

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 (___)
)	
Debtors.	)	(Joint Administration Requested)
)	

**DEBTORS’ MOTION SEEKING ENTRY OF INTERIM AND FINAL
ORDERS (I) AUTHORIZING THE PAYMENT OF CERTAIN PREPETITION
AND POSTPETITION TAXES AND FEES AND (II) GRANTING RELATED RELIEF**

The above-captioned debtors and debtors in possession (collectively, the “Debtors”) respectfully state as follows in support of this motion:²

Relief Requested

1. The Debtors seek entry of interim and final orders, substantially in the forms attached hereto as **Exhibit A** and **Exhibit B** (respectively, the “Interim Order” and “Final Order”): (a) authorizing, but not directing, the Debtors to pay, as necessary to avoid interruption in their business, certain accrued and outstanding prepetition obligations accrued in the ordinary course of business on account of the Taxes and Fees (as defined herein); (b) authorizing, but not directing,

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 A detailed description of the Debtors and their business, and the facts and circumstances supporting the Debtors’ chapter 11 cases, are set forth in greater detail in the *Declaration of Duane Portwood in Support of Chapter 11 Petitions and First Day Motions* (the “First Day Declaration”), filed contemporaneously with the Debtors’ voluntary petitions for relief filed under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”), on May 20, 2020 (the “Petition Date”) and incorporated by reference herein. Capitalized terms used but not otherwise defined in this motion shall have the meanings ascribed to them in the First Day Declaration.



the Debtors to continue paying the Taxes and Fees accrued in the ordinary course of business on a postpetition basis; and (c) granting related relief. In addition, the Debtors request that the Court schedule a final hearing within approximately 25 days of the Petition Date to consider entry of the Final Order. Such relief will be without prejudice to the Debtors' rights to contest the amounts of any Taxes and Fees on any grounds they deem appropriate.

Jurisdiction and Venue

2. 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.

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

4. The statutory bases for the relief requested herein are sections 105(a), 363(b), 507(a)(8), and 541 of the Bankruptcy Code, Bankruptcy Rules 6003 and 6004, and Local Rule 9013-1(m).

Background

5. 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.

6. 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. Concurrently with the filing of this motion, the Debtors have requested procedural consolidation and joint administration of these chapter 11 cases pursuant to Bankruptcy Rule 1015(b). No party has requested the appointment of a trustee or examiner in these chapter 11 cases, and no committees have been appointed or designated.

The Debtors' Tax and Fee Obligations

I. Overview of the Debtors' Tax and Fee Obligations.

7. In the ordinary course of business, the Debtors collect, incur, and pay sales taxes, use taxes, annual report and licensing fees, property taxes, franchise taxes and fees, income taxes,

and various other governmental taxes, fees, and assessments (collectively, the “Taxes and Fees”).³ The Debtors remit the Taxes and Fees to various federal, state, and local governments (collectively, the “Authorities”). A schedule identifying the Authorities is attached hereto as Exhibit C.⁴ Taxes and Fees are remitted and paid by the Debtors through checks and electronic transfers that are processed through their banks and other financial institutions.

8. The Debtors estimate that approximately \$4,645,000 in Taxes and Fees relating to the prepetition period (including so-called “straddle” periods)⁵ are or will become due and owing to the Authorities after the Petition Date in the ordinary course or in connection with audits or settlements after the Petition Date. The Debtors estimate that approximately \$1,918,000 in Taxes and Fees relating to the prepetition period are or will become due and owing to the Authorities within 25 days after the Petition Date.

9. The following table contains descriptions of the Taxes and Fees, as well as the Debtors’ estimate of the amounts of the Taxes and Fees accrued as of the Petition Date:

³ By this motion, the Debtors do not seek the authority to collect and remit state and federal employee-related withholding taxes. Such relief is instead requested in the *Debtors’ Motion Seeking Entry of Interim and Final Orders (I) Authorizing, But Not Directing, the Debtors to (A) Pay Prepetition Employee Wages, Salaries, Other Compensation, and Reimbursable Employee Expenses and (B) Continue Employee Benefits Programs and (II) Granting Related Relief*, filed contemporaneously herewith.

⁴ Although Exhibit C is intended to be comprehensive, the Debtors may have inadvertently omitted one or more Authorities. By this motion, the Debtors request relief applicable to all Authorities, regardless of whether such Authority is specifically identified on Exhibit C.

⁵ Claims for so-called “straddle” Taxes and Fees may be entitled to administrative claim treatment pursuant to section 503(b)(1)(B) of the Bankruptcy Code. A recent Delaware bankruptcy court decision held that the portion of a “straddle” tax claim that is attributable to the prepetition portion of a “straddle” period is not entitled to administrative priority and, in fact, is not entitled to priority under section 507(a)(8)(A) of the Bankruptcy Code. Because the Debtors could be subject to late payment penalties and interest in the event they do not pay such “straddle” Taxes and Fees and a court ultimately concludes that such taxes are entitled to administrative treatment, the Debtors are seeking the authority to pay such “straddle” Taxes and Fees as they become due under applicable law. The Debtors reserve their rights with respect to the proper characterization of such “straddle” Taxes and Fees and to seek reimbursement of any portion of a payment that was made that ultimately is not entitled to administrative or priority treatment.

Category	Description	Approximate Amount Accrued as of Petition Date	Approximate Amount Due During Interim Period
Sales and Use Taxes	The Debtors collect and remit sales, use, and related taxes to the Authorities in various states in connection with the sale of their products or services at store locations in those states, or through shipment of products purchased through the Debtors' e-commerce website. Generally, the Debtors collect and remit sales and use taxes to the relevant Authorities on a monthly or quarterly basis, depending on sales volume and the applicable jurisdiction.	\$827,000	\$580,000
Annual Reporting and Other Fees ⁶	The Debtors incur and remit annual reporting and other licensing fees in certain states in connection with chartering or operating in those states.	\$385,000	\$271,000
Property Taxes ⁷	The Debtors remit property taxes directly to Authorities relating to property that the Debtors use in the operation of their business.	\$691,000	\$315,000
Franchise Taxes and Fees ⁸	The Debtors remit certain taxes, fees, permitting charges, and related fees required to conduct business in the ordinary course pursuant to state and local laws. Most jurisdictions assess franchise taxes on an annual basis, in arrears.	\$798,000	\$41,000
Branded Prescription Drug Fee	The Debtors incur an annual fee pursuant to the Patient Protection and Affordable Care Act, which requires pharmaceutical manufacturers to pay the IRS a fee on October 1st each year in an amount based on branded prescription drug sales.	\$337,000	\$0
FDA Fees	The Debtors incur annual fees pursuant to the Prescription Drug User Fee Act, which requires the Debtors to pay certain fees to the United States Food and Drug Administration (the "FDA").	\$0	\$0
DHS Fees	The Debtors incur fees payable to the Department of Homeland Security for the renewal and / or sponsorship of visas for certain of their employees.	\$40,000	\$40,000

⁶ Other fees in this category include commercial activities tax, intellectual property fees, licensing fees, excise taxes, and fees paid to foreign regulatory agencies.

⁷ Amounts included in Annual Reporting and Other Fees include personal property tax in addition to real estate taxes.

⁸ Amounts included in Franchise Taxes & Fees include amounts on account of income taxes.

Category	Description	Approximate Amount Accrued as of Petition Date	Approximate Amount Due During Interim Period
Opioid Fees	The Debtors incur various opioid-related fees, including an Opioid Registration Fee, payable to various state agencies.	\$1,292,000	\$671,000
Audits	The Debtors are currently subject to ongoing audit investigations, which may result in the imposition of additional prepetition Taxes and Fees being assessed against the Debtors, including interest on late payment of Taxes.	\$275,000	\$0
Total		\$4,645,000	\$1,918,000

10. The Debtors believe that failing to pay the Taxes and Fees could materially disrupt the Debtors' business operations in several ways. *First*, the Authorities could initiate audits, suspend operations, file liens, or seek to lift the automatic stay, which would unnecessarily divert the Debtors' attention from the restructuring process. *Second*, failing to pay certain kinds of Taxes and Fees could subject certain of the Debtors' directors and officers to claims of personal liability, which likely would distract those key employees from their duties related to the Debtors' restructuring. *Third*, failing to pay certain of the Taxes and Fees, particularly franchise taxes, likely would cause the Debtors to lose their ability to conduct business in certain jurisdictions. *Fourth*, unpaid Taxes and Fees may result in penalties, the accrual of interest, or both, either of which could negatively impact the Debtors' business and creditor recoveries. *Finally*, failing to pay certain of the Taxes and Fees may impact the Debtors' existing licenses and their ability to renew them, and could jeopardize the Debtors' ability to produce, market, and sell their pharmaceutical products within the United States and to operate in certain jurisdictions.

11. In addition, the Debtors collect and hold certain outstanding tax liabilities in trust for the benefit of the applicable Authorities, and these funds may not constitute property of the Debtors' estates.

II. Audits.

12. The Debtors are currently subject to ongoing audit investigations and may be subject to further investigations on account of tax returns and/or obligations in prior years (collectively, the “Audits”). The Audits may result in additional prepetition Taxes and Fees being assessed against the Debtors during the pendency of these chapter 11 cases. As of the Petition Date, the Debtors believe they owe approximately \$275,000 on account of the Audits, and additional amounts may arise on account of further investigations, none of which will become due and owing during the first 25 days following the Petition Date. This figure includes: (a) investigations by the Authorities with respect to the above categories, which may result in the imposition of additional prepetition Taxes and Fees assessed against the Debtors, including interest on late payment of Taxes (such additional Taxes and Fees, the “Assessments”); (b) Assessments that may already have been made but are being contested in appropriate judicial or administrative proceedings; and (c) amounts that may need to be posted as collateral in order to contest asserted Assessment amounts. Out of an abundance of caution, the Debtors seek authority, but not direction, to pay or remit tax obligations on account of the Audits as they arise in the ordinary course of the Debtors’ business. Nothing in the above table, this motion, or any related order constitutes or should be construed as an admission of liability by the Debtors with respect to any Audit or Assessment. The Debtors expressly reserve all rights with respect to any Audit. Furthermore, the Debtors reserve the right to contest any Assessment, if any, claimed to be due as a result of the Audits.

Basis for Relief**I. Certain of the Taxes and Fees Are Not Property of the Debtors’ Estates.**

13. Many of the Taxes and Fees are collected or withheld by the Debtors on behalf of the applicable Authorities and are held in trust by the Debtors. As such, these Taxes and Fees are

not property of the Debtors' estates under section 541 of the Bankruptcy Code. *See, e.g.*, 11 U.S.C. § 541(d); *Begier v. IRS*, 496 U.S. 53, 57–60 (1990) (holding that any prepetition payment of trust fund taxes is not an avoidable preference because the funds are not the debtor's property); *In re Shank*, 792 F.2d 829, 833 (9th Cir. 1986) (finding that sales tax required by state law to be collected by sellers from their customers is a "trust fund" tax and not released by a bankruptcy discharge); *DeChiaro v. New York State Tax Comm'n*, 760 F.2d 432, 435–36 (2d Cir. 1985) (same). To the extent these "trust fund" taxes are collected, they are not property of the Debtors' estates under section 541(d) of the Bankruptcy Code. *See In re Am. Int'l Airways, Inc.*, 70 B.R. 102, 104–05 (Bankr. E.D. Pa. 1987). Because the Debtors may not have an equitable interest in funds held on account of such "trust fund" taxes, the Debtors should be permitted to pay those funds to the Authorities as they become due.⁹

II. Payment of the Taxes and Fees as Provided Herein Is a Sound Exercise of the Debtors' Business Judgment.

14. The Court may authorize the Debtors to pay the Taxes and Fees under section 363(b)(1) of the Bankruptcy Code, which provides that "[t]he trustee, after notice and a hearing, may use, sell, or lease, other than in the ordinary course of business, property of the estate" 11 U.S.C. § 363(b)(1). Under this section, a court may authorize a debtor to pay certain prepetition claims. *See In re Ionosphere Clubs, Inc.*, 98 B.R. 174, 175 (Bankr. S.D.N.Y. 1989) (affirming lower court order authorizing payment of prepetition wages pursuant to section 363(b) of the Bankruptcy Code). To do so, courts require that the debtor "show that a sound business purpose justifies such actions." *In re Montgomery Ward Holding Corp.*, 242 B.R. 147, 153 (D. Del. 1999) (citations omitted); *see also In re Phoenix Steel Corp.*, 82 B.R. 334, 335–36

⁹ For the avoidance of doubt, the Debtors hereby request authority to pay the Taxes and Fees as provided herein, regardless of whether such Taxes and Fees constitute trust fund obligations.

(Bankr. D. Del. 1987). Moreover, “[w]here the debtor articulates a reasonable basis for its business decisions (as distinct from a decision made arbitrarily or capriciously), courts generally will not entertain objections to the debtor’s conduct.” *In re Johns-Manville Corp.*, 60 B.R. 612, 616 (Bankr. S.D.N.Y. 1986) (citation omitted); *see also In re Tower Air, Inc.*, 416 F.3d 229, 238 (3d Cir. 2005) (stating that “[o]vercoming the presumptions of the business judgment rule on the merits is a near-Herculean task”).

15. This standard is satisfied here. The Debtors’ ability to pay the Taxes and Fees is critical to maintaining the value of the Debtors’ estates. If certain Taxes and Fees remain unpaid, those Authorities may seek to impose such Taxes and Fees, together with penalties and interest, on the Debtors’ directors, officers, or employees, thereby diverting them from the administration of the Debtors’ chapter 11 cases.¹⁰ Any collection action on account of such penalties, and any ensuing liability, would distract the Debtors and their personnel to the detriment of all parties in interest. The dedicated and active participation of the Debtors’ officers and employees is essential to the orderly administration of these chapter 11 cases and maximizing the value of the Debtors’ estates for the benefit of their stakeholders.

16. Furthermore, the Debtors’ liability to pay the Taxes and Fees may ultimately result in increased tax liability for the Debtors if interest and penalties accrue on the tax claims. Many of the Taxes and Fees may be entitled to priority status pursuant to section 507(a)(8)(C) of the Bankruptcy Code. As priority claims, provision must be made for these obligations to be paid in full. To the extent that the Debtors are unable to timely pay the prepetition Taxes and Fees, they

¹⁰ Indeed, the applicable tax rules in certain states purpose to impose so-called “responsible person” liability even outside of the “trust tax” context (*e.g.*, for use taxes), in some cases on a strict liability basis.

may ultimately be required to pay those amounts with additional interest and penalties.¹¹ The Debtors' failure to pay the prepetition Taxes and Fees as they come due may ultimately increase the amount of priority claims held by the Authorities against the Debtors' estates to the detriment of the Debtors' general unsecured creditors. *See* 11 U.S.C. § 507(a)(8)(C), (G). Accordingly, the Court should grant the Debtors authority to pay the prepetition Taxes and Fees as provided herein.

17. Courts in this jurisdiction have authorized payment of prepetition taxes under section 363(b) of the Bankruptcy Code. *See, e.g., In re Longview Power, LLC*, No. 20-10951 (BLS) (Bankr. D. Del. May 18, 2020) (authorizing debtors to pay prepetition taxes and fees in the ordinary course of business on a final basis); *In re Bluestem Brands, Inc.*, No. 20-10566 (MFW) (Bankr. D. Del. Mar. 30, 2020) (same); *In re Art Van Furniture, LLC*, No. 20-10553 (CSS) (Bankr. D. Del. Mar. 10, 2020) (authorizing debtors to pay prepetition taxes and fees in the ordinary course of business on an interim basis); *In re Clover Techs. Grp., LLC*, No. 19-12680 (KBO) (Bankr. D. Del. Jan. 21, 2020) (authorizing debtors to pay prepetition taxes and fees in the ordinary course of business on a final basis); *In re Anna Holdings, Inc., et al.*, No. 19-12551 (CSS) (Bankr. D. Del. Dec. 3, 2019) (authorizing debtors to pay prepetition taxes and fees in the ordinary course of business on an interim basis).¹²

Processing of Checks and Electronic Fund Transfers Should Be Authorized

18. The Debtors have sufficient funds to pay the amounts described in this motion in the ordinary course of business by virtue of expected cash flows from ongoing business operations, the proposed debtor-in-possession financing, and anticipated access to cash collateral. Under the

¹¹ The Debtors reserve their rights with respect to whether any asserted penalties or interest would in fact be owed or be entitled to priority treatment.

¹² Because of the voluminous nature of the orders cited herein, such orders have not been attached to this motion. Copies of these orders are available upon request to the Debtors' proposed counsel.

Debtors' existing cash management system, the Debtors have made arrangements to readily identify checks or wire transfer requests relating to the Taxes and Fees, as applicable. Accordingly, the Debtors believe that checks or wire transfer requests that are not related to authorized payments will not be honored inadvertently. Therefore, the Debtors respectfully request that the Court authorize all applicable financial institutions, when requested by the Debtors, to receive, process, honor, and pay any and all checks or wire transfer requests in respect of the relief requested in this motion.

The Requirements of Bankruptcy Rule 6003 Are Satisfied

19. Bankruptcy Rule 6003 empowers a court to grant relief within the first 21 days after the Petition Date “to the extent that relief is necessary to avoid immediate and irreparable harm.” Fed. R. Bankr. P. 6003. For the reasons discussed above, authorizing the Debtors to pay the Taxes and Fees that accrued prior to the Petition Date and granting the other relief requested herein is integral to the Debtors' ability to transition their operations into these chapter 11 cases smoothly. Failure to receive such authorization and other relief during the first 21 days of these chapter 11 cases would severely disrupt the Debtors' operations at this critical juncture. For the reasons discussed herein, the relief requested is necessary in order for the Debtors to operate their business in the ordinary course, preserve the going concern value of the Debtors' operations, and maximize the value of their estates for the benefit of all stakeholders. Accordingly, the Debtors submit that they have satisfied the “immediate and irreparable harm” standard of Bankruptcy Rule 6003 to support granting the relief requested herein.

Reservation of Rights

20. Nothing contained in the motion or any actions taken by the Debtors pursuant to relief granted in the Interim Order and Final Order is intended or should be construed as: (a) an admission as to the validity, priority, or amount of any particular claim against a Debtor entity;

(b) a waiver of the Debtors' or any other party in interest's right to dispute any particular claim on any grounds; (c) a promise or requirement to pay any particular claim; (d) an implication or admission that any particular claim is of a type specified or defined in the motion; (e) a request or authorization to assume any agreement, contract, or lease pursuant to section 365 of the Bankruptcy Code; (f) a waiver or limitation of the Debtors' or any other party in interest's rights under the Bankruptcy Code or any other applicable law; or (g) a concession by the Debtors or any other party in interest that any liens (contractual, common law, statutory, or otherwise) satisfied pursuant to the motion are valid and the Debtors and all other parties in interest expressly reserve their rights to contest the extent, validity, or perfection, or to seek avoidance of all such liens. If the Court grants the relief sought herein, any payment made pursuant to the Court's order is not intended and should not be construed as an admission as to the validity, priority, or amount of any particular claim or a waiver of the Debtors' or any other party in interest's rights to subsequently dispute such claim.

Waiver of Bankruptcy Rule 6004(a) and 6004(h)

21. To implement the foregoing successfully, the Debtors request that the Court enter an order providing that notice of the relief requested herein satisfies Bankruptcy Rule 6004(a) and that the Debtors have established cause to exclude such relief from the fourteen-day stay period under Bankruptcy Rule 6004(h).

Notice

22. 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; (l) the Authorities; and (m) any party that requests service pursuant to Local Rule 9013-1(m)(iii).

No Prior Request

23. No prior motion for the relief requested herein has been made to this or any other court.

[Remainder of page intentionally left blank]

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

Wilmington, Delaware
May 21, 2020

/s/ Paul N. Heath

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*Proposed Co-Counsel for the
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EXHIBIT A

Proposed Interim Order

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

In re:)	
	)	Chapter 11
AKORN, INC., ¹	)	Case No. 20-11177 (___)
	)	(Joint Administration Requested)
Debtors.	)	Re: Docket No. _____

**INTERIM ORDER (I) AUTHORIZING
THE PAYMENT OF CERTAIN PREPETITION AND
POSTPETITION TAXES AND FEES AND (II) GRANTING RELATED RELIEF**

Upon the motion (the “Motion”)² of the above-captioned debtors and debtors in possession (collectively, the “Debtors”) for entry of an interim order (this “Interim Order”), (a) authorizing, but not directing, the Debtors to pay, as necessary to avoid interruption in their business, certain accrued and outstanding prepetition obligations accrued in the ordinary course of business on account of the Taxes and Fees; (b) authorizing, but not directing, the Debtors to continue paying the Taxes and Fees accrued in the ordinary course of business on a postpetition basis; and (c) granting related relief, 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 this Court having found that venue of this

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 defined herein have the meanings given to such terms in the Motion.

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 relief requested in the Motion is in the best interests of the Debtors' estates, their creditors, and other parties in interest; and this Court having found that the Debtors' notice of the Motion and opportunity for a hearing on the Motion were appropriate under the circumstances and no other notice need be provided; and this Court having reviewed the Motion and the First Day Declaration 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 the First Day Declaration 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 on an interim basis as set forth herein.
2. The final hearing (the "Final Hearing") on the Motion shall be held on _____, 2020, at __: __.m., prevailing Eastern Time. Any objections or responses to entry of a final order on the Motion shall be filed on or before 4:00 p.m., prevailing Eastern Time, on _____, 2020, and shall be served on: (a) the Debtors, Akorn, Inc., 1925 W. Field Court, Suite 300, Lake Forest, Illinois 60045 Attn: Joseph Bonaccorsi; (b) proposed counsel to the Debtors, Kirkland & Ellis LLP, 300 North LaSalle Street, Chicago, Illinois 60654, Attn: Patrick J. Nash, Jr., P.C., Gregory F. Pesce, and Christopher M. Hayes, and Kirkland & Ellis LLP, 601 Lexington Avenue, New York, New York 10022, Attn: Nicole L. Greenblatt, P.C.; (c) proposed co-counsel to the Debtors, Richards, Layton & Finger, P.A., 920 N. King Street, Wilmington, Delaware 19801, Attn: Paul N. Heath; (d) the Office of The United States Trustee, 844 King Street, Suite 2207, Lockbox 35, Wilmington, Delaware 19801, Attn: Jane Leamy; (e) counsel to any statutory

committee appointed in these chapter 11 cases; and (f) counsel to the Ad Hoc Group, Gibson, Dunn & Crutcher LLP, 200 Park Avenue, New York, NY 10166, Attn: Scott J. Greenberg and Steven A. Domanowski. In the event no objections to entry of the Final Order on the Motion are timely received, this Court may enter such Final Order without need for the Final Hearing.

3. The Debtors are authorized, but not directed, to pay: (a) obligations that arose or accrued in the ordinary course of business on account of the Taxes and Fees prior to the Petition Date and that will become due and owing (including, for the avoidance of doubt, as a result of the resolution of any tax audit) prior to entry of the Final Order, in an aggregate amount not to exceed \$1,918,000 in the interim period; and (b) Taxes and Fees that arise or accrue in the ordinary course of business on a postpetition basis (including, for the avoidance of doubt, as a result of the resolution of any tax audit); *provided*, that in the event the Debtors make a payment with respect to any Taxes and Fees for the prepetition portion of any “straddle” amount and this Court subsequently determines such amount was not entitled to priority or administrative treatment under sections 507(a)(8) or 503(b)(1)(B) of the Bankruptcy Code, the Debtors may (but shall not be required to) seek an order from the Court requiring a return of such amounts.

4. Nothing in this Interim Order authorizes the Debtors to accelerate any payments not otherwise due prior to the date of the Final Hearing.

5. Notwithstanding the relief granted in this Interim Order and any actions taken pursuant to such relief, nothing in this Interim Order shall be deemed: (a) an admission as to the validity, priority, or amount of any particular claim against a Debtor entity or any other person; (b) a waiver of the Debtors’ or any other party in interest’s right to dispute any particular claim on any grounds; (c) a promise or requirement to pay any particular claim; (d) an implication or admission that any particular claim is of a type specified or defined in this Interim Order or the

Motion; (e) a request or authorization to assume any agreement, contract, or lease pursuant to section 365 of the Bankruptcy Code; (f) a waiver or limitation of the Debtors' or any other party in interest's rights under the Bankruptcy Code or any other applicable law; or (g) a concession by the Debtors or any other party in interest that any liens (contractual, common law, statutory, or otherwise) satisfied pursuant to this Interim Order are valid and the Debtors and all other parties in interest expressly reserve their rights to contest the extent, validity, or perfection or to seek avoidance of all such liens. Any payment made pursuant to this Interim Order should not be construed as an admission as to the validity, priority, or amount of any particular claim or a waiver of the Debtors' or any other party in interest's rights to subsequently dispute such claim.

6. The banks and financial institutions on which checks were drawn or electronic payment requests made in payment of the prepetition obligations approved herein are authorized to receive, process, honor, and pay all such checks and electronic payment requests when presented for payment, and all such banks and financial institutions are authorized to rely on the Debtors' designation of any particular check or electronic payment request as approved by this Interim Order without any duty of further inquiry and without liability for following the Debtors' instructions.

7. The Debtors are authorized to issue postpetition checks, or to effect postpetition fund transfer requests, in replacement of any checks or fund transfer requests that are dishonored as a consequence of these chapter 11 cases with respect to prepetition amounts owed in connection with any Taxes and Fees.

8. The contents of the Motion satisfy the requirements of Bankruptcy Rule 6003(b).

9. Notice of the Motion as provided therein shall be deemed good and sufficient notice of such Motion and the requirements of Bankruptcy Rule 6004(a) and the Local Rules are satisfied

by such notice.

10. Notwithstanding Bankruptcy Rule 6004(h), the terms and conditions of this Interim Order are immediately effective and enforceable upon its entry.

11. The Debtors are authorized to take all actions necessary to effectuate the relief granted in this Interim Order in accordance with the Motion.

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

Dated: __, 2020
Wilmington, Delaware

UNITED STATES BANKRUPTCY JUDGE

EXHIBIT B

Proposed Final Order

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

In re:)	
	)	Chapter 11
AKORN, INC., ¹)	
	)	Case No. 20-11177 (___)
)	
Debtors.	)	(Joint Administration Requested)
)	
	)	Re: Docket No. _____

**FINAL ORDER (I) AUTHORIZING THE PAYMENT OF CERTAIN PREPETITION
AND POSTPETITION TAXES AND FEES AND (II) GRANTING RELATED RELIEF**

Upon the motion (the “Motion”)² of the above-captioned debtors and debtors in possession (collectively, the “Debtors”) for entry of a final order (this “Final Order”), (a) authorizing, but not directing, the Debtors to pay, as necessary to avoid interruption in their business, certain accrued and outstanding prepetition obligations accrued in the ordinary course of business on account of the Taxes and Fees; (b) authorizing, but not directing, the Debtors to continue paying the Taxes and Fees accrued in the ordinary course of business on a postpetition basis; and (c) granting related relief, 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 this Court having found that this Court may enter a final

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 defined herein have the meanings given to such terms in the Motion.

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 relief requested in the Motion is in the best interests of the Debtors' estates, their creditors, and other parties in interest; 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; and this Court having reviewed the Motion and the First Day Declaration 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 the First Day Declaration 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 on a final basis as set forth herein.
2. The Debtors are authorized, but not directed, to pay: (a) obligations that arose or accrued in the ordinary course of business on account of the Taxes and Fees prior to the Petition Date and that will become due and owing in the ordinary course of business during the pendency of these chapter 11 cases (including, for the avoidance of doubt, as a result of the resolution of any tax audit) at such time when the Taxes and Fees are payable; and (b) Taxes and Fees that arise or accrue in the ordinary course of business on a postpetition basis (including, for the avoidance of doubt, as a result of the resolution of any tax audit); *provided*, that in the event the Debtors make a payment with respect to any Taxes and Fees for the prepetition portion of any "straddle" amount and this Court subsequently determines such amount was not entitled to priority or administrative treatment under sections 507(a)(8) or 503(b)(1)(B) of the Bankruptcy Code, the Debtors may (but shall not be required to) seek an order from the Court requiring a return of such

amounts.

3. Notwithstanding the relief granted in this Final Order and any actions taken pursuant to such relief, nothing in this Final Order shall be deemed: (a) an admission as to the validity, priority, or amount of any particular claim against a Debtor entity or any other person; (b) a waiver of the Debtors' or any other party in interest's right to dispute any particular claim on any grounds; (c) a promise or requirement to pay any particular claim; (d) an implication or admission that any particular claim is of a type specified or defined in this Final Order or the Motion; (e) a request or authorization to assume any agreement, contract, or lease pursuant to section 365 of the Bankruptcy Code; (f) a waiver or limitation of the Debtors' or any other party in interest's rights under the Bankruptcy Code or any other applicable law; or (g) a concession by the Debtors or any other party in interest that any liens (contractual, common law, statutory, or otherwise) satisfied pursuant to this Final Order are valid and the Debtors and all other parties in interest expressly reserve their rights to contest the extent, validity, or perfection or to seek avoidance of all such liens. Any payment made pursuant to this Final Order should not be construed as an admission as to the validity, priority, or amount of any particular claim or a waiver of the Debtors' or any other party in interest's rights to subsequently dispute such claim.

4. The banks and financial institutions on which checks were drawn or electronic payment requests made in payment of the prepetition obligations approved herein are authorized to receive, process, honor, and pay all such checks and electronic payment requests when presented for payment, and all such banks and financial institutions are authorized to rely on the Debtors' designation of any particular check or electronic payment request as approved by this Final Order without any duty of further inquiry and without liability for following the Debtors' instructions.

5. The Debtors are authorized to issue postpetition checks, or to effect postpetition

fund transfer requests, in replacement of any checks or fund transfer requests that are dishonored as a consequence of these chapter 11 cases with respect to prepetition amounts owed in connection with any Taxes and Fees.

6. Notice of the Motion as provided therein shall be deemed good and sufficient notice of such Motion and the requirements of Bankruptcy Rule 6004(a) and the Local Rules are satisfied by such notice.

7. Notwithstanding Bankruptcy Rule 6004(h), the terms and conditions of this Final Order are immediately effective and enforceable upon its entry.

8. The Debtors are authorized to take all actions necessary to effectuate the relief granted in this Final Order in accordance with the Motion.

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

Dated: _____, 2020
Wilmington, Delaware

UNITED STATES BANKRUPTCY JUDGE

EXHIBIT C**List of Authorities**

Taxing Authority	Address	Debtor Entity
Alabama Department of Revenue	50 N. Ripley Street Montgomery, AL 36104	Akorn Sales, Inc.
Alabama Department of Revenue	50 N. Ripley Street Montgomery, AL 36104	Akorn, Inc.
Arizona Corporate Commission	Corporations Division 1300 W. Washington Street Phoenix, AZ 85007	Akorn Sales, Inc.
Arizona Department of Revenue	1600 West Monroe Street Phoenix, AZ 85007	Akorn, Inc.
Australian Patent Office	Director General: Mr. Michael Schwager PO Box 200 Woden ACT 2606 Australia	Akorn, Inc.
Australian Pesticides and Veterinary Medicine Authority	18 Wormald Street PO Box 6182 Symonston, ACT, 2604 Australia	Akorn Animal Health, Inc.
Austrian Patent Office	President / Président: Ms. Mariana Karepova Dresdner Str. 87 PO Box 95 1200 Wien Austria	Advanced Vision Research, Inc.
California Department of Tax and Fee Administration	450 N Street Sacramento, CA 95814	Akorn Sales, Inc.
California Franchise Tax Board	3321 Power Inn Road Sacramento, CA 95826-3893	Akorn, Inc.
California Secretary of State	1500 11th Street Sacramento, 95814	Akorn, Inc.
California Secretary of State	1500 11th Street Sacramento, 95814	Akorn Sales, Inc.
California Secretary of State	1500 11th Street Sacramento, 95814	Versapharm, Inc.

Taxing Authority	Address	Debtor Entity
Canada Revenue Agency	333 Laurier Avenue West Ottawa, Canada K1A 0L9	Akorn, Inc.
Canadian Intellectual Property Office	Commissioner of Patents: Ms. Johanne Bélisle Place du Portage I 50 Victoria Street, Room C-114 Gatineau, Québec K1A 0C9 Canada	Advanced Vision Research, Inc.
City of Ann Arbor Treasurer	301 East Huron Street Ann Arbor, MI 48107	Akorn, Inc.
Colorado Secretary of State	1700 Broadway Suite 200 Denver, CO 80290	Akorn Sales, Inc.
Connecticut Department of Revenue Services	450 Columbus Blvd Suite 1 Hartford, CT 06103	Akorn Sales, Inc.
Connecticut Secretary of State	30 Trinity Street PO Box 150470 Hartford, CT 06511-0470	Akorn Sales, Inc.
Cyprus Department of Registrar of Companies and Official Receiver	Registrar of Companies and Official Receiver: Mr. Spyros Kokkinos Corner Makarios Av. & Karpenisiou Str. 1427 Nicosia Cyprus	Advanced Vision Research, Inc.
Danish Patent and Trademark Office	Director General / Directeur général: Mr. Sune Stampe Sørensen Helgeshøj Allé 81 2630 Taastrup Denmark	Advanced Vision Research, Inc.
DC Office of Tax and Revenue	1101 4th Street SW Suite 250 Washington, DC 20024	Akorn, Inc.
Delaware Division of Corporations	401 Federal Street, Suite 4 John G Townsend Bldg Dover, DE 19901	Akorn, Inc.
Delaware Division of Corporations	401 Federal Street, Suite 4 John G Townsend Bldg Dover, DE 19901	Akorn Ophthalmics, Inc.
Delaware Division of Corporations	401 Federal Street, Suite 4 John G Townsend Bldg Dover, DE 19901	Advanced Vision Research

Taxing Authority	Address	Debtor Entity
Delaware Division of Corporations	401 Federal Street, Suite 4 John G Townsend Bldg Dover, DE 19901	Hi-Tech Pharmacal Co., Inc.
Delaware Division of Corporations	401 Federal Street, Suite 4 John G Townsend Bldg Dover, DE 19901	Oak Pharmaceuticals, Inc.
Delaware Division of Corporations	401 Federal Street, Suite 4 John G Townsend Bldg Dover, DE 19901	Akorn Animal Health, Inc.
Delaware Division of Corporations	401 Federal Street, Suite 4 John G Townsend Bldg Dover, DE 19901	Inspire Pharmaceuticals, Inc.
Delaware Division of Corporations	401 Federal Street, Suite 4 John G Townsend Bldg Dover, DE 19901	Akorn Sales, Inc.
Delaware Division of Corporations	401 Federal Street, Suite 4 John G Townsend Bldg Dover, DE 19901	VPI Holdings Corp.
Delaware Division of Corporations	401 Federal Street, Suite 4 John G Townsend Bldg Dover, DE 19901	Clover Pharmaceuticals Corp.
Delaware Division of Corporations	401 Federal Street, Suite 4 John G Townsend Bldg Dover, DE 19901	Olta Pharmaceuticals Corp.
Department of Homeland and Security	P.O. Box 8521 Lincoln, NE 68501-2521	Akorn, Inc.
Department of the Treasury Internal Revenue Service	1733 Rulon White Boulevard Mail Stop 4916 Branded Prescription Drug Fee Ogden, UT 84201-0051	Akorn, Inc.
Estonian Patent Office	Director General/Directeur général: Mr. Margus Viher Toompuiestee 7 15041 Tallinn Estonia	Advanced Vision Research, Inc.
Finnish Patent and Registration Office	Director General: Mr. Antti Riivari FI-00091 PRH Finland	Advanced Vision Research, Inc.
Florida Department of Revenue	5050 West Tennessee Street Tallahassee, FL 32399	Akorn Sales, Inc.

Taxing Authority	Address	Debtor Entity
Florida Division of Corporations	2415 N. Monroe Street Suite 810 Tallahassee, FL 32303	Hi-Tech Pharmacal Co., Inc.
Florida Division of Corporations	2415 N. Monroe Street Suite 810 Tallahassee, FL 32303	Akorn Sales, Inc.
Food and Drug Administration	10903 New Hampshire Ave Silver Spring, MD 20993	Akorn, Inc.
France - National Institute of Industrial Property	Director General / Directeur général: Mr. Pascal Faure 15 rue des Minimes CS 50001 92677 Courbevoie Cedex France	Advanced Vision Research, Inc.
Georgia Department of Revenue	1800 Century Blvd NE Atlanta, GA 30345	Versapharm Incorporated
Georgia Department of Revenue	1800 Century Blvd NE Atlanta, GA 30345	Akorn Sales, Inc.
Georgia Secretary of State	2 MLK, JR Drive, Suite 313 Floyd West Tower Atlanta, GA 30334-1530	Akorn Sales, Inc.
Georgia Secretary of State	2 MLK, JR Drive, Suite 313 Floyd West Tower Atlanta, GA 30334-1530	Versapharm, Inc.
Georgia Secretary of State	2 MLK, JR Drive, Suite 313 Floyd West Tower Atlanta, GA 30334-1530	Clover Pharmaceuticals Corp.
Georgia Secretary of State	2 MLK, JR Drive, Suite 313 Floyd West Tower Atlanta, GA 30334-1530	Covenant Pharma, Inc.
German Patent and Trade Mark Office	President / Président: Ms. Cornelia Rudloff-Schaeffer Zweibrückenstraße 12 80331 Munich Germany	Advanced Vision Research, Inc.
Hawaii Department of Commerce and Consumer Affairs	Business Registration Div - King Kalakaua Bldg 335 Merchant Street, Room 201 Honolulu, HI 96813	Akorn Sales, Inc.
Health Canada-Sante Canada	70 Colombine Driveway Ottawa, ON K1A0K9 Canada	Akorn Animal Health, Inc.

Taxing Authority	Address	Debtor Entity
Hellenic Industrial Property Organization	Director General : Mr. Panagiotis Kanellopoulos 5, Gianni Stavroulaki str. 151 25 Paradissos Amaroussiou Athens, Greece	Advanced Vision Research, Inc.
Icelandic Intellectual Property Office (ISIPO)	Director General / Directeur général: Ms. Borghildur Erlingsdóttir Engjateigi 3 105 Reykjavik Iceland	Advanced Vision Research, Inc.
Idaho Secretary of State	700 West Jefferson PO Box 83720 Boise, ID 83720-0080	Akorn Sales, Inc.
Idaho State Tax Commission	800 E Park Blvd Boise, ID 83712	Akorn, Inc.
Illinois Department of Revenue	Willard Ice Building 101 West Jefferson Street Springfield, IL 62702	Akorn Sales, Inc.
Illinois Secretary of State	Dept of Business Services 501 S Second Street, Room 350 Springfield, IL 62756	Akorn, Inc.
Illinois Secretary of State	Dept of Business Services 501 S Second Street, Room 350 Springfield, IL 62756	Akorn (New Jersey), Inc.
Illinois Secretary of State	Dept of Business Services 501 S Second Street, Room 350 Springfield, IL 62756	Akorn Ophthalmics, Inc.
Illinois Secretary of State	Dept of Business Services 501 S Second Street, Room 350 Springfield, IL 62756	Hi-Tech Pharmacal Co., Inc.
Illinois Secretary of State	Dept of Business Services 501 S Second Street, Room 350 Springfield, IL 62756	Oak Pharmaceuticals, Inc.
Indiana Secretary of State	Business Services Division 302 West Washington St, Rm E-018 Indianapolis, IN 46204	Akorn Sales, Inc.
Intellectual Property Office of New Zealand (IPONZ)	Commissioner of Patents and Designs: Mr. Ross van der Schyff PO Box 9241 Marion Square Wellington 6141 New Zealand	Advanced Vision Research, Inc.

Taxing Authority	Address	Debtor Entity
Iowa Secretary of State	321 East 12th Street Des Moines, IA 50319	Akorn Sales, Inc.
Ireland Intellectual Property Unit	Principal Officer: Mr. Eugene Lennon 23 Kildare Street Dublin 2 D02 TD30 Ireland	Advanced Vision Research, Inc.
Italian Patent and Trademark Office	Directeur général / Director General: Mr. Antonio Lirosi 19, via Molise 00187 Roma Italy	Advanced Vision Research, Inc.
Kansas Secretary of State	Memorial Hall, 1st Floor 120 S.W. 10th Avenue Topeka, KS 66612-1594	Akorn Sales, Inc.
Kentucky Department of Revenue	501 High Street Frankfort, KY 40601	Akorn Sales, Inc.
Kentucky Secretary of State	700 Capital Avenue Suite 152 Frankfort, KY 40601	Akorn, Inc.
Kentucky Secretary of State	700 Capital Avenue Suite 152 Frankfort, KY 40601	Akorn Sales, Inc.
Louisiana Department of Revenue	617 North Third Street Baton Rouge, LA 70802	Akorn, Inc.
Louisiana Secretary of State	8585 Archives Avenue Baton Rouge, LA 70809	Akorn, Inc.
Louisiana Secretary of State	8585 Archives Avenue Baton Rouge, LA 70809	Akorn Sales, Inc.
Macon County Collector	141 South Main Street Room 302 Decatur, IL 62523	Akorn, Inc.
Maine Revenue Services	51 Commerce Drive Augusta, ME 04330	Akorn, Inc.
Maine Secretary of State	Div of Corporations 101 State House Station Augusta, ME 04333-0148	Akorn, Inc.

Taxing Authority	Address	Debtor Entity
Maine Secretary of State	Div of Corporations 101 State House Station Augusta, ME 04333-0148	Hi-Tech Pharmacal Co., Inc.
Maryland Revenue Administration Division	State Office Building 301 W Preston St, Room 206 Baltimore, MD 21201-2384	Akorn, Inc.
Massachusetts Department of Revenue	100 Cambridge Street Boston, MA 02114	Akorn, Inc.
Massachusetts Department of Revenue	100 Cambridge Street Boston, MA 02114	Akorn Sales, Inc.
Michigan Corporations Division	611 W Ottawa PO Box 30004 Lansing, MI 48909	Advanced Vision Research
Michigan Corporations Division	611 W Ottawa PO Box 30004 Lansing, MI 48909	Hi-Tech Pharmacal Co., Inc.
Michigan Corporations Division	611 W Ottawa PO Box 30004 Lansing, MI 48909	Akorn Sales, Inc.
Michigan Department of Treasury	430 W Allegan Street Lansing, MI 48933	Akorn, Inc.
Minnesota Department of Revenue	600 Robert St N St Paul, MN 55101	Akorn Sales, Inc.
Minnesota Secretary of State - Business Services	Retirement Systems of Minnesota Bldg 60 Empire Drive, Suite 100 St Paul, MN 55103	Akorn Sales, Inc.
Mississippi Department of Revenue	500 Clinton Center Drive Clinton, MS 39056	Akorn Sales, Inc.
Mississippi Secretary of State	Business Services 401 Mississippi Street Jackson, MS 39201	Akorn Sales, Inc.
Missouri Department of Revenue	Harry S Truman State Office Bldg 301 West High Street Jefferson City, MO 65101	Akorn Sales, Inc.
Missouri Secretary of State - Corporations Unit	600 W Main Street MO State Information Center, Room 322 Jefferson City, 65101-0778	Akorn Sales, Inc.

Taxing Authority	Address	Debtor Entity
Montana Department of Revenue	125 N Roberts Street Helena, MT 59601	Akorn, Inc.
Montana Secretary of State	Montana Capitol Bldg, Rm 260 PO Box 202801 Helena, MT 59620-2801	Akorn, Inc.
Montana Secretary of State	Montana Capitol Bldg, Rm 260 PO Box 202801 Helena, MT 59620-2801	Hi-Tech Pharmacal Co., Inc.
Montana Secretary of State	Montana Capitol Bldg, Rm 260 PO Box 202801 Helena, MT 59620-2801	Akorn Sales, Inc.
Nebraska Department of Revenue	Nebraska State Office Bldg 301 Centennial Mall S Lincoln, NE 68508	Akorn Sales, Inc.
Nebraska Secretary of State - Business Services Division	1445 K Street State Capitol Suite 1301 Lincoln, NE 68509	Akorn Sales, Inc.
Netherlands Patent Office	Director/ Directeur: Mr. D.J. de Groot P.O. Box 10366 2501 HJ Den Haag Netherlands	Advanced Vision Research, Inc.
New Hampshire Department of State	107 North Main Street Room 204 Concord, NH 03301-4989	Akorn Sales, Inc.
New Jersey Department of State	PO Box 628 Trenton, NJ 08625-0628	Akorn, Inc.
New Jersey Division of Taxation	50 Barrack Street Trenton, NJ 08695	Akorn (New Jersey), Inc.
New Jersey Division of Taxation	50 Barrack Street Trenton, NJ 08695	Advance Vision Research, Inc.
New Jersey Division of Taxation	50 Barrack Street Trenton, NJ 08695	Akorn, Inc.
New Mexico Secretary of State	325 Don Gaspar Suite 300 Santa Fe, NM 87501	Akorn Sales, Inc.
New Mexico Taxation and Revenue Department	1100 S St Francis Drive Santa Fe, NM 87504	Akorn Sales, Inc.

Taxing Authority	Address	Debtor Entity
New York Department of Taxation and Finance	Building 9 W A Harriman Campus Albany, NY 12227	Akorn, Inc.
New York Department of Taxation and Finance	Building 9 W A Harriman Campus Albany, NY 12227	Akorn Sales, Inc.
North Carolina Department of Revenue	501 North Wilmington Street Raleigh, NC 27604	Akorn, Inc.
North Carolina Secretary of State	Corporations Division PO Box 29525 Raleigh, NC 27626-0525	Akorn, Inc.
North Carolina Secretary of State	Corporations Division PO Box 29525 Raleigh, NC 27626-0525	Akorn Sales, Inc.
North Dakota Secretary of State	600 E Boulevard Avenue Dept 108 Bismarck, ND 58505-0500	Akorn, Inc.
North Dakota Secretary of State	600 E Boulevard Avenue Dept 108 Bismarck, ND 58505-0500	Hi-Tech Pharmacal Co., Inc.
North Dakota Secretary of State	600 E Boulevard Avenue Dept 108 Bismarck, ND 58505-0500	Akorn Sales, Inc.
Norwegian Industrial Property Office (NIPO)	Director General: Mr. Per A. Foss P.O. Box 4863 Nydalen 0422 Oslo Norway	Advanced Vision Research, Inc.
NY Department of State's Division of Corporations	Statement Unit - 1 Commerce Plaza 99 Washington Avenue Albany, NY 12231-0001	Versapharm, Inc.
NY State Department of State	Div of Corporations - Statement Unit 1 Commerce Plaza, 99 Washington Avenue Albany, NY 12231-0001	Akorn, Inc.
NY State Department of State	Div of Corporations - Statement Unit 1 Commerce Plaza, 99 Washington Avenue Albany, NY 12231-0001	Akorn Sales, Inc.
Ohio Department of Taxation	4485 Northland Ridge Blvd Columbus, OH 43299	Akorn, Inc.
Ohio Department of Taxation	4485 Northland Ridge Blvd Columbus, OH 43299	Akorn Sales, Inc.

Taxing Authority	Address	Debtor Entity
Oklahoma Secretary of State	2300 N. Lincoln Blvd Room 101 Oklahoma City, 73105-4897	Akorn Sales, Inc.
Oklahoma Tax Commission	440 S Houston Avenue Tulsa, OK 74127	Akorn Sales, Inc.
Oregon Department of Revenue	9558 Center Street NE Salem, OR 97301	Akorn, Inc.
Oregon Secretary of State	Corporation Division 255 Capital St NE Salem, OR 97310	Akorn, Inc.
Oregon Secretary of State	Corporation Division 255 Capital St NE Salem, OR 97310	Akorn Sales, Inc.
Patent Office of the Republic of Bulgaria (BPO)	52 b, Dr. G. M. Dimitrov Blvd. 1040 Sofia, Bulgaria	Advanced Vision Research, Inc.
Patent Office of the Republic of Latvia	Director of the Patent Office: Mr. Sandris Laganovskis Citadeles Street 7/70 Riga, LV-1010 Republic of Latvia	Advanced Vision Research, Inc.
Patent Office of the Republic of Poland	Acting President / Président par intérim: Mrs. Edyta Demby Siwek Al. Niepodległości 188/192 P.O. Box 203 00-950 Warsaw Republic of Poland	Advanced Vision Research, Inc.
Pennsylvania Department of Revenue	Public Service & Government Walnut Street Harrisburg, PA 17128	Akorn Sales, Inc.
Pennsylvania Department of Revenue	Public Service & Government Walnut Street Harrisburg, PA 17128	Akorn, Inc.
Portuguese Institute of Industrial Property	President, Directive Council / Président, Conseil Directif: Mrs. Ana Margarida Bandeira Campo das Cebolas 1149-035 Lisbon Portugal	Advanced Vision Research, Inc.

Taxing Authority	Address	Debtor Entity
Revenu Québec	5, Place-Laval Bureau 147, Chomeday Laval, QC Quebec H7N 5Y3	Akorn, Inc.
Rhode Island Department of Health	Ana Novais, MA RIDOH - Opioid Stewardship Dept. # 111055 PO Box 9718 Providence, Rhode Island 02940-9718	Akorn, Inc.
Rhode Island Department of Revenue	One Capitol Hill 1st Floor Providence, RI 02908	Akorn, Inc.
Rhode Island Department of State	Business Services Division 148 W. River Street Providence, RI 02904-2615	Akorn Sales, Inc.
Romania -State Office for Inventions and Trademarks	Acting Director: Mrs. Mitrita Hahue 5, Ion Ghica Street, Sector 3 P.O. Box 52 030044 Bucharest Romania	Advanced Vision Research, Inc.
Secretary of the Commonwealth	Corporations Division, McCormack Bdlg 1 Asburton Place, 17th Floor Boston, MA 2108	Akorn Sales, Inc.
South Carolina Department of Revenue	300A Outlet Pointe Boulevard Columbia, SC 29210	Akorn Sales, Inc.
South Dakota Secretary of State	500 E Capitol Ave Pierre, SD 57501	Akorn Sales, Inc.
Spanish Patent and Trademark Office	Director: Sr. José Antonio Gil Celedonio Paseo de la Castellana 75 28046 Madrid Spain	Advanced Vision Research, Inc.
State of Delaware	Attn: Opioid Impact Fee Division of Professional Regulation 861 Sliver Lake Blvd, Ste 203 Dover, Delaware, 19904-2467	Akorn, Inc.
State of Maryland - State Center	301 W. Preston Street Room 801 Baltimore, MD 21201	Akorn Sales, Inc.

Taxing Authority	Address	Debtor Entity
State of Minnesota	The Board of Pharmacy 2829 University Ave SE Minneapolis, MN 55414	Akorn, Inc.
State of New Jersey	Div of Revenue and Enterprise Services PO Box 252 Trenton, NJ 08625-0252	Akorn (New Jersey), Inc.
State of New Jersey	Div of Revenue and Enterprise Services PO Box 252 Trenton, NJ 08625-0252	Versapharm, Inc.
State Patent Bureau of the Republic of Lithuania	Director / Directeur: Ms. Irina Urbonė Kalvariju str. 3 09310 Vilnius Republic of Lithuania	Advanced Vision Research, Inc.
Swedish Patent and Registration Office (SPRO)	Director, Division of Intellectual Property and Transport Law: Mr. Anders Olin Ministry of Justice Division of Intellectual Property and Transport Law 103 33 Stockholm Sweden	Advanced Vision Research, Inc.
Swiss Federal Institute of Intellectual Property	Director/Directrice: Dr. Catherine Chammartin Stauffacherstrasse 65 CH-3003 Berne Switzerland	Advanced Vision Research, Inc.
Tennessee Department of Revenue	500 Deaderick Street Nashville, TN 37242	Akorn Sales, Inc.
Tennessee Secretary of State	312 Rosa L Parks Avenue Snodgrass Tower, 6th Floor Nashville, TN 37243	Akorn Sales, Inc.
Texas Comptroller of Public Accounts	Lyndon B Johnson State Office Bldg 111 East 17th Street Austin, TX 78774	Akorn, Inc.
Texas Comptroller of Public Accounts	Lyndon B Johnson State Office Bldg 111 East 17th Street Austin, TX 78774	Akorn Sales, Inc.
Town of Babylon	200 East Sunrise Highway Lindenhurst, NY 11757-2597	Hi-Tech Pharmacal Co., Inc.

Taxing Authority	Address	Debtor Entity
U.S. Department of Justice	Drug Enforcement Administration Diversion Control Division/ODR Post Office Box 2639 Springfield, VA 22152-2639	Hi-Tech Pharmacal Co., Inc.
U.S. Department of Justice	Drug Enforcement Administration Diversion Control Division/ODR Post Office Box 2639 Springfield, VA 22152-2639	Akorn, Inc.
United Kingdom Intellectual Property Office	Chief Executive and Comptroller General: Mr. Tim Moss Concept House Cardiff Road Newport South Wales NP10 8QQ United Kingdom	Advanced Vision Research, Inc.
United States Patent and Trademark Office	Under Secretary of Commerce for Intellectual Property and Director of USPTO: Mr. Andrei Iancu P.O. Box 1450 Alexandria, VA 22313-1450	Akorn, Inc.
Utah Secretary of State	160 E. 300 South 2nd Floor Salt Lake City, UT 84111	Akorn Sales, Inc.
Utah State Tax Commission	210 N 1950 W Salt Lake City, UT 84134	Akorn, Inc.
Vermont Department of Taxes	133 State Street Montpelier, VT 05633	Akorn, Inc.
Vermont Secretary of State	128 State Street Montpelier, VT 05633-1104	Akorn Sales, Inc.
Village of Amityville	Village Hall 21 Ireland Place Amityville, NY 11701	Hi-Tech Pharmacal Co., Inc.
Virginia State Corporation Commission	Tyler Bldg, 1st Floor 1300 East Main Street Richmond, VA 23218-1197	Akorn Sales, Inc.
Washington Secretary of State	Dolliver Building 801 Capital Way South Olympia, WA 98501	Akorn Sales, Inc.
Washington State Department of Revenue	6500 Linderson Way SW Tumwater, WA 98501	Akorn Sales, Inc.
West Virginia Secretary of State	1900 Kanawha Blvd E Charleston, WV 25305	Akorn Sales, Inc.
Wisconsin Department of Revenue	2135 Rimrock Rd Madison, WI 53713	Akorn, Inc.

Taxing Authority	Address	Debtor Entity
Wyoming Secretary of State	2020 Carey Avenue Cheyenne, WY 82002-0020	Akorn Sales, Inc.