

## COVIDIEN PLC SECURITIES CLASS ACTION SETTLEMENT

Enclosed is a Notice about the settlement of a class action lawsuit called *In re Covidien plc Securities Litigation*, 14-cv-12949, pending before the United States District Court for the District of Massachusetts. Your rights will be affected by the legal proceedings in this action. Please read the Notice carefully and in its entirety. Important information is highlighted below and explained in the Notice:

- **Security:** Covidien plc common stock (CUSIP G2554F113)
- **Time Period:** Covidien plc common stock held at any time between June 14, 2014 and January 26, 2015.
- **Settlement Amount:** The terms of the Settlement are fully described in the Stipulation, on file with the Court, which is available for your inspection as discussed in the enclosed Notice. In summary, in consideration for the full settlement and release of all Released Claims (as defined in the Notice), Covidien made supplemental disclosures regarding the transaction with Medtronic, Inc. in a Form 8-K filed with the SEC on December 23, 2014. Defendants have also acknowledged that the lawsuit was a factor in the Covidien Board's decision to request that Goldman Sachs confirm the conclusion set forth in its original fairness opinion in light of certain subsequent events.
- **Reasons for Settlement:** Plaintiffs and Plaintiffs' Counsel, recognizing the risk of further litigation, believe that it is reasonable to pursue the settlement of the lawsuit based upon the substantial benefits outlined and set forth in the Stipulation.
- **If the Case had not Settled:** Plaintiffs would have filed a motion seeking a preliminary injunction of the transaction between Covidien and Medtronic. Plaintiffs believe they would have successfully enjoined the transaction between Covidien and Medtronic if Covidien (i) had not requested that Goldman Sachs confirm the conclusion regarding fairness set forth in its original fairness opinion in light of subsequent events, and (ii) had not agreed to issue the supplemental disclosures demanded by Plaintiffs and set forth in a Form 8-K filed with the SEC on December 23, 2014. The Defendants believe that the court would have denied plaintiffs' request for a preliminary injunction, and that plaintiffs would not have won anything from a trial.
- **Attorneys' Fees and Expenses:** Plaintiffs' Counsel will ask the Court for up to \$540,000, to be paid by Covidien or its successor and/or assigns, and/or their insurer(s), and/or the insurer(s) of the Director Defendants.
- **Deadlines:**
  - **Objections:** September 11, 2015
  - **Court Hearing on Fairness of Settlement:** September 21, 2015
- **Plaintiffs' Counsel:**

Richard A. Acocelli WEISSLAU LLP 1500 Broadway, 16 <sup>th</sup> Floor New York, NY 10036 (212) 682-3025 <i>Co-Lead Counsel for Plaintiffs</i>	Shannon L. Hopkins LEVI & KORSINSKY LLP 30 Broad Street, 24 <sup>th</sup> Floor New York, NY 10004 (212) 363-7500 <i>Co-Lead Counsel for Plaintiffs</i>
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Get more details in the enclosed Notice authorized by the United States District Court for the District of Massachusetts.



On July 10, 2014, a putative shareholder class action complaint was filed in the Court by a purported shareholder of Covidien under the caption *Taxman v. Covidien plc, et al.*, 14-cv-12949 (the “*Taxman Action*”), alleging that the Director Defendants breached fiduciary duties in connection with the Transaction and that other Defendants aided and abetted the purported breaches of fiduciary duty.

On July 14, 2014, New Medtronic made its initial filing of a Registration Statement on Form S-4 with the United States Securities and Exchange Commission (“SEC”), which included the preliminary joint proxy statement/prospectus of Covidien and Medtronic, which was amended from time to time (the “Preliminary Proxy Statement”).

On August 11 and 26, 2014, respectively, two putative shareholder class action complaints were filed in the Court by purported shareholders of Covidien under the captions *Lipovich v. Covidien plc, et al.*, 14-cv-13308 (the “*Lipovich Action*”), and *Rosenfeld Family Foundation v. Covidien plc, et al.*, 14-cv-13490 (the “*Rosenfeld Action*”), respectively, naming Covidien and the Director Defendants as defendants, and alleging that the conduct of Covidien’s directors constitutes shareholder oppression in violation of Section 205 of the Irish Companies Act 1963, and that the Preliminary Proxy Statement in connection with the Transaction contains alleged material omissions and misrepresentations in violation of federal securities laws.

On August 26, 2014, a putative shareholder class action complaint was filed in the Superior Court of the Commonwealth of Massachusetts, Suffolk County, by a purported shareholder of Covidien under the caption *Cobb v. Covidien plc, et al.*, SUCV2014-02733-BLS2 (the “*Cobb Action*”), alleging that the Director Defendants breached fiduciary duties in connection with the Transaction, that the Preliminary Proxy Statement in connection with the Transaction contains material omissions and misleading statements, and that other Defendants aided and abetted the purported breaches of fiduciary duty.

On September 22, 2014, the U.S. Treasury Department (“Treasury”) and the IRS issued new guidance announcing their intention to issue regulations interpreting multiple sections of the Internal Revenue Code, including Section 7874, to address inversion transactions and transactions that Treasury and the IRS characterize as “post-inversion tax avoidance transactions” (the “Treasury and IRS Guidance”).

Medtronic initially contemplated financing a substantial portion of the cash component of the Transaction consideration through an intercompany loan from one or more of its non-U.S. subsidiaries; however, following the September 22, 2014 Treasury and IRS Guidance, Medtronic determined to finance the cash component of the Transaction consideration with approximately \$16.3 billion in external indebtedness (“Contemplated Funding Structure”).

Plaintiffs and Plaintiffs’ Counsel engaged and consulted with a financial expert in connection with their assessment and analysis of the Consolidated Action and the claims asserted therein, a thorough analysis of the Preliminary Proxy Statement, and the Contemplated Funding Structure in light of the Treasury and IRS Guidance, and commenced discussions regarding those assessments and analyses with counsel for Defendants.

On October 20, 2014, Goldman Sachs & Co. (“Goldman Sachs”) confirmed to Covidien’s board of directors that had Goldman Sachs performed its financial analyses set forth in its presentation to the board of directors of Covidien on June 14, 2014 on the basis of Medtronic’s contemplated funding structure adopted following the September 22, 2014 announcement by Treasury and the IRS, there would have been no change to the conclusion set forth in its opinion.

By Order on November 14, 2014, the *Taxman*, *Lipovich* and *Rosenfeld* actions were consolidated into a single action under the caption *In re Covidien plc, Securities Litigation*, 14-cv-12949, and the Court appointed the Rosenfeld Family Foundation and Ronald W. Chartrand<sup>1</sup> as Co-Lead Plaintiffs, and selected the law firms of WeissLaw LLP (“WeissLaw”) and Levi & Korsinsky LLP as Co-Lead Counsel for the Class, with the law firm of Block & Leviton LLP as Liaison Counsel for the Class (the Co-Lead Counsel together with the Liaison Counsel and the Briscoe Law Firm PLLC and the law firms of Hutchings, Barsamian, Mandlecorn & Robinson LLP, Powers Taylor LLP, Robbins Arroyo LLP, and Robbins Geller, Rudman & Dowd LLP, the “Plaintiffs’ Counsel”).

Covidien filed a definitive proxy statement dated November 20, 2014, on Schedule 14A with the SEC (the “Definitive Proxy Statement”).

The Parties engaged in expedited discovery, including the production of documents by Covidien, including presentations made to the Covidien board of directors by its financial advisor Goldman Sachs.

Plaintiffs’ Counsel further consulted with their retained financial expert in connection with their assessment and analysis of the Consolidated Action and the claims asserted therein, a thorough analysis of the Definitive Proxy Statement, the Contemplated Financial Structure and Treasury and IRS Guidance, and the non-public documents produced during discovery, and in consultation with their financial expert, Plaintiffs’ Counsel identified information they believed omitted from the Definitive Proxy Statement and that they believed was important to Covidien shareholders regarding the Transaction.

The Parties engaged in discussions with respect to Plaintiffs’ intentions to move for a preliminary injunction to prevent completion of the Transaction based on alleged deficiencies in the Definitive Proxy Statement and Plaintiffs’ demands that further information be disclosed to Covidien shareholders prior to the January 6, 2015 shareholder vote on the Transaction.

Counsel to the Parties engaged in arm’s-length negotiations concerning disclosure of further information to Covidien shareholders prior to the January 6, 2015 shareholder vote on the Transaction and the terms and conditions of a potential resolution of the Consolidated Action.

On December 23, 2014, the Parties reached an agreement-in-principle on the structure of a settlement of the Consolidated Action, which was set forth in a Memorandum of Understanding dated December 23, 2014 (the “MOU”).

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<sup>1</sup> By Order dated May 11, 2015, the Court granted Ronald W. Chartrand’s motion to withdraw as a plaintiff from the Consolidated Action.

On December 23, 2014, pursuant to the MOU, Covidien filed a Form 8-K with the SEC which disclosed, among other things, certain additional information regarding the transaction (the "Supplemental Disclosures").

On January 6, 2015, at a special meeting of Covidien shareholders and at an extraordinary general meeting of Covidien shareholders, the shareholders voted to approve the Transaction.

On January 6, 2015, at a special meeting of Medtronic shareholders, the shareholders voted to approve the Transaction.

On January 26, 2015, the Transaction closed.

The Parties engaged in confirmatory discovery, including the production of additional documents by Covidien, and the depositions of Covidien Board member Randall J. Hogan, III, and Goldman Sachs deal team member Paresh Lala.

### **REASONS FOR THE SETTLEMENT**

Plaintiffs, through their counsel, have investigated the claims and allegations asserted in the Consolidated Action, as well as the underlying events and transactions relevant to the Consolidated Action. Plaintiffs and Plaintiffs' Counsel believe that the claims asserted in the Consolidated Action have merit based on proceedings to date, but having concluded that the proposed Settlement is fair and adequate and, recognizing the risk of further litigation, believe that it is reasonable to pursue the settlement of the Consolidated Action based upon the substantial benefits and protections outlined and set forth in the Stipulation.

Defendants each have denied, and continue to deny, that they have committed or aided and abetted in the commission of any violation of law or breaches of duty or engaged in any of the wrongful acts alleged in the Consolidated Action, and expressly maintain that they diligently and scrupulously complied with their fiduciary, disclosure, and all other legal duties. Defendants are entering into this Stipulation solely because they contend and believe that the Settlement will eliminate the burden and expense of further litigation.

### **SUMMARY OF THE SETTLEMENT AND THE RELEASE AND DISMISSAL OF CLAIMS**

The terms of the Settlement are fully described in the Stipulation, on file with the Court, which is available for your inspection as discussed below under the heading "Scope of Notice." Capitalized terms used herein and not otherwise defined are deemed to have the same meaning as set forth in the Stipulation. The Settlement is subject to and becomes effective only upon approval by the Court. This Notice only includes a summary of various terms of the Settlement, and does not purport to be a comprehensive description of its terms, which are available for review as described below.

In summary, in consideration for the full settlement and release of all Released Claims (as defined below), Covidien made the Supplemental Disclosures regarding the Transaction in a Form 8-K filed with the SEC on December 23, 2014, summarized below and attached hereto as Exhibit A also available at:

<http://www.sec.gov/Archives/edgar/data/1385187/000119312514452875/d841592d8k.htm> and [www.gardencitygroup.com](http://www.gardencitygroup.com). Defendants acknowledge that the pendency of the Consolidated Action and the efforts of Plaintiffs' Counsel were the sole cause for the dissemination of the Supplemental Disclosures. In addition, Defendants acknowledge that the pendency of the Consolidated Action and the efforts of Plaintiffs' Counsel were a factor in the Covidien Board's decision to request that Goldman Sachs provide the October 20, 2014 confirmation regarding the Contemplated Funding Structure. Other than any attorneys' fees and disbursements as may be awarded by the Court and the cost of providing this notice to the Class, Defendants shall have no other obligations, liabilities or responsibilities in connection with the proposed Settlement.

The Supplemental Disclosures included, among other things, information concerning:

- the value the Covidien board of directors ascribed to Covidien's Irish domicile;
- the Covidien board's consideration of Medtronic's Contemplated Funding Structure following the September 22, 2014 Treasury and IRS Guidance;
- financial analyses performed by Covidien's financial advisor regarding an illustrative pro forma accretion / dilution analysis; and
- analyst price targets.

The Stipulation provides among other things that, if the Court approves the Settlement, each of the following will occur:

1. The Consolidated Action will be dismissed with prejudice on the merits. This dismissal on the merits will be binding as to all Class members.

2. Upon Final Court Approval, and as shall be set forth in the Order and Final Judgment, any and all manner of claims, demands, rights, actions, causes of action, liabilities, damages, losses, obligations, judgments, amounts, duties, suits, costs, expenses, matters and issues, known or unknown, asserted or unasserted, contingent or absolute, suspected or unsuspected, disclosed or undisclosed, liquidated or unliquidated, matured or unmatured, accrued or unaccrued, apparent or unapparent, including Unknown Claims (as defined below), that have been, could have been, or in the future can or might be asserted in any court, tribunal or proceeding (including but not limited to any claims arising under federal, state, foreign or common law, including the federal securities laws and any state disclosure law), by or on behalf of Plaintiffs or any member of the Class (collectively, the "Releasing Persons"), whether individual, direct, class, derivative, representative, legal, equitable, or any other type or in any other capacity, against Defendants (or any Defendant), or any of their respective families, parent entities, controlling persons, associates, predecessors, successors, affiliates, or subsidiaries, and each and all of their respective past or present officers, directors, executives, shareholders, principals, representatives, employees, attorneys, financial or investment advisors, consultants, accountants, auditors, investment bankers, commercial bankers, entities providing fairness opinions, underwriters, brokers, dealers, insurers, advisors or agents, heirs, executors, trustees, general or limited partners or partnerships, limited liability companies, members, managers, joint ventures, personal or legal representatives, estates, administrators, predecessors, successors, and assigns (collectively, the "Released Persons") which have arisen, could have arisen, arise now, or hereafter may arise out of or relate in any manner to the allegations, facts, events,

matters, transactions, acts, occurrences, statements, representations, misrepresentations, omissions or any other matter, thing or cause, whatsoever, or any series thereof, embraced, involved, set forth in or otherwise related, directly or indirectly, to the Consolidated Action or the *Cobb* Action, the Transaction, the negotiation or consideration of the Transaction or any agreements or disclosures relating thereto, the Transaction Agreement, or any registration statement, preliminary or definitive prospectus and/or proxy statement (joint or otherwise) filed or distributed to shareholders in connection with the Transaction (including, without limitation, the Preliminary Proxy Statement, the amendments thereto, and the Definitive Proxy Statement), including, without limitation, any disclosures, non-disclosures or public statements made in connection with any of the foregoing (collectively, the "Released Claims") shall be fully and completely discharged, dismissed with prejudice, settled and released; provided, however, that the Released Claims shall not include: (i) the claims currently asserted in *In re Medtronic, Inc. Stockholder Litigation*, 27-CV-14-11452, in the District Court, Fourth Judicial District of Hennepin County, Minnesota; (ii) the claims asserted in *In re Medtronic, Inc. Derivative Litigation*, 14-cv-3540, in the United States District Court for the District of Minnesota, prior to the dismissal without prejudice of that action; or (iii) any claims to enforce the Settlement.

3. Upon Final Court Approval, Defendants shall fully, finally, and forever release, relinquish, and discharge Plaintiffs and Plaintiffs' Counsel from all claims (including Unknown Claims) arising out of, relating to, or in connection with, the institution, prosecution, assertion, settlement, or resolution of the Consolidated Action or the Released Claims (collectively, "Defendants' Released Claims").

4. The Settlement is intended to extinguish all Released Claims, including Unknown Claims, all Defendants' Released Claims, including Unknown Claims, and, consistent with such intentions, the Releasing Persons and Defendants shall waive their rights to the extent permitted by state law, federal law, foreign law, or any principle of common law, that may have the effect of limiting the release set forth above. "Unknown Claims" means any claim that a Releasing Person does not know or suspect exists in his, her, or its favor at the time of the release of the Released Claims as against the Released Persons, including without limitation those that, if known, might have affected the decision to enter into the Settlement, and any claim that a Defendant does not know or suspect exists in his, her, or its favor at the time of the release of the Defendants' Released Claims as against the Releasing Persons, including without limitation those that, if known, might have affected the decision to enter into the Settlement. This shall include a waiver by the Releasing Persons and Defendants of any rights pursuant to § 1542 of the California Civil Code (or any similar, comparable, or equivalent provision in any jurisdiction), which provides:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

Plaintiffs acknowledge that members of the Class and/or other Covidien shareholders may discover facts in addition to or different from those that they now know or believe to be true with respect to the subject matter of this release, but that it is their intention, as Plaintiffs and on behalf of the Class, to fully, finally and forever settle and release any and all claims released hereby, known or unknown, suspected or unsuspected, which now exist, or heretofore existed, or may hereafter exist, and without regard to the subsequent discovery or existence of such additional or different facts. Plaintiffs and the other parties to the Stipulation, and the members of the Class by operation of law shall be deemed to have acknowledged, that the inclusion of Unknown Claims in the definition of Released Claims was separately bargained for, constitutes separate consideration for, and was a key element of the Settlement and was relied upon by each and all of the Defendants in entering into the Settlement.

#### **INTERIM INJUNCTION AND STAY OF PROCEEDINGS**

Pursuant to the Order for Notice and Scheduling of Hearing on Settlement, pending final determination of whether the Settlement should be approved, Plaintiffs and all members of the Class, and any of them, are barred and enjoined from commencing, instigating, instituting, maintaining, prosecuting, asserting, or participating in any action or other proceeding in any court of law or equity, arbitration tribunal, or administrative forum, or other forum of any kind, whether individual, class, derivative, representative, legal, equitable, or in any other capacity, asserting any of the Released Claims against any of the Released Persons, except those proceedings necessary to the dismissal with prejudice of the *Cobb* Action. In addition, all proceedings in the Consolidated Action, other than such proceedings as may be necessary to carry out the terms and conditions of the Settlement, have been stayed and suspended until further order of the Court.

#### **ATTORNEYS' FEES**

In connection with the Settlement of the Consolidated Action, Plaintiffs and Plaintiffs' Counsel intend to petition the Court for an award of attorneys' fees, costs and expenses in an amount not to exceed \$540,000 (the "Fee Award"). Defendants agree not to oppose Plaintiffs' Counsel's request for such approval (provided it does not exceed the amount noted above), both in the Court and on any appeal by any Class member.

The Fee Award shall be Plaintiffs' and/or Plaintiffs' Counsel's sole application for an award of fees and expenses in connection with any litigation concerning the Transaction.

Final resolution by the Court of the Fee Award is not a precondition to the Settlement or the dismissal of the Consolidated Action in accordance with the Settlement and the Stipulation, and the Fee Award may be considered separately from the Settlement. Neither any failure of the Court or any other court (including any appellate court) to approve the Fee Award in whole or in part, nor any other reduction, modification, or reversal of any amount awarded to Plaintiffs' Counsel by the Court shall have any impact on the effectiveness of the Settlement, provide any of the parties with the right to terminate the Settlement or the Stipulation, or affect or delay the binding effect or finality of the Order and Final Judgment or the release of the Released Claims. Except as provided herein, the Released Persons shall bear no other expenses, costs, damages, or fees alleged or incurred by the named Plaintiffs, by any member of the Class, or by any of their attorneys, experts, advisors, agents or representatives.

## TERMINATION PROVISIONS

The Stipulation shall be terminated, shall be deemed null and void, and shall have no further force or effect if any of the following events occur: (a) the Court does not certify the Class as a non-opt out class for settlement purposes under Federal Rule of Civil Procedure 23(b)(1) and/or 23(b)(2); (b) the Court does not enter the Order and Final Judgment in substantially the form of Exhibit D to the Stipulation; or (c) the Court enters the Order and Final Judgment, but on or following appeal, remand, collateral attack, or other proceedings the Order and Final Judgment is modified or reversed in any material respect, unless counsel for each of the Parties, within twenty (20) business days from receipt of such ruling or event, agrees in writing with counsel for the other Parties to proceed with the Settlement, with such modifications, if any, as to which all other Parties in each of their sole judgment and discretion may agree. The consummation of the Settlement is also conditioned on the dismissal with prejudice of the *Cobb* Action, with no further proceedings (other than those necessary to the dismissal) having occurred in that action.

## THE SETTLEMENT HEARING

The Court has scheduled a Hearing which will be held on September 21, 2015 at 2:30 p.m., before Judge Leo T. Sorokin of the United States District Court for the District of Massachusetts to:

1. Determine whether the Consolidated Action may be maintained as a class action and the Class should be certified, for settlement purposes, pursuant to Federal Rules of Civil Procedure 23(a) and 23(b)(1) and/or (b)(2);
2. Determine whether plaintiff the Rosenfeld Family Foundation and Co-Lead Counsel have fairly and adequately represented the interests of the Class in the Consolidated Action;
3. Determine whether the Stipulation, and the terms and conditions of the Settlement proposed in the Stipulation, are fair, reasonable and adequate to the Class members and should be approved by the Court;
4. Determine whether the Order and Final Judgment should be entered dismissing the Consolidated Action and Released Claims with prejudice as against Plaintiffs and the Class, releasing and discharging with respect to Plaintiffs and all Class members the Released Claims against the Released Persons;
5. Hear and rule on any objections to the Settlement;
6. Consider any application for an award of attorneys' fees, costs and expenses made by Plaintiffs' Counsel, and any objections thereto; and
7. Rule on other such matters as the Court may deem appropriate.

## RIGHT TO APPEAR AND OBJECT AT SETTLEMENT HEARING

Any member of the Class who objects to the Settlement, the Order and Final Judgment to be entered in the Consolidated Action, and/or Plaintiffs' Counsel's application for an award of attorneys' fees, costs, and expenses, or who otherwise wishes to be heard, may appear personally or by counsel at the Hearing and present evidence or argument that may be proper and relevant; *provided, however*, that no member of the Class may be heard and no papers or briefs submitted by or on behalf of any member of the Class shall be received and considered, except by Order of the Court for good cause shown, unless, no later than September 11, 2015, that Class member has filed with the Clerk of Court, John Joseph Moakley U.S. Courthouse, 1 Courthouse Way, Boston, Massachusetts, 02210 and served upon the attorneys listed below copies of (a) a written notice of intention to appear, identifying the name, address, email address, and telephone number of the objector and, if represented, counsel, (b) written proof of ownership of Covidien common stock during the class period and a statement certifying that the objector is a member of the Class, (c) a written detailed statement of such person's specific objections to any matter before the Court, (d) the grounds for such objections and any reasons for such person's desiring to appear and be heard, and (e) all documents and writings such person desires the Court to consider. These papers must be served upon the following attorneys by hand delivery, overnight mail, or electronic filing and service:

Richard A. Acocelli  
WEISSLAW LLP  
1500 Broadway, 16<sup>th</sup> Floor  
New York, NY 10036

*Co-Lead Counsel for Plaintiffs*

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Prudential Tower, 800 Boylston Street  
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*Counsel for Defendants José E. Almeida, Joy A. Amundson, Craig Arnold, Robert H. Brust, Christopher J. Coughlin, Randall J. Hogan, III, Dennis H. Reilley, Stephen H. Rusckowski, Joseph A. Zaccagnino, and Covidien plc*

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*Co-Lead Counsel for Plaintiffs*

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*Counsel for Defendants José E. Almeida, Joy A. Amundson, Craig Arnold, Robert H. Brust, Christopher J. Coughlin, Randall J. Hogan, III, Dennis H. Reilley, Stephen H. Rusckowski, Joseph A. Zaccagnino, and Covidien plc*

Michael G. Bongiorno  
WILMER CUTLER PICKERING HALE &  
DORR LLP  
60 State Street  
Boston, MA 02109

*Counsel for Defendants Medtronic, Inc., Medtronic Holdings Limited, Makani II Limited, Aviation Acquisition Co., Inc., and Aviation Merger Sub LLC*

Unless the Court otherwise directs, no member of the Class shall be entitled to object to the Settlement, the judgment to be entered herein, or the award of attorneys' fees, costs, and expenses to Plaintiffs' Counsel or otherwise to be heard, except by serving and filing written objections as described above. Any person who fails to object in the manner provided above shall be deemed to have waived such objection (including on any appeal) and shall forever be barred from making any such objection in the Consolidated Action or in any other action or proceeding.

**ORDER AND FINAL JUDGMENT OF THE COURT**

If the Settlement is approved by the Court, the Parties will promptly request the Court to enter an Order and Final Judgment, which will, among other things:

1. Determine that the Consolidated Action may proceed as a class action on behalf of the Class pursuant to Federal Rules of Civil Procedure 23(a) and 23(b)(1) and/or (b)(2) for purposes of the Settlement;
2. Approve the Settlement, adjudge the terms of the Settlement to be fair, reasonable, and adequate to the Class, and direct consummation of the Settlement in accordance with the terms and conditions of the Stipulation;
3. Determine that the requirements of the Federal Rules of Civil Procedure and due process have been satisfied in connection with notice to the Class;
4. Dismiss the Consolidated Action and the Released Claims with prejudice, said dismissal subject only to compliance by the Parties with the terms of the Stipulation and any Order of the Court concerning the Stipulation;
5. Release, settle, and discharge the Released Persons from and with respect to all Released Claims;
6. Release, settle, and discharge Plaintiffs, all other Class members, and Plaintiffs' Counsel from all claims, including Unknown Claims, arising out of or relating to the institution, prosecution, settlement, or resolution of the Consolidated Action (other than claims by the Parties to the Stipulation to enforce the terms of the Stipulation or Settlement);
7. Provide that the Order and Final Judgment, including the release of all Released Claims against all Released Persons, shall have *res judicata* and other preclusive effect in all pending and future lawsuits, arbitrations or other proceedings maintained by or on behalf of, any of the Plaintiffs and all other Class members; and
8. Bar and enjoin the Plaintiffs and all other Class members from commencing or participating in any action or other proceeding asserting any of the Released claims against any of the Released Persons, except those proceedings necessary to the dismissal with prejudice of the *Cobb* Action.

**SCOPE OF NOTICE**

This Notice does not purport to be a comprehensive description of the Consolidated Action or the pleadings, the terms of the proposed Settlement, the scheduled Hearing, or other matters described herein. For more complete information concerning the Consolidated Action and the proposed Settlement, you may inspect the pleadings, the Stipulation, and other papers and documents filed with the Court in the Consolidated Action, during normal business hours at the office of the Clerk of Court, John Joseph Moakley U.S. Courthouse, 1 Courthouse Way, Boston, Massachusetts or by accessing the Court's docket electronically. The Stipulation, copies of this Notice, and certain pleadings and other papers and documents filed with the Court in the Consolidated Action are also available at [www.gardencitygroup.com](http://www.gardencitygroup.com).

**IF YOU HAVE ANY QUESTIONS CONCERNING THIS NOTICE, THE CONSOLIDATED ACTION, THE PROPOSED SETTLEMENT, OR THE SETTLEMENT HEARING THEREON, YOU SHOULD RAISE THEM WITH YOUR OWN COUNSEL OR DIRECT THEM TO COUNSEL FOR PLAINTIFFS IN THIS CONSOLIDATED ACTION, AT THE ADDRESSES SET FORTH BELOW. PLEASE DO NOT CONTACT THE COURT OR THE CLERK OF THE COURT.**

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(212) 682-3025

*Co-Lead Counsel for Plaintiffs*

Shannon L. Hopkins  
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30 Broad Street, 24<sup>th</sup> Floor  
New York, NY 10004  
(212) 363-7500

*Co-Lead Counsel for Plaintiffs*

**SPECIAL NOTICE TO SECURITIES BROKERS AND OTHER NOMINEES**

If you held Covidien stock for the beneficial interest of a person or organization other than yourself at any time during the period from and including June 14, 2014, through and including January 26, 2015, within seven days of the receipt of this Notice you must either (a) provide to the Notice Administrator at the address below the name and last known address of each person or organization for whom or which you held any such securities during such time periods; or (b) request additional copies of this Notice from the Notice Administrator at the address below, which will be provided to you free of charge, and, within seven days of your receipt of such copies, mail the Notice directly to the beneficial owners of the securities referred to herein. You are entitled to reimbursement from Covidien or its successor and/or assigns, and/or their insurer(s), and/or the insurer(s) of the Director Defendants for your reasonable expenses incurred in connection with the foregoing, including reimbursement of postage expenses and the cost of ascertaining the names and addresses of beneficial owners. These expenses will be paid by Covidien or its successor and/or assigns, and/or their insurer(s), and/or the insurer(s) of the Director Defendants upon request and submission of appropriate supporting documentation to Covidien. All communications concerning the foregoing should be addressed to the Notice Administrator at the following address: Covidien PLC Securities Litigation, c/o GCG, P O Box 10207, Dublin, Ohio 43017-3907, [www.gardencitygroup.com](http://www.gardencitygroup.com).

Dated: July 2, 2015

BY ORDER OF THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF MASSACHUSETTS

## SUPPLEMENT TO DEFINITIVE PROXY STATEMENT

In connection with the settlement of certain outstanding shareholder suits as described in this Form 8-K, Covidien has agreed to make the below supplemental disclosure to the Definitive Joint Proxy Statement/Prospectus. This supplemental information should be read in conjunction with the Definitive Joint Proxy Statement/Prospectus, which should be read in its entirety.

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**The Definitive Joint Proxy Statement/Prospectus is supplemented with the following additional disclosure:**

As noted in “—*Background of the Transaction*,” in connection with its consideration of the transaction prior to execution of the Transaction Agreement, the Covidien board of directors ascribed value to Covidien’s Irish domicile. The value perceived by the Covidien board included, among other things, the ability to finance a substantial portion of the cash component of the scheme consideration through an intercompany loan from one or more of Medtronic’s non-U.S. subsidiaries to a subsidiary of New Medtronic without being required to incur U.S. tax as a result of such loan. However, because Medtronic would be required under the proposed rules described in the IRS Notice to pay U.S. tax as a result of a deemed income inclusion in the amount of any intercompany loan from Medtronic’s non-U.S. subsidiaries to a subsidiary of New Medtronic, Medtronic determined, under the Contemplated Funding Structure, to finance the cash component of the scheme consideration, excluding certain transaction expenses, with external indebtedness, expected to be in the amount of approximately \$16.3 billion. By virtue of the post-closing ownership of New Medtronic, former Medtronic shareholders would bear approximately 70% and former Covidien shareholders would bear approximately 30% of the incremental costs of the Contemplated Funding Structure.

In addition, in considering the value ascribed to Covidien’s Irish domicile prior to execution of the Transaction Agreement, based on Covidien’s discussions with Medtronic, Covidien and its board of directors understood that Medtronic did not plan to seek to access future cash flows generated by Medtronic’s non-U.S. subsidiaries without incurring additional U.S. tax. Accordingly, the fact that additional U.S. tax may be payable under the proposed rules described in the IRS Notice in the event that New Medtronic did seek to access such future cash flows did not have a negative impact on the value that the Covidien board of directors ascribed to the scheme consideration in its evaluation of the transaction prior to execution of the Transaction Agreement.

On October 20, 2014, Goldman Sachs confirmed to Covidien’s board of directors that had Goldman Sachs performed its financial analyses set forth in its presentation to the board of directors of Covidien on June 14, 2014 on the basis of the Contemplated Funding Structure, there would have been no change to the conclusion set forth in its opinion. The confirmation did not address any circumstances, developments or events occurring after June 15, 2014, the date of the opinion, other than the Contemplated Funding Structure.

**Additionally, the section of the Definitive Joint Proxy Statement/Prospectus titled “Opinion of Covidien’s Financial Advisor” beginning on page 110 is supplemented with the following additional disclosure:**

***Illustrative Pro Forma Accretion / Dilution Analysis***

Goldman Sachs performed illustrative pro forma analyses of the potential financial impact of the merger using earnings estimates for Covidien and Medtronic set forth in the Forecasts and the Synergies. For the fiscal years ended the last Friday in April 2016 through 2018, Goldman Sachs compared the projected cash earnings per share of Medtronic common stock, on a standalone basis, to the projected cash earnings per share of New Medtronic ordinary shares. Based on such analyses, the proposed transaction would be accretive to Medtronic’s shareholders on a cash earnings per share basis in all of the fiscal years ended the last Friday in April 2016 through 2018 in the range of 5.4% to 13.5%.

This analysis was undertaken to assist Covidien’s board of directors in understanding whether the proposed merger would be dilutive or accretive to Medtronic shareholders on a cash earnings per share basis.

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Goldman Sachs also noted for Covidien certain additional factors that were not considered part of Goldman Sachs’ financial analyses with respect to its opinion but were referenced for informational purposes, including, among other things, the following:

***Analyst Price Targets.***

Goldman Sachs reviewed the stock price targets for ordinary shares of Covidien in 18 publicly available research analysts’ reports as of June 13, 2014. These price targets reflected each analyst’s estimate of the future public market trading price of Covidien ordinary shares. Goldman Sachs noted that the price targets for Covidien ranged from \$71.00 to \$82.00 per share with a median price target of \$80.00. The price targets published by equity research analysts are subject to uncertainties, including the future financial performance of Covidien and future financial market conditions.