

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE MR.)

WEDNESDAY, THE 10TH

JUSTICE DUNPHY)

DAY OF OCTOBER, 2018



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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT
OF ARALEZ PHARMACEUTICALS INC. AND
ARALEZ PHARMACEUTICALS CANADA INC.

Applicants

CLAIMS PROCEDURE ORDER

THIS MOTION, made by Aralez Pharmaceuticals Inc. and Aralez Pharmaceuticals Canada Inc. (together the "**Applicants**"), pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**") for an order approving a procedure for the solicitation of claims against the Applicants and the Directors and Officers of the Applicants was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Adrian Adams sworn October 1, 2018 and the Exhibits attached thereto, the affidavit of Kathryn Esaw sworn October 10, 2018 and Exhibits attached thereto, and the report dated October 5, 2018 by Richter Advisory Group Inc., in its capacity as Court-appointed Monitor (the "**Monitor**"), and on hearing the submissions of counsel for the Applicants and the Monitor, Deerfield Private Design Fund III, L.P. and Deerfield Partners L.P. ("**Deerfield**"), Nuvo Pharmaceuticals Inc., and the Official Committee of the Unsecured Creditors, no one else appearing for any other person on the service list,

although duly served as appears from the affidavit of service of Nicholas Avis sworn October 2, 2018 and filed:

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.

DEFINITIONS

2. **THIS COURT ORDERS** that, for the purposes of this Order (the "**Claims Procedure Order**"), in addition to the terms defined elsewhere herein, the following terms shall have the following meanings:

- (a) "**Assessments**" means Claims of Her Majesty the Queen in Right of Canada or of any Province or Territory or Municipality or any other taxation authority in any Canadian or foreign jurisdiction, including, without limitation, amounts which may arise or have arisen under any notice of assessment, notice of reassessment, notice of objection, notice of appeal, audit, investigation, demand or similar request from any taxation authority;
- (b) "**Business Day**" means a day, other than a Saturday, Sunday or a statutory holiday, on which banks are generally open for business in Toronto, Ontario;
- (c) "**CCAA Proceedings**" means the proceedings commenced by the Applicants in the Court under Court File No. CV-18-603054-00CL;
- (d) "**Chapter 11 Entities**" means Aralez Pharmaceuticals Management Inc.; Aralez Pharmaceuticals R&D Inc.; Aralez Pharmaceuticals U.S. Inc.; POZEN Inc.; Halton Laboratories LLC; Aralez Pharmaceuticals Holdings Limited; and Aralez Pharmaceuticals Trading DAC;
- (e) "**Claims**" means D&O Claims, Pre-filing Claims and Restructuring Claims, provided that "Claims" shall not include Excluded Claims;

- (f) "**Claimant**" means a Person asserting a Claim other than a D&O Claim;
- (g) "**Claims Bar Date**" means: (i) with respect to a Pre-filing Claim or a D&O Claim, 5:00 p.m. on November 29, 2018, in Toronto, Ontario; and (ii) with respect to a Restructuring Claim, the Restructuring Claims Bar Date;
- (h) "**Claims Package**" means the Instruction Letter, the Notice Letter, the Proof of Claim and any other documentation the Applicants, in consultation with the Monitor, may deem appropriate;
- (i) "**Claims Procedure**" means the procedures outlined in this Claims Procedure Order in connection with the assertion and determination of Claims against the Applicants or the Directors or Officers or any of them, as amended or supplemented by further order of the Court;
- (j) "**Court**" means the Ontario Superior Court of Justice (Commercial List) in the City of Toronto, in the Province of Ontario;
- (k) "**D&O Claim**" means any existing or future right or claim of any Person against one or more of the Directors and/or Officers of the Applicants which arose or arises as a result of such Director's or Officer's position, supervision, management or involvement as a Director or Officer of the Applicants, whether such right, or the circumstances giving rise to it arose before or after the Initial Order up to and including the date of this Claims Procedure Order and whether enforceable in any civil, administrative or criminal proceeding (each a "**D&O Claim**" and collectively the "**D&O Claims**"), including any right:
 - a. in respect of which a Director or Officer may be liable in his or her capacity as such concerning employee entitlements to wages or other debts for services rendered to the Applicants or any one of them or for vacation pay, pension contributions, benefits or other amounts related to employment or pension plan rights or benefits or for taxes owing by the Applicants or amounts which were required by law to be withheld by the Applicants;

- b. in respect of which a Director or Officer may be liable in his or her capacity as such as a result of any act, omission, or breach of a duty; or
 - c. that is or is related to a penalty, fine or claim for damages or costs;
- (l) "**D&O Claimant**" means a Person asserting a D&O Claim;
- (m) "**Directors**" means all current and former directors (or their estates) of the Applicants, in such capacity, and "**Director**" means any one of them;
- (n) "**Deerfield Facility Agreement**" means the secured loan agreement between, *inter alia*, API and Deerfield dated as of June 8, 2015 (as amended or amended and restated from time to time, including on December 7, 2015);
- (o) "**Equity Claim**" has the meaning set forth in Section 2(1) of the CCAA;
- (p) "**Excluded Claims**" means:
- a. Claims secured by any of the Charges (as that term is defined in the Initial Order or any subsequent or amended orders of the Court); and
 - b. Pre-filing secured debt in favour of Deerfield owed by the Applicants;
- (q) "**Filing Date**" means August 10, 2018;
- (r) "**Initial Order**" means the Initial Order under the CCAA dated August 10, 2018, as amended, restated or varied from time to time;
- (s) "**Instruction Letter**" the means the document substantially in the form attached hereto as Schedule "A" regarding the information sheet supplied to Claimants to assist them in completing the Proof of Claim;
- (t) "**Known Creditors**" means with respect to the Applicants, or the Directors or Officers or any of them:

- a. any Person that the books and records of the Applicants disclose is owed monies by the Applicants as of the Filing Date, where such monies remain unpaid in full or in part as of the date hereof;
 - b. any Person who commenced a legal proceeding against the Applicants or one or more Directors or Officers in respect of a Claim, which legal proceeding was commenced and served prior to the Filing Date; and
 - c. any other Person of whom the Applicants have knowledge as at the date of this Claims Procedure Order as being owed monies by the Applicants and for whom the Applicants have a current address or other contact information;
- (u) "**Meeting**" means a meeting of the creditors of the Applicants called for the purpose of considering and voting in respect of a Plan;
- (v) "**Monitor's Website**" means the webpages operated by the Monitor for the purpose of these CCAA Proceedings, which can be found at <http://insolvency.richter.ca/A/Aralez-Pharmaceuticals>;
- (w) "**Notice Letter**" means the document substantially in the form attached hereto as Schedule "B" regarding notification of the Claims Bar Date and how to submit a Proof of Claim;
- (x) "**Officers**" means all current and former officers (or their estates) of the Applicants, in such capacity, and "**Officer**" means any one of them;
- (y) "**Person**" means any individual, partnership, limited partnership, joint venture, trust, corporation, unincorporated organization, government or agency or instrumentality thereof, or any other corporate, executive, legislative, judicial, regulatory or administrative entity howsoever designated or constituted, including, without limitation, any present or former shareholder, supplier, customer, employee, agent, client, contractor, lender, lessor, landlord, sublandlord, tenant, sub-tenant, licensor, licensee, partner or advisor;

- (z) "**Plan**" means a plan of compromise or arrangement or plan of reorganization filed by or in respect of the Applicants;
- (aa) "**Pre-filing Claim**" means any right or claim of any Person against any of the Applicants, whether or not asserted, in connection with any indebtedness, liability or obligation of any kind of any of the Applicants in existence on the Filing Date, whether or not such right or claim is reduced to judgement, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, perfected, unperfected, present, future, known, unknown, by guarantee, by surety or otherwise, and whether or not such right is executory or anticipatory in nature, including any Assessment and any right or ability of any Person to advance a claim for contribution or indemnity or otherwise with respect to any matter, action, cause or chose in action, whether existing at present or commenced in the future, which indebtedness, liability or obligation is based in whole or in part on facts that existed prior to the Filing Date and any other claims that would have been claims provable in bankruptcy had such Applicants become bankrupt on the Filing Date, including for greater certainty any Equity Claim; any costs, damages, or other obligations arising from litigation or legal proceedings; any unpaid employee wages or salaries; any inter-company debts or obligations owing to affiliated entities; and any claim against the Applicants for indemnification by any Director or Officer in respect of a D&O Claim (but excluding any such claim for indemnification that is covered by the Directors' Charge (as defined in the Initial Order)), in each case, where such monies remain unpaid as of the date hereof (each, a "**Pre-filing Claim**" and collectively, the "**Pre-filing Claims**");
- (bb) "**Proof of Claim**" means a Proof of Claim form in substantially the form attached hereto as Schedule "C";
- (cc) "**Restructuring Claim**" means any existing or future right or claim by any Person against any of the Applicants in connection with any indebtedness, liability or obligation of any kind whatsoever owed by the Applicants to such Person arising out of the restructuring, disclaimer, resiliation, termination or breach by the Applicants on or after the Filing Date of any contract, lease or other agreement or arrangement

whether written or oral (each, a "**Restructuring Claim**", and collectively, the "**Restructuring Claims**"); and

(dd) "**Restructuring Claims Bar Date**" means, with respect to a Restructuring Claim, the later of (i) 5:00 p.m. in Toronto, Ontario, on the Claims Bar Date for Pre-filing Claims and D&O Claims (which, for greater certainty, is November 29, 2018) and (ii) the date that is 10 Business Days after the Monitor sends a Claims Package with respect to a Restructuring Claim in accordance with the Claims Procedure Order.

INTERPRETATION

3. **THIS COURT ORDERS** that all references to time herein shall be measured in the Eastern Time Zone, specifically the City of Toronto, Ontario, and any reference to an event occurring on a Business Day shall mean prior to 5:00 p.m. on such Business Day unless otherwise indicated herein.

4. **THIS COURT ORDERS** that all references to the word "including" shall mean "including without limitation".

5. **THIS COURT ORDERS** that all references to the singular herein include the plural, the plural include the singular and any gender includes the other gender(s).

GENERAL

6. **THIS COURT ORDERS** that the Claims Procedure and the forms attached as schedules to the Claims Procedure Order are hereby approved and, if applicable, arrangements shall be made for French language translations of such forms. Notwithstanding the foregoing, the Monitor may, from time to time, make non-substantive changes to the forms as the Monitor, in its sole discretion, may consider necessary or desirable.

7. **THIS COURT ORDERS** that, notwithstanding anything else in this Claims Procedure Order, Persons asserting a Claim in respect of the Deerfield Facility Agreement are not required to file a Proof of Claim, pending further order of the Court.

8. **THIS COURT ORDERS** that the Applicants and the Monitor are hereby authorized to (a) use reasonable discretion as to the adequacy of compliance with respect to the manner in which forms delivered hereunder are completed and executed, and may waive strict compliance with the requirements of the Claims Procedure Order as to completion, execution and submission of such forms; and (b) request any such further documentation from a Claimant that the Applicants or Monitor may reasonably require in order to enable them to determine the validity and amount of a Claim; provided, however, that neither the Monitor nor the Applicants shall have any discretion to accept any Claim submitted subsequent to the Claims Bar Date.

9. **THIS COURT ORDERS** that all Claims shall be denominated in Canadian dollars. Any Claims denominated in a foreign currency shall be converted to Canadian dollars at the Bank of Canada daily average exchange rate on the Filing Date.

10. **THIS COURT ORDERS** that amounts claimed in Assessments whether issued before or after the Filing Date shall be subject to this Claims Procedure Order and there shall be no presumption of validity or deeming of the amount due in respect of amounts claimed in any Assessment.

11. **THIS COURT ORDERS** that copies of all forms delivered hereunder, as applicable, shall be provided to and maintained by the Monitor.

ROLE OF THE MONITOR

12. **THIS COURT ORDERS** that the Monitor, in addition to its prescribed rights, duties, responsibilities and obligations under the CCAA and under the Initial Order, shall assist the Applicants in the administration of the Claims Procedure provided for herein and is hereby directed and empowered to take such other actions and fulfill such other roles as are contemplated by this Claims Procedure Order.

13. **THIS COURT ORDERS** that the Monitor shall (a) have all protections afforded to it by the CCAA, this Claims Procedure Order, the Initial Order, any other Orders of the Court in these proceedings and other applicable law in connection with its activities in respect of this Claims Procedure Order, including the stay of proceedings in its favour provided

pursuant to the Initial Order; and (b) incur no liability or obligation as a result of carrying out the provisions of this Claims Procedure Order, other than in respect of gross negligence or wilful misconduct.

14. **THIS COURT ORDERS** that the Applicants, the Officers, the Directors and their respective employees, agents and representatives and any other Person given notice of this Claims Procedure Order shall fully cooperate with the Monitor in the exercise of its powers and the discharge of its duties and obligations under this Claims Procedure Order.

CLAIMS PROCEDURE

Notice to Claimants

15. **THIS COURT ORDERS** that:

- (a) the Monitor shall cause to be published, for at least one Business Day, on or before October 17, 2018, the Notice Letter in The Globe and Mail (National Edition);
- (b) the Monitor shall post a copy of this Claims Procedure Order, the Applicants' Motion Record in respect of this Claims Procedure Order and the Claims Package on the Monitor's Website as soon as practicable and no later than 5:00 pm on the first Business Day following the date of this Order;
- (c) the Monitor shall, within three Business Days of the date of this Order, send a Claims Package to each Known Creditor by regular prepaid mail, facsimile or email to the address of such Known Creditor as set out in the books and records of the Applicants and to any Claimant or D&O Claimant who requests these documents; and
- (d) with respect to Restructuring Claims arising from the restructuring, disclaimer, resiliation, termination or breach of any lease, contract, or other agreement or obligation, on or after the date of this Claims Procedure Order, the Monitor shall send to the counterparty(ies) to such lease, contract or other agreement or obligation a Claims Package no later than five Business Days following the date of the restructuring, disclaimer, resiliation, termination or breach of any lease, contract, or other agreement or obligation.

16. **THIS COURT ORDERS** that upon request by a Claimant for a Claims Package or documents or information relating to the Claims Procedure prior to the Claims Bar Date, as applicable, the Monitor shall forthwith send a Claims Package, direct such Person to the documents posted on the Monitor's Website, or otherwise respond to the request for information or documents as the Monitor considers appropriate in the circumstances.

Deadline for Submitting a Claim or a D&O Claim

17. **THIS COURT ORDERS** that any Person that wishes to assert a Pre-filing Claim or a D&O Claim must submit a Proof of Claim evidencing such claim, accompanied with all relevant supporting documentation in respect of such Claim, and deliver that Proof of Claim to the Monitor via means permitted by this Order, so that it is actually received by the Monitor by no later than the Claims Bar Date.

18. **THIS COURT ORDERS** that any Person that wishes to assert a Restructuring Claim must submit a Proof of Claim evidencing such claim, accompanied with all relevant supporting documentation in respect of such Claim, and deliver that Proof of Claim to the Monitor via means permitted by this Order, so that it is actually received by the Monitor by no later than the Restructuring Claims Bar Date.

19. **THIS COURT ORDERS** that any Person that does not file a Proof of Claim with respect to a Claim, other than a D&O Claim, in the manner required by this Claims Procedure Order such that it is actually received by the Monitor on or before the Claims Bar Date or such other date as may be ordered by the Court, as applicable:

- (a) shall not be entitled to attend or vote at a Meeting in respect of such Claim;
- (b) shall not be entitled to receive any distribution in respect of such Claim pursuant to a Plan or otherwise;
- (c) shall not be entitled to any further notice in the CCAA Proceedings (unless it has otherwise sought to be included on the service list); and

(d) shall be and is hereby forever barred from making or enforcing such Claim against the Applicants, or the Directors or Officers or any of them, and such Claim shall be and is hereby extinguished without any further act or notification.

For greater certainty, this paragraph shall not apply to Excluded Claims and the rights of any Person (including the Applicants) with respect to Excluded Claims are expressly reserved.

20. **THIS COURT ORDERS** that any Person who does not file a Proof of Claim with respect to a D&O Claim in accordance with this Order by the Claims Bar Date shall be forever barred from asserting or enforcing such D&O Claim against the Directors and Officers and the Directors and Officers shall not have any liability whatsoever in respect of such D&O Claim and such D&O Claim shall be extinguished without any further act or notification.

TRANSFER OF CLAIMS

21. **THIS COURT ORDERS** that if, after the Filing Date, the holder of a Claim transfers or assigns the whole of such Claim to another Person, neither the Monitor nor the Applicants shall be obligated to give notice or otherwise deal with the transferee or assignee of such Claim in respect thereof unless and until actual notice of transfer or assignment, together with satisfactory evidence of such transfer or assignment, shall have been received and acknowledged by the relevant Applicant and the Monitor in writing and thereafter such transferee or assignee shall for the purposes hereof constitute the "Claimant" or "D&O Claimant" in respect of such Claim. Any such transferee or assignee of a Claim shall be bound by any notices given or steps taken in respect of such Claim in accordance with this Claims Procedure Order prior to receipt and acknowledgment by the Applicants and the Monitor of satisfactory evidence of such transfer or assignment. A transferee or assignee of a Claim takes the Claim subject to any right of set-off to which the Applicants may be entitled with respect to such Claim. For greater certainty, a transferee or assignee of a Claim is not entitled to set off, apply, merge, consolidate or combine any Claims assigned or transferred to it against or on account or in reduction of any amounts owing by such Person to any of the Applicants.

22. **THIS COURT ORDERS** that if a Claimant or D&O Claimant or any subsequent holder of a Claim, who in any such case has previously been acknowledged by the Applicants and the Monitor as the holder of the Claim, transfers or assigns the whole of such Claim to more than one Person or part of such Claim to another Person, such transfers or assignments shall not create separate Claims and such Claims shall continue to constitute and be dealt with as a single Claim notwithstanding such transfers or assignments. The Monitor shall not, in each case, be required to recognize or acknowledge any such transfers or assignments and shall be entitled to give notices to and to otherwise deal with such Claim only as a whole and then only to and with the Person last holding such Claim, provided such Claimant or D&O Claimant may, by notice in writing delivered to the Monitor, direct that subsequent dealings in respect of such Claim, but only as a whole, shall be dealt with by a specified Person and in such event, such Person shall be bound by any notices given or steps taken in respect of such Claim with such Claimant or D&O Claimant in accordance with the provisions of this Order.

23. **THIS COURT ORDERS** that the Applicants and the Monitor are not under any obligation to give any notice hereunder to any Person holding a security interest, lien or charge in, or a pledge or assignment by way of security in, a Claim.

SERVICE AND NOTICES

24. **THIS COURT ORDERS** that the Applicants and the Monitor may, unless otherwise specified by this Claims Procedure Order, serve and deliver or cause to be served and delivered any letters, notices or other documents to Claimants, D&O Claimants or any other interested Person by forwarding copies by ordinary mail, courier, personal delivery, facsimile or email to such Persons or their counsel (including counsel of record in any ongoing litigation) at the physical or electronic address, as applicable, last shown on the books and records of the Applicants or set out in such Claimant's Proof of Claim or D&O Claimant's Proof of Claim.

25. **THIS COURT ORDERS** that any notice or communication required to be provided or delivered by a Claimant or D&O Claimant to the Monitor under this Claims Procedure Order shall be delivered in writing in substantially the form, if any, provided for in this

Claims Procedure Order, shall be deemed to be received on the date that the Monitor actually receives such notice or communication, and will be sufficiently given only if delivered by prepaid ordinary mail, registered mail, courier, personal delivery, facsimile or email addressed to:

Richter Advisory Group Inc., Court Appointed CCAA Monitor
of the Aralez Pharmaceuticals Inc. and Aralez Pharmaceuticals
Canada Inc.

Attention: Aralez CCAA Claims
181 Bay Street, 33rd Floor
Bay Wellington Tower
Toronto, ON M5J 2T3

Email: aralez@richter.ca
Phone: 1-877-676-4390
Fax: 1-877-676-4383

26. **THIS COURT ORDERS** that service and delivery by the Monitor or the Applicants of notices or communications contemplated in this Order shall be deemed to have been received: (a) if sent by ordinary mail, on the third Business Day after mailing within Canada, and the fifth Business Day after mailing internationally; (b) if sent by courier or personal delivery, on the next Business Day following dispatch; and (c) if delivered by facsimile or email by 5:00 p.m. on a Business Day, on such Business Day, or if delivered after 5:00 p.m. or on a day other than on a Business Day, on the following Business Day.

27. **THIS COURT ORDERS** that if during any period during which notices or other communications are being given pursuant to this Claims Procedure Order, a postal strike or postal work stoppage of general application should occur, such notices, notifications or other communications sent by ordinary mail and then not received shall not, absent further Order of this Court, be effective and notices and other communications given hereunder during the course of any such postal strike or work stoppage of general application shall only be effective if given by courier, personal delivery, facsimile or email in accordance with this Claims Procedure Order.

28. **THIS COURT ORDERS** that in the event that this Claims Procedure Order is amended by further Order of the Court, the Monitor shall post such further Order on the

Monitor's Website and such posting shall constitute adequate notice to all Persons of such amended claims procedure.

29. **THIS COURT ORDERS** that the forms of notice to be provided in accordance with this Claims Procedure Order shall constitute good and sufficient service and delivery of notice of this Claims Procedure Order, the Claims Bar Date on all Persons who may be entitled to receive notice and who may assert a Claim and no other notice or service need be given or made and no other documents or material need be sent to or served upon any Person in respect of this Claims Procedure Order.

DETERMINATION OF CLAIMS AND RESTRUCTURING CLAIMS

30. **THIS COURT ORDERS** that the applicable procedures for reviewing and determining Claims shall be established by further Order of the Court. Notice of such procedures shall be provided to the service list in this CCAA proceeding and any Person who has filed a Proof of Claim against the Applicants in accordance with the Claims Procedure.

MISCELLANEOUS

31. **THIS COURT ORDERS** that notwithstanding any other provisions of this Claim Procedure Order, the solicitation by the Monitor or the Applicants of Claims and the filing by any Claimant or D&O Claimant of any Claims shall not, for that reason only, grant any Person any standing in these proceedings.

32. **THIS COURT ORDERS** that, notwithstanding the terms of this Claims Procedure Order, the Applicants or the Monitor may from time to time apply to this Court to amend, vary, supplement or replace this Claims Procedure Order or for advice and directions concerning the discharge of their respective powers and duties under this Claims Procedure Order or the interpretation or application of this Claims Procedure Order.

33. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States, to give effect to this Order and to assist the Applicants, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative

bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicants and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicants and the Monitor and their respective agents in carrying out the terms of this Order.

A handwritten signature in black ink, appearing to be 'A. D. G.', written over a horizontal line. The signature is stylized and cursive.

ENTERED AT / INSCRIT À TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO:

OCT 11 2018

PER / PAR:

A handwritten signature in blue ink, appearing to be 'M. H.', written in a cursive style.

SCHEDULE "A"

**IN THE MATTER OF THE PLAN OF COMPROMISE AND ARRANGEMENT OF
ARALEZ PHARMACEUTICALS INC. AND
ARALEZ PHARMACEUTICALS CANADA INC.**

***THIS INFORMATION SHEET IS SUPPLIED IN ORDER TO ASSIST YOU
IN COMPLETING THE PROOF OF CLAIM***

PARAGRAPH 1 OF THE PROOF OF CLAIM AND GENERAL COMMENTS

- The Claimant must state the full and complete legal name of the Claimant.
- The Claimant must give the complete address (including the postal code) where all notices and correspondence are to be forwarded. In addition, the Claimant and/or the authorized representative must indicate their telephone number, their facsimile and their e-mail address.
- The Claimant must advise as to whether or not the claim was acquired by assignment and, if so, provide full particulars/support evidencing assignment and provide the full legal name of the original creditor(s).

PARAGRAPH 2 OF THE PROOF OF CLAIM

- If the individual completing the Proof of Claim is not themselves the Claimant, they must state their position or title.

PARAGRAPHS 3, 4 AND 5 OF THE PROOF OF CLAIM

- A detailed, complete statement of account must be attached to the Proof of Claim. Provide all particulars of the Claim and supporting documents, including the amount and description of transaction(s) or agreements(s) giving rise to the Claim. The amount on the statement of account must correspond with the amount claimed on the Proof of Claim. The detailed statement of account must show the date, the invoice number and the amount of all invoices or charges, together with the date, the number and the amount of all credits or payments. A statement of account is not complete if it begins with an amount brought forward. If the Claim cannot be evidenced through a statement of account, the Claimant must provide a sworn affidavit providing all particulars of the Claim, together with all supporting documents.
- With respect to priority claims under section 136 of the *Bankruptcy and Insolvency Act* (Canada), please attach a detailed explanation supporting any priority claim.
- With respect to secured claims, please provide a detailed, complete statement of any particulars of the security, including the date on which the security was given and the value at which you assess the security and attach a copy of the security documents.
- If the Claim is in a foreign currency, it shall be converted to Canadian dollars at the Bank of Canada daily average exchange rate for August 10, 2018: CDN\$1.3113/USD\$1.00.

PARAGRAPH 6 OF THE PROOF OF CLAIM

- The Proof of Claim must be received by the Monitor before 5:00 p.m. in Toronto, Ontario, on the Claims Bar Date. For Pre-filing Claims and all D&O Claims, the Claims Bar Date is November 29, 2018. For Restructuring Claims, the Claims Bar Date

is the Restructuring Claims Bar Date, that being the later of (i) 5:00 p.m. in Toronto, Ontario, on the Claims Bar Date for Pre-filing Claims and D&O Claims (which is November 29, 2018) and (ii) the date that is 10 Business Days after the Monitor sends a Claims Package with respect to a Restructuring Claim in accordance with the Claims Procedure Order.

- Completed forms must be delivered to the Monitor by ordinary prepaid mail, registered mail, courier, personal delivery or email to the address below:

Richter Advisory Group Inc., Court Appointed CCAA Monitor
of the Aralez Pharmaceuticals Inc. and Aralez Pharmaceuticals
Canada Inc.

Attention: Aralez CCAA Claims
181 Bay Street, 33rd Floor
Bay Wellington Tower
Toronto, ON M5J 2T3

Email: aralez@richter.ca
Phone: 1-877-676-4390
Fax: 1-877-676-4383

- Claimants are responsible for proving receipt of documents by the Monitor.

PARAGRAPH 7 OF THE PROOF OF CLAIM

- The Proof of Claim must be signed by the Claimant or its duly authorized representative and must also be signed by a witness.

SCHEDULE "B"

NOTICE TO CLAIMANTS FOR THE CLAIMS PROCEDURE OF:

**Aralez Pharmaceuticals Inc. and
Aralez Pharmaceuticals Canada Inc.
(the "Applicants") and/or
its former and current Directors or Officers (the "Directors")**

RE: NOTICE OF CLAIMS PROCEDURE, CLAIMS BAR DATE and RESTRUCTURING CLAIMS BAR DATE

NOTICE IS HEREBY GIVEN that this notice is being published pursuant to an order of the Ontario Superior Court of Justice (Commercial List) made October 10, 2018 (the "**Claims Procedure Order**"). All capitalized terms herein shall have the meanings given to them in the Claims Procedure Order. The Court has authorized the Court-appointed Monitor of the Applicants, Richter Advisory Group Inc. (the "**Monitor**"), to assist the Applicants in conducting a claims procedure (the "**Claims Procedure**") with respect to claims against the Applicants and the Directors in accordance with the terms of the Claims Procedure Order.

PLEASE TAKE NOTICE that the claims procedure applies only to the Claims described in the Claims Procedure Order. Reference should be made to the Claims Procedure Order for the complete definition of "**Pre-filing Claim**", "**D&O Claim**" and "**Restructuring Claim**". The Claims Procedure Order and related materials and forms may be accessed from the Monitor's website at <http://insolvency.richter.ca/A/Aralez-Pharmaceuticals>.

If you believe that you have a Claim against the Applicants or the D&O of the Applicants, you must file a Proof of Claim with the Monitor by completing the Proof of Claim form, a copy of which can be obtained from the Monitor's website or by contacting 1-877-676-4390 (phone), 1-877-676-4383 (fax) or aralez@richter.ca. All Claimants must submit their Claim to the Monitor (at the address noted below) by the Claims Bar Date, as defined below.

THE CLAIMS BAR DATE with respect to a Pre-filing Claim or a D&O Claim is 5:00 p.m. in Toronto, Ontario, on November 29, 2018. The Claims Bar Date with respect to a Restructuring Claim is the Restructuring Claims Bar Date.

THE RESTRUCTURING CLAIMS BAR DATE is the later of (i) 5:00 p.m. in Toronto, Ontario, on November 29, 2018 and (ii) the date that is 10 Business Days after the Monitor sends a Claims Package with respect to a Restructuring Claim in accordance with the Claims Procedure Order.

PROOFS OF CLAIM MUST BE COMPLETED AND RECEIVED BY THE MONITOR BY THE CLAIMS BAR DATE OR THE CLAIM WILL BE FOREVER BARRED AND EXTINGUISHED.

HOLDERS OF CLAIMS who do not file a Proof of Claim with respect to a Claim by the Claims Bar Date will not be entitled to vote at any Meeting regarding a Plan or participate in any distribution under a Plan or otherwise in respect of such Claims.

The Monitor can be contacted at the following address to request relevant documents or for any other notices or enquiries with respect to the Claims Procedure:

Richter Advisory Group Inc., Court Appointed CCAA Monitor
of the Aralez Pharmaceuticals Inc. and Aralez Pharmaceuticals
Canada Inc.

Attention: Aralez CCAA Claims
181 Bay Street, 33rd Floor
Bay Wellington Tower
Toronto, ON M5J 2T3

Email: aralez@richter.ca

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DATED at Toronto, Ontario this 10th day of October, 2018.

SCHEDULE "C"

Court File No. CV-18-603054-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGMENT OF
ARALEZ PHARMACEUTICALS INC. AND
ARALEZ PHARMACEUTICALS CANADA INC.
(the "Applicants")

PROOF OF CLAIM

Please read carefully the Claims Procedure Order and the schedules appended to the
Claims Procedure Order prior to completing this form.

1. PARTICULARS OF THE CLAIMANT:

A. Full Legal Name of Claimant _____

(the "Claimant")

B. Full Mailing Address of the
Claimant _____

C. Telephone Number _____

D. Email Address _____

E. Fax Number _____

F. Name of the Authorized
Representative of the
Claimant _____

G. Email address of the
Authorized Representative _____

H. Have you acquired this claim by assignment? Yes: No:

If yes, please attach documents evidencing assignment and provide the full legal name of the original creditor(s):

2. DECLARATION:

I, _____
(name of Claimant or Authorized Representative of the Claimant)

am the Claimant of Aralez Pharmaceuticals Inc. and/or Aralez Pharmaceuticals Canada Inc.;

have a claim against one or more Directors/Officers:

(please specify the individual Directors/Officers)

am _____ of _____
(indicate the title or function)

(name of Claimant)

which is a Claimant of Aralez Pharmaceuticals Inc. and/or Aralez Pharmaceuticals Canada Inc.;

have knowledge of all the circumstances connected with the Claim described herein.

3. PROOF OF CLAIM:

The Applicant(s) and/or the Directors/Officers of the Applicants were and still are indebted to the Claimant as follows:

(A restructuring claim against the Applicants means any existing or future right or claim by any Person against any of the Applicants in connection with any indebtedness, liability or obligation of any kind whatsoever owed by the Applicants to such Person arising out of the restructuring, disclaimer, resiliation, termination or breach by the Applicants on or after the Filing Date (namely August 10, 2018) of any contract, lease or other agreement or arrangement whether written or oral.)

(Claims in a foreign currency are to be converted to Canadian Dollars at the Bank of Canada daily average exchange rate for August 10, 2018: CDN\$1.3113/USD\$1.00.)

i. PRE-FILING CLAIM AGAINST THE APPLICANTS

- a. ARALEZ PHARMACEUTICALS INC. CA \$ _____
- b. ARALEZ PHARMACEUTICALS CANADA INC. CA \$ _____

ii. RESTRUCTURING CLAIM AGAINST THE APPLICANTS:

- a. ARALEZ PHARMACEUTICALS INC. CA \$ _____
- b. ARALEZ PHARMACEUTICALS CANADA INC. CA \$ _____

iii. DIRECTOR/OFFICER CLAIM AGAINST THE DIRECTORS/OFFICERS OF THE APPLICANTS:

- a. ARALEZ PHARMACEUTICALS INC. CA \$ _____
- b. ARALEZ PHARMACEUTICALS CANADA INC. CA \$ _____

iv. TOTAL CLAIM (sum of (i), (ii) and (iii)):

- a. ARALEZ PHARMACEUTICALS INC. CA \$ _____
- b. ARALEZ PHARMACEUTICALS CANADA INC. CA \$ _____

4. NATURE OF CLAIM:

Applicant (circle as applicable):

Aralez Pharmaceuticals Inc. / Aralez Pharmaceuticals Canada Inc.

(a) **UNSECURED CLAIM** in the amount of CA\$ _____ / _____.
In respect of this debt, I do not hold any security and:

(i) Regarding the amount of CA\$ _____ / _____, I do not claim a right to priority.

(ii) Regarding the amount of CA\$ _____ / _____, I claim a right to a priority under section 136 of the *Bankruptcy and Insolvency Act* (Canada) (the "BIA") or would claim such a priority if this Proof of Claim were being filed in accordance with the BIA.

Please attach a detailed explanation supporting any priority claim.

(b) **SECURED CLAIM** in the amount of CA\$ _____ / _____.
In respect of this debt, I hold security valued at CA\$ _____ / _____, particulars of which are attached to this Proof of Claim form.

Please provide a detailed, complete statement of any particulars of the security, including the date on which the security was given and the value at which you assess the security and attach a copy of the security documents.

5. PARTICULARS OF CLAIM

The particulars of the undersigned's total Claim (including Pre-filing Claims, Restructuring Claims and D&O Claims) are attached.

(Provide full particulars of the Claim and supporting documentation, including amount, description of transaction(s) or agreement(s) giving rise to the Claim, name of any guarantor(s) which has guaranteed the Claim, particulars and copies of any security and amount of Claim allocated thereto, date and number of all invoices, particulars of all credits, discounts, etc. claimed. If a Claim cannot be evidenced through a statement of account, the Claimant must provide a sworn affidavit attesting to the particulars of the Claim, together with all supporting documents. If a claim is made against any Directors or Officers, specify the applicable Directors or Officers and the legal basis for the Claim against them.)

6. FILING OF CLAIM

This Proof of Claim must be received by the Monitor on or before the Claims Bar Date. With respect to Pre-filing Claims and D&O Claims, the Claims Bar Date means 5:00 p.m. in Toronto, Ontario, on November 29, 2018. With respect to Restructuring Claims, the Claims Bar Date means the later of (i) 5:00 p.m. in Toronto, Ontario, on November 29, 2018 and (ii) the date that is 10 Business Days after the Monitor sends a Claims Package with respect to a Restructuring Claim in accordance with the Claims Procedure Order.

Failure to file your Proof of Claim as directed by the Claims Bar Date will result in your Claim being extinguished and barred and in you being prevented from making or enforcing a Claim against the Applicants or Director/Officer, as applicable.

All future correspondence will be directed to the email designated in the contact details unless you specifically request that hardcopies be provided.

I require hardcopy correspondence.

DATED at _____ this ____ day of _____, 201__.

(Signature of Witness)

(Signature of Claimant or its authorized representative)

(Please print name)

(Please print name)

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

Court File No: CV-18-603054-00CL

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OF ARALEZ PHARMACEUTICALS INC. AND
ARALEZ PHARMACEUTICALS CANADA INC.

**ONTARIO
SUPERIOR COURT OF JUSTICE**

Proceeding commenced at Toronto

CLAIMS PROCEDURE ORDER

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