TO ACCEPT THE PLAN; (I) ALL HOLDERS OF CLAIMS OR INTERESTS THAT (X) ABSTAIN FROM VOTING ON THE PLAN **AND** WHO DO NOT OPT OUT OF THE RELEASES IN THE PLAN, (Y) VOTE TO REJECT THE PLAN **AND** WHO DO NOT OPT OUT OF THE RELEASES IN THE PLAN, OR (Z) ARE DEEMED TO REJECT THE PLAN **AND** WHO DO NOT OPT OUT OF THE RELEASES IN THE PLAN; (J) WITH RESPECT TO EACH ENTITY IN CLAUSE (A) THROUGH (I), EACH SUCH ENTITY’S CURRENT AND FORMER SUBSIDIARIES, OFFICERS, DIRECTORS, MANAGERS, PRINCIPALS, MEMBERS, EMPLOYEES, AGENTS, ADVISORY BOARD MEMBERS, FINANCIAL ADVISORS, PARTNERS, ATTORNEYS, ACCOUNTANTS, INVESTMENT BANKERS, CONSULTANTS, REPRESENTATIVES, AND OTHER PROFESSIONALS, EACH IN THEIR CAPACITY AS SUCH (UNLESS ANY SUCH ENTITY OR RELATED PARTY HAS OPTED OUT OF BEING A RELEASING PARTY, IN WHICH CASE SUCH ENTITY OR RELATED PARTY, AS APPLICABLE, SHALL NOT BE A RELEASING PARTY).

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ALL HOLDERS OF CLAIMS AND INTERESTS THAT ARE NOT IN VOTING CLASSES THAT DO NOT FILE AN OBJECTION WITH THE BANKRUPTCY COURT IN THE CHAPTER 11 CASES THAT EXPRESSLY OBJECTS TO THE INCLUSION OF SUCH HOLDER AS A RELEASING PARTY UNDER THE PROVISIONS CONTAINED IN ARTICLE VIII.F OF THE PLAN OR DO NOT ELECT TO OPT OUT OF THE PROVISIONS CONTAINED IN ARTICLE VIII.F OF THE PLAN USING THE ENCLOSED OPT OUT FORM, WILL BE DEEMED TO HAVE EXPRESSLY, UNCONDITIONALLY, GENERALLY, INDIVIDUALLY, AND COLLECTIVELY CONSENTED TO THE RELEASE OF ALL CLAIMS AND CAUSES OF ACTION AGAINST THE DEBTORS AND THE RELEASED PARTIES. BY OBJECTING TO OR ELECTING TO OPT OUT OF THE RELEASES SET FORTH IN ARTICLE VIII.F OF THE PLAN YOU WILL FORGO THE BENEFIT OF OBTAINING THE RELEASES SET FORTH IN ARTICLE VIII.E OF THE PLAN IF YOU OTHERWISE WOULD BE A RELEASED PARTY THEREUNDER.

Item 2. Certifications.

By signing this Opt Out Form, the undersigned certifies to the Bankruptcy Court and the Debtors that:

- (a) as of the Voting Record Date, either: (i) the Entity is the Holder of a Claim; or (ii) the Entity is an authorized signatory for the Entity that is a Holder of the Claim;

- (b) the Entity (or in the case of an authorized signatory, the Holder) has received a copy of the *Notice of Non-Voting Status to Holders of Unimpaired Claims Conclusively Presumed to Accept the Plan* and that this Opt Out Form is made pursuant to the terms and conditions set forth therein;
- (c) the Entity has submitted the same respective election concerning the releases with respect to all Claims and Interests; and
- (d) no other Opt Out Form has been submitted or, if any other Opt Out Forms have been submitted with respect to such Claim and Interests, then any such earlier Opt Out Forms are hereby revoked.

Name of Holder:	_____
	(Print or Type)
Signature:	_____
Name of Signatory:	_____
	(If other than Holder)
Title:	_____
Address:	_____

Telephone Number:	_____
Email:	_____
Date Completed:	_____

PLEASE COMPLETE, SIGN, AND DATE THIS NOTICE OF NON-VOTING STATUS AND OPT-OUT FORM AND RETURN IT (WITH AN ORIGINAL SIGNATURE) *PROMPTLY BY ONLY ONE OF THE FOLLOWING METHODS:*

Via eBallot Portal: Submit this Opt-Out Form via the Notice and Claims Agent's online portal, by visiting <https://www.kccllc.net/akorn> (the "eBallot Portal"). Click on the "Submit eBallot" section of the Debtors' website and follow the instructions to submit your Opt-Out Form.

IMPORTANT NOTE: You will need the following information to retrieve and submit your customized electronic Opt-Out Form.

Unique eBallot ID#: _____

PIN#: _____

The Notice and Claims Agent's eBallot Portal is the sole manner in which Opt-Out Forms will be accepted via electronic or online transmission. Opt-Out Forms submitted by facsimile, email, or other means of electronic transmission will not be counted.

Parties who submit their Opt-Out Form using the eBallot Portal should NOT also submit a paper Opt-Out Form.

OR

Via Paper Ballot. Complete, sign, and date this Opt-Out Form and return it (with an original signature) promptly in the envelope provided via first class mail, overnight courier, or hand delivery to:

**Akorn Ballot Processing Center
c/o KCC
222 N. Pacific Coast Highway, Suite 300
El Segundo, California 90245**

Parties that submit their Opt-Out Form via eBallot should NOT also submit a paper Opt-Out Form.

<p>THE VOTING DEADLINE IS [AUGUST 15], 2020, AT 5:00 P.M., PREVAILING EASTERN TIME. THE NOTICE AND CLAIMS AGENT MUST <i>ACTUALLY RECEIVE</i> YOUR OPT-OUT ELECTION ON OR BEFORE THE VOTING DEADLINE IF YOU WISH TO OPT OUT.</p>
--

Schedule 5

Form of Notice to Holders of Disputed Claims and Interests

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

)	
In re:	)	Chapter 11
)	
AKORN, INC., <i>et al.</i> , ¹	)	Case No. 20-11177 (KBO)
)	
Debtors.	)	(Jointly Administered)
)	

**NOTICE OF NON-VOTING
STATUS WITH RESPECT TO DISPUTED CLAIMS AND INTERESTS**

PLEASE TAKE NOTICE THAT on [●], 2020, the United States Bankruptcy Court for the District of Delaware (the “Court”) entered an order [Docket No. [●]] (the “Disclosure Statement Order”): (a) authorizing Akorn, Inc. and its affiliated debtors and debtors in possession (collectively, the “Debtors”), to solicit acceptances for the *Joint Chapter 11 Plan of Akorn, Inc. and Its Debtor Affiliates* (as modified, amended, or supplemented from time to time, the “Plan”);² (b) approving the *Disclosure Statement for Joint Chapter 11 Plan of Akorn, Inc. and Its Debtor Affiliates* (the “Disclosure Statement”) as containing “adequate information” pursuant to section 1125 of the Bankruptcy Code; (c) approving the solicitation materials and documents to be included in the solicitation packages; and (d) approving procedures for soliciting, receiving, and tabulating votes on the Plan and for filing objections to the Plan.

PLEASE TAKE FURTHER NOTICE THAT you are receiving this notice because you are the Holder of a Claim or Interest that is subject to a pending objection by the Debtors. **You are not entitled to vote any disputed portion of your Claim or Interest on the Plan unless one or more of the following events have taken place on or before August 13, 2020** (each, a “Resolution Event”):

1. an order of the Court is entered allowing such Claim or Interest pursuant to section 502(b) of the Bankruptcy Code, after notice and a hearing;

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, if any, are: Akorn, Inc. (7400); 10 Edison Street LLC (7890); 13 Edison Street LLC; Advanced Vision Research, Inc. (9046); Akorn (New Jersey), Inc. (1474); Akorn Animal Health, Inc. (6645); Akorn Ophthalmics, Inc. (6266); Akorn Sales, Inc. (7866); Clover Pharmaceuticals Corp. (3735); Covenant Pharma, Inc. (0115); Hi-Tech Pharmacal Co., Inc. (8720); Inspire Pharmaceuticals, Inc. (9022); Oak Pharmaceuticals, Inc. (6647); Olta Pharmaceuticals Corp. (3621); VersaPharm Incorporated (6739); VPI Holdings Corp. (6716); and VPI Holdings Sub, LLC. The location of the Debtors’ service address is: 1925 W. Field Court, Suite 300, Lake Forest, Illinois 60045.

² Capitalized terms not otherwise defined herein have the same meanings as set forth in the Plan.

2. an order of the Court is entered temporarily allowing such Claim or Interest for voting purposes only pursuant to Bankruptcy Rule 3018(a), after notice and a hearing;
3. a stipulation or other agreement is executed between the Holder of such Claim or Interest and the Debtors temporarily allowing the Holder of such Claim or Interest to vote its Claim or Interest in an agreed upon amount; or
4. the pending objection to such Claim or Interest is voluntarily withdrawn by the objecting party.

Accordingly, this notice is being sent to you for informational purposes only.

PLEASE TAKE FURTHER NOTICE THAT the Disclosure Statement, Disclosure Statement Order, the Plan, and other documents and materials included in the Solicitation Package, except ballots, may be obtained at no charge from Kurtzman Carson Consultants LLC, the notice and claims agent retained by the Debtors in these chapter 11 cases (the “Notice and Claims Agent”) by: (a) calling the Notice and Claims Agent at (877) 725-7539, (U.S. and Canada) or (424) 236-7247, (International); (b) visiting the Debtors’ restructuring website at: <https://www.kccllc.net/akorn>; (c) writing to the Notice and Claims Agent at Akorn Ballot Processing Center, c/o KCC, 222 N. Pacific Coast Highway, Suite 300, El Segundo, California 90245; and/or (d) emailing AkornInfo@kccllc.com and requesting paper copies of the corresponding materials previously received in electronic format (to be provided at the Debtors’ expense). You may also obtain copies of any pleadings filed in the chapter 11 cases for a fee via PACER at: <https://ecf.deb.uscourts.gov>.

PLEASE TAKE FURTHER NOTICE THAT if a Resolution Event occurs, then no later than one business day thereafter, the Notice and Claims Agent shall distribute a ballot, and a pre-addressed, postage pre-paid envelope to you, which must be returned to the Notice and Claims Agent no later than the Voting Deadline, which is **[August 15], 2020, at 5:00 p.m., prevailing Eastern Time.**

PLEASE TAKE FURTHER NOTICE THAT if you have any questions about the status of any of your Claims or Interests, you should contact the Notice and Claims Agent in accordance with the instructions provided above.

ARTICLE VIII OF THE PLAN CONTAINS RELEASE, EXCULPATION, AND INJUNCTION PROVISIONS, AND **ARTICLE VII.F CONTAINS A THIRD-PARTY RELEASE**. THUS, YOU ARE ADVISED TO REVIEW AND CONSIDER THE PLAN CAREFULLY BECAUSE YOUR RIGHTS MIGHT BE AFFECTED THEREUNDER.

ALL HOLDERS OF CLAIMS AGAINST OR INTERESTS IN THE DEBTORS THAT DO NOT ELECT TO OPT OUT OF THE PROVISIONS CONTAINED IN ARTICLE VIII.F OF THE PLAN USING THE ENCLOSED OPT OUT FORM OR FILE AN OBJECTION WITH THE BANKRUPTCY COURT IN THE CHAPTER 11 CASES THAT EXPRESSLY OBJECTS TO THE INCLUSION OF SUCH HOLDER AS A RELEASING PARTY UNDER THE PROVISIONS CONTAINED IN ARTICLE VIII.F OF THE PLAN WILL BE DEEMED TO HAVE EXPRESSLY, UNCONDITIONALLY, GENERALLY, INDIVIDUALLY, AND COLLECTIVELY CONSENTED TO THE RELEASE AND DISCHARGE OF ALL CLAIMS AND CAUSES OF ACTION AGAINST AND INTERESTS IN THE DEBTORS AND THE RELEASED PARTIES. BY OBJECTING TO THE RELEASES SET FORTH IN ARTICLE VIII.F OF THE PLAN, YOU WILL FOREGO THE BENEFIT OF OBTAINING THE RELEASES SET FORTH IN ARTICLE VIII OF THE PLAN IF YOU ARE A RELEASED PARTY IN CONNECTION THEREWITH.

THIS NOTICE IS BEING SENT TO YOU FOR INFORMATIONAL PURPOSES ONLY. IF YOU HAVE QUESTIONS WITH RESPECT TO YOUR RIGHTS UNDER THE PLAN OR ABOUT ANYTHING STATED HEREIN OR IF YOU WOULD LIKE TO OBTAIN ADDITIONAL INFORMATION, CONTACT THE NOTICE AND CLAIMS AGENT.

Wilmington, Delaware
[DATE], 2020

/s/

RICHARDS, LAYTON & FINGER, P.A.

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*Proposed Co-Counsel for the
Debtors and Debtors in Possession*

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-and-

KIRKLAND & ELLIS LLP

KIRKLAND & ELLIS INTERNATIONAL LLP

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New York, New York 10022
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Facsimile: (212) 446-4900
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*Proposed Co-Counsel for the
Debtors and Debtors in Possession*

Schedule 5A

Opt-Out Form for Holders of Disputed Claims and Interests

OPTIONAL: RELEASE OPT OUT FORM

You are receiving this opt out form (the “Opt Out Form”) because you are a Holder of a Claim or Interest that is subject to a pending objection by the Debtors. You are not entitled to vote any disputed portion of your Claim or Interest on the *Joint Chapter 11 Plan of Akorn, Inc. and Its Debtor Affiliates* (as may be amended from time to time, the “Plan”). You may choose to opt out of the releases set forth in Article VIII.F of the Plan.

Item 1. Important information regarding the Third Party Releases Contained in the Plan.

AS A “RELEASING PARTY” UNDER THE PLAN, YOU ARE DEEMED TO PROVIDE THE RELEASES CONTAINED IN ARTICLE VIII.F OF THE PLAN SET FORTH BELOW.

IF YOU ELECT TO OPT OUT OF THE RELEASES SET FORTH IN ARTICLE VIII.F OF THE PLAN, YOU WILL FOREGO THE BENEFIT OF OBTAINING THE RELEASES SET FORTH IN ARTICLE VIII.E OF THE PLAN IF YOU ARE A RELEASED PARTY IN CONNECTION THEREWITH.

OPTIONAL RELEASE ELECTION. YOU MAY ELECT TO OPT OUT OF THE RELEASE CONTAINED IN ARTICLE VIII.F OF THE PLAN ONLY IF YOU CHECK THE BOX BELOW:

OPT OUT of the Third Party Releases

Article VIII.F of the Plan contains the following Third Party Releases: As of the Effective Date, except as otherwise provided herein, each Releasing Party is deemed to have released and discharged each Debtor and Released Party from any and all Causes of Action, whether known or unknown, including any derivative claims asserted on behalf of the Debtors, that such Entity would have been legally entitled to assert (whether individually or collectively), based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the Debtors’ in- or out-of-court restructuring efforts, intercompany transactions between or among a Debtor and another Debtor, the Standstill Agreement, the Chapter 11 Cases, the formulation, preparation, dissemination, negotiation, or filing of the Restructuring Support Agreement, the DIP Loan Documents, the Disclosure Statement, the Plan, the Sale Transaction, or any Restructuring Transaction, contract, instrument, release, or other agreement or document (including providing any legal opinion requested by any Entity regarding any transaction, contract, instrument, document, or other agreement contemplated by the Plan or the reliance by any Released Party on the Plan or the Confirmation Order in lieu of such legal opinion) created or entered into in connection with the Restructuring Support Agreement, the Disclosure Statement, or the Plan, the Chapter 11 Cases, the DIP Loan Documents, the Sale Transaction, the filing of the Chapter 11 Cases, the pursuit of Confirmation, the pursuit of Consummation, the administration and implementation of the Plan, including the issuance or distribution of securities pursuant to the Plan, or the distribution of property under the Plan or any other related agreement, or upon the business or contractual arrangements between any Debtor and any Released Party, and any other related act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date relating to any of the foregoing, other than claims or liabilities arising out of or relating to any act or omission of a Released Party that constitutes willful misconduct, fraud or gross negligence.

Notwithstanding anything to the contrary in the foregoing or any other provision of the Plan, the releases contained in the Plan do not (i) release any post-Effective Date obligations of any party or Entity under the Plan, any Restructuring Transaction, or any document, instrument, or agreement (including those set forth in the Plan Supplement) executed to implement the Plan, (ii) affect the rights of Holders of Allowed Claims and Interests to receive distributions under the Plan, or (iii) release any Claims or Causes of Action against any non-Released Party.

Entry of the Confirmation Order shall constitute the Bankruptcy Court’s approval, pursuant to Bankruptcy Rule 9019, of the releases of Holders of Claims and Interests, which includes by reference each of the related provisions and definitions contained herein, and further, shall constitute the Bankruptcy Court’s finding that the release herein is: (i) in exchange for the good and valuable consideration provided by the

Released Parties; (ii) a good faith settlement and compromise of the claims released by the Releasing Parties; (iii) in the best interests of the Debtors and all Holders of Claims and Interests; (iv) fair, equitable and reasonable; (v) given and made after notice and opportunity for hearing; and (vi) a bar to any of the Releasing Parties asserting any Claim released by the release herein against any of the Released Parties.

* * *

UNDER THE PLAN, “RELEASING PARTIES” MEANS, COLLECTIVELY, AND IN EACH CASE, IN THEIR RESPECTIVE CAPACITIES AS SUCH: (A) THE DEBTORS; (B) THE CONSENTING TERM LOAN LENDERS; (C) THE TERM LOAN AGENT; (D) THE DIP LENDERS; (E) THE DIP AGENT; (F) THE ACQUIRED ENTITIES; (G) ALL HOLDERS OF CLAIMS OR INTERESTS THAT ARE PRESUMED TO ACCEPT THE PLAN **AND** WHO DO NOT OPT OUT OF THE RELEASES IN THE PLAN; (H) ALL HOLDERS OF CLAIMS OR INTERESTS WHO VOTE TO ACCEPT THE PLAN; (I) ALL HOLDERS OF CLAIMS OR INTERESTS THAT (X) ABSTAIN FROM VOTING ON THE PLAN **AND** WHO DO NOT OPT OUT OF THE RELEASES IN THE PLAN, (Y) VOTE TO REJECT THE PLAN **AND** WHO DO NOT OPT OUT OF THE RELEASES IN THE PLAN, OR (Z) ARE DEEMED TO REJECT THE PLAN **AND** WHO DO NOT OPT OUT OF THE RELEASES IN THE PLAN; (J) WITH RESPECT TO EACH ENTITY IN CLAUSE (A) THROUGH (I), EACH SUCH ENTITY’S CURRENT AND FORMER SUBSIDIARIES, OFFICERS, DIRECTORS, MANAGERS, PRINCIPALS, MEMBERS, EMPLOYEES, AGENTS, ADVISORY BOARD MEMBERS, FINANCIAL ADVISORS, PARTNERS, ATTORNEYS, ACCOUNTANTS, INVESTMENT BANKERS, CONSULTANTS, REPRESENTATIVES, AND OTHER PROFESSIONALS, EACH IN THEIR CAPACITY AS SUCH (UNLESS ANY SUCH ENTITY OR RELATED PARTY HAS OPTED OUT OF BEING A RELEASING PARTY, IN WHICH CASE SUCH ENTITY OR RELATED PARTY, AS APPLICABLE, SHALL NOT BE A RELEASING PARTY).

UNDER THE PLAN, “RELEASED PARTIES” MEANS, COLLECTIVELY, AND IN EACH CASE, IN THEIR RESPECTIVE CAPACITIES AS SUCH: (A) THE DEBTORS; (B) THE CONSENTING TERM LOAN LENDERS; (C) THE TERM LOAN AGENT; (D) THE DIP LENDERS; (E) THE DIP AGENT; (F) ALL RELEASING PARTIES; (G) THE ACQUIRED ENTITIES; AND (H) WITH RESPECT TO EACH ENTITY IN CLAUSE (A) THROUGH (G), EACH SUCH ENTITY’S CURRENT AND FORMER SUBSIDIARIES, OFFICERS, DIRECTORS, MANAGERS, PRINCIPALS, MEMBERS, EMPLOYEES, AGENTS, ADVISORY BOARD MEMBERS, FINANCIAL ADVISORS, PARTNERS, ATTORNEYS, ACCOUNTANTS, INVESTMENT BANKERS, CONSULTANTS, REPRESENTATIVES, AND OTHER PROFESSIONALS, EACH IN THEIR CAPACITY AS SUCH (UNLESS ANY SUCH ENTITY OR RELATED PARTY HAS OPTED OUT OF BEING A RELEASING PARTY, IN WHICH CASE SUCH ENTITY OR RELATED PARTY, AS APPLICABLE, SHALL NOT BE A RELEASED PARTY).

ALL HOLDERS OF CLAIMS AND INTERESTS THAT ARE NOT IN VOTING CLASSES THAT DO NOT FILE AN OBJECTION WITH THE BANKRUPTCY COURT IN THE CHAPTER 11 CASES THAT EXPRESSLY OBJECTS TO THE INCLUSION OF SUCH HOLDER AS A RELEASING PARTY UNDER THE PROVISIONS CONTAINED IN ARTICLE VIII.F OF THE PLAN OR DO NOT ELECT TO OPT OUT OF THE PROVISIONS CONTAINED IN ARTICLE VIII.F OF THE PLAN USING THE ENCLOSED OPT OUT FORM, WILL BE DEEMED TO HAVE EXPRESSLY, UNCONDITIONALLY, GENERALLY, INDIVIDUALLY, AND COLLECTIVELY CONSENTED TO THE RELEASE OF ALL CLAIMS AND CAUSES OF ACTION AGAINST THE DEBTORS AND THE RELEASED PARTIES. BY OBJECTING TO OR ELECTING TO OPT OUT OF THE RELEASES SET FORTH IN ARTICLE VIII.F OF THE PLAN YOU WILL FORGO THE BENEFIT OF OBTAINING THE RELEASES SET FORTH IN ARTICLE VIII.E OF THE PLAN IF YOU OTHERWISE WOULD BE A RELEASED PARTY THEREUNDER.

Item 2. Certifications.

By signing this Opt Out Form, the undersigned certifies to the Bankruptcy Court and the Debtors that:

- (a) as of the Voting Record Date, either: (i) the Entity is the Holder of a Claim or Interest; or (ii) the Entity is an authorized signatory for the Entity that is a Holder of the Claim or Interest;

- (b) the Entity (or in the case of an authorized signatory, the Holder) has received a copy of the *Notice of Non-Voting Status with Respect to Disputed Claims and Interests* and that this Opt Out Form is made pursuant to the terms and conditions set forth therein;
- (c) the Entity has submitted the same respective election concerning the releases with respect to all Claims and Interests; and
- (d) no other Opt Out Form has been submitted or, if any other Opt Out Forms have been submitted with respect to such Claim and Interests, then any such earlier Opt Out Forms are hereby revoked.

Name of Holder:	_____
	(Print or Type)
Signature:	_____
Name of Signatory:	_____
	(If other than Holder)
Title:	_____
Address:	_____

Telephone Number:	_____
Email:	_____
Date Completed:	_____

PLEASE COMPLETE, SIGN, AND DATE THIS NOTICE OF NON-VOTING STATUS AND OPT-OUT FORM AND RETURN IT (WITH AN ORIGINAL SIGNATURE) *PROMPTLY BY ONLY ONE* OF THE FOLLOWING METHODS:

Via eBallot Portal: Submit this Opt-Out Form via the Notice and Claims Agent's online portal, by visiting <https://www.kccllc.net/akorn> (the "eBallot Portal"). Click on the "Submit eBallot" section of the Debtors' website and follow the instructions to submit your Opt-Out Form.

IMPORTANT NOTE: You will need the following information to retrieve and submit your customized electronic Opt-Out Form.

Unique eBallot ID#: _____

PIN#: _____

The Notice and Claims Agent's eBallot Portal is the sole manner in which Opt-Out Forms will be accepted via electronic or online transmission. Opt-Out Forms submitted by facsimile, email, or other means of electronic transmission will not be counted.

Parties who submit their Opt-Out Form using the eBallot Portal should NOT also submit a paper Opt-Out Form.

OR

Via Paper Ballot. Complete, sign, and date this Opt-Out Form and return it (with an original signature) promptly in the envelope provided via first class mail, overnight courier, or hand delivery to:

**Akorn Ballot Processing Center
c/o KCC
222 N. Pacific Coast Highway, Suite 300
El Segundo, California 90245**

Parties that submit their Opt-Out Form via eBallot should NOT also submit a paper Opt-Out Form.

<p>THE VOTING DEADLINE IS [AUGUST 15], 2020, AT 5:00 P.M., PREVAILING EASTERN TIME. THE NOTICE AND CLAIMS AGENT MUST <i>ACTUALLY RECEIVE</i> YOUR OPT-OUT ELECTION ON OR BEFORE THE VOTING DEADLINE IF YOU WISH TO OPT OUT.</p>
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Schedule 6

Form of Cover Letter



[●] __, 2020

Via First Class Mail

RE: In re Akorn, Inc., et al.,
Chapter 11 Case No. 20-11177 (KBO) (Jointly Administered)

TO ALL HOLDERS OF CLAIMS AND INTERESTS ENTITLED TO VOTE ON THE PLAN:

Akorn, Inc. and its affiliated debtors and debtors in possession (collectively, the “Debtors”)¹ each filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code in the United States Bankruptcy Court for the District of Delaware (the “Court”) on May 20, 2020.

You have received this letter and the enclosed materials because you are entitled to vote on the *Joint Chapter 11 Plan of Akorn, Inc. and Its Debtor Affiliates* (as modified, amended, or supplemented from time to time, the “Plan”).² On [●], 2020, the Court entered an order (the “Disclosure Statement Order”): (a) authorizing the Debtors to solicit acceptances for the Plan, (b) approving the *Disclosure Statement for Joint Chapter 11 Plan of Akorn, Inc. and Its Debtor Affiliates* (the “Disclosure Statement”) as containing “adequate information” pursuant to section 1125 of the Bankruptcy Code, (c) approving the solicitation materials and documents to be included in the solicitation packages (the “Solicitation Package”), and (d) approving procedures for soliciting, receiving, and tabulating votes on the Plan, and for filing objections to the Plan.

YOU ARE RECEIVING THIS LETTER BECAUSE YOU ARE ENTITLED TO VOTE ON THE PLAN. THEREFORE, YOU SHOULD READ THIS LETTER

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, if any, are: Akorn, Inc. (7400); 10 Edison Street LLC (7890); 13 Edison Street LLC; Advanced Vision Research, Inc. (9046); Akorn (New Jersey), Inc. (1474); Akorn Animal Health, Inc. (6645); Akorn Ophthalmics, Inc. (6266); Akorn Sales, Inc. (7866); Clover Pharmaceuticals Corp. (3735); Covenant Pharma, Inc. (0115); Hi-Tech Pharmacal Co., Inc. (8720); Inspire Pharmaceuticals, Inc. (9022); Oak Pharmaceuticals, Inc. (6647); Olta Pharmaceuticals Corp. (3621); VersaPharm Incorporated (6739); VPI Holdings Corp. (6716); and VPI Holdings Sub, LLC. The location of the Debtors’ service address is: 1925 W. Field Court, Suite 300, Lake Forest, Illinois 60045.

² Capitalized terms used but not otherwise defined herein have the meanings as set forth in the Plan.

CAREFULLY AND DISCUSS IT WITH YOUR ATTORNEY. IF YOU DO NOT HAVE AN ATTORNEY, YOU MAY WISH TO CONSULT ONE.

In addition to this cover letter, the enclosed materials comprise your Solicitation Package, and were approved by the Court for distribution to Holders of Claims and Interests in connection with the solicitation of votes to accept the Plan. The Solicitation Package consists of the following:

- a. a copy of the Solicitation and Voting Procedures;
- b. a ballot, together with detailed voting instructions and a pre-addressed, postage prepaid return envelope;
- c. this letter;
- d. the Disclosure Statement, as approved by the Bankruptcy Court (and exhibits thereto, including the Plan);
- e. the Disclosure Statement Order (excluding the exhibits thereto, except the Solicitation and Voting Procedures);
- f. the notice of the hearing to consider confirmation of the Plan; and
- g. any other materials the Court has approved as part of the Solicitation Package.

Akorn, Inc. (on behalf of itself and each of the other Debtors) has approved the filing of the Plan and the solicitation of votes to accept the Plan. The Debtors believe that the acceptance of the Plan is in the best interests of their estates, Holders of Claims and Interests, and all other parties in interest. Moreover, the Debtors believe that any alternative other than confirmation of the Plan could result in extensive delays and increased administrative expenses, which, in turn, likely would result in smaller distributions (or no distributions) on account of Claims and Interests asserted in the chapter 11 cases.

**THE DEBTORS STRONGLY URGE YOU TO PROPERLY AND TIMELY
SUBMIT YOUR BALLOT CASTING A VOTE TO ACCEPT THE PLAN. BALLOTS
SHOULD BE SUBMITTED IN ACCORDANCE WITH THE INSTRUCTIONS
INDICATED ON YOUR BALLOT.**

**THE VOTING DEADLINE IS [AUGUST 15], 2020, AT 5:00 P.M.,
PREVAILING EASTERN TIME.**

The materials in the Solicitation Package are intended to be self-explanatory. If you should have any questions, however, please feel free to contact Kurtzman Carson Consultants LLC, the notice and claims agent retained by the Debtors in the chapter 11 cases (the “Notice and Claims Agent”), by: (a) calling the Notice and Claims Agent at (877) 725-7539, (U.S. and Canada) or (424) 236-7247, (International); (b) visiting the Debtors’ restructuring website at: <https://www.kccllc.net/akorn>; (c) writing to the Notice and Claims Agent at Akorn Ballot

Processing Center, c/o KCC, 222 N. Pacific Coast Highway, Suite 300, El Segundo, California 90245; and/or (d) emailing AkornInfo@kccllc.com. You may also obtain copies of any pleadings filed in the chapter 11 cases for a fee via PACER at: <https://ecf.deb.uscourts.gov>. Please be advised that the Notice and Claims Agent is authorized to answer questions about, and provide additional copies of, solicitation materials (to be provided at the Debtors' expense), but may *not* advise you as to whether you should vote to accept or reject the Plan.

Sincerely,

Akorn, Inc. on its own behalf and on behalf of
each of the Debtors

Name: [●]

Title: [●]

Schedule 7

Form of Confirmation Hearing Notice

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

<p>In re:</p> <p>AKORN, INC., <i>et al.</i>,¹</p> <p style="text-align: center;">Debtors.</p>	<p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p>	<p>Chapter 11</p> <p>Case No. 20-11177 (KBO)</p> <p>(Jointly Administered)</p>
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**NOTICE OF HEARING TO CONSIDER CONFIRMATION
OF THE JOINT CHAPTER 11 PLAN OF AKORN, INC. AND ITS
DEBTOR AFFILIATES AND RELATED VOTING AND OBJECTION DEADLINES**

PLEASE TAKE NOTICE THAT on [●], 2020, the United States Bankruptcy Court for the District of Delaware (the “Court”) entered an order [Docket No. [●]] (the “Disclosure Statement Order”): (a) authorizing Akorn, Inc. and its affiliated debtors and debtors in possession (collectively, the “Debtors”), to solicit acceptances for the *Joint Chapter 11 Plan of Akorn, Inc. and Its Debtor Affiliates* (as modified, amended, or supplemented from time to time, the “Plan”);² (b) approving the *Disclosure Statement for Joint Chapter 11 Plan of Akorn, Inc. and Its Debtor Affiliates* (the “Disclosure Statement”) as containing “adequate information” pursuant to section 1125 of the Bankruptcy Code; (c) approving the solicitation materials and documents to be included in the solicitation packages (the “Solicitation Packages”); and (d) approving procedures for soliciting, receiving, and tabulating votes on the Plan and for filing objections to the Plan.

PLEASE TAKE FURTHER NOTICE THAT the hearing at which the Court will consider confirmation of the Plan (the “Confirmation Hearing”) will commence **on August [20], 2020, at [●] p.m., prevailing Eastern Time**, before the Honorable Karen B. Owens, in the United States Bankruptcy Court for the District of Delaware, located at 824 N. Market Street, [●] Floor, Wilmington, Delaware 19801.

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, if any, are: Akorn, Inc. (7400); 10 Edison Street LLC (7890); 13 Edison Street LLC; Advanced Vision Research, Inc. (9046); Akorn (New Jersey), Inc. (1474); Akorn Animal Health, Inc. (6645); Akorn Ophthalmics, Inc. (6266); Akorn Sales, Inc. (7866); Clover Pharmaceuticals Corp. (3735); Covenant Pharma, Inc. (0115); Hi-Tech Pharmacal Co., Inc. (8720); Inspire Pharmaceuticals, Inc. (9022); Oak Pharmaceuticals, Inc. (6647); Olta Pharmaceuticals Corp. (3621); VersaPharm Incorporated (6739); VPI Holdings Corp. (6716); and VPI Holdings Sub, LLC. The location of the Debtors’ service address is: 1925 W. Field Court, Suite 300, Lake Forest, Illinois 60045.

² Capitalized terms not otherwise defined herein have the same meanings as set forth in the Plan.

PLEASE BE ADVISED: THE CONFIRMATION HEARING MAY BE CONTINUED FROM TIME TO TIME BY THE COURT OR THE DEBTORS **WITHOUT FURTHER NOTICE** OTHER THAN BY SUCH ADJOURNMENT BEING ANNOUNCED IN OPEN COURT OR BY A NOTICE OF ADJOURNMENT FILED WITH THE COURT AND SERVED ON ALL PARTIES ENTITLED TO NOTICE.

CRITICAL INFORMATION REGARDING VOTING ON THE PLAN

Voting Record Date. The voting record date is **July 1, 2020**, which is the date for determining which Holders of Claims and Interests in Classes 3, 4, 7, and 8 are entitled to vote on the Plan.

Voting Deadline. The deadline for voting on the Plan is **August 15, 2020, at 5:00 p.m., prevailing Eastern Time** (the “Voting Deadline”). If you received a Solicitation Package, including a Ballot and intend to vote on the Plan you *must*: (a) follow the instructions carefully; (b) complete *all* of the required information on the ballot; and (c) execute and return your completed Ballot according to and as set forth in detail in the voting instructions so that it is *actually received* by the Debtors’ notice and claims agent, Kurtzman Carson Consultants LLC (the “Notice and Claims Agent”) on or before the Voting Deadline. *A failure to follow such instructions may disqualify your vote.*

CRITICAL INFORMATION REGARDING OBJECTING TO THE PLAN

Any objections to the Plan *must*: (a) be in writing; (b) conform to the applicable provisions of the Bankruptcy Rules and the Local Rules; (c) state with particularity the legal and factual basis for the objection and the specific grounds therefor; and (d) be filed with the court (contemporaneously with a proof of service), so that it may be **actually received** by the following parties, prior to **August 15, 2020, at 4:00 p.m.**, prevailing Eastern Time (the “Confirmation Objection Deadline”):

Counsel to the Debtors	Co-Counsel to the Debtors
<p style="text-align: center;">Kirkland & Ellis LLP 300 North LaSalle Chicago, Illinois 60654</p> <p>Attn.: Patrick J. Nash, Jr., P.C. (patrick.nash@kirkland.com), Gregory F. Pesce (gregory.pesce@kirkland.com), and Christopher M. Hayes (christopher.hayes@kirkland.com)</p> <p style="text-align: center;">and</p> <p style="text-align: center;">Kirkland & Ellis LLP 601 Lexington Avenue New York, New York 10022 Attn.: Nicole L. Greenblatt, P.C. (nicole.greenblatt@kirkland.com)</p>	<p style="text-align: center;">Richards, Layton and Finger, PA One Rodney Square 920 N. King Street Wilmington, Delaware 19801</p> <p>Attn: Paul N. Heath (heath@rlf.com), Amanda R. Steele (steele@rlf.com), Zachary I. Shapiro (shapiro@rlf.com), and Brett M. Haywood (haywood@rlf.com)</p>

Counsel to the Term Loan Agent under the Debtors' Term Loan Agreement	Counsel to the Committee (if any)
<p>Wilmer Cutler Pickering Hale and Dorr LLP 7 World Trade Center, 250 Greenwich Street, New York, NY 10007 Attn: Andrew Goldman</p>	<p>[•]</p>
Counsel to the Ad Hoc Group	The United States Trustee
<p>Gibson Dunn & Crutcher 200 Park Avenue, New York, <i>New York</i> 10166 Attn.: Scott J Greenberg Michael J. Cohen</p> <p>and</p> <p>Young Conaway Stargatt & Taylor, LLP Rodney Square 1000 North King Street Wilmington, Delaware 19801 Attn: Robert S. Brady (rbrady@ycst.com)</p>	<p>The United States Trustee for the District of Delaware 844 King Street, Suite 2207, Lockbox 35 Wilmington, Delaware 19801 Attn: Jane M. Leamy</p>

CONSEQUENCES OF FAILING TO TIMELY MAKE AN OBJECTION

ANY PARTY OR ENTITY WHO FAILS TO TIMELY MAKE AN OBJECTION TO A SALE ON OR BEFORE THE SALE OBJECTION DEADLINE IN ACCORDANCE WITH THE BIDDING PROCEDURES ORDER SHALL BE FOREVER BARRED FROM ASSERTING ANY OBJECTION TO SUCH SALE, INCLUDING WITH RESPECT TO THE TRANSFER OF THE SELLING DEBTORS' ASSETS FREE AND CLEAR OF ALL LIENS, CLAIMS, ENCUMBRANCES, AND OTHER INTERESTS, EXCEPT AS SET FORTH IN THE APPLICABLE PURCHASE AGREEMENT.

RELEASES, EXCULPATIONS, AND INJUNCTIONS

ARTICLE VIII OF THE PLAN CONTAINS RELEASE, EXCULPATION, AND INJUNCTION PROVISIONS, AND ARTICLE VIII.F CONTAINS A THIRD-PARTY RELEASE. THUS, YOU ARE ADVISED TO REVIEW AND CONSIDER THE PLAN CAREFULLY BECAUSE YOUR RIGHTS MIGHT BE AFFECTED THEREUNDER.

Relevant Definitions

“Exculpated Party” means, collectively: (a) the Debtors; (b) the Committee and each of its members; and (c) with respect to each of the foregoing Entities in clauses (a) and (b), each Entity’s current and former subsidiaries, officers, directors, managers, principals, members, employees,

agents, advisory board members, financial advisors, partners, attorneys, accountants, investment bankers, consultants, representatives, and other professionals, each in their respective capacities as such.

“Released Parties” means, collectively, and in each case, in their respective capacities as such: (a) the Debtors; (b) the Consenting Term Loan Lenders; (c) the Term Loan Agent; (d) the DIP Lenders; (e) the DIP Agent; (f) all Releasing Parties; (g) the Acquired Entities; and (h) with respect to each Entity in clause (a) through (g), each such Entity’s current and former subsidiaries, officers, directors, managers, principals, members, employees, agents, advisory board members, financial advisors, partners, attorneys, accountants, investment bankers, consultants, representatives, and other professionals, each in their capacity as such (unless any such Entity or related party has opted out of being a Releasing Party, in which case such Entity or related party, as applicable, shall not be a Released Party).

“Releasing Parties” means, collectively, and in each case, in their respective capacities as such: (a) the Debtors; (b) the Consenting Term Loan Lenders; (c) the Term Loan Agent; (d) the DIP Lenders; (e) the DIP Agent; (f) the Acquired Entities; (g) all Holders of Claims or Interests that are presumed to accept the Plan *and* who do not opt out of the releases in the Plan; (h) all Holders of Claims or Interests who vote to accept the Plan; (i) all Holders of Claims or Interests that (x) abstain from voting on the Plan *and* who do not opt out of the releases in the Plan, (y) vote to reject the Plan *and* who do not opt out of the releases in the Plan, or (z) are deemed to reject the Plan *and* who do not opt out of the releases in the Plan; (j) with respect to each Entity in clause (a) through (i), each such Entity’s current and former subsidiaries, officers, directors, managers, principals, members, employees, agents, advisory board members, financial advisors, partners, attorneys, accountants, investment bankers, consultants, representatives, and other professionals, each in their capacity as such (unless any such Entity or related party has opted out of being a Releasing Party, in which case such Entity or related party, as applicable, shall not be a Releasing Party).

DEBTOR RELEASE. Pursuant to section 1123(b) of the Bankruptcy Code, for good and valuable consideration, on and after the Effective Date, each Released Party is deemed released and discharged by the Debtors, their Estates, the Plan Administrator, and the Acquired Entities from any and all Causes of Action, including any derivative claims asserted on behalf of the Debtors, that the Debtors, or their Estates, or the Plan Administrator, or the Acquired Entities would have been legally entitled to assert in their own right (whether individually or collectively) or on behalf of the Holder of any Claim against, or Interest in a Debtor, or that any Holder of any Claim or Interest could have asserted on behalf of the Debtors or other Entity, based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the Debtors’ capital structure, the assertion or enforcement of rights and remedies against the Debtors, the Debtors’ in- or out-of-court restructuring efforts, intercompany transactions between or among a Debtor and another Debtor, the Standstill Agreement, the Chapter 11 Cases, the formulation, preparation, dissemination, negotiation, or filing of the Restructuring Support Agreement, the DIP Loan Documents, the Disclosure Statement, the Plan, the Sale Transaction, or any Restructuring Transaction, contract, instrument, release, or other agreement or document (including providing any legal opinion requested by any Entity regarding any transaction, contract, instrument, document, or other agreement contemplated by the Plan or the reliance by any

Released Party on the Plan or the Confirmation Order in lieu of such legal opinion) created or entered into in connection with the Restructuring Support Agreement, the Disclosure Statement, the Plan, the Chapter 11 Cases, the DIP Loan Documents, the Sale Transaction Documentation, the Sale Transaction, the filing of the Chapter 11 Cases, the pursuit of Confirmation, the pursuit of Consummation, the administration and implementation of the Plan, including the issuance or distribution of securities pursuant to the Plan, or the distribution of property under the Plan or any other related agreement, or upon the business or contractual arrangements between and Debtor and any Released Party, and any other act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date relating to any of the foregoing, other than claims or liabilities arising out of or relating to any act or omission of a Released Party that constitutes willful misconduct, fraud or gross negligence. Notwithstanding the inclusion of any Released Parties as a potential party to any Transferred Causes of Action or Retained Causes of Action, such parties shall remain Released Parties.

Notwithstanding anything to the contrary in the foregoing or any other provision of the Plan, the releases contained in the Plan do not (i) release any post-Effective Date obligations of any party or Entity under the Plan, any Restructuring Transaction, or any document, instrument, or agreement (including those set forth in the Plan Supplement) executed to implement the Plan, (ii) affect the rights of Holders of Allowed Claims and Interests to receive distributions under the Plan, or (iii) release any Claims or Causes of Action against any non-Released Party.

Entry of the Confirmation Order shall constitute the Bankruptcy Court's approval, pursuant to Bankruptcy Rule 9019, of the releases herein, which includes by reference each of the related provisions and definitions contained herein, *and further*, shall constitute the Bankruptcy Court's finding that the releases herein are: (i) in exchange for the good and valuable consideration provided by the Released Parties; (ii) a good faith settlement and compromise of the claims released by the releases herein; (iii) in the best interests of the Debtors and all Holders of Claims and Interests; (iv) fair, equitable and reasonable; (v) given and made after reasonable investigation by the Debtors and after notice and opportunity for hearing; and (vi) a bar to any of the Debtors asserting any claim released by the releases herein against any of the Released Parties.

THIRD PARTY RELEASES. As of the Effective Date, except as otherwise provided herein, each Releasing Party is deemed to have released and discharged each Debtor and Released Party from any and all Causes of Action, whether known or unknown, including any derivative claims asserted on behalf of the Debtors, that such Entity would have been legally entitled to assert (whether individually or collectively), based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the Debtors' in- or out-of-court restructuring efforts, intercompany transactions between or among a Debtor and another Debtor, the Standstill Agreement, the Chapter 11 Cases, the formulation, preparation, dissemination, negotiation, or filing of the Restructuring Support Agreement, the DIP Loan Documents, the Disclosure Statement, the Plan, the Sale Transaction, or any Restructuring Transaction, contract, instrument, release, or other agreement or document (including providing any legal opinion requested by any Entity regarding any transaction, contract, instrument, document, or other agreement contemplated by the Plan or the reliance by any

Released Party on the Plan or the Confirmation Order in lieu of such legal opinion) created or entered into in connection with the Restructuring Support Agreement, the Disclosure Statement, or the Plan, the Chapter 11 Cases, the DIP Loan Documents, the Sale Transaction, the filing of the Chapter 11 Cases, the pursuit of Confirmation, the pursuit of Consummation, the administration and implementation of the Plan, including the issuance or distribution of securities pursuant to the Plan, or the distribution of property under the Plan or any other related agreement, or upon the business or contractual arrangements between any Debtor and any Released Party, and any other related act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date relating to any of the foregoing, other than claims or liabilities arising out of or relating to any act or omission of a Released Party that constitutes willful misconduct, fraud or gross negligence.

Notwithstanding anything to the contrary in the foregoing or any other provision of the Plan, the releases contained in the Plan do not (i) release any post-Effective Date obligations of any party or Entity under the Plan, any Restructuring Transaction, or any document, instrument, or agreement (including those set forth in the Plan Supplement) executed to implement the Plan, (ii) affect the rights of Holders of Allowed Claims and Interests to receive distributions under the Plan, or (iii) release any Claims or Causes of Action against any non-Released Party.

Entry of the Confirmation Order shall constitute the Bankruptcy Court's approval, pursuant to Bankruptcy Rule 9019, of the releases of Holders of Claims and Interests, which includes by reference each of the related provisions and definitions contained herein, and further, shall constitute the Bankruptcy Court's finding that the release herein is: (i) in exchange for the good and valuable consideration provided by the Released Parties; (ii) a good faith settlement and compromise of the claims released by the Releasing Parties; (iii) in the best interests of the Debtors and all Holders of Claims and Interests; (iv) fair, equitable and reasonable; (v) given and made after notice and opportunity for hearing; and (vi) a bar to any of the Releasing Parties asserting any Claim released by the release herein against any of the Released Parties.

EXCULPATION. Except as otherwise specifically provided in the Plan, no Exculpated Party shall have or incur, and each Exculpated Party is released and exculpated from any Cause of Action for any claim related to any act or omission in connection with, relating to, or arising out of, the Chapter 11 Cases, the formulation, preparation, dissemination, negotiation, or filing of the Restructuring Support Agreement and related prepetition transactions, the Disclosure Statement, the Plan, the DIP Loan Documents, the Sale Transaction, or any Restructuring Transaction, contract, instrument, release or other agreement or document (including providing any legal opinion requested by any Entity regarding any transaction, contract, instrument, document, or other agreement contemplated by the Plan or the reliance by any Released Party on the Plan or the Confirmation Order in lieu of such legal opinion) created or entered into in connection with the Restructuring Support Agreement, the DIP Loan Documents, the Disclosure Statement or the Plan, the Sale Transaction, the filing of the Chapter 11 Cases, the pursuit of Confirmation, the pursuit of Consummation, the administration and implementation of the Plan, including the issuance of securities pursuant to the Plan, or the distribution of property

under the Plan or any other related agreement, except for claims related to any act or omission that constitutes actual fraud, or gross negligence, but in all respects such Entities shall be entitled to reasonably rely upon the advice of counsel with respect to their duties and responsibilities pursuant to the Plan. The Exculpated Parties have, and upon Consummation of the Plan shall be deemed to have, participated in good faith and in compliance with the applicable Laws with regard to the solicitation of votes and distribution of consideration pursuant to the Plan and, therefore, are not, and on account of such distributions shall not be, liable at any time for the violation of any applicable law, rule, or regulation governing the solicitation of acceptances or rejections of the Plan or such distributions made pursuant to the Plan.

INJUNCTION. Except as otherwise expressly provided in the Plan or for distributions required to be paid or delivered pursuant to the Plan or the Confirmation Order, all Entities that have held, hold, or may hold Claims or Interests that have been released pursuant to the Plan shall be discharged pursuant to the Plan, or are subject to Exculpation pursuant to the Plan, are permanently enjoined, from and after the Effective Date, from taking any of the following actions against, as applicable, the Debtors, the Released Parties, or the Exculpated Parties (to the extent of the Exculpation provided pursuant to the Plan with respect to the Exculpated Parties): (i) commencing or continuing in any manner any action or other proceeding of any kind on account of or in connection with or with respect to any such Claims or Interests; (ii) enforcing, attaching, collecting, or recovering by any manner or means any judgment, award, decree, or order against such Entities on account of or in connection with or with respect to any such Claims or Interests; (iii) creating, perfecting, or enforcing any Lien or encumbrance of any kind against such Entities or the property or the Estates of such Entities on account of or in connection with or with respect to any such Claims or Interests; (iv) asserting any right of setoff, subrogation, or recoupment of any kind against any obligation due from such Entities or against the property of such Entities on account of or in connection with or with respect to any such Claims or Interests unless such Entity has timely asserted such setoff right in a document Filed with the Bankruptcy Court explicitly preserving such setoff, and notwithstanding an indication of a Claim or Interest or otherwise that such Entity asserts, has, or intends to preserve any right of setoff pursuant to applicable Law or otherwise; and (v) commencing or continuing in any manner any action or other proceeding of any kind on account of or in connection with or with respect to any such Claims or Interests released or settled pursuant to the Plan. Notwithstanding anything to the contrary in the Plan, the Plan Supplement, or the Confirmation Order, the automatic stay pursuant to section 362 of the Bankruptcy Code shall remain in full force and effect with respect to the Debtors until the closing of these Chapter 11 Cases.

ADDITIONAL INFORMATION

Obtaining Solicitation Materials. The materials in the Solicitation Package are intended to be self-explanatory. If you should have any questions or if you would like to obtain additional solicitation materials (or paper copies of solicitation materials if you received a CD-ROM), please feel free to contact the Debtors' Notice and Claims Agent, by: (a) calling the Notice and Claims Agent at (877) 725-7539, (U.S. and Canada) or (424) 236-7247, (International); (b) visiting the Debtors' restructuring website at: <https://www.kccllc.net/akorn>; (c) writing to the Notice and Claims Agent at Akorn Ballot Processing Center, c/o KCC, 222 N. Pacific Coast Highway,

Suite 300, El Segundo, California 90245; and/or (d) emailing AkornInfo@kccllc.com and requesting paper copies of the corresponding materials previously received in electronic format (to be provided at the Debtors' expense). You may also obtain copies of any pleadings filed in the chapter 11 cases for a fee via PACER at: <https://ecf.deb.uscourts.gov>. Please be advised that the Notice and Claims Agent is authorized to answer questions about, and provide additional copies of, solicitation materials, but may *not* advise you as to whether you should vote to accept or reject the Plan.

The Plan Supplement. The Debtors will file the Plan Supplement (as defined in the Plan) at least five (5) days prior to the Voting Deadline or such later date as may be approved by the Bankruptcy Court, and will serve notice on all Holders of Claims against and Interests in the Debtors entitled to vote on the Plan, which will: (a) inform parties that the Debtors filed the Plan Supplement, (b) list the information contained in the Plan Supplement, and (c) explain how parties may obtain copies of the Plan Supplement.

BINDING NATURE OF THE PLAN:

IF CONFIRMED, THE PLAN SHALL BIND ALL HOLDERS OF CLAIMS AGAINST AND INTERESTS IN THE DEBTORS TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, WHETHER OR NOT SUCH HOLDER WILL RECEIVE OR RETAIN ANY PROPERTY OR INTEREST IN PROPERTY UNDER THE PLAN, HAS FILED A PROOF OF CLAIM IN THE CHAPTER 11 CASES, OR FAILED TO VOTE TO ACCEPT OR REJECT THE PLAN OR VOTED TO REJECT THE PLAN.

Wilmington, Delaware
[DATE], 2020

/s/

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*Proposed Co-Counsel for the
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Schedule 8

Form of Plan Supplement Notice

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:)	
	)	Chapter 11
AKORN, INC., <i>et al.</i> , ¹	)	Case No. 20-11177 (KBO)
)	
Debtors.	)	(Jointly Administered)
)	

NOTICE OF FILING OF PLAN SUPPLEMENT

PLEASE TAKE NOTICE THAT on [●], 2020, United States Bankruptcy Court for the District of Delaware (the “Court”) entered an order [Docket No. [●]] (the “Disclosure Statement Order”): (a) authorizing Akorn, Inc. and its affiliated debtors and debtors in possession (collectively, the “Debtors”), to solicit acceptances for the *Joint Chapter 11 Plan of Akorn, Inc. and Its Debtor Affiliates* (as may be modified, amended, or supplemented from time to time, the “Plan”);² (b) approving the *Disclosure Statement for Joint Chapter 11 Plan of Akorn, Inc. and Its Debtor Affiliates* (the “Disclosure Statement”) as containing “adequate information” pursuant to section 1125 of the Bankruptcy Code; (c) approving the solicitation materials and documents to be included in the Solicitation Packages; and (d) approving procedures for soliciting, receiving, and tabulating votes on the Plan and for filing objections to the Plan.

PLEASE TAKE FURTHER NOTICE THAT as contemplated by the Plan and the Disclosure Statement Order approving the Disclosure Statement, the Debtors filed the Plan Supplement with the Court on [●], 2020 [Docket No. [●]]. The Plan Supplement contains the following documents (each as defined in the Plan): (a) the Assumed Contracts and Leases List; (b) the identity of the Plan Administrator and the terms of compensation of the Plan Administrator; (c) Schedule of Retained Causes of Action; (d) any transition services agreement between the Purchaser and the Debtors; (e) the Description of Transactions Steps, if applicable; and (f) any other necessary documentation related to the Restructuring Transactions as contemplated by the Restructuring Support Agreement, each of which shall be consistent with the Restructuring Support Agreement and acceptable in form and substance to the Debtors and the Required Consenting Term Loan Lenders; *provided that*, through the Effective Date, the Plan Supplement, and the exhibits thereto may be amended or modified in accordance with this Plan and the

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, if any, are: Akorn, Inc. (7400); 10 Edison Street LLC (7890); 13 Edison Street LLC; Advanced Vision Research, Inc. (9046); Akorn (New Jersey), Inc. (1474); Akorn Animal Health, Inc. (6645); Akorn Ophthalmics, Inc. (6266); Akorn Sales, Inc. (7866); Clover Pharmaceuticals Corp. (3735); Covenant Pharma, Inc. (0115); Hi-Tech Pharmacal Co., Inc. (8720); Inspire Pharmaceuticals, Inc. (9022); Oak Pharmaceuticals, Inc. (6647); Olta Pharmaceuticals Corp. (3621); VersaPharm Incorporated (6739); VPI Holdings Corp. (6716); and VPI Holdings Sub, LLC. The location of the Debtors’ service address is: 1925 W. Field Court, Suite 300, Lake Forest, Illinois 60045.

² Capitalized terms not otherwise defined herein shall have the same meanings as set forth in the Plan.

Restructuring Support Agreement, provided that any such amendment or modification shall be reasonably acceptable in form and substance to the Debtors and the Required Consenting Term Loan Lenders.

PLEASE TAKE FURTHER NOTICE THAT the hearing at which the Court will consider confirmation of the Plan (the “Confirmation Hearing”) will commence **on August [20], 2020, at [●] p.m., prevailing Eastern Time** before the Honorable Karen B. Owens, in the United States Bankruptcy Court for the District of Delaware, located at 824 N. Market Street, [●] Floor, Wilmington, Delaware 19801.

PLEASE TAKE FURTHER NOTICE THAT the deadline for filing objections to the Plan is **August [15], 2020, at 4:00 p.m.**, prevailing Eastern Time (the “Confirmation Objection Deadline”). Any objection to the Plan *must*: (a) be in writing, (b) conform to the Bankruptcy Rules, the Local Rules, and any orders of the Court, (c) state, with particularity, the basis and nature of any objection to the Plan and, if practicable, a proposed modification to the Plan that would resolve such objection, and (d) be filed with the Court (contemporaneously with a proof of service).

PLEASE TAKE FURTHER NOTICE THAT if you would like to obtain a copy of the Disclosure Statement, the Plan, the Plan Supplement, or related documents, you should contact Kurtzman Carson Consultants LLC, the notice and claims agent retained by the Debtors in the chapter 11 cases (the “Notice and Claims Agent”), by: (a) calling the Notice and Claims Agent at (877) 725-7539, (U.S. and Canada) or (424) 236-7247, (International); (b) visiting the Debtors’ restructuring website at: <https://www.kccllc.net/akorn>; (c) writing to the Notice and Claims Agent at Akorn Ballot Processing Center, c/o KCC, 222 N. Pacific Coast Highway, Suite 300, El Segundo, California 90245; and/or (d) emailing AkornInfo@kccllc.com and requesting paper copies of the corresponding materials previously received in electronic format (to be provided at the Debtors’ expense). You may also obtain copies of any pleadings filed in the chapter 11 cases for a fee via PACER at: <https://ecf.deb.uscourts.gov>.

ARTICLE VIII OF THE PLAN CONTAINS RELEASE, EXCULPATION, AND INJUNCTION PROVISIONS, AND ARTICLE VIII.F CONTAINS A THIRD-PARTY RELEASE. THUS, YOU ARE ADVISED TO REVIEW AND CONSIDER THE PLAN CAREFULLY BECAUSE YOUR RIGHTS MIGHT BE AFFECTED THEREUNDER.

THIS NOTICE IS BEING SENT TO YOU FOR INFORMATIONAL PURPOSES ONLY. IF YOU HAVE QUESTIONS WITH RESPECT TO YOUR RIGHTS UNDER THE PLAN OR ABOUT ANYTHING STATED HEREIN OR IF YOU WOULD LIKE TO OBTAIN ADDITIONAL INFORMATION, CONTACT THE NOTICE AND CLAIMS AGENT.

Wilmington, Delaware
[DATE], 2020

/s/

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Schedule 9

Form of Notice of Rejection of Executory Contracts and Unexpired Leases

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:)	
	)	Chapter 11
AKORN, INC., <i>et al.</i> , ¹)	
	)	Case No. 20-11177 (KBO)
Debtors.	)	(Jointly Administered)
)	

**NOTICE REGARDING
EXECUTORY CONTRACTS AND UNEXPIRED
LEASES TO BE REJECTED PURSUANT TO THE PLAN**

PLEASE TAKE NOTICE THAT on [●], 2020, United States Bankruptcy Court for the District of Delaware (the “Court”) entered an order [Docket No. [●]] (the “Disclosure Statement Order”): (a) authorizing Akorn, Inc. and its affiliated debtors and debtors in possession (collectively, the “Debtors”), to solicit acceptances for the *Joint Chapter 11 Plan of Akorn, Inc. and Its Debtor Affiliates* (as may be modified, amended, or supplemented from time to time, the “Plan”);² (b) approving the *Disclosure Statement for Joint Chapter 11 Plan of Akorn, Inc. and Its Debtor Affiliates* (the “Disclosure Statement”) as containing “adequate information” pursuant to section 1125 of the Bankruptcy Code; (c) approving the solicitation materials and documents to be included in the solicitation packages; and (d) approving procedures for soliciting, receiving, and tabulating votes on the Plan and for filing objections to the Plan.

PLEASE TAKE FURTHER NOTICE THAT the Debtors filed the Assumed Contracts and Leases List, and pursuant to the Plan, all Executory Contracts and Unexpired Leases that are not being assumed in connection with the Sale Transaction are automatically rejected as of the Effective Date. The determination to reject those Executory Contracts and Unexpired Leases that are not on the Assumed Contracts and Leases List is subject to revision.

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, if any, are: Akorn, Inc. (7400); 10 Edison Street LLC (7890); 13 Edison Street LLC; Advanced Vision Research, Inc. (9046); Akorn (New Jersey), Inc. (1474); Akorn Animal Health, Inc. (6645); Akorn Ophthalmics, Inc. (6266); Akorn Sales, Inc. (7866); Clover Pharmaceuticals Corp. (3735); Covenant Pharma, Inc. (0115); Hi-Tech Pharmacal Co., Inc. (8720); Inspire Pharmaceuticals, Inc. (9022); Oak Pharmaceuticals, Inc. (6647); Olta Pharmaceuticals Corp. (3621); VersaPharm Incorporated (6739); VPI Holdings Corp. (6716); and VPI Holdings Sub, LLC. The location of the Debtors’ service address is: 1925 W. Field Court, Suite 300, Lake Forest, Illinois 60045.

² Capitalized terms not otherwise defined herein have the same meanings as set forth in the Plan.

PLEASE TAKE FURTHER NOTICE THAT YOU ARE RECEIVING THIS NOTICE BECAUSE THE DEBTORS' RECORDS REFLECT THAT YOU ARE A PARTY TO AN EXECUTORY CONTRACT OR UNEXPIRED LEASE THAT WILL BE REJECTED PURSUANT TO THE PLAN. THEREFORE, YOU ARE ADVISED TO REVIEW CAREFULLY THE INFORMATION CONTAINED IN THIS NOTICE AND THE RELATED PROVISIONS OF THE PLAN.³

PLEASE TAKE FURTHER NOTICE THAT the hearing at which the court will consider confirmation of the Plan (the "Confirmation Hearing") will commence **on August [20], 2020, at [●] p.m., prevailing Eastern Time**, before the Honorable Karen B. Owens, in the United States Bankruptcy Court for the District of Delaware, located at 824 N. Market Street, Sixth Floor, Wilmington, Delaware 19801.

PLEASE TAKE FURTHER NOTICE THAT all proofs of Claim with respect to Claims arising from the rejection of Executory Contracts or Unexpired Leases, if any, must be filed with the Court within 30 days after the effective date of the rejection of such Executory Contract or Unexpired Lease, unless otherwise provided for by a Final Order of the Bankruptcy Court. **Any Claims arising from the rejection of an executory contract or unexpired lease not Filed within such time shall be automatically Disallowed, forever barred from assertion, and shall not be enforceable against, as applicable, the Debtors, their estates, the Plan Administrator, and/or the purchaser, or property of the foregoing parties, without the need for any objection by the Debtors, their estates, the Plan Administrator, and/or the purchaser and without the need for any further notice to, or action, order, or approval of the Court.**

PLEASE TAKE FURTHER NOTICE THAT the deadline for filing objections to the proposed rejection of an Executory Contract or Unexpired Lease is no later than **August [15], 2020** (the "Contract Rejection Objection Deadline"). Any such objection *must*: (a) be in writing; (b) conform to the Bankruptcy Rules, the Local Bankruptcy Rules, and any orders of the Court; (c) state, with particularity, the basis and nature of any objection to the proposed rejection of such Executory Contract or Unexpired Lease; and (d) be filed with the Court (contemporaneously with a proof of service) so as to be **actually received** on or before the Contract Rejection Objection Deadline by the Court and the following parties:

³ Neither the exclusion nor inclusion of any Executory Contract or Unexpired Lease on the Assumed Contract and Leases List nor anything contained in the Plan shall constitute an admission by the Debtors that any such contract or lease is in fact an Executory Contract or Unexpired Lease or that any Debtor or Liquidating Trustee has any liability thereunder. Further, the Debtors expressly reserve the right to (a) remove any Executory Contract or Unexpired Lease from the Assigned Contracts Schedule and reject such Executory Contract or Unexpired Lease, pursuant to the terms of the Plan, up until the Effective Date, and (b) contest any Claim asserted in connection with rejection of any Executory Contract or Unexpired Lease.

Counsel to the Debtors	Co-Counsel to the Debtors
<p>Kirkland & Ellis LLP 300 North LaSalle Chicago, Illinois 60654 Attn.: Patrick J. Nash, Jr., P.C. (patrick.nash@kirkland.com), Gregory F. Pesce (gregory.pesce@kirkland.com), and Christopher M. Hayes (christopher.hayes@kirkland.com)</p> <p>and</p> <p>Kirkland & Ellis LLP 601 Lexington Avenue New York, New York 10022 Attn.: Nicole L. Greenblatt, P.C. (nicole.greenblatt@kirkland.com)</p>	<p>RICHARDS, LAYTON & FINGER, P.A. One Rodney Square 920 N. King Street Wilmington, Delaware 19801 Attn: Paul N. Heath (heath@rlf.com), Amanda R. Steele (steele@rlf.com), Zachary I. Shapiro (shapiro@rlf.com), and Brett M. Haywood (haywood@rlf.com)</p>
Counsel to the Term Loan Agent under the Debtors' Term Loan Agreement	Counsel to the Committee (if any)
<p>Wilmer Cutler Pickering Hale and Dorr LLP 7 World Trade Center, 250 Greenwich Street, New York, NY 10007 Attn: Andrew Goldman</p>	<p>[•]</p>
Counsel to the Ad Hoc Group	The United States Trustee
<p>Gibson Dunn & Crutcher 200 Park Avenue, New York, New York 10166 Attn.: Scott J Greenberg Michael J. Cohen</p> <p>and</p> <p>Young Conaway Stargatt & Taylor, LLP Rodney Square 1000 North King Street Wilmington, Delaware 19801 Attn: Robert S. Brady (rbrady@ycst.com)</p>	<p>The United States Trustee for the District of Delaware 844 King Street, Suite 2207, Lockbox 35 Wilmington, Delaware 19801 Attn: Jane M. Leamy</p>

PLEASE TAKE FURTHER NOTICE THAT any objections to Plan in connection with the rejection of the Executory Contract(s) and Unexpired Lease(s) identified above and/or related rejection damages proposed in connection with the Plan that remain unresolved as of the Confirmation Hearing will be heard at the Confirmation Hearing (or such other date as fixed by the Court).

PLEASE TAKE FURTHER NOTICE THAT if you would like to obtain a copy of the Disclosure Statement, the Plan, the Plan Supplement, or related documents, you should contact Kurtzman Carson Consultants LLC, the notice and claims agent retained by the Debtors in the

chapter 11 cases (the “Notice and Claims Agent”), by: (a) calling the Notice and Claims Agent at (877) 725-7539, (U.S. and Canada) or (424) 236-7247, (International); (b) visiting the Debtors’ restructuring website at: <https://www.kccllc.net/akorn>; (c) writing to the Notice and Claims Agent at Akorn Ballot Processing Center, c/o KCC, 222 N. Pacific Coast Highway, Suite 300, El Segundo, California 90245; and/or (d) emailing AkornInfo@kccllc.com and requesting paper copies of the corresponding materials previously received in electronic format (to be provided at the Debtors’ expense). You may also obtain copies of any pleadings filed in the chapter 11 cases for a fee via PACER at: <https://ecf.deb.uscourts.gov>.

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Wilmington, Delaware
[DATE], 2020

/s/

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