

**UNITED STATES DISTRICT COURT  
DISTRICT OF MASSACHUSETTS**

_____ )	Civil Action No. 1:14-cv-12949-LTS
IN RE COVIDIEN PLC SECURITIES )	CLASS ACTION
LITIGATION )	
_____ )	Consolidated Shareholder Litigation

**STIPULATION OF SETTLEMENT AND RELEASE**

This Stipulation of Settlement and Release (the “Stipulation”) is entered into as of May 15, 2015, by and among the undersigned parties to the action captioned *In re Covidien plc Securities Litigation*, 14-cv-12949 (LTS) (the “Consolidated Action,” which includes the *Taxman* Action, the *Lipovich* Action, and the *Rosenfeld* Action defined below), pending before the United States District Court for the District of Massachusetts (the “Court”). The plaintiffs in the Consolidated Action are several Covidien plc (“Covidien”) shareholders: the Rosenfeld Family Foundation, Joseph Lipovich, and Richard Taxman (the “Plaintiffs”). The defendants in the Consolidated Action are: José E. Almeida, Joy A. Amundson, Craig Arnold, Robert H. Brust, Christopher J. Coughlin, Randall J. Hogan, III, Dennis H. Reilley, Stephen H. Rusckowski, and Joseph A. Zaccagnino (the “Director Defendants”), Covidien, Medtronic, Inc. (“Medtronic”), Kalani I Limited (n/k/a Medtronic Holdings Limited) (“New Medtronic”), and merger subsidiaries Makani II Limited (“IrSub”), Aviation Acquisition Co., Inc. (“U.S. AcquisitionCo”) and Aviation Merger Sub, LLC (“MergerSub”) (collectively, the “Defendants,” and with each of Defendants and Plaintiffs a “Party” and together the “Parties”).

WHEREAS:

A. On June 15, 2014, Covidien and Medtronic issued a joint press release announcing that they had entered into a definitive agreement (“Transaction Agreement”) under which Medtronic agreed to acquire Covidien in a cash-and-stock transaction whereby Covidien shareholders would receive \$35.19 in cash and 0.956 of an ordinary share of New Medtronic for each share of Covidien’s common stock (the “Transaction”).

B. 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.

C. 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”).

D. 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.

E. 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.

F. 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 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”).

G. 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 announcement by the Treasury and the IRS, Medtronic determined to finance the cash component of the Transaction consideration with approximately \$16.3 billion in external indebtedness (“Contemplated Funding Structure”).

H. Plaintiffs and Plaintiffs’ Counsel (defined below) 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.

I. On October 20, 2014, Goldman Sachs confirmed to Covidien's board of directors that had Goldman Sachs & Co. ("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.

J. 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 (defined below), 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").

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

L. 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.

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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.

M. 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 omitted from the Definitive Proxy Statement they believed was important to Covidien shareholders regarding the Transaction.

N. 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.

O. 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.

P. 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").

Q. 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").

R. 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.

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

T. On January 26, 2015, the Transaction closed.

U. 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.

V. Defendants denied, and continue to deny, that they have committed, or aided and abetted in the commission of, any violation of law or duty of any kind or engaged in any wrongful acts whatsoever; and expressly maintain that they diligently and scrupulously complied with any applicable fiduciary, disclosure, and all other legal duties. Defendants specifically have denied and continue to deny that the Supplemental Disclosures described herein or any supplemental disclosures were required under any applicable rule, statute, regulation, or law or are material as a matter of law. The Medtronic defendants deny they had any fiduciary or other legal duties to Plaintiffs. Defendants are entering into this Stipulation solely to eliminate the burden and expense of further litigation and finally put to rest and terminate all claims which were or could have been asserted against the Defendants.

W. Plaintiffs and Plaintiffs' Counsel believe that the claims they have asserted have merit, that their entry into this Stipulation is not an admission as to the lack of merit of any claims asserted in the Consolidated Action, and that they are entering into the settlement set forth in this Stipulation only to secure substantial relief for the Class (defined herein) and to eliminate

the risk, burden, and expense of further litigation, and because they believe that the relief herein provided shareholders with substantial benefits and allowed them to cast a more fully informed vote in connection with the Transaction.

X. Plaintiffs represent and warrant that they have made such investigation of the facts pertaining to the Settlement provided for in this Stipulation, and all the matters pertaining thereto, as they deem necessary and advisable. Each Party represents and warrants that the terms of this Stipulation were negotiated at arm's length and in good faith by the Parties and reflect a settlement that was reached voluntarily based upon adequate information and sufficient discovery and after consultation with experienced legal counsel.

NOW, THEREFORE, IT IS STIPULATED AND AGREED, by Plaintiffs (for themselves and for the Class (as defined below)) and Defendants that, subject to the approval of the Court and pursuant to Rule 23 of the Federal Rules of Civil Procedure and the other conditions set forth herein, for the good and valuable consideration set forth herein as has been conferred on the Class, the Consolidated Action shall be finally and fully settled, released, compromised, and dismissed on the merits and with prejudice in the manner and upon the terms and conditions hereafter set forth (the "Settlement").

#### SETTLEMENT CONSIDERATION

1. In consideration for the full and final settlement and dismissal with prejudice of, and the release of, any and all Released Claims in the manner and upon the terms and conditions set forth in this Stipulation, Covidien made the Supplemental Disclosures, which were filed with the SEC on Form 8-K on December 23, 2014, a copy of which is attached hereto as Exhibit A. Without admitting any wrongdoing, 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.

CONDITIONAL CLASS CERTIFICATION FOR SETTLEMENT PURPOSES ONLY

2. The Parties agree to conditional certification, pursuant to Rule 23(b)(1) and (b)(2) of the Federal Rules of Civil Procedure, of a non-opt-out class for settlement purposes only that consists of any and all persons and entities who held shares of Covidien common stock, either of record or beneficially, at any time between June 14, 2014 (the date the Covidien Board of Directors approved the Transaction) and January 26, 2015 (the date of the consummation of the Transaction), including any and all of their respective successors in interest, predecessors, representatives, trustees, executors, administrators, heirs, assigns or transferees, immediate and remote, and any person or entity acting for or on behalf of, or claiming under any of them, other than the Defendants, their subsidiary companies, affiliates, assigns, and members of their immediate families, as the case may be (the "Class"). In the event that the Settlement does not become final for any reason, Defendants reserve the right to oppose certification of any class in any future proceedings.

REPRESENTATIONS AND ACKNOWLEDGMENTS OF PARTIES AND COUNSEL

3. Defendants denied, and continue to deny, that they have committed, or aided and abetted in the commission of, any violation of law or duty of any kind or engaged in any wrongful acts whatsoever; and expressly maintain that they diligently and scrupulously complied with any applicable fiduciary, disclosure, and all other legal duties. Defendants specifically have denied and continue to deny that the Supplemental Disclosures described herein or any supplemental disclosures were required under any applicable rule, statute, regulation, or law or are material as a matter of law. The Medtronic defendants deny they had any fiduciary or



other legal duties to Plaintiffs. Defendants are entering into this Stipulation solely to eliminate the burden and expense of further litigation and finally put to rest and terminate all claims which were or could have been asserted against the Defendants.

4. Without admitting any wrongdoing, 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.

5. Plaintiffs' Counsel acknowledge that Defendants would continue to assert legal and factual defenses to claims made in the Consolidated Action, and that the terms of the Settlement are fair, reasonable, adequate, and in the best interest of all members of the Class.

6. Plaintiffs and Plaintiffs' Counsel believe that the claims they have asserted have merit, that their entry into this Stipulation is not an admission as to the lack of merit of any claims asserted in the Consolidated Action, and that they are entering into the settlement set forth in this Stipulation only to secure substantial relief for the Class and to eliminate the risk, burden, and expense of further litigation, and because they believe that the relief herein provided shareholders with substantial benefits and allowed them to cast a more fully informed vote in connection with the Transaction.

7. Plaintiffs and Plaintiffs' Counsel further represent and warrant that each Plaintiff was a shareholder of the Company at all relevant times, and that none of Plaintiffs' claims or causes of action referred to in any complaint or this Stipulation, or any claims Plaintiffs could have alleged, have been assigned, encumbered, or in any manner transferred in whole or in

part. Before the Settlement is presented to the Court for preliminary approval, Plaintiffs shall provide evidence establishing their ownership of Covidien shares in a form reasonably acceptable to Defendants.

DISMISSAL AND RELEASES

8. Upon Final Court Approval (as defined below), the Consolidated Action shall be dismissed on the merits with prejudice and without costs except as set forth in this Stipulation.

9. *Released Claims of Plaintiffs and the Class.* Upon Final Court Approval, and as shall be set forth in the Order and Final Judgment (defined below), 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. Upon Final Court Approval of the Settlement, Plaintiffs shall be forever and fully barred from asserting the

Released Claims against the Released Persons in any court or other venue in any manner whatsoever.

10. *Defendants' Released Claims.* Upon Final Court Approval, Defendants shall fully, finally, and forever release, relinquish, and discharge each Plaintiff and Plaintiffs' Counsel from all claims or sanctions (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").

11. *Unknown Claims.* The Settlement is intended to extinguish all Released Claims and 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 releases 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 Plaintiffs and Plaintiffs' Counsel, 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 undersigned parties acknowledge, 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.

STAY OF PROCEEDINGS

12. Pending Final Court Approval, the Parties agree to stay the proceedings in the Consolidated Action and to stay and not to initiate any and all other proceedings related, directly or indirectly, to the subject matter of the Consolidated Actions or the Released Claims, other than those incident to the Settlement itself. Plaintiffs' counsel agree that all Defendants' time to answer or otherwise respond to any complaint in the Consolidated Action is extended without date. The Parties also agree to use their best efforts to prevent, stay, or seek dismissal of or oppose entry of any interim or final relief in favor of any member of the Class in any other litigation against any of the Released Persons that challenges the Settlement, the Transaction, including any transactions contemplated thereby, or otherwise involves, directly or indirectly, a

Released Claim. Plaintiffs' Counsel and Defendants' Counsel shall enter into such documentation as shall be required to effectuate the foregoing agreements.

INTERIM INJUNCTION AND OTHER ACTIONS

13. Plaintiffs agree to consent, as part of the Scheduling Order (as defined below) and pending Final Court Approval, to (a) an injunction against any further proceedings in the Consolidated Action other than proceedings to implement the Settlement; and (b) an injunction barring Plaintiffs and members of the Class, 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. If any action is filed or prosecuted in any court asserting claims that are related to the subject matter of the Consolidated Action prior to Final Court Approval, the Parties shall cooperate in obtaining the dismissal, withdrawal, or stay of such related litigation, including where appropriate joining in any motion to dismiss or stay or demurrer to such litigation.

SUBMISSION AND APPLICATION TO COURT

14. As soon as practicable after this Stipulation has been executed, the Parties shall jointly submit the Stipulation together with its exhibits to the Court and shall apply to the Court for entry of a proposed Order for Notice and Scheduling of Hearing on Settlement (the "Scheduling Order," which shall be submitted in substantially the form attached hereto as Exhibit B) that shall provide for, among other things: (a) conditional certification of the Class as a non-opt-out class and Plaintiff Rosenfeld Family Foundation as conditional representative of the conditionally certified Class; (b) a stay of proceedings in the Consolidated Action pending Final Court Approval; (c) an injunction against the filing or prosecution of any action asserting

any Released Claim against any of the Released Persons pending Final Court Approval; (d) the mailing to the members of the Class of a Notice of Pendency of Class Action, Proposed Settlement, Settlement Hearing and Right to Appear (the “Notice”) substantially in the form attached hereto as Exhibit C as it may be modified by the Court; and (e) the scheduling of a hearing to consider, among other things: (i) whether the Class should be certified and whether Plaintiffs and Co-Lead Counsel have adequately represented the class; (ii) whether the proposed Settlement of the Consolidated Action on the terms and conditions provided for in the Stipulation is fair, reasonable, and adequate and should be approved by the Court; (iii) whether the Stipulation and the Settlement should be finally approved by the Court and an Order and Final Judgment (the “Order and Final Judgment,” which shall be submitted to the Court in substantially the form attached hereto as Exhibit D) entered; (iv) an application of Plaintiffs’ Counsel for an award of attorneys’ fees and expenses (as provided for below); and (v) any objections to any of the foregoing (the “Settlement Hearing”).

15. At the Settlement Hearing, all of the Parties shall support and shall jointly request entry of the Order and Final Judgment implementing the terms of this Settlement.

#### NOTICE

16. Covidien or its successors in interest shall cause notice of the Settlement to be provided to the Class in a form and manner approved by the Court. Covidien or its successor and/or assigns, and/or their insurer(s), and/or the insurer(s) of the Director Defendants shall pay for any costs and expenses related to the notice and administration of the Settlement.

#### FINAL COURT APPROVAL

17. Court approval of the Settlement shall be considered final (“Final Court Approval”) once the following have occurred: (a) entry by the Court of the Order and Final Judgment approving the Settlement in all material respects; and (b) the expiration of any

applicable appeal period for the appeal of the Order and Final Judgment without an appeal having been filed or, if an appeal is taken, upon entry of an order affirming the Order and Final Judgment appealed from and the expiration of any applicable period for the reconsideration, appeal, rehearing or review, by certiorari or otherwise, of such affirmance without any motion for review, reconsideration, or rehearing or further appeal having been filed, provided however that, to the extent any appeal or unexpired period for appeal, reconsideration, rehearing, or review concerns only the award of fees, costs, or expenses to Plaintiffs' Counsel contained in the Order and Final Judgment, such appeal or unexpired period shall have no impact on the date of Final Court Approval.

ATTORNEYS' FEES

18. Defendants acknowledge that Plaintiffs' Counsel are entitled to be paid reasonable attorneys' fees, and reimbursed for reasonable and necessary costs and expenses incurred by Plaintiffs' Counsel for their efforts in prosecuting the Consolidated Action and achieving the Settlement embodied in this Stipulation. After agreeing upon all the other terms attendant to this Stipulation, the Parties negotiated in good faith that the amount of attorneys' fees, costs and expenses to be paid to Plaintiffs' Counsel. Plaintiffs' Counsel will make an application seeking an award of attorneys' fees, costs and expenses in an amount not to exceed \$540,000 in the aggregate (the "Fee Award"). Defendants agree not to oppose a Fee Award limited to such amounts. The Fee Award shall be the only application for attorneys' fees, costs and expenses filed by or on behalf of Plaintiffs and Plaintiffs' Counsel in any litigation concerning the Transaction. In no event will Defendants be obligated to pay Plaintiffs' Counsel an award in excess of \$540,000 in attorneys' fees, costs and expenses.

19. Subject to the terms and conditions of this Stipulation and the terms and conditions of the Settlement contemplated hereby, Covidien or its successor and/or assigns,



and/or their insurer(s), and/or the insurer(s) of the Director Defendants shall pay the fees, costs and expenses awarded to Plaintiffs' Counsel, on behalf of all Defendants, up to \$540,000, to WeissLaw pursuant to written instruction within ten (10) business days after the later of (1) the date on which the Court enters an Order and Final Judgment approving the Settlement and awarding attorneys' fees, costs and expenses, notwithstanding the existence of any timely-filed objections to the Settlement or to the fees and expenses awarded, or potential appeal from such objections, or collateral attack on the Settlement or any part thereof or (2) the dismissal with prejudice of the *Cobb* Action with no further proceedings having occurred in that action. Such payment shall be subject to the joint and several obligation of Plaintiffs' Counsel to refund, within ten (10) business days, all amounts received and any interest accrued or accumulated thereon, if and when, as a result of any appeal, or successful collateral proceeding, the fee or expense award is reduced or reversed or if the award order does not become final, if the Settlement itself is voided by any party as provided herein, or if the approval of the Settlement is later reversed by any court. Any failure by the Court to approve the amount of such fees shall not affect the validity or finality of the Settlement, and Court approval of the Settlement shall not in any way be conditioned on Court approval of any application for attorneys' fees, costs and/or expenses.

20. Co-Lead Counsel, jointly and in its sole discretion, shall determine the allocation among Plaintiffs' Counsel of any attorneys' fees, costs, and expenses approved by the Court and paid by Defendants. Defendants shall have no responsibility for allocation or distribution of the fees and expenses award among Plaintiffs' Counsel. Except as provided herein, the Released Persons shall bear no other expenses, costs, damages, or fees alleged or incurred by Plaintiffs, or by any of their attorneys, experts, advisors, agents or representatives.

21. At least twenty (20) days prior to any hearing by this Court on Plaintiffs' Counsel's claim for attorneys' fees, WeissLaw shall provide Covidien with an executed IRS Form W-9 and wire transfer instructions for any award of fees and expenses that may be ordered by this Court.

22. Plaintiffs and Plaintiffs' Counsel reserve the right to make an application for attorneys' fees, costs and expenses if the Settlement is not approved, and Defendants reserve their rights to oppose any such fee, cost and expense application.

#### TERMINATION OF SETTLEMENT

23. If (a) the Court does not enter a Scheduling Order in substantially the form as set forth at Exhibit B; (b) 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); (c) the Court does not enter the Order and Final Judgment in substantially the form as set forth at Exhibit D; (d) 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, this Stipulation shall be canceled and terminated unless counsel for each of the parties to this Stipulation, within twenty business (20) days from receipt of such ruling or event, agrees in writing with counsel for the other Parties to proceed with this Stipulation and Settlement, with such modifications, if any, as to which all other Parties in each of their sole judgment and discretion may agree. For purposes of this Paragraph, such agreement to proceed shall not be valid unless it is expressed in a writing signed by counsel for all Parties. Neither a modification nor a reversal on appeal as to the amount of attorneys' fees, costs, or expenses awarded by the Court to Plaintiffs' Counsel shall be deemed a material modification of the Final Order and Judgment or this Stipulation. 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.

24. If this Stipulation or the Settlement is terminated for any of the reasons set forth above, or if the *Cobb* Action is not dismissed with prejudice as set forth above, the Stipulation (other than Paragraphs 23, 24, 25, 29, 31, 32, 35-39, 41 and 43), and any agreements made in connection with the Stipulation and Settlement, shall be null and void and of no force and effect, and the Parties shall be restored to their respective positions existing prior to the execution of the Stipulation. In any such event, the Stipulation, and any agreements made in connection with the Stipulation and Settlement, in addition to being made null and void and of no force and effect, (i) shall not be deemed to prejudice in any way the respective positions of the Parties with respect to the Consolidated Action or the *Cobb* Action, including Plaintiffs' right to seek, or the Defendants' rights to oppose, certification of any class in future proceedings; (ii) shall not constitute an admission of fact by any Party; (iii) shall not be admissible in evidence or be referred to for any purposes in the Consolidated Action or in any litigation or judicial proceeding; and (iv) shall not entitle any of the Parties to recover any costs or expenses incurred in connection with the implementation of the Stipulation. Furthermore, if the Settlement is rendered null and void for any reason, Plaintiffs' Counsel reserve the right to petition the Court for a mootness fee award, and Defendants reserve the right to oppose such petition.

RIGHT TO INJUNCTIVE RELIEF

25. The Parties acknowledge and agree that (i) any breach of this Stipulation may result in immediate and irreparable injury for which there is no adequate remedy available at law; and (ii) in addition to any other remedies available, specific performance and injunctive relief are appropriate remedies to compel performance of this Stipulation.

NOTICES

26. All notices required or permitted to be given under this Stipulation shall be in writing and shall be deemed delivered: (i) upon receipt if delivered by hand; (ii) the next business day after being sent by pre-paid nationally-recognized overnight courier with tracking capabilities; (iii) five (5) business days after being sent by registered or certified airmail, return receipt required, postage pre-paid; or (iv) upon transmittal when transmitted by confirmed facsimile (provided that such notice is followed by notice pursuant to any of (i) – (iii) above). All notices shall be addressed to each of the counsel identified below.

STIPULATION NOT AN ADMISSION

27. The fact of and provisions contained in this Stipulation, including, without limitation, all negotiations, discussions, actions, disclosures, and proceedings in connection with this Stipulation, are not and shall not be deemed to constitute a presumption or concession or an admission by any party in the Consolidated Action, any signatory hereto, or any of the Released Persons of any fact or issue of law, fault, liability, damages, or wrongdoing or lack of any fault, liability, damages or wrongdoing, as to any facts or claims alleged or asserted, or that could have been alleged or asserted, in the Consolidated Action or any other actions or proceedings, and shall not be offered or received in evidence or otherwise used by any person in the Consolidated Action or any other action or proceeding, except in connection with any proceeding to enforce this Stipulation or to effectuate the liability protections agreed to herein, including without limitation to enforce a defense or counterclaim based on principles of release, accord and satisfaction, good-faith settlement, res judicata, collateral estoppel, judgment bar or reduction, claim or issue preclusion, or any similar liability-limiting defense, and all negotiations, discussions, actions, and proceedings leading up to the execution of this Stipulation are to be treated as confidential and intended for settlement purposes only.

AUTHORITY

28. Each of the attorneys executing the Stipulation represents and warrants that he or she is duly authorized and empowered to execute this Stipulation on behalf of his or her respective client or clients, and that he or she has authority to take appropriate action required or permitted to be taken pursuant to this Stipulation to effectuate its terms.

NO WAIVER OF PRIVILEGE

29. Nothing in this Stipulation or the negotiations or proceedings related hereto is intended to or shall be deemed to constitute a waiver of any applicable privilege or immunity, including without limitation attorney-client privilege, joint defense privilege, or work product immunity.

COUNTERPARTS

30. This Stipulation may be executed in counterparts by email, PDF, fax, or original signature by any of the signatories hereto and as so executed shall constitute one agreement.

ENTIRE AGREEMENT; AMENDMENTS

31. This Stipulation constitutes the entire agreement among the Parties with respect to the subject matter hereof, and may not be amended, or any of its provisions waived, except by a writing executed by counsel for all of the Parties, provided, however, that, the foregoing notwithstanding, nothing in this Stipulation is intended to modify, amend, or supersede any of the transaction documents entered into by the parties to the Transaction in connection with the Transaction.

32. All of the exhibits hereto are incorporated herein by reference as if set forth herein verbatim, and the terms of all exhibits are expressly made part of this Stipulation.

NO WAIVER

33. Any failure by any Party to insist upon the strict performance by any other Party of any of the provisions of this Stipulation shall not be deemed a waiver of any of the provisions hereof, and such Party, notwithstanding such failure, shall have the right thereafter to insist upon the strict performance of any and all of the provisions of this Stipulation to be performed by such other Party.

34. No waiver, express or implied, by any Party of any breach or default by any other party in the performance by the other party of its obligations under this Stipulation shall be deemed or construed to be a waiver of any other breach, whether prior, subsequent, or contemporaneous under this Stipulation.

SUCCESSORS AND ASSIGNS

35. This Stipulation shall bind and inure to the benefit of the Parties and their respective legal representatives, agents, trustees, executors, heirs, beneficiaries, estates, administrators, personal representatives, predecessors, successors, and assigns and to any corporation or other entity into which or with which any party to this Stipulation may merge or consolidate; provided that no Party shall assign or delegate its rights or responsibilities under this Stipulation without the prior consent of the other Parties, except that Covidien or its successors may engage a notice administrator without prior consent of the other Parties.

THIRD-PARTY BENEFICIARIES

36. The Released Persons who are not signatories hereto shall be third-party beneficiaries under this Stipulation and shall be entitled to enforce this Stipulation in accordance with its terms. It is not the intention of the Parties to confer third-party beneficiary rights or remedies upon any other person or entity.

GOVERNING LAW AND JURISDICTION

37. The Stipulation and the Settlement, and any dispute arising out of or relating in any way to the Stipulation or the Settlement, whether in contract, tort, or otherwise, shall be governed by, and construed in accordance with, the laws of Massachusetts, without regard to conflict of laws principles. The Parties irrevocably and unconditionally (a) consent to submit to the sole and exclusive jurisdiction of the United States District Court for the District of Massachusetts (or, if the United States District Court for the District of Massachusetts lacks jurisdiction, a court located in Massachusetts with jurisdiction) for any litigation arising out of or relating in any way to the Stipulation, or the Settlement; (b) agree that any dispute arising out of or relating in any way to the Stipulation, or the Settlement shall not be litigated or otherwise pursued in any forum or venue other than any such court; (c) waive any objection to the laying of venue of any such litigation in any such court; (d) agree not to plead or claim in any such court that such litigation brought therein has been brought in any inconvenient forum; and (e) expressly waive any right to demand a jury trial as to any such dispute.

CONFIDENTIALITY

38. To the extent permitted by law, all agreements made and orders entered into during the course of the Consolidated Action relating to the confidentiality of documents or information shall survive this Stipulation.

39. Whether or not the Settlement is approved by the Court, and except as recounted herein, the Parties and their counsel shall use their best efforts to keep all negotiations, discussions, and drafts created in connection with the Stipulation and Settlement confidential.

COOPERATION

40. The Parties and their attorneys agree to cooperate fully with one another in seeking the Court's approval of this Stipulation and the Settlement and to effect Final Court

Approval of this Stipulation and the Settlement (including, but not limited to, in resolving any objections raised to the Settlement).

CONSTRUCTION

41. This Stipulation shall be construed in all respects as jointly drafted and shall not be construed, in any way, against any Party on the ground that the Party or its counsel drafted this Stipulation.

42. If any deadline set forth in this Stipulation or the Exhibits thereto falls on a Saturday, Sunday, or legal holiday, that deadline will be continued to the next business day.

43. The headings in this Stipulation are solely for the convenience of the attorneys for the Parties and the relevant courts. The headings shall not be deemed to be a part of this Stipulation and shall not be considered in construing or interpreting this Stipulation.



IN WITNESS WHEREOF, the Parties by their undersigned attorneys have executed this Stipulation as of May 15, 2015.



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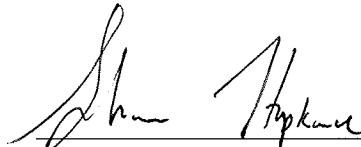
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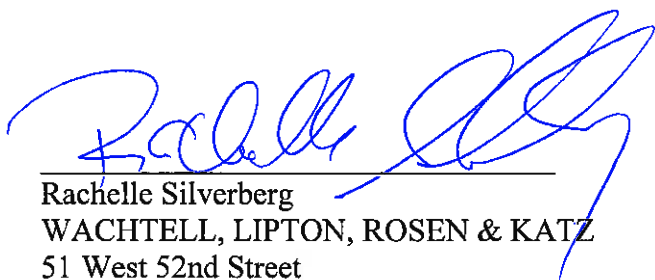
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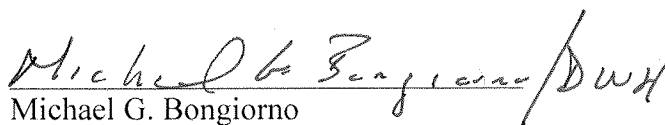
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Aviation Merger Sub LLC*

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549**

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**FORM 8-K**

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**CURRENT REPORT  
Pursuant to Section 13 or 15(d)  
of the Securities Exchange Act of 1934**

**Date of Report (Date of Earliest Event Reported): December 23, 2014**

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**COVIDIEN PUBLIC LIMITED COMPANY**  
(Exact name of registrant as specified in its charter)

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**Ireland**  
(State or other jurisdiction of  
incorporation or organization)

**001-33259**  
(Commission  
File Number)

**98-0624794**  
(I.R.S. Employer  
Identification No.)

**20 On Hatch, Lower Hatch Street  
Dublin 2, Ireland**  
(Address of principal executive offices)

**+353 (1) 438-1700**  
Registrant's telephone number, including area code:

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**Item 8.01. Other Events.*****Settlement of Certain Litigation***

As previously disclosed at pages 157 and 158 of the definitive joint proxy statement/prospectus of Covidien plc (“Covidien”) dated November 20, 2014 (the “Definitive Joint Proxy Statement/Prospectus”) under the heading “Legal Proceedings Regarding the Transaction,” putative shareholder class action complaints have been filed in the United States District Court for the District of Massachusetts by purported shareholders of Covidien under the captions *Taxman v. Covidien plc, et al.*, 14-cv-12949, *Lipovich v. Covidien plc, et al.*, 14-cv-13308 and *Rosenfeld Family Foundation v. Covidien plc, et al.*, 14-cv-13490. On October 20, 2014, the plaintiff in the *Rosenfeld* action and another purported shareholder of Covidien filed a motion seeking to consolidate the *Taxman*, *Lipovich* and *Rosenfeld* actions, and on November 14, 2014, the United States District Court for the District of Massachusetts granted that motion consolidating the actions (the “Consolidated Action”).

On December 23, 2014, the defendants reached an agreement in principle with plaintiffs in the Consolidated Action, and that agreement is reflected in a memorandum of understanding. In connection with the settlement contemplated by the memorandum of understanding, Covidien agreed to make certain additional disclosures related to the proposed transaction with Medtronic, which are contained in this Form 8-K. The memorandum of understanding contemplates that the parties will enter into a stipulation of settlement.

The stipulation of settlement will be subject to customary conditions, including court approval. In the event that the parties enter into a stipulation of settlement, a hearing will be scheduled at which the United States District Court for the District of Massachusetts will consider the fairness, reasonableness, and adequacy of the settlement. If the settlement is finally approved by the court, it will resolve and release all claims in all actions that were or could have been brought by Covidien shareholders challenging any aspect of the proposed transaction, the negotiation or consideration of the Transaction, the Transaction Agreement, dated as of June 15, 2014, by and among Medtronic, Covidien, Kalani I Limited (since renamed Medtronic Holdings Limited), Makani II Limited, Aviation Acquisition Co., Inc., and Aviation Merger Sub, LLC, and any disclosure made in connection therewith, including in the Definitive Joint Proxy Statement/Prospectus, pursuant to terms that will be disclosed to shareholders prior to final approval of the settlement, except that the released claims will not include 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 or the claims currently asserted in *In re Medtronic, Inc. Derivative Litigation*, 14-cv-3540, in the United States District Court for the District of Minnesota described on pages 157 and 158 of the Definitive Joint Proxy Statement/Prospectus. In addition, in connection with the settlement, the parties contemplate that the parties shall negotiate in good faith regarding the amount of attorneys’ fees and expenses that shall be paid to plaintiffs’ counsel in connection with the actions. There can be no assurance that the parties will ultimately enter into a stipulation of settlement or that the United States District Court for the District of Massachusetts will approve the settlement even if the parties were to enter into such stipulation. In such event, the proposed settlement as contemplated by the memorandum of understanding may be terminated.

**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.

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.

\* \* \*

**NO OFFER OR SOLICITATION**

This communication is not intended to and does not constitute an offer to sell or the solicitation of an offer to subscribe for or buy or an invitation to purchase or subscribe for any securities or the solicitation of any vote or approval in any jurisdiction pursuant to the acquisition, the merger or otherwise, nor shall there be any sale, issuance or transfer of securities in any jurisdiction in contravention of applicable law. No offer of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended.

**IMPORTANT ADDITIONAL INFORMATION**

Medtronic Holdings Limited, which will be renamed Medtronic plc ("New Medtronic"), has filed with the Securities and Exchange Commission (the "SEC") a registration statement on Form S-4 that includes the Joint Proxy Statement of Medtronic and Covidien that also constitutes a Prospectus of New Medtronic. The registration statement has been declared effective by the SEC. Medtronic and Covidien have commenced making available to their respective shareholders the Joint Proxy Statement/Prospectus (including the Scheme) in connection with the transactions. INVESTORS AND SHAREHOLDERS ARE URGED TO READ THE JOINT PROXY STATEMENT/PROSPECTUS (INCLUDING THE SCHEME) AND OTHER RELEVANT DOCUMENTS FILED OR TO BE FILED WITH THE SEC CAREFULLY WHEN THEY BECOME AVAILABLE BECAUSE THEY CONTAIN OR WILL CONTAIN IMPORTANT INFORMATION ABOUT MEDTRONIC, COVIDIEN, NEW MEDTRONIC, THE TRANSACTIONS AND RELATED MATTERS. Investors and security holders are able to obtain free copies of the Joint Proxy Statement/Prospectus (including the Scheme) and other documents filed with the SEC by New Medtronic, Medtronic and Covidien through the website maintained by the SEC at [www.sec.gov](http://www.sec.gov). In addition, investors and shareholders are able to obtain free copies of the Joint Proxy Statement/Prospectus (including the Scheme) and other documents filed by Medtronic and New Medtronic with the SEC by contacting Medtronic Investor Relations at [investor.relations@medtronic.com](mailto:investor.relations@medtronic.com) or by calling 763-505-2696, and will be able to obtain free copies of the Joint Proxy Statement/Prospectus (including the Scheme) and other documents filed by Covidien by contacting Covidien Investor Relations at [investor.relations@covidien.com](mailto:investor.relations@covidien.com) or by calling 508-452-4650.

**PARTICIPANTS IN THE SOLICITATION**

Medtronic, New Medtronic and Covidien and certain of their respective directors and executive officers and employees may be considered participants in the solicitation of proxies from the respective shareholders of Medtronic and Covidien in respect of the transactions contemplated by the Joint Proxy Statement/Prospectus. Information regarding the persons who may, under the rules of the SEC, be

deemed participants in the solicitation of the respective shareholders of Medtronic and Covidien in connection with the proposed transactions, including a description of their direct or indirect interests, by security holdings or otherwise, is set forth in the Joint Proxy Statement/Prospectus. Information regarding Medtronic's directors and executive officers is contained in Medtronic's Annual Report on Form 10-K for the fiscal year ended April 25, 2014 and its Proxy Statement on Schedule 14A, dated July 11, 2014, which are filed with the SEC. Information regarding Covidien's directors and executive officers is contained in Covidien's Annual Report on Form 10-K for the fiscal year ended September 26, 2014 and its Proxy Statement on Schedule 14A, dated January 24, 2014, which are filed with the SEC.

#### **Covidien Cautionary Statement Regarding Forward-Looking Statements**

Statements contained in this communication that refer to Covidien's estimated or anticipated future results, including estimated synergies, or other non-historical facts are forward-looking statements that reflect Covidien's current perspective of existing trends and information as of the date of this communication. Forward-looking statements generally will be accompanied by words such as "anticipate," "believe," "plan," "could," "should," "estimate," "expect," "forecast," "outlook," "guidance," "intend," "may," "might," "will," "possible," "potential," "predict," "project," or other similar words, phrases or expressions. It is important to note that Covidien's goals and expectations are not predictions of actual performance. Actual results may differ materially from Covidien's current expectations depending upon a number of factors affecting Covidien's business, Medtronic's business and risks associated with the proposed transactions. These factors include, among others, the inherent uncertainty associated with financial projections; the timing to consummate the proposed transactions; the risk that a condition to closing of the proposed transactions may not be satisfied; the risk that the required regulatory approvals for the proposed transactions are not obtained, are delayed or are subject to conditions that are not anticipated; New Medtronic's ability to achieve the synergies and value creation contemplated by the proposed transactions; the anticipated size of the markets and continued demand for Medtronic's and Covidien's products; New Medtronic's ability to promptly and effectively integrate Medtronic's and Covidien's businesses; the diversion of management time on transaction-related issues; competitive factors and market conditions in the industry in which Covidien operates; Covidien's ability to obtain regulatory approval and customer acceptance of new products, and continued customer acceptance of Covidien's existing products; and the other risks identified in Covidien's periodic filings including its Annual Report on Form 10-K for the fiscal year ended September 27, 2013, and from time to time in Covidien's other investor communications. We caution you that the foregoing list of important factors is not exclusive. In addition, in light of these risks and uncertainties, the matters referred to in Covidien's forward-looking statements may not occur. Covidien undertakes no obligation to publicly update or revise any forward-looking statement as a result of new information, future events or otherwise, except as may be required by law.

#### **Statement Required by the Irish Takeover Rules**

The directors of Covidien plc accept responsibility for the information contained in this communication. To the best of the knowledge and belief of the directors (who have taken all reasonable care to ensure that such is the case) the information contained in this communication is in accordance with the facts and does not omit anything likely to affect the import of such information.

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, IN, INTO OR FROM ANY JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OR REGULATIONS.

**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: December 23, 2014

**COVIDIEN PUBLIC LIMITED COMPANY**

By: \_\_\_\_\_ /s/ John W. Kapples  
Name: John W. Kapples  
Title: Vice President and Corporate Secretary

EXHIBIT B

**UNITED STATES DISTRICT COURT  
DISTRICT OF MASSACHUSETTS**

IN RE COVIDIEN PLC SECURITIES LITIGATION	)	Civil Action No. 1:14-cv-12949-LTS
	)	CLASS ACTION
	)	Consolidated Shareholder Litigation

**[PROPOSED] ORDER FOR NOTICE AND  
SCHEDULING OF HEARING ON SETTLEMENT**

The Parties, having made an application for an order for notice and scheduling of a hearing with respect to a settlement (the “Settlement”) of this consolidated action (the “Consolidated Action”) in accordance with a Stipulation of Settlement and Release dated May 15, 2015 (the “Stipulation”), which together with the exhibits thereto sets forth the terms and conditions for the proposed Settlement of the Consolidated Action, and which provides for the full and final resolution, settlement, discharge, and dismissal of the Consolidated Action with prejudice and release of the Released Claims against each and every one of the Released Parties;

IT IS HEREBY ORDERED, this \_\_\_\_ day of \_\_\_\_\_ 2015, that:

1. This Order incorporates by reference the definitions in the Stipulation, and all capitalized terms used herein shall have the same meanings as set forth in the Stipulation unless otherwise defined herein.

2. Conditional Certification of the Class as a Non-Opt-Out Class. For settlement purposes only and conditioned upon Final Court Approval, the Court conditionally certifies the Consolidated Action as a non-opt-out class action pursuant to Rule 23(b)1 and (b)(2) of the Federal Rules of Civil Procedure. The Class consists of any and all persons and entities who held shares of Covidien common stock, either of record or beneficially, at any time between June 14, 2014 (the date the Covidien Board of Directors approved the Transaction) and January 26, 2015 (the date of the consummation of the Transaction), including any and all of their

respective successors in interest, predecessors, representatives, trustees, executors, administrators, heirs, assigns or transferees, immediate and remote, and any person or entity acting for or on behalf of, or claiming under any of them, other than the Defendants, their subsidiary companies, affiliates, assigns, and members of their immediate families, as the case may be (the “Class”).

3. Designation of Class Representative and Counsel. The Court conditionally certifies plaintiff the Rosenfeld Family Foundation as representative for the Class. The Court conditionally appoints the law firms of WeissLaw LLP 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.

4. Settlement Hearing. A hearing (the “Settlement Hearing”) shall be held on \_\_\_\_\_, 2015 at \_\_\_\_\_, before Judge Leo T. Sorokin of the United States District Court for the District of Massachusetts, in the John Joseph Moakley U.S. Courthouse, 1 Courthouse Way, Boston, Massachusetts, to: (a) determine whether the Settlement is fair, reasonable, and adequate to the Class and should be approved by the Court; (b) determine whether the Class should be finally certified and whether Plaintiffs’ Counsel have adequately represented the Class; (c) determine whether an Order and Final Judgment as provided in the Stipulation should be entered herein; (d) consider Plaintiffs’ Counsel’s application for an award of attorneys’ fees, costs, and expenses as provided in the Stipulation; and (e) rule on such other matters as the Court may deem appropriate. The Court may adjourn the Settlement Hearing without further notice to members of the Class. The Court may approve the Settlement, according to the terms and conditions of the Stipulation, as it may be modified by the Parties thereto, with or without further notice to the Class. Further, the Court may enter the

Order and Final Judgment dismissing the Consolidated Action against Defendants and the Released Claims with prejudice (as provided in the Stipulation), approving releases by Plaintiffs and the Class of all of the Released Claims against the Released Parties, and ordering the payment of attorneys' fees, costs and expenses, all without further notice.

5. Appearance at Settlement Hearing and Objections to the Settlement. 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 Settlement 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 ten (10) calendar days prior to the Settlement Hearing, 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 (either of record or beneficially) at any time between June 14, 2014 and January 26, 2015, 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  
WEISSLAU LLP  
1500 Broadway, 16<sup>th</sup> Floor  
New York, NY 10036

*Co-Lead Counsel for Plaintiffs*

Shannon L. Hopkins  
LEVI & KORSINSKY LLP  
30 Broad Street, 24<sup>th</sup> Floor  
New York, NY 10004

*Co-Lead Counsel for Plaintiffs*

John D. Donovan, Jr.  
ROPES & GRAY LLP  
One International Place  
Boston, MA 02110

*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*

Rachelle Silverberg  
WACHTELL, LIPTON, ROSEN & KATZ  
51 West 52nd Street  
New York, NY 10019

*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  
7 World Trade Center  
New York, NY 10007

*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 and shall forever be barred from making any such objection in the Consolidated Action (including on any appeal) or in any other action or proceeding.

6. Approval of Notice. The Court approves, in form and content, the Notice annexed as Exhibit C to the Stipulation and finds that mailing the Notice pursuant to the procedures set forth herein comports with the requirements of Rule 23 of the Federal Rules of Civil Procedure, the Private Securities Litigation Reform Act of 1995, 15 U.S.C. § 78u-4, *et seq.*, and all other applicable laws and rules, and shall constitute due, adequate and sufficient notice of the Settlement Hearing and all other matters referred to in the Notice to all persons entitled to receive notice of the Settlement Hearing and satisfies the requirements of due process. Covidien or its successor(s) shall, no later than fifteen days before the Settlement Hearing directed herein, file appropriate affidavits of proof of mailing the Notice.

7. Notice Procedures. At least sixty (60) days prior to the Settlement Hearing, Covidien or its successor(s) shall cause the Notice, substantially in the form of Exhibit C to the Stipulation, to be mailed by first-class mail, postage prepaid, to all record holders of Covidien common stock at any time from June 14, 2014 through and including January 26, 2015, as set forth in the books and records maintained by or on behalf of Covidien or its successor, at their respective last-known addresses set forth in such records. Furthermore, Covidien and/or its successor(s) in interest or the settlement administrator shall use reasonable efforts to give notice

to beneficial owners of Covidien common stock by (i) providing, at the expense of Covidien or its successor and/or assigns, and/or their insurer(s), and/or the insurer(s) of the Director Defendants, additional copies of the Notice to any record holder requesting the Notice for purpose of distribution to any beneficial owners of Covidien common stock who are entitled to notice, or (ii) at the request of such record holder, causing the Notice to be mailed at the expense of Covidien or its successor(s) in interest or insurer directly to such beneficial owners at the addresses provided by such record holder. Covidien or its successor(s) shall assume administrative responsibility for preparing and disseminating the Notice and Covidien or its successor and/or assigns, and/or their insurer(s), and/or the insurer(s) of the Director Defendants will pay all costs and expenses related to preparing and disseminating the Notice.

8. Briefing Schedule. Plaintiffs' Counsel shall file all briefs and supporting papers in support of the Settlement, including their application for an award of attorneys' fees and expenses, no later than twenty-one (21) calendar days before the Settlement Hearing. Plaintiffs' Counsel shall file any supplemental briefing no later than seven (7) calendar days prior to the Settlement Hearing.

9. Stay of Proceedings and Injunction against Further Proceedings. All proceedings in the Consolidated Action other than such proceedings as may be necessary to carry out the terms and conditions of the Settlement are hereby stayed and suspended until further order of this Court. 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.

10. Termination of Settlement. If the Settlement is terminated for any reason pursuant to the terms of the Stipulation or does not receive Final Court Approval, this Order and any judgment entered herein, as well as any other actions taken or to be taken in connection with the Settlement, shall be terminated and shall become null and void and of no further force and effect. If the Settlement is terminated pursuant to the terms of the Stipulation, the parties to the Consolidated Action shall so inform the Court and shall revert to their respective litigation positions as if the Stipulation never existed, and neither the Stipulation nor any provision contained therein, nor any action undertaken pursuant thereto, nor the negotiation thereof by any party, shall be deemed an admission or offered or received as evidence at any proceeding in the Consolidated Action or any other action or proceeding. If Final Court Approval of the Settlement is not granted by the Court, the preliminary certification of the Consolidated Action as a class action shall be automatically vacated.

11. No Admission. The MOU and the Stipulation and any and all negotiations, statements, or proceedings in connection therewith are not and shall not be deemed to constitute a presumption, concession, or an admission by (i) any Defendant in the Consolidated Action of any fault, liability, damages, or wrongdoing as to any facts or claims alleged or asserted in the Consolidated Action or any other actions or proceeding, or (ii) any Plaintiff that the claims asserted in the Consolidated Action lack merit. The provisions contained in the MOU and the Stipulation shall not be interpreted, construed, deemed, invoked, offered, or received in evidence or otherwise used by any person in the Consolidated Action, or in any other

action or proceeding, whether civil, criminal, or administrative, except in connection with any proceeding to enforce the terms of the Settlement or to effectuate the releases and dismissal with prejudice contained therein.

12. Retention of Exclusive Jurisdiction by the Court. The Court retains exclusive jurisdiction over the Consolidated Action to consider all further applications arising out of or connected to the proposed Settlement.

Dated: \_\_\_\_\_, 2015

\_\_\_\_\_  
The Honorable Leo T. Sorokin

**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:** \_\_\_\_\_, 2015
  - **Court Hearing on Fairness of Settlement:** \_\_\_\_\_, 2015
- **Plaintiffs' Counsel:**

Richard A. Acocelli  
WEISSLAU LLP  
1500 Broadway, 16<sup>th</sup> Floor  
New York, NY 10036  
(212) 682-3025

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

*Co-Lead Counsel for Plaintiffs*      *Co-Lead Counsel for Plaintiffs*

Get more details in the enclosed Notice authorized by the United States District Court for the District of Massachusetts.

**UNITED STATES DISTRICT COURT  
DISTRICT OF MASSACHUSETTS**

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IN RE COVIDIEN PLC SECURITIES LITIGATION	) ) ) )	Civil Action No. 1:14-cv-12949-LTS CLASS ACTION Consolidated Shareholder Litigation
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**NOTICE OF PENDENCY OF CLASS ACTION, PROPOSED  
SETTLEMENT OF CLASS ACTION AND SETTLEMENT HEARING**

TO: ALL PERSONS OR ENTITIES WHO HELD SHARES OF COVIDIEN PLC. (“COVIDIEN”) COMMON STOCK, EITHER OF RECORD OR BENEFICIALLY, AT ANY TIME BETWEEN JUNE 14, 2014 AND JANUARY 26, 2015 (THE DATE OF THE CONSUMMATION OF THE TRANSACTION WHEREBY COVIDIEN SHAREHOLDERS RECEIVED \$35.19 IN CASH AND 0.956 OF AN ORDINARY SHARE OF NEW MEDTRONIC FOR EACH SHARE OF COVIDIAN COMMON STOCK), INCLUDING ANY AND ALL OF THEIR RESPECTIVE SUCCESSORS IN INTEREST, PREDECESSORS, REPRESENTATIVES, TRUSTEES, EXECUTORS, ADMINISTRATORS, HEIRS, ASSIGNS OR TRANSFEREES, IMMEDIATE AND REMOTE, AND ANY PERSON OR ENTITY ACTING FOR OR ON BEHALF OF, OR CLAIMING UNDER ANY OF THEM, OTHER THAN THE DEFENDANTS, THEIR SUBSIDIARY COMPANIES, AFFILIATES, ASSIGNS, AND MEMBERS OF THEIR IMMEDIATE FAMILIES, AS THE CASE MAY BE (THE “CLASS”).

PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY. YOUR RIGHTS WILL BE AFFECTED BY THE LEGAL PROCEEDINGS IN THIS ACTION. IF THE COURT APPROVES THE PROPOSED SETTLEMENT, YOU WILL BE FOREVER BARRED FROM CONTESTING THE FAIRNESS OF THE PROPOSED SETTLEMENT OR PURSUING THE “RELEASED CLAIMS” (DEFINED BELOW).

IF YOU ARE A NOMINEE WHO HELD COVIDIEN COMMON STOCK FOR THE BENEFIT OF ANOTHER, READ THE SECTION BELOW ENTITLED “NOTICE TO PERSONS OR ENTITIES HOLDING RECORD OWNERSHIP ON BEHALF OF OTHERS.”

**THE PURPOSE OF THIS NOTICE**

The purpose of this Notice is to inform you of a proposed settlement (the “Settlement”) of the above-captioned action (the “Consolidated Action”) pending before the United States District Court for the District of Massachusetts (the “Court”). Pursuant to the Settlement, plaintiff the Rosenfeld Family Foundation (together with plaintiffs Joseph Lipovich and Richard Taxman, the “Plaintiffs”), on its own behalf and on behalf of all members of the Class (defined herein), has agreed to dismiss with prejudice their claims against José E. Almeida, Joy A. Amundson, Craig Arnold, Robert H. Brust, Christopher J. Coughlin, Randall J. Hogan, III, Dennis H. Reilley, Stephen H. Rusckowski, and Joseph A. Zaccagnino (the “Director Defendants”), Covidien, Medtronic, Inc. (“Medtronic”), Kalani I Limited (n/k/a Medtronic

Holdings Limited) (“New Medtronic”), and merger subsidiaries Makani II Limited (“IrSub”), Aviation Acquisition Co., Inc. (“U.S. AcquisitionCo”) and Aviation Merger Sub, LLC (“MergerSub”) (collectively, the “Defendants,” and with each of Defendants and Plaintiffs a “Party” and together the “Parties”).

A hearing will be held before Judge Leo T. Sorokin of the United States District Court for the District of Massachusetts, in the John Joseph Moakley U.S. Courthouse, 1 Courthouse Way, Boston, Massachusetts, on \_\_\_\_\_, 2015 at \_\_\_\_\_ (the “Hearing”) to determine: (a) whether the Court should finally certify the Consolidated Action as a class action, without opt-out rights, pursuant to Federal Rule of Civil Procedure 23; (b) whether the Court should approve the proposed Settlement of the Consolidated Action; (c) whether the Court should enter a final judgment dismissing the claims asserted in the Consolidated Action on the merits and with prejudice as against Plaintiffs and the Class; (d) if the Court approves the Settlement and enters such final judgment, whether the Court should grant the application of Plaintiffs’ Counsel (defined below) for an award of attorneys’ fees and expenses 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; and (e) such other matters as may properly come before the Court.

This Notice describes the rights you may have under the proposed Settlement and what steps you may, but are not required to, take in relation to the proposed Settlement. If the Court approves the proposed Settlement, the parties to the Consolidated Action will ask the Court at the Hearing, among other things, to enter the Order and Final Judgment dismissing all claims asserted in the Consolidated Action with prejudice.

The Court has the right to adjourn the Hearing without further notice. The Court also has the right to approve the Settlement with or without modifications, to enter its final judgment dismissing the Consolidated Action on the merits and with prejudice and to order the payment of attorneys’ fees and expenses without further notice.

**THE FOLLOWING RECITATION DOES NOT CONSTITUTE FINDINGS OF THE COURT AND SHOULD NOT BE UNDERSTOOD AS AN EXPRESSION OF ANY OPINION OF THE COURT AS TO THE MERITS OF ANY CLAIMS OR DEFENSES BY ANY OF THE PARTIES. IT IS BASED ON STATEMENTS OF THE PARTIES AND IS SENT FOR THE SOLE PURPOSE OF INFORMING YOU OF THE EXISTENCE OF THE CONSOLIDATED ACTION AND OF A HEARING ON A PROPOSED SETTLEMENT SO THAT YOU MAY MAKE APPROPRIATE DECISIONS AS TO STEPS YOU MAY WISH TO TAKE IN RELATION TO THIS LITIGATION.**

**BACKGROUND AND DESCRIPTION OF THE LITIGATION**

On June 15, 2014, Covidien and Medtronic issued a joint press release announcing that they had entered into a definitive agreement (“Transaction Agreement”) under which Medtronic agreed to acquire Covidien in a cash-and-stock transaction whereby Covidien shareholders would receive \$35.19 in cash and 0.956 of an ordinary share of New Medtronic for each share of Covidien’s common stock (the “Transaction”)

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, Mandelcorn & 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.

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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, 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”).

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 [ Notice Administrator website]]. 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 \_\_\_\_\_, 2015 at \_\_\_:\_\_\_ .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 \_\_\_\_\_, 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*

John D. Donovan, Jr.  
ROPES & GRAY LLP  
One International Place  
Boston, MA 02110

*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*

Shannon L. Hopkins  
LEVI & KORSINSKY LLP  
30 Broad Street, 24<sup>th</sup> Floor  
New York, NY 10004

*Co-Lead Counsel for Plaintiffs*

Rachelle Silverberg  
WACHTELL, LIPTON, ROSEN & KATZ  
51 West 52nd Street  
New York, NY 10019

*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  
7 World Trade Center  
New York, NY 10007

*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 [Notice Administrator website].

**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.**

Richard A. Acocelli  
WEISSLAU LLP  
1500 Broadway, 16<sup>th</sup> Floor  
New York, NY 10036  
(212) 682-3025

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

*Co-Lead Counsel for Plaintiffs*

*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 of 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:

*In re Covidien plc Securities Litigation*

[Address]

[Phone]

[Website]

Dated: \_\_\_\_\_, 2015

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

EXHIBIT D

**UNITED STATES DISTRICT COURT  
DISTRICT OF MASSACHUSETTS**

_____ )	Civil Action No. 1:14-cv-12949-LTS
IN RE COVIDIEN PLC SECURITIES )	CLASS ACTION
LITIGATION )	
_____ )	Consolidated Shareholder Litigation

**ORDER AND FINAL JUDGMENT**

A hearing having been held before this Court on \_\_\_\_\_, 2015, pursuant to this Court’s Order for Notice and Scheduling of Hearing on Settlement dated \_\_\_\_\_, 2015 (the “Scheduling Order”), and upon a Stipulation of Settlement and Release dated May 15, 2015 (the “Stipulation”)<sup>1</sup> filed in the above-captioned action (the “Consolidated Action”), which is incorporated herein by reference; it appearing that due notice of such hearing has been given in accordance with the Scheduling Order; the respective parties to the Stipulation having appeared by their attorneys of record; this Court having heard and considered evidence in support of the proposed settlement (the “Settlement”) set forth in the Stipulation; the attorneys for the respective parties to the Stipulation having been heard; an opportunity to be heard having been given to all other persons requesting to be heard in accordance with the Scheduling Order; this Court having determined that notice to the Class was adequate and sufficient; and the entire matter of the proposed Settlement having been heard and considered by this Court:

**IT IS ORDERED, ADJUDGED, AND DECREED THIS \_\_\_\_ DAY OF \_\_\_\_\_, 2015, AS FOLLOWS:**

1. The Notice of Pendency of Class Action, Proposed Settlement of Class Action, and Settlement Hearing (the “Notice”) has been provided pursuant to and in the manner directed by the Scheduling Order; proof of dissemination of the Notice was filed with the Court;

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<sup>1</sup> Except as otherwise expressly defined herein, all capitalized terms shall have the same definitions as set forth in the Stipulation.

and full opportunity to be heard has been offered to all parties, the Class, and persons in interest. The form and manner of the Notice is hereby determined to have been the best notice practicable under the circumstances and to have been given in full compliance with each of the requirements of due process, Rule 23 of the Federal Rules of Civil Procedure, the Private Securities Litigation Reform Act of 1995, 15 U.S.C. § 78u-4, *et seq.*, and all other applicable laws and rules. It is further determined that all members of the Class are bound by this Order and Final Judgment.

2. Defendants have filed a Declaration of Compliance with the Class Action Fairness Act of 2005 (“CAFA”), 28 U.S.C. § 1715. Defendants timely mailed notice of the settlement to the Attorney General of the United States of America and the attorneys general of all 50 states, the District of Columbia, American Samoa, Guam, the Northern Mariana Islands, Puerto Rico, and the Virgin Islands pursuant to 28 U.S.C. § 1715(b). The notice contains the documents and information required by 28 U.S.C. § 1715(b)(1)-(8). The Court finds that Defendants have complied in all respects with the requirements of 28 U.S.C. § 1715.

3. The Court hereby certifies the Consolidated Action as a non-opt-out class action pursuant to Rule 23(b)(1) and (b)(2) of the Federal Rules of Civil Procedure. The Class consists of any and all persons and entities who held shares of Covidien common stock, either of record or beneficially, at any time between June 14, 2014 (the date the Covidien Board of Directors approved the Transaction) and January 26, 2015 (the date of the consummation of the Transaction), including any and all of their respective successors in interest, predecessors, representatives, trustees, executors, administrators, heirs, assigns or transferees, immediate and remote, and any person or entity acting for or on behalf of, or claiming under any of them, other than the Defendants, their subsidiary companies, affiliates, assigns, and members of their immediate families, as the case may be (the “Class”).

4. The Class satisfies the requirements of Rules 23(a), 23(b)(1) and 23(b)(2) of the Federal Rules of Civil Procedure, in that (a) the Class is so numerous that joinder of all members thereof is impracticable, (b) there are questions of law and fact common to the Class, (c) the claims of the Plaintiffs are typical of the claims of the Class, (d) Plaintiffs will have adequately represented the interest of the Class, (e) the prosecution of separate actions by individual members of the Class would create a risk of inconsistent or varying adjudications with respect to individual members of the Class which would establish incompatible standards of conduct for the parties opposing the Class, and (f) Defendants are alleged to have acted or refused to act on grounds generally applicable to the Class.

5. Plaintiff the Rosenfeld Family Foundation is finally appointed and certified as representative for the Class pursuant to Rule 23 of the Federal Rules of Civil Procedure. The law firms of WeissLaw LLP and Levi & Korsinsky LLP are finally appointed as Co-Lead Counsel for the Class, and the law firm of Block & Leviton LLP is finally appointed as Liaison Counsel for the Class, pursuant to Rule 23(g) of the Federal Rules of Civil Procedure. Pursuant to, and in accordance with, Rule 23 of the Federal Rules of Civil Procedure, this Court hereby finds that the Class representative and the Class counsel have fairly and adequately protected and represented the interests of the Class in connection with the prosecution of the Consolidated Action and in the Settlement.

6. This Court has jurisdiction over the subject matter of the Consolidated Action, including all matters necessary to effectuate the Settlement and this Order and Final Judgment, and over all parties to the Consolidated Action.

7. The Settlement is found to be fair, reasonable, and adequate and in the best interests of the Class, and is hereby approved pursuant to Rule 23(e) of the Federal Rules of Civil Procedure. The parties to the Stipulation are hereby authorized and directed to comply

with and to consummate the Settlement in accordance with its terms and provisions, and the Clerk of Court is directed to enter and docket this Order and Final Judgment.

8. The Consolidated Action is hereby dismissed with prejudice in its entirety as to Defendants and against Plaintiffs and all other Class members and without costs, except with regard to any award of attorneys' fees and expenses set forth in Paragraph 13 below.

9. As provided for in the Stipulation, the Court hereby finally and forever bars, settles, extinguishes, discharges, and releases 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”); 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.

10. Defendants shall be deemed to have, and by operation of this Order and Final Judgment shall have, fully, finally, and forever released, relinquished, and discharged Plaintiffs and Plaintiffs’ Counsel from all claims or sanctions (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”).

11. The Released Claims and Defendants' Released Claims include Unknown Claims. "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 Plaintiffs and Plaintiffs' Counsel, including without limitation those that, if known, might have affected the decision to enter into the Settlement. With respect to any and all of the Released Claims or Defendants' Released Claims, including any and all Unknown Claims, the Releasing Persons and Defendants are deemed to waive, and have waived and relinquished to the fullest extent permitted by law 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.

The Court finds that Plaintiffs have, on their own behalves and on behalf of the Class and the Releasing Persons, acknowledged that they, Plaintiffs' Counsel, the Releasing Persons and the members of the Class 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 and the Releasing Persons, 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' Counsel, Plaintiffs, and the other parties to the Stipulation acknowledge, and the members of the Class and



the Releasing Persons 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 Stipulation.

12. The Releasing Persons are hereby permanently 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.

13. The Court orders that Covidien (or its assigns, and/or their insurer(s), and/or the insurer(s) of the Individual Defendants) shall pay, or cause to be paid, the sum of \$\_\_\_\_\_ in attorneys' fees, costs and expenses in accordance with, and subject to the terms and conditions of, ¶¶18-22 of the Stipulation.

14. Covidien or its successor and/or assigns, and/or their insurer(s), and/or the insurer(s) of the Director Defendants shall pay the fees, costs and expenses awarded to Plaintiffs' Counsel, on behalf of all Defendants, within ten (10) business days after the later of (1) the date of this Order and Final Judgment, notwithstanding the existence of any timely-filed objections to the Settlement or to the fees and expenses awarded, or potential appeal from such objections, or collateral attack on the Settlement or any part thereof or (2) the dismissal with prejudice of the *Cobb* Action with no further proceedings having occurred in that action and otherwise in accordance with, and subject to the terms and conditions of, ¶¶18-22 of the Stipulation. Such payment shall be subject to the joint and several obligation of Plaintiffs' Counsel to refund,

within ten (10) business days, all amounts received and any interest accrued or accumulated thereon, if and when, as a result of any appeal, or successful collateral proceeding, the fee, cost or expense award is reduced or reversed or if the award order does not become final, if the Settlement itself is voided by any party as provided in the Stipulation, or if the approval of the Settlement is later reversed by any court.

15. Co-Lead Counsel, jointly and in its sole discretion, shall determine the allocation among Plaintiffs' Counsel of any attorneys' fees, costs, and expenses approved by the Court and paid by Defendants. Defendants shall have no responsibility for allocation or distribution of the fees and expenses award among Plaintiffs' Counsel. Except as provided herein, the Released Persons shall bear no other expenses, costs, damages, or fees alleged or incurred by Plaintiffs, or by any of their attorneys, experts, advisors, agents or representatives.

16. The effectiveness of this Order and Final Judgment and the obligations of Plaintiffs and Defendants under the Stipulation shall not be conditioned upon or subject to the resolution of any appeal from this Order and Final Judgment that relates solely to the issue of Plaintiffs' Counsel's application for an award of attorneys' fees, costs, and expenses.

17. Neither the MOU, the Stipulation, the Settlement, this Order and Final Judgment, nor any of their terms and provisions, nor any of the negotiations, discussions, and proceedings in connection with the Settlement, shall be deemed, construed as, or constitute a presumption, concession, or an admission by (i) any Defendant in the Consolidated Action of any fault, liability, damages, or wrongdoing as to any facts or claims alleged or asserted in the Consolidated Action or any other actions or proceedings, or (ii) any Plaintiff that the claims asserted in the Consolidated Action lack merit. The provisions contained in the MOU and this Stipulation shall not be interpreted, construed, deemed, invoked, offered, or received in evidence or otherwise used by any person in the Consolidated Action or in any other action or proceeding,

whether civil, criminal, or administrative, except in connection with any proceeding to enforce the terms of the Settlement or to effectuate the releases or dismissal with prejudice contained herein.

18. Nothing in this Order and Final Judgment shall preclude any action to enforce the terms of the Stipulation, the Settlement, or this Order and Final Judgment. Notwithstanding paragraph 17 herein, any of the Released Parties or Plaintiffs may file, cite, and/or refer to the Stipulation, the facts and terms of the Settlement, and this Order and Final Judgment in any other action, proceeding or forum in order to effectuate the release and other liability protections provided thereby, or to support a defense or counterclaim that the Settlement has *res judicata*, collateral estoppel, or other issue or claim preclusion effect.

19. The Court finds and concludes that the parties and their respective counsel have complied in all respects with the requirements of Rule 11 of the Federal Rules of Civil Procedure in connection with the institution, prosecution, defense, and settlement of the Consolidated Action.

20. Without affecting the finality of this Order and Final Judgment, jurisdiction is hereby retained by this Court for the purpose of protecting and implementing the Stipulation, the Settlement, and the terms of this Order and Final Judgment, including the resolution of any disputes that may arise with respect to the effectuation of any of the provisions of the Stipulation, and for the entry of such further orders as may be necessary or appropriate in administering and implementing the terms and provisions of the Settlement and this Order and Final Judgment.

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The Honorable Leo T. Sorokin