

## CURRENT INFORMATION REGARDING CLAIMS PAYMENT EXPECTATIONS

November 9, 2023

**Q.** Has the MNK PI Trust received any funding and are there possible additional payments?

**A.** Yes, the MNK PI Trust received an initial payment in June 2022 under the original MNK Chapter 11 bankruptcy plan of approximately \$37,200,000<sup>1</sup>. However, due to the MNK Debtors' deteriorating financial situation since emerging from bankruptcy in June 2022, the seven additional payments were canceled, and the MNK Debtors and the Opioid MDT II Trust (the Parent Trust of the MNK PI Trust) have agreed to a new Restructuring Agreement that changes the original funding terms and liabilities, so that the MNK PI Trust only receives one more payment from MNK, instead of the seven additional payments that were originally contemplated. As part of the Restructuring Agreement, the MNK Debtors voluntarily refiled for bankruptcy on August 27, 2023.

Under this new Restructuring Agreement, the MNK PI Trust received one final payment of approximately \$25,170,000 on August 29, 2023 to compensate approved claimants after paying administrative expenses. Therefore, the total cash payments received by the MNK PI Trust from MNK equals approximately \$62,370,000, instead of the original \$170,710,000 that was to be received under the original Plan of Reorganization.

The MNK PI Trust may receive additional payments from the Opioid MDT II Trust's pursuit of other assets, like insurance. But, the amount to be received, if anything, is impossible to predict.

**Q.** When will claimants start being paid? How much will claimants be paid?

**A.** A reasonable estimate is you will be paid some amount by the end of 2023 or early 2024.

On October 30, 2023, the Trustee, with the Approval of the Future Claimants Representative, Personal Injury Lead Counsel, and NAS Lead Counsel, determined the amount that will be paid initially per each NAS Claim and the amount to be paid initially per point for Non-NAS PI Claims. The amounts are a gross amount of \$703.83 and a net amount of \$524.01 per NAS Claim, and a \$.38957 gross and \$.29004 net per Non-NAS PI Claim point.

The Gross Award is the whole or total amount of your Award (prior to paying settlement overhead, like the Trustee, Administration expenses including computer programming, and Lien Resolution Administration expenses), with your Net Award representing the amount of your Gross Award that remains after the payment of settlement overhead. The Net Award amount shall be reduced further to pay your attorney's fees or case expenses (if you have an attorney) and any medical liens you have, if applicable. The Release you have executed or will execute with the Trust defines your Award as the Liquidated Value of Claim, and this Liquidated Value of Claim equals your Gross Award.

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<sup>1</sup> These funds, less administrative expenses, are not yet distributed to claimants because the claims allowance process is not far enough along yet.

Before we can pay you, we will need to resolve your medical liens. A lien is a claim by your health insurer for treatment of your opioid injury. See Lien FAQ's.

Once these steps are accomplished, approved claims will be paid.