

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

In re:

Avadel Specialty Pharmaceuticals, LLC,

Debtor.

Chapter 11

Case No. 19-10248 (CSS)

FINAL REPORT PURSUANT TO LOCAL RULE 3022-1(c)

Karrilyn Thomas of MCA Financial Group, Ltd., solely in her capacity as the plan administrator (the “**Plan Administrator**”), submits this final report (the “**Final Report**”) in accordance with Rule 3022-1(c) of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the “**Local Rules**”) in support of the *Motion of the Plan Administrator for Order and Final Decree Closing the Chapter 11 Case* [Docket No. [488] (the “**Motion**”). The following information is true and correct, to the best of the Plan Administrator’s knowledge, information and belief:

Fees and Expenses

1. To date, the quarterly fees due under 28 U.S.C. § 1930 totaling \$30,929.00 have been paid to the Office of the United States Trustee – Region 3 (the “**United States Trustee**”) on account of this Chapter 11 Case.
2. The Debtor and/or Plan Administrator has paid and/or will pay any remaining fees owed to the United States Trustee through the date of entry of a final decree.
3. From the date on which the Debtor filed this chapter 11 case, the Debtor and/or Plan Administrator paid \$1,241,437.68 in fees and expenses to the retained professionals that provided services through and including the Effective Date.

The Plan and Confirmation Order

4. On October 6, 2020, the Court entered the *Findings of Fact, Conclusions of Law, and Order Confirming Debtor's First Amended Proposed Combined Disclosure Statement and Chapter 11 Plan of Liquidation and Granting Final Approval of Disclosure Statement* [Docket No. 419] (the “**Confirmation Order**”). The Plan went effective on October 21, 2020 [Docket No. 429] (the “**Effective Date**”).

Distributions

5. The distributions made, or to be made, under the Plan (attached as Exhibit A to the Confirmation Order) are listed below.¹

Class	Type of Claim or Interest	Distribution
n/a	Administrative Claims	Except to the extent that a holder of an Allowed Administrative Expense Claim agrees with the Debtor or the Plan Administrator to a different treatment, and only to the extent that any such Allowed Administrative Expense Claim has not been paid in full prior to the Effective Date, each holder of an Allowed Administrative Expense Claim will be paid the full unpaid amount of such Allowed Administrative Expense Claim, in Cash, (a) on the Effective Date or, if not then due, then when such Allowed Administrative Expense Claim is due, (b) if an Administrative Expense Claim is Allowed after the Effective Date, on the date such Administrative Expense Claim is Allowed or, if not then due, when such Allowed Administrative Expense Claim is due, (c) at such time and upon such terms as may be agreed upon by such holder and the Debtor or the Plan Administrator, as the case may be, or (d) at such time and upon such terms as set forth in an order of the Bankruptcy Court.
n/a	Priority Tax Claims	Except to the extent that a holder of an Allowed Priority Tax Claim agrees with the Debtor or the Plan Administrator to a different treatment, and only to the extent that any such Allowed Priority Tax Claim has not been paid in full prior to the Effective Date, each holder

¹ The information provided in the following table is intended only as a summary description of the distributions required by, and made under, or to be made under, the Plan. Any unintended conflict between this summary and the Plan shall not be construed as a modification of the Plan. Parties should refer to the Plan for detailed descriptions of the distributions thereunder.

Class	Type of Claim or Interest	Distribution
		of an Allowed Priority Tax Claim shall receive regular installment payments in Cash over a period ending not later than five (5) years after the Petition Date of a total value, as of the Effective Date, equal to the Allowed amount of such Priority Tax Claim, together with interest accrued thereon at the applicable non-bankruptcy rate. The Debtor and the Plan Administrator reserve the right to prepay at any time under this option. Any Claims asserted by a governmental unit on account of any penalties and assessments shall not be Priority Tax Claims, except as provided in section 507(a)(8)(G) of the Bankruptcy Code.
1	Other Priority Claims	Except to the extent that the holder of an Allowed Other Priority Claim has agreed with the Debtor or the Plan Administrator to a different treatment of such Claim, and only to the extent that any such Allowed Other Priority Claim has not been paid in full prior to the Effective Date, each such holder shall receive, in full satisfaction of such Allowed Other Priority Claim, Cash in an amount equal to such Allowed Other Priority Claim, on the later of (i) the Effective Date; (ii) the date the Other Priority Claim becomes an Allowed Claim; and (iii) the date for payment provided by any agreement or arrangement between the Debtor or Plan Administrator, as the case may be, and the holder of the Allowed Other Priority Claim.
2	Secured Tax Claims	Except to the extent that the holder of an Allowed Secured Tax Claim has agreed with the Debtor or the Plan Administrator to a different treatment of such Claim, and only to the extent that any such Allowed Secured Tax Claim has not been paid in full prior to the Effective Date, each holder of an Allowed Secured Tax Claim shall receive Cash in an amount equal to such Allowed Secured Tax Claim, together with interest accrued thereon at the applicable nonbankruptcy rate, on the later of (i) the Effective Date; (ii) the date the Secured Tax Claim becomes an Allowed Claim; and (iii) the date for payment provided by any agreement or arrangement between the Debtor and the holder of the Allowed Secured Tax Claim, provided that the Debtor and, following the Effective Date, the Plan Administrator, shall retain and shall be entitled to enforce any setoff and recoupment rights relating to any tax refund claim. Any Claims asserted by a governmental unit on account of any

Class	Type of Claim or Interest	Distribution
		penalties and assessments shall not be Secured Tax Claims, except as provided in section 507(a)(8)(G) of the Bankruptcy Code.
3	Other Secured Claims	Except to the extent that a holder of an Allowed Other Secured Claim has agreed with the Debtor or the Plan Administrator to a different treatment of such Claim, and only to the extent that any such Allowed Other Secured Claim has not been paid in full prior to the Effective Date, each holder of an Allowed Other Secured Claim shall, at the option of the Plan Administrator, (i) be paid in full in Cash, (ii) receive the Collateral securing its Allowed Other Secured Claim, plus post-petition interest to the extent required under section 506(b) of the Bankruptcy Code, or (iii) receive such other treatment as to render its Allowed Other Secured Claim Unimpaired, in each case on the later of the Effective Date and the date such Other Secured Claim becomes an Allowed Other Secured Claim.
4	General Unsecured Claims	Except to the extent that a holder of an Allowed Class 4 Claim has agreed to a different treatment of such Claim, and only to the extent that any such Allowed Class 4 Claim has not been paid by the Debtor prior to the Effective Date, each holder of an Allowed Class 4 Claim will receive its Pro Rata Share of the Net Distributable Assets remaining after payment of the IRS Claim in accordance with the IRS Settlement.
5	Subordinated Claims	Holders of Subordinated Claims will receive no Distribution on account of such Claims.
6	Interests in Avadel Specialty Pharmaceuticals, LLC	On the Effective Date all Interests in the Debtor will be cancelled, and holders of such Interests shall receive no Distribution on account of such Interests.

6. Any distributions required to date under the Plan have been made or will be made in the ordinary course, as applicable.

7. All matters to be completed upon the Effective Date of the Plan have been fulfilled or completed.

8. There is no pending adversary proceeding, contested matter, or other proceeding in this chapter 11 case that would affect the substantial consummation of the case.

Dated: October 18, 2021

/s/ Karrilyn Thomas
Karrilyn Thomas
Plan Administrator