

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): **May 30, 2019**

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**AVADEL PHARMACEUTICALS PLC**  
(Exact name of registrant as specified in its charter)

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**Ireland**  
(State or Other Jurisdiction of  
Incorporation)

**000-28508**  
(Commission File Number)

**98-1341933**  
(I.R.S. Employer Identification No.)

**Block 10-1**  
**Blanchardstown Corporate Park, Ballycoolin**  
**Dublin 15, Ireland**  
(Address of Principal Executive Offices)

**Not Applicable**  
(Zip Code)

Registrant's telephone number, including area code: **+353 1 485 1200**

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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))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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## **Item 1.01 Entry into a Material Definitive Agreement.**

### Amended Employment Agreement with Gregory J. Divis.

On June 3, 2019, Avadel Management Corporation, a Delaware corporation (the “Employer”) and a wholly-owned subsidiary of Avadel Pharmaceuticals plc, an Irish public limited company (“Avadel plc” or the “Company”), entered into an Amended Employment Agreement (the “Amended Divis Employment Agreement”) with Gregory J. Divis in connection with the appointment of Mr. Divis as the Chief Executive Officer of Avadel plc and as the Chief Executive Officer of the Employer. The Amended Divis Employment Agreement replaces the employment agreement dated as of September 5, 2017 between Mr. Divis and the Employer.

The Amended Divis Employment Agreement has a one-year term, subject to automatic one-year extensions unless either the Employer or Mr. Divis gives notice of non-renewal before the end of the applicable term. Pursuant to the Amended Divis Employment Agreement, Mr. Divis will receive an annual base salary of \$500,000, subject to annual review and increase in the sole discretion of the Employer, and will be eligible to receive an annual bonus with a target payout of no less than 60% of his base salary based on achievement by Mr. Divis of certain business and individual performance objectives as well as the performance of the Company against its objectives. In connection with Mr. Divis’ oral assent to become the Chief Executive Officer of Avadel plc, on May 30, 2019 the Board of Directors of Avadel plc granted Mr. Divis options to purchase 400,000 of Avadel plc’s American Depositary Receipts (ADSs) with each such ADS representing one ordinary share of Avadel plc; such options become exercisable in four equal amounts on each of the first four anniversaries of the date of grant at an exercise price equal to the fair market value of the ADSs on the date of grant. In addition, Mr. Divis may be granted additional equity-based awards under the Company’s equity incentive plans or similar programs maintained by the Company in effect from time to time in the discretion of the Company.

The Amended Divis Employment Agreement provides that Mr. Divis will receive an automobile allowance of \$1,000 per month. Mr. Divis will also be subject to certain customary covenants relating to confidentiality and non-disparagement as well as non-solicitation of employees, contractors, customers and suppliers.

Under the Amended Divis Employment Agreement, if Mr. Divis’ employment is terminated, other than within six months before or 18 months after a change in control of either the Employer or the Company, by Mr. Divis for good reason (as defined in the Amended Divis Employment Agreement) or by the Company other than for Cause (as defined in the Amended Divis Employment Agreement), he will be entitled to a severance payment equal to the sum of (i) 1.5 times his then-current annual base salary paid in equal monthly installments over an 18-month period; (ii) all accrued but unpaid bonuses for any completed fiscal year and vacation pay, expense reimbursement and other benefits due under Company benefit plans, policies and arrangements; and (iii) if Mr. Divis elects continuation coverage pursuant to the Consolidated Omnibus Budget Reconciliation Act of 1985 (“COBRA”), the Company will pay the premiums for such coverage (at coverage levels in effect immediately prior to termination) until the earlier of: (A) the expiration of 18 months after the termination of employment or (B) the date he becomes covered under similar plans of any subsequent employer or is otherwise ineligible for COBRA.

If Mr. Divis' employment is terminated, within six months before or 18 months after a change in control of either the Employer or the Company, by Mr. Divis for good reason or by the Company other than for Cause (including non-renewal by the Company), he will be entitled to severance benefits as follows: (i) the Employer will pay Mr. Divis the amounts provided in items (i) and (iii) in the prior paragraph plus (x) his target bonus for the fiscal year in which the change of control occurs, or (y) his target bonus for the fiscal year in which the termination of employment occurs; or (z) his actual bonus during the calendar year prior to the calendar year during which the termination of employment occurs, whichever of (x), (y) or (z) is highest; (ii) the Employer will pay Mr. Divis the payments described in item (ii) of the prior paragraph; and (iii) upon the later of the change in control or the termination of Mr. Divis' employment, he shall become immediately vested in full in all outstanding unvested rights under equity awards, including without limitation stock option awards, restricted share awards and similar rights, to the extent such rights and awards would have vested based solely on his continued employment and the vesting of such rights and awards does not cause any violation of Section 409A of the Internal Revenue Code.

Mr. Divis' receipt of the payments upon termination of employment as described in the preceding two paragraphs will be subject to his execution and delivery of a separation and release agreement acceptable to the Company pursuant to which, among other things, he will release all claims against the Company and its affiliates.

The foregoing summary of certain terms of the Amended Divis Employment Agreement is qualified in its entirety by the terms of the definitive copy thereof which is filed as Exhibit 10.1 to this current report on Form 8-K and is incorporated herein by reference.

#### Employment Agreement with Dr. Jordan Dubow

On June 5, 2019, Avadel Management Corporation, a Delaware corporation (the "Employer") and a wholly-owned subsidiary of Avadel Pharmaceuticals plc, an Irish public limited company ("Avadel plc" or the "Company"), entered into an Employment Agreement (the "Dubow Employment Agreement") with Dr. Jordan Dubow in connection with the appointment of Dr. Dubow as the Chief Medical Officer of Avadel plc and as the Chief Medical Officer of the Employer.

The Dubow Employment Agreement has a one-year term, subject to automatic one-year extensions unless either the Employer or Dr. Dubow gives notice of non-renewal before the end of the applicable term. Pursuant to the Dubow Employment Agreement, Dr. Dubow will receive an annual base salary of \$435,000, subject to annual review and increase in the sole discretion of the Employer, and will be eligible to receive an annual bonus with a target payout of no less than 45% of his base salary based on achievement by Dr. Dubow of certain business and individual performance objectives as well as the performance of the Company against its objectives. In connection with the execution of the Dubow Employment Agreement, the Board of Directors of Avadel plc granted Dr. Dubow options to purchase 340,000 of Avadel plc's American Depositary Receipts (ADSs) with each such ADS representing one ordinary share of Avadel plc; such options become exercisable in four equal amounts on each of the first four anniversaries of the date of grant at an exercise price equal to the fair market value of the ADSs on the date of grant. In addition, Dr. Dubow may be granted additional equity-based awards under the Company's equity incentive plans or similar programs maintained by the Company in effect from time to time in the discretion of the Company.

Dr. Dubow will also be subject to certain customary covenants relating to confidentiality and non-disparagement as well as non-solicitation of employees, contractors, customers and suppliers.

Under the Dubow Employment Agreement, if Dr. Dubow's employment is terminated, other than within six months before or 18 months after a change in control of either the Employer or the Company, by Dr. Dubow for good reason (as defined in the Dubow Employment Agreement) or by the Company other than for Cause (as defined in the Dubow Employment Agreement), he will be entitled to a severance payment equal to the sum of (i) 1.0 times his then-current annual base salary; and (ii) if Dr. Dubow elects continuation coverage pursuant to the Consolidated Omnibus Budget Reconciliation Act of 1985 ("COBRA"), the Company will pay the premiums for such coverage (at coverage levels in effect immediately prior to termination) until the earlier of: (A) the expiration of 12 months after the termination of employment or (B) the date he becomes covered under similar plans of any subsequent employer or is otherwise ineligible for COBRA.

If Dr. Dubow's employment is terminated, within six months before or 18 months after a change in control of either the Employer or the Company, by Dr. Dubow for good reason or by the Company other than for Cause (including non-renewal by the Company), he will be entitled to the severance benefits provided in items (i) and (ii) in the prior paragraph.

Dr. Dubow's receipt of the payments upon termination of employment as described in the preceding two paragraphs will be subject to his execution and delivery of a separation and release agreement acceptable to the Company pursuant to which, among other things, he will release all claims against the Company and its affiliates.

The foregoing summary of certain terms of the Dubow Employment Agreement is qualified in its entirety by the terms of the definitive copy thereof which is filed as Exhibit 10.2 to this current report on Form 8-K and is incorporated herein by reference.

**Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.**

(c) On June 3, 2019, the Board of Directors of Avadel Pharmaceuticals plc, an Irish public limited company ("Avadel plc" or the "Company"), appointed Gregory J. Divis as the Company's Chief Executive Officer. Mr. Divis joined the Company in January 2017 as Executive Vice President and Chief Commercial Officer; in March 2018 he was promoted to Executive Vice President and Chief Operating Officer; and on December 30, 2018, he was promoted to Interim Chief Executive Officer. Prior to joining the Company, he served as an Executive in Residence at Linden Capital Partners, a healthcare-focused private equity firm. With over 25 years of experience in the pharmaceutical industry, Mr. Divis has served as President and Chief Executive Officer of Lumara Health, a specialty branded pharmaceutical company focused on women's health. Prior to Lumara, Mr. Divis held general management, sales, marketing and business development roles at Schering Plough and Sanofi-Aventis.

No family relationships exist between Mr. Divis and any of the Company's directors or executive officers or any person chosen by the Company to become a director or executive officer. There are no arrangements or understandings between Mr. Divis and any other person pursuant to which Mr. Divis was appointed as the Chief Executive Officer. Mr. Divis has no direct or indirect material interest in any transaction required to be disclosed pursuant to Item 404(a) of Regulation S-K.

(d) On May 30, 2019, the Board of Directors of the Company, acting on the recommendation of its Nominating and Corporate Governance Committee, unanimously appointed Gregory J. Divis to the Company's Board of Directors, effective immediately. Mr. Divis' term will expire at the Company's 2019 Annual General Meeting of Shareholders. Because Mr. Divis is also an employee of a subsidiary of the Company, he will not receive separate compensation in his capacity as a member of the Board of Directors of the Company.

There are no arrangements or understandings between Mr. Divis and any other person pursuant to which Mr. Divis was appointed to serve on the Board. Mr. Divis has no direct or indirect material interest in any transaction required to be disclosed pursuant to Item 404(a) of Regulation S-K.

**Item 7.01 Regulation FD Disclosure.**

A copy of the press release dated June 3, 2019 announcing the appointment of Gregory J. Divis as Chief Executive Officer and as a member of the Board of Directors of Avadel Pharmaceuticals plc is attached to this current report on Form 8-K as Exhibit 99.1.

The information in Item 7.01 of this current report including Exhibit 99.1 attached hereto, is furnished and shall not be treated as filed for purposes of the Securities Exchange Act of 1934.

**Item 9.01**

Financial Statements and Exhibits

(d) Exhibits

10.1	Amended Employment Agreement dated as of June 3, 2019 between Avadel Management Corporation and Gregory J. Divis
10.2	Employment Agreement dated as of June 5, 2019 between Avadel Management Corporation and Jordan Dubow
99.1	Press release of Avadel Pharmaceuticals plc dated June 3, 2019

## SIGNATURES

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.

### AVADEL PHARMACEUTICALS PLC

By: /s/ Phillandas T. Thompson  
Phillandas T. Thompson  
Senior Vice President, General Counsel and Corporate  
Secretary

Date: June 5, 2019

Exhibit Index

- [10.1 Amended Employment Agreement dated as of June 3, 2019 between Avadel Management Corporation and Gregory J. Divis](#)
- 
- [10.2 Employment Agreement dated as of June 5, 2019 between Avadel Management Corporation and Jordan Dubow](#)
- 
- [99.1 Press release of Avadel Pharmaceuticals plc dated June 3, 2019](#)
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## AMENDED EMPLOYMENT AGREEMENT

THIS AMENDED EMPLOYMENT AGREEMENT (this "Agreement") is entered into as of the third (3rd) day of June 2019 by and among Gregory J. Divis, a citizen of the United States currently residing at 1146 Greystone Manor Parkway, Chesterfield, Missouri 63005 (the "Executive"), and Avadel Management Corporation, a Delaware corporation with a principal office located at 16640 Chesterfield Grove Road, Suite 200, Chesterfield, Missouri, USA 63005 (the "Company"). The Company is an indirect wholly owned subsidiary of Avadel Pharmaceuticals plc, an Irish public limited company with a principal office located at Block 10-1, Blanchardstown Corporate Park, Ballycoolin, Dublin 15 Ireland ("Avadel plc").

## WITNESSETH

WHEREAS, the Company, Avadel plc and the Executive are parties to that certain Employment Agreement dated as of September 5, 2017 (the "2017 Agreement"), pursuant to which, among other things, the Company and Avadel plc agreed to employ the Executive.

WHEREAS, the Company and the Executive desire to replace the 2017 Agreement in order to reflect certain changes in the Executive's title, duties and compensation, all as set forth herein.

NOW, THEREFORE, in consideration of the mutual agreements and covenants set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, hereby agree as follows:

1. EMPLOYMENT TERMS

1.1 Position.

(a) Position, Duties, Etc. Effective as of June 3, 2019 (the "Effective Date"), the Company shall employ the Executive as the Chief Executive Officer of Avadel plc and as the Chief Executive Officer of the Company, and the Executive hereby accepts and agrees to such employment. The Executive shall carry out such work and perform such duties as may be reasonably required by the Company consistent with such positions and the terms and conditions of this Agreement. With respect to his position as Chief Executive Officer of Avadel plc, the Executive shall have all the duties, powers and responsibilities customarily associated with such position for a corporation incorporated under the Delaware General Corporation Law with equity securities registered under the United States Securities Exchange Act of 1934. The Executive shall work from the Company's offices in the St. Louis, Missouri area (currently in Chesterfield, Missouri), but shall also travel to and work from offices of the Company's affiliates in Lyon, France and Dublin, Ireland, to the extent required and appropriate, with the costs associated with such travel borne by the Company. The Executive will devote substantially all of the Executive's business time, attention and efforts to Avadel plc and the Company and during such time will make the best use of his energy, knowledge, and training for the purpose of advancing the interests of Avadel plc and the Company. Except as may be otherwise expressly authorized in writing by a duly authorized representative of the Board of Directors of Avadel plc, during his employment hereunder, the Executive will not accept any other employment with, and the Executive will not serve as an officer, director or principal of, any other company or organization other than a member of the Avadel Group of Companies (as hereinafter defined). Notwithstanding the foregoing, the Executive may engage in religious, charitable or other community activities (which may include service as a board member of a religious, charitable or other not-for-profit organization) as long as such activities do not interfere with the Executive's performance of his duties to or with respect to Avadel plc and each of its direct or indirect subsidiaries including the Company (collectively, the "Avadel Group of Companies"). The Executive will comply with all written policies of the Avadel Group of Companies, to the extent applicable to the Executive.

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(b) Reporting. The Executive shall report directly to the Board of Directors of Avadel plc.

1.2 Citizenship Status. It is the intent of the parties that, at all times during the Executive's employment hereunder, he will remain a citizen of the United States.

1.3 Duration. The term of this Agreement shall commence as of the Effective Date set forth above and shall continue for one (1) year beginning on such date, with the Agreement automatically renewing thereafter for successive periods of one (1) year, unless the Executive or the Company provides written notice to the other of his or its intention not to renew the Agreement at least thirty (30) days prior to the next upcoming expiration date. At the termination of this Agreement, the Executive's employment by the Company hereunder shall terminate simultaneously. As of the Effective Date, this Agreement supersedes and replaces the 2017 Agreement, which shall be null and void thereafter.

## 2. COMPENSATION; BENEFITS

2.1 Base Salary. The Company shall pay to the Executive a gross annual base salary of Five Hundred Thousand Dollars (\$500,000) per year payable in accordance with the Company's normal payroll practices in effect from time to time (but not less frequently than monthly), subject to ordinary and lawful deductions. The Company will review the Executive's base salary on or about the first of every calendar year, and, in the Company's sole discretion, make any increases that the Company deems warranted. If the Executive's base salary is increased, the new increased base salary will be the base salary for purposes of this Agreement.

2.2 Bonus. The Executive shall be eligible for an annual bonus with a target payout of no less than sixty percent (60%) of the Executive's base salary, subject to proration for any partial year (provided that for this purpose the Executive shall be given credit for his prior employment during 2019 under the 2017 Agreement). Payment of the annual bonus will be based upon the Executive's achievement of certain business and individual performance objectives as well as the performance of Avadel plc against its objectives. Subject to the requirement that the Executive shall be employed by a member of the Avadel Group of Companies on the date of payment, any bonus payments due hereunder shall be paid to the Executive no later than the last day of the calendar year following the applicable year to which the annual bonus relates, subject to ordinary and lawful deductions.

2.3 Equity Grants.

(a) Prior Stock Option Grants. The Board of Directors of Avadel plc previously made four (4) separate grants to the Executive of options that provide the Executive with rights to purchase 150,000, 100,000, 50,000 and 100,000 (for an aggregate of 400,000) American Depositary Shares (ADSs), with each ADS representing one (1) Avadel plc ordinary share, at an exercise price equal to the fair market value of the ADSs as of the date of the applicable grant (the “Existing Stock Options”). The terms and conditions of the Existing Stock Options (including the vesting provisions thereof) shall continue in effect without modification by this Agreement.

(b) Additional Stock Options. On May 30, 2019, in connection with the Executive’s oral assent to serve as the Chief Executive Officer of the Company and Avadel plc, the Board of Directors of Avadel plc granted the Executive options to purchase an additional 400,000 ADSs which will vest in equal twenty-five percent (25%) installments on each of the first four (4) anniversaries of the date of such grant and will be subject to the terms of a stock option agreement in substantially the form specified by the Avadel plc 2017 Omnibus Incentive Compensation Plan.

(c) Possible Future Equity Awards. The Executive will also be eligible to participate in future equity awards which may be granted to executive management, based upon company and individual performance, at the sole discretion of the Company’s Board of Directors. The terms and conditions of any such additional equity award shall be set forth in a separate written agreement between the Executive and Avadel plc.

2.4 Auto Allowance. The Company shall provide the Executive an automobile allowance of One Thousand Dollars (\$1,000.00) per month, payable no less frequently monthly.

2.5 Insurance and Benefits.

(a) Plan Participation. The Company shall facilitate the participation by the Executive and his family in any group medical, health, vision, dental, hospitalization, and accident insurance, retirement, pension, disability, or similar welfare or pension plan or program of the Company now existing or hereafter established in accordance with the terms and conditions of such plans or programs. The Executive acknowledges that the current insurance plans are offered through the Company and are subject to reasonable changes at the business discretion of the Company.

(b) Vacation and Paid Time Off. The Executive shall be eligible for paid vacation and time off in accordance with the policies of the Company applicable to other executives at similar levels of authority with respect to Avadel plc and the Company (currently twenty (20) days per year). The Executive shall also be entitled to the Company’s usual and customary holidays, including two (2) floating holidays each year, to be taken at the Executive’s discretion in accordance with the normal Company paid vacation and time-off policies.

(c) Indemnification; General Liability.

(i) To the fullest extent permitted by applicable law, the Company, its receiver, or its trustee shall indemnify, defend, and hold the Executive harmless from and against any expense, loss, damage, or liability incurred or connected with any claim, suit, demand, loss, judgment, liability, cost, or expense (including reasonable attorneys' fees) arising from or related to the services performed by him under the terms of this Agreement and amounts paid in settlement of any of the foregoing; provided that the same were not the result of the Executive's fraud, gross negligence, or reckless or intentional misconduct. The Company may advance to the Executive the costs of defending any claim, suit, or action against him if he undertakes to repay the funds advanced, with interest, should it later be determined that he is not entitled to indemnification under this Section 2.5(c).

(ii) The Company shall provide coverage to the Executive for his general liability, director and officer liability, and professional liability insurance at the same levels and on the same terms as provided to its other executive officers.

2.6 Reimbursement of Expenses. The Company shall reimburse the Executive, subject to presentation of adequate substantiation, including receipts, for the reasonable travel, entertainment, lodging and other business expenses incurred by the Executive in accordance with the Company's expense reimbursement policy in effect at the time such expenses are incurred. In no event will such reimbursements, if any, be made later than the last day of the year following the year in which the Executive incurs the expense.

3. TERMINATION AND SEVERANCE

3.1 Termination.

(a) Nothing in this Agreement shall prevent the Company from terminating the Executive's employment with the Company at any time, with or without "Cause." "Cause" means: (i) conviction of the Executive of, or the Executive's plea of nolo contendere to, a felony or crime involving moral turpitude; (ii) fraud, theft, or misappropriation by the Executive of any asset or property of any member of the Avadel Group of Companies, including, without limitation, any theft or embezzlement or any diversion of any corporate opportunity; (iii) breach by the Executive of any of the material obligations contained in this Agreement; (iv) conduct by the Executive materially contrary to the material policies of any member of the Avadel Group of Companies; (v) material failure by the Executive to meet the goals and objectives established by any member of the Avadel Group of Companies; provided that the Executive has failed to cure such failure within a reasonable period of time after written notice to him regarding such failure; or (vi) conduct by the Executive that results in a material detriment to any member of the Avadel Group of Companies, or its program, or goals or that is inimical to its reputation and interest; provided that the Executive has failed to cure such failure within a reasonable period of time after written notice to him regarding such conduct. Any reoccurrence of such acts constituting Cause within one (1) year of the original occurrence will require no such pre-termination right of the Executive to cure.

(b) The Executive may terminate the Executive's employment with the Company with or without "Good Reason". "Good Reason" means, without the Executive's consent, any of the following: (i) the failure of the Company to timely pay to the Executive any compensation owed to him under this Agreement; (ii) the Company's diminution in the Executive's authority, duties or responsibilities with respect to Avadel plc or the Company in any material respect or the Company's assignment to the Executive of duties or responsibilities that are materially inconsistent with the Executive's position with Avadel plc or the Company as stated in this Agreement; (iii) a relocation of the Company's offices of the Executive's employment which increases the Executive's one-way commute by more than sixty (60) miles; (iv) a material breach by the Company of this Agreement; or (v) the failure of the Company to have this Agreement assumed in full by any successor in the case of any merger, consolidation, or sale of all or substantially all of the assets of Avadel plc or the Company.

(c) In the event that the Executive desires to resign from the Company, he shall promptly give the Company written notice of the date that such resignation will be effective, provided that the notice period shall be no less than thirty (30) days. In the event that the Executive desires to resign from the Company for Good Reason, he shall provide the Company with written notice setting forth the acts constituting Good Reason within ninety (90) days of the initial occurrence of the Good Reason condition and providing that the Company may cure such acts within thirty (30) days of receipt of such notice. If such condition is not remedied within such thirty- (30-) day cure period, any termination of employment by the Executive for "Good Reason" must occur within ninety (90) days after the period for remedying such condition has expired.

(d) In the event that the Company desires to terminate the Executive's employment, with or without Cause, the Company shall give the Executive written notice thereof at least thirty (30) days prior to the date that such termination will be effective.

(e) The Executive's employment shall terminate automatically upon the Executive's death. If the Company determines that the Executive is subject to an Incapacity (as hereinafter defined), the Company may terminate the Executive's employment and this Agreement effective upon the Executive's Incapacity. "Incapacity" shall mean the inability of the Executive to perform the essential functions of the Executive's job, with or without reasonable accommodation, for a period of 90 days in the aggregate in any 180-day period.

3.2 Severance. If the Executive terminates this Agreement and his employment with the Company for Good Reason or if the Executive's employment with the Company is terminated by the Company for any reason other than for Cause, including non-renewal of this Agreement by the Company (but not including any circumstances that would give rise to a payment to the Executive pursuant to Section 3.3(a) hereof), the Company shall pay severance to the Executive as follows:

(i) severance pay in an amount equal to 1.5 times the Executive's then-current annual base salary, such amount to be paid in equal installments over the 18-month period immediately following the date of termination in accordance with the Company's normal payroll practices with such installments to be no less frequent than monthly and to commence on the first payroll date following the date of termination; and

(ii) all accrued but unpaid bonuses for any completed fiscal year and vacation pay, expense reimbursement and other benefits due to the Executive under any Company-provided benefit plans, policies and arrangements, with such accrued but unpaid bonuses for any completed fiscal year and vacation pay and expense reimbursements payable no later than thirty (30) days after the date of termination (sooner to the extent the bonus is payable prior to such time) and any other benefits payable in accordance with the applicable terms of the benefit plans, policies and arrangements; and

(iii) if the Executive elects continuation coverage pursuant to the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended ("COBRA"), then the Company each month will pay for the Executive's COBRA premiums for such coverage (at coverage levels in effect immediately prior to the Executive's termination) until the earlier of: (A) the expiration of a period of eighteen (18) months from the date of termination or (B) the date upon which the Executive becomes covered under similar plans of any subsequent employer or is otherwise ineligible for COBRA.

All payments set forth in the foregoing items (i) and (iii) hereof are defined as the “Severance Indemnity.” The Executive’s receipt of the foregoing Severance Indemnity is conditioned upon his execution and delivery to the Company of a separation and release agreement acceptable to the Company governing the termination of the employment relationship between the Executive and the Company and the Executive’s release of all claims against all members of the Avadel Group of Companies and their employees, officers, directors and contractors, and allowing the applicable revocation period required by law to expire without revoking or causing revocation of same, within sixty (60) days following the date of termination of the Executive’s employment. Any Severance Indemnity payments that the Executive would otherwise be entitled to receive prior to the time the aforementioned release becomes effective and irrevocable shall be accumulated and paid in a lump sum after the release becomes effective and irrevocable; and if the permissible period during which the Executive may execute and deliver the release and during which the applicable revocation period could expire spans more than one calendar year, any payments that the Executive is entitled to receive during such period shall be accumulated and paid in a lump sum only in the subsequent calendar year.

### 3.3 Change of Control.

(a) If the Executive terminates this Agreement and his employment with the Company for Good Reason or if the Executive’s employment with the Company is terminated by the Company for any reason other than for Cause, including non-renewal of this Agreement by the Company, and such termination occurs during a Change of Control Period (as hereinafter defined), then, in lieu of a payment to the Executive pursuant to Section 3.2 above:

(i) upon such termination the Company shall pay to the Executive a change of control indemnity equal to the sum of: (A) the Severance Indemnity as defined in Section 3.2 hereof payable in accordance with the terms set forth in such Section 3.2; and (B) a lump-sum payment, payable no later than thirty (30) days after the later of the Change in Control (as hereinafter defined) or the termination of the Executive’s employment, equal to one hundred percent (100%) of the higher of: (x) the greater of (I) the Executive’s target bonus as in effect for the fiscal year in which the Change of Control occurs or (II) the Executive’s target bonus as in effect for the fiscal year in which the Executive’s termination of employment occurs; or (y) the Executive’s actual bonus for performance during the calendar year prior to the calendar year during which the termination of employment occurs; and

(ii) upon such termination the Company shall pay to the Executive all accrued but unpaid bonuses for any completed fiscal year and vacation pay, expense reimbursement and other benefits due to the Executive under any Company-provided benefit plans, policies and arrangements, with such accrued but unpaid bonuses for any completed fiscal year and vacation pay and expense reimbursements payable no later than thirty (30) days after the date of termination (sooner to the extent the bonus is payable prior to such time) and any other benefits payable in accordance with the applicable terms of the benefit plans, policies and arrangements; and

(iii) upon the later of the Change in Control or the termination of the Executive’s employment, subject to the release requirement below, the Executive shall become immediately vested in full in all theretofore any outstanding unvested rights of the Executive under the Original Stock Option and each and every Additional Equity Grant, including without limitation stock option awards and agreements and unvested or unissued rights to “free shares,” restricted share awards and similar rights, and, without duplication and for the avoidance of doubt, any unvested rights under any of the foregoing (*i.e.*, the right to purchase any ADSs or ordinary shares under the Original Stock Option and under or in connection with any Additional Equity Grant), to the extent such rights and awards would have vested based solely on the continued employment of the Executive and the vesting of such rights and awards does not cause any violation of Section 409A of the Code.

(b) For avoidance of doubt, the amount paid to the Executive pursuant to Section 3.3(a) hereof (a) will be in lieu of, and not in addition to, any amount that would otherwise be payable to the Executive under Section 3.2 hereof, and (b) will not be prorated based on the actual amount of time the Executive is employed by the Company during the fiscal year (or during the relevant performance period if different than a fiscal year) during which this termination occurs. Notwithstanding any other provision in any applicable equity compensation plan and/or individual stock option plan or agreement, after any termination as described in Section 3.3(a) hereof, the Executive's outstanding and vested stock options as of the Executive's termination of employment date will remain exercisable until the eighteen (18) month anniversary of the termination of employment date; provided, however, that the post-termination exercise period for any individual stock option right will not extend beyond its original maximum term as of the original date of the grant. All payments and benefits set forth in items (i) and (iii) of Section 3.3(a) hereof are defined as the "Change of Control Indemnity."

(c) The Executive's receipt of the foregoing Change of Control Indemnity is conditioned upon his execution and delivery to the Company of a separation and release agreement acceptable to the Company governing the termination of the employment relationship between the Executive and the Company and the Executive's release of all claims against all members of the Avadel Group of Companies and their employees, officers, directors and contractors, and allowing the applicable revocation period required by law to expire without revoking or causing revocation of same, within sixty (60) days following the date of termination of the Executive's employment. Any payments that the Executive would otherwise be entitled to receive prior to the time the aforementioned release becomes effective and irrevocable shall be accumulated and paid in a lump sum after the release becomes effective and irrevocable, and if the permissible period during which the Executive may execute and deliver the release and during which the applicable revocation period could expire spans more than one calendar year, any payments that the Executive is entitled to receive during such period shall be accumulated and paid in a lump sum only in the subsequent calendar year.

3.4 Change of Control Definitions. For purposes of Section 3.3 above, the following definitions shall apply:

(a) "Change of Control" means the occurrence of any of the following events:

(i) a change in the ownership of Avadel plc, Avadel US Holdings, Inc. or the Company which occurs on the date that any one person, or more than one person acting as a group ("Person"), acquires ownership of equity interests of Avadel plc, Avadel US Holdings, Inc. or the Company that, together with the other equity interests held by such Person, constitute more than fifty percent (50%) of the total voting power of the equity interests of Avadel plc, Avadel US Holdings, Inc. or the Company (as applicable); provided, however, that for purposes of this subsection, the acquisition of additional equity interests by any one Person, who is considered to own more than fifty percent (50%) of the total voting power of the equity interests of Avadel plc, Avadel US Holdings, Inc. or the Company (as applicable) will not be considered a Change or Control; or

(ii) a change in the effective control of Avadel plc, Avadel US Holdings, Inc. or the Company which occurs on the date that a majority of the members of the Board of Directors of Avadel plc, Avadel US Holdings, Inc. or the Company (as applicable) is replaced during any twelve (12) month period by directors whose appointment or election is not endorsed by a majority of the members of the Board of Directors of Avadel plc, Avadel US Holdings, Inc. or the Company (as applicable) prior to the date of the appointment or election. For purposes of this subsection (ii), if any Person is considered to be in effective control of Avadel plc, Avadel US Holdings, Inc. or the Company (as applicable), the acquisition of additional control of Avadel plc, Avadel US Holdings, Inc. or the Company (as applicable) by the same Person will not be considered a Change of Control; or

(iii) a change in the ownership of a substantial portion of the assets of Avadel plc, Avadel US Holdings, Inc. or the Company (as applicable) which occurs on the date that any Person acquires (or has acquired during the twelve (12) month period ending on the date of the most recent acquisition by such person or persons) assets from Avadel plc, Avadel US Holdings, Inc. or the Company (as applicable) that have a total gross fair market value equal to or more than fifty percent (50%) of the total gross fair market value of all of the assets of Avadel plc, Avadel US Holdings, Inc. or the Company (as applicable) immediately prior to such acquisition or acquisitions. Notwithstanding the foregoing, the Change in Control must constitute a change in ownership, effective control or substantial portion of the assets of Avadel plc, Avadel US Holdings, Inc. or the Company (as applicable) within the meaning of Section 409A of the Code.

(b) “Change of Control Period” means the period beginning six (6) months prior to, and ending eighteen (18) months following, a Change of Control.

3.5 Other Termination. If the Executive terminates this Agreement and his employment with the Company other than for Good Reason or if the Executive’s employment with the Company is terminated by the Company for Cause or as the result of the Executive’s Incapacity, or the Executive dies while employed by the Company, the Company shall pay to the Executive (or, after the Executive’s death, his estate) all accrued or awarded but unpaid bonuses for any completed fiscal year and vacation pay, expense reimbursement and other benefits due to the Executive under any Company-provided benefit plans, policies and arrangements, with such accrued but unpaid bonuses for any completed fiscal year and vacation pay and expense reimbursements payable no later than thirty (30) days after the date of termination of employment (sooner to the extent the bonus is payable prior to such time) and any other benefits payable in accordance with the applicable terms of the benefit plans, policies and arrangements.

3.6 Resignations. Notwithstanding any other provision of this Agreement, the Executive agrees to resign, as soon as administratively practicable, from any and all positions held with all members of the Avadel Group of Companies, at the time of termination of the Executive’s employment with any member of the Avadel Group of Companies.

#### 4. RESTRICTIVE COVENANTS

##### 4.1 Confidentiality.

(a) Restriction. To the fullest extent permitted under applicable law, at all times during the Executive’s employment by the Company and for a period of five (5) years after termination of the Executive’s employment with the Company, the Executive (i) shall hold in strictest confidence all Restricted Information (as hereinafter defined), (ii) shall not directly or indirectly use, copy, disclose or otherwise distribute any Restricted Information, except for the benefit of a member of the Avadel Group of Companies to the extent necessary to perform his obligations to Avadel plc and the Company under this Agreement, and (iii) shall not disclose any Restricted Information to any person, firm, corporation or other entity without written authorization of the Chief Executive Officer or Board of Directors of Avadel plc. Any breach of any provision of this Section 4.1(a) shall be considered a material breach of this Agreement.

(b) Definitions. As used in this Section 4, the following terms shall have the meanings set forth below:

(i) “Restricted Information” means any Confidential Information (as hereinafter defined) and any Trade Secrets (as hereinafter defined).

(ii) “Confidential Information” means any information of or about any member of the Avadel Group of Companies, and any of the employees, customers and/or suppliers of any member of the Avadel Group of Companies, which is not generally known outside of the Avadel Group of Companies, which the Executive obtains (whether before, on or after the date of this Agreement) in connection with the Executive’s employment with the Company, and which may be useful to any competitor of the Avadel Group of Companies or the disclosure of which would be damaging to any member of the Avadel Group of Companies. Confidential Information includes, but is not limited to, any and all of the following information about any member of the Avadel Group of Companies: (A) information about products, product candidates, and research and development plans, activities and results (including information about planned and in-process clinical trials); (B) information about business and employment policies, marketing methods and the targets of those methods, finances, business plans, promotional materials and price lists; (C) the manner or terms upon which products or services are obtained from suppliers or on which products or services are provided to customers; (D) without duplication of item (A) above, the nature, origin, composition, performance and development of any products or services; (E) information about finances, financial condition, results of operations and prospects; and (F) information about employees, consultants or customers or suppliers. For the avoidance of doubt, Confidential Information shall not include information that (1) is or has been made generally available to the public through the disclosure thereof in a manner that was authorized by the Company and did not violate any common law or contractual right of the applicable party; (2) is or becomes generally available to the public other than as a result of a disclosure by the Executive in violation of the provisions hereof; or (3) was already in the possession of the Executive without an obligation of confidentiality prior to the date his employment with the Company began.

(iii) “Trade Secret” means any Confidential Information to the extent such information constitutes a trade secret under applicable law.

(c) Certain Permitted Disclosures. Notwithstanding the foregoing, the Executive will not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a Trade Secret that (i) is made (A) in confidence to a Federal, State or local government official, either directly or indirectly, or to an attorney, and (B) solely for purposes of reporting or investigating a suspected violation of law, or (ii) is made in a complaint or other document filed in a lawsuit or other proceeding filed in a lawsuit or other proceeding, if such filing is made under seal. If the Executive files a lawsuit for retaliation by the Company for reporting a suspected violation of law, the Executive may disclose the Trade Secret to the Executive’s attorney and use the Trade Secret in the court proceeding, if the Executive (i) files any document containing the Trade Secret under seal and (ii) does not disclose the Trade Secret, except pursuant to court order.



4.2 Non-Disparagement. The Executive agrees not to disparage or otherwise refer to any member of the Avadel Group of Companies or any of their executives, officers or directors in an unfavorable manner before, during and after the term of the Executive's employment with the Company, including verbal remarks in public or private and written remarks in paper or electronic format (e.g., e-mail, Twitter, Facebook, etc). Violation of this provision will result in termination of the Executive's Employment and any benefits paid hereunder. The Company, together with all other members of the Avadel Group of Companies, and their executive officers and directors, agree not to disparage or otherwise refer to the Executive in an unfavorable manner before, during and after the term of the Executive's employment with the Company, including verbal remarks in public or private and written remarks in paper or electronic format (e.g., e-mail, Twitter, Facebook, etc).

4.3 Non-Solicitation of Employees and Contractors. During the Executive's employment with the Company and for a period of one (1) year after the termination of the Executive's employment with the Company, the Executive shall not directly or indirectly solicit or attempt to solicit any employee, consultant or other contractor of or service provider to any member of the Avadel Group of Companies with whom the Executive had Material Contact to perform services for the Executive or for any other business or entity, whether as an executive, consultant, partner or participant in any such business or entity, or to terminate or lessen any such employee's, consultant's or other contractor's service with any member of the Avadel Group of Companies. "Material Contact" means contact in person, by telephone, or by paper or electronic correspondence in furtherance of the business of any member of the Avadel Group of Companies. This Section 4.3 shall cease to be applicable to any activity of the Executive from and after such time as all members of the Avadel Group of Companies have ceased all business activities or have made a decision to cease all business activities.

4.4 Non-Solicitation of Customers and Suppliers. During the Executive's employment with the Company and for a period of one (1) year after the termination of the Executive's employment with the Company, the Executive shall not directly or indirectly solicit any actual or prospective customers or suppliers of any member of the Avadel Group of Companies with whom the Executive had Material Contact, for the purpose of selling any products or services which compete with the business of any member of the Avadel Group of Companies. This Section 4.4 shall cease to be applicable to any activity of the Executive from and after such time as all members of the Avadel Group of Companies have ceased all business activities or have made a decision to cease all business activities.

4.5 Protected Rights. Notwithstanding any other provision of this Agreement, the Company and the Executive hereby acknowledge and agree that:

(i) Nothing in this Agreement shall prohibit the Executive from reporting possible violations of Federal, State or other law or regulations to, or filing a charge or other complaint with, any governmental agency or entity, including but not limited to the Department of Justice, the Equal Employment Opportunity Commission, the National Labor Relations Board, the Occupational Safety and Health Administration, the Securities and Exchange Commission, Congress, and any Inspector General, or making any other disclosures that are protected under any whistleblower provisions of Federal, State or other law or regulation or assisting in any such investigation or proceeding.

(ii) Nothing herein limits the Executive's ability to communicate with any such governmental agency or entity or otherwise participate in any such investigation or proceeding that may be conducted by any such governmental agency or entity, including providing documents or other information, without notice to the Company.

(iii) The Executive does not need the prior authorization of the Company to make any such reports or disclosures, and the Executive is not required to notify the Company that the Executive made any such reports or disclosures or is assisting in any such investigation.

(iv) The Executive (A) does not waive any rights to any individual monetary recovery or other awards in connection with reporting any such information to any such governmental agency or entity, (B) does not breach any confidentiality or other provision hereunder in connection with any such reporting or disclosures, and (C) will not be prohibited from receiving any amounts hereunder as the result of making any such reports or disclosures or assisting with any such investigation or proceeding.

5. MISCELLANEOUS

5.1 Entire Agreement. This Agreement (including any exhibits hereto) supersedes any and all other understandings and agreements (including without limitation the 2017 Agreement), either oral or in writing, among the parties (including affiliates of the Company) with respect to the subject matter hereof and constitutes the sole agreement among the parties with respect to the subject matter hereof. Notwithstanding the foregoing, in no event shall this Agreement be considered a termination as set forth in Section 3 of the 2017 Agreement or entitle Executive to any termination-related payment, including without limitation any Severance Indemnity pursuant to Section 3.2 or Change of Control Indemnity under Section 3.3 of the 2017 Agreement.

5.2 Severability. If any term or provision of this Agreement or any application of this Agreement shall be declared or held invalid, illegal, or unenforceable, in whole or in part, whether generally or in any particular jurisdiction, such provision shall be deemed amended to the extent, but only to the extent, necessary to cure such invalidity, illegality, or unenforceability, and the validity, legality, and enforceability of the remaining provisions, both generally and in every other jurisdiction, shall not in any way be affected or impaired thereby.

5.3 Survival. Notwithstanding any expiration or termination of this Agreement, Section 2.3 hereof, Section 2.5(c) hereof, Section 3 hereof, Section 4 hereof and this Section 5 shall survive such expiration or termination.

5.4 Interpretation of Agreement.

(a) Unless otherwise indicated to the contrary herein by the context or use thereof: (i) the words, “herein,” “hereto,” “hereof,” and words of similar import refer to this Agreement as a whole and not to any particular Article, Section, subsection, or paragraph hereof; (ii) words importing the masculine gender shall include the feminine and neuter genders and vice versa; and (iii) words importing the singular shall include the plural, and vice versa.

(b) All parties to this Agreement have participated in the drafting and negotiation of this Agreement. This Agreement has been prepared by all parties equally, and is to be interpreted according to its terms. No inference shall be drawn that the Agreement was prepared by or is the product of any particular party or parties.

5.5 Taxes.

(a) The parties hereto acknowledge that the requirements of Section 409A of the Internal Revenue Code (“Section 409A”) are still being developed and interpreted by government agencies and that the parties hereto have made a good faith effort to comply with current guidance under Section 409A. Notwithstanding anything in this Agreement to the contrary, in the event that amendments to this Agreement are necessary in order to continue to comply with future guidance or interpretations under Section 409A, including amendments necessary to ensure that compensation will not be subject to tax under Section 409A (which may require deferral of severance or other compensation), the Company and the Executive agree to negotiate in good faith the applicable terms of such amendments and to implement such negotiated amendments, on a prospective and/or retroactive basis as needed. Further, to the extent any amount or benefit under this Agreement is subject to the requirements of Section 409A, then, with respect to such amount or benefit, this Agreement will be interpreted in a manner to comply with the requirements of Section 409A.

(b) Further, a termination of employment shall not be deemed to have occurred for purposes of any provision of this Agreement providing for the payment of any amounts or benefits upon or as a result of a termination of employment unless such termination is also a “separation from service” within the meaning of Section 409A and, for purposes of any such provision of this Agreement, references to a “termination”, “termination of employment”, “Termination Date”, or the like shall mean “separation from service”.

(c) For purposes of this Agreement, all rights to payments and benefits hereunder shall be treated as rights to receive a series of separate payments and benefits to the fullest extent allowed by Section 409A of the Code.

(d) If the Executive is a key employee (as defined in Section 416(i) of the Code without regard to paragraph (5) thereof) and any of Avadel’s securities are publicly traded on an established securities market or otherwise, then payment of any amount or provision of any benefit under this Agreement which is considered deferred compensation subject to Section 409A of the Code shall be deferred for six (6) months after termination of Executive’s employment or, if earlier, Executive’s death, if and as required by Section 409A(a)(2)(B)(i) of the Code (the “409A Deferral Period”). In the event such payments are otherwise due to be made in installments or periodically during the 409A Deferral Period, the payments which would otherwise have been made in the 409A Deferral Period shall be accumulated and paid in a lump sum as soon as the 409A Deferral Period ends, and the balance of the payments shall be made as otherwise scheduled. In the event benefits are required to be deferred, any such benefit may be provided during the 409A Deferral Period at the Executive’s expense, with the Executive having a right to reimbursement from the Company once the 409A Deferral Period ends, and the balance of the benefits shall be provided as otherwise scheduled.

(e) To the extent that some portion of the payments under this Agreement may be bifurcated and treated as exempt from Code Section 409A under the “short-term deferral” or “separation pay” exemptions, then such amounts shall be so treated as exempt from Code Section 409A (and in particular, the earliest amounts to be paid under Section 3 of the Agreement will be first treated as exempt from Code Section 409A under the short-term deferral exemption and then the separation pay exemption to the extent available).

(f) Any reimbursements, in-kind benefits or offset provided under this Agreement that constitutes deferred compensation under Code Section 409A shall be made or provided in accordance with the requirement of Code Section 409A, including, where applicable, the requirement that (i) any reimbursement is for expense incurred during the period of time specified in this Agreement, (ii) the amount of expense eligible for reimbursement, or in-kind benefits, provided during a calendar year may not affect the expense eligible for reimbursement, or in-kind benefits to be provided, in any other calendar year, (iii) the reimbursement of an eligible expense will be made no later than the last day of the calendar year following the calendar in which the expense is incurred, and (iv) the right to reimbursement or in-kind benefits is not subject to liquidation of exchange for another benefit.

(g) The Company makes no warranty regarding the tax treatment to the Executive of payments provided for under this Agreement, including the tax treatment of such payments that may be subject to Section 409A. The Executive will be responsible for paying all federal, state, and local income and employment taxes that may be due on such payment, provided that the Company will be responsible for any withholding obligations under applicable law. The Company will not be liable to the Executive if any payment or benefit which is to be provided pursuant to this Agreement and which is considered deferred compensation subject to Code Section 409A otherwise fails to comply with, or be exempt from, the requirements of Code Section 409A.

5.6 Mandatory Reduction of Payments in Certain Events. Anything in this Agreement to the contrary notwithstanding, in the event it shall be determined that any payment or distribution by the Company to or for the benefit of Executive (whether paid or payable or distributed or distributable pursuant to the terms of this Agreement or otherwise) (a "Payment") would be subject to the excise tax (the "Excise Tax") imposed by Section 4999 of the Code, then, prior to the making of any Payment to Executive, a calculation shall be made comparing (i) the net benefit to Executive of the Payment after payment of the Excise Tax to (ii) the net benefit to Executive if the Payment had been limited to the extent necessary to avoid being subject to the Excise Tax. If the amount calculated under (i) above is less than the amount calculated under (ii) above, then the Payment shall be limited to the extent necessary to avoid being subject to the Excise Tax (the "Reduced Amount"). In that event, cash payments shall be modified or reduced first from the latest amounts to be paid and then any other benefits. The determination of whether an Excise Tax would be imposed, the amount of such Excise Tax, and the calculation of the amounts referred to in clauses (i) and (ii) of the foregoing sentence shall be made by an independent accounting firm selected by Company and reasonably acceptable to the Executive, at the Company's expense (the "Accounting Firm"), and the Accounting Firm shall provide detailed supporting calculations. Any determination by the Accounting Firm shall be binding upon the Company and the Executive. As a result of the uncertainty in the application of Section 4999 of the Code at the time of the initial determination by the Accounting Firm hereunder, it is possible that Payments which Executive was entitled to, but did not receive pursuant to this Section 5.6 could have been made without the imposition of the Excise Tax ("Underpayment"). In such event, the Accounting Firm shall determine the amount of the Underpayment that has occurred and any such Underpayment shall be promptly paid by the Company to or for the benefit of the Executive.

5.7 Governing Law. Notwithstanding the place where this Agreement may be executed by any of the parties hereto, the parties expressly agree that all of the terms and provisions hereof shall be construed in accordance with and governed by the laws of the State of Missouri, or, to the extent applicable the laws of the United States of America, in each case without giving effect to the principles of choice or conflicts of laws thereof. Each of the parties hereto consents and agrees to the exclusive personal jurisdiction of any state or federal court sitting in the State of Missouri, and waives any objection based on venue or forum non conveniens with respect to any action instituted therein, and agrees that any dispute concerning the conduct of any party in connection with this Agreement shall be heard only in the courts described above.

5.8 Binding Arbitration.

(a) All disputes arising under this Agreement or arising out of or relating to the Executive's employment relationship with the Company shall be submitted to final and binding arbitration. Arbitration of such matters shall proceed consistent with the National Rules for the Resolution of Employment Disputes as established by the American Arbitration Association ("AAA"). Venue for any arbitration shall be St. Louis, Missouri or any other location mutually agreed upon by the Executive and the Company.

(b) The arbitration shall be conducted using the Expedited Procedures of the AAA Rules, regardless of the amount in dispute.

(c) The disputing parties shall agree on an arbitrator qualified to conduct AAA arbitration. If the disputing parties cannot agree on the choice of arbitrator, then each party shall choose one independent arbitrator. The two arbitrators so chosen shall jointly select a third arbitrator, who shall conduct the arbitration.

(d) All disputes relating to this Agreement shall be governed by the laws of the State of Missouri, and the arbitrator shall apply such law without regard to the principles of choice or conflicts of laws thereof.

(e) All aspects of the arbitration shall be treated as confidential.

(f) The prevailing party, as determined by the arbitrator, shall recover from the other party his or its reasonable costs and attorneys' fees associated with the arbitration no later than thirty (30) days after the arbitration becomes final and binding. The non-prevailing party shall also be liable for the arbitrator's fees and costs.

(g) The decision of the arbitrator shall be final, and the parties agree to entry of such decision as judgments in all courts of appropriate jurisdiction.

5.9 Amendments. This Agreement shall not be modified or amended except by a writing signed by all of the parties.

5.10 Binding Effect. This Agreement shall be binding upon and shall inure to the benefit of the successors and assigns of each party hereto.

5.11 No Assignment.

(a) This Agreement and all of the Executive's rights and obligations hereunder are personal to the Executive and may not be transferred or assigned by him at any time, except that any assets accruing to the Executive in connection with this Agreement shall accrue to the benefit of the Executive's heirs, executors, administrators, successors, permitted assigns, trustees, and legal representatives.

(b) The Company may assign its rights under this Agreement to any entity that assumes the Company's obligations hereunder in connection with a merger, consolidation or sale or transfer of all or substantially all of the Company's assets to such entity.

5.12 Waiver. Any of the terms or conditions of this Agreement may be waived at any time by the party or parties entitled to the benefit thereof, but only by a writing signed by the party or parties waiving such terms or conditions. No waiver of any provision of this Agreement or of any right or benefit arising hereunder shall be deemed to constitute or shall constitute a waiver of any other provision of this Agreement (whether or not similar), nor shall any such waiver constitute a continuing waiver, unless otherwise expressly so provided in writing.

5.13 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Signatures on this Agreement may be conveyed by facsimile or other electronic transmission and shall be binding upon the parties so transmitting their signatures. Counterparts with original signatures shall be provided to the other parties following the applicable facsimile or other electronic transmission; provided, that failure to provide the original counterpart shall have no effect on the validity or the binding nature of this Agreement.

*[Signature page follows]*

IN WITNESS WHEREOF, the parties hereto have executed this Employment Agreement as of the date and year first above written.

THE COMPANY

AVADEL MANAGEMENT CORPORATION

By: /s/ Michael F. Kanan

Name: Michael F. Kanan

Title: Treasurer

THE EXECUTIVE

/s/ Gregory J. Divis

Name: Gregory J. Divis

[Signature Page to Employment Agreement]





## EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (this "Agreement") is entered into as of the fifth (5th) day of June 2019 by and among Jordan Dubow, a citizen of the United States currently residing at 424 Madison Avenue, Glencoe, Illinois 60022 (the "Executive"), and Avadel Management Corporation, a Delaware corporation with a principal office located at 16640 Chesterfield Grove Road, Suite 200, Chesterfield, Missouri 63005 (the "Company"). The Company is an indirect wholly owned subsidiary of Avadel Pharmaceuticals plc, an Irish public limited company with a principal office located at Block 10-1, Blanchardstown Corporate Park, Ballycoolin, Dublin 15 Ireland ("Avadel plc").

## WITNESSETH

WHEREAS, the Executive began his employment with the Company as of April 29, 2019 (the "Effective Date"), and the Executive and the Company wish to set forth in this Agreement the terms of such employment.

NOW, THEREFORE, in consideration of the mutual agreements and covenants set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, hereby agree as follows:

## 1. EMPLOYMENT TERMS

1.1 Position.

(a) Positions. The Executive shall serve as the Chief Medical Officer of Avadel plc and as the Chief Medical Officer of the Company, and shall carry out such work as may be reasonably required by the Company in connection with the business of Avadel plc and the Company consistent with such positions and the terms and conditions of this Agreement. The Executive shall work from his residence in the Chicago metropolitan area, with frequent travel as may be requested by the Company to fulfill the Executive's job responsibilities, including regular trips to the Company's headquarters (currently in Chesterfield, Missouri); the reasonable costs associated with such travel will be reimbursed by the Company. The Executive will devote substantially all of the Executive's business time, attention and efforts to Avadel plc and the Company and during such time the Executive will make the best use of his energy, knowledge and training for the purpose of advancing the interests of Avadel plc and the Company. Except as may be otherwise expressly authorized in writing by the Chief Executive Officer of Avadel plc, during his employment with the Company the Executive will accept no other employment nor serve as an officer, director or principal of any other company or organization (other than a member of the Avadel Group of Companies (as hereinafter defined)). Notwithstanding the foregoing, the Executive may engage in religious, charitable or other community activities (which may include service as a board member of a religious, charitable or other not-for-profit organization) as long as such activities do not interfere with the Executive's performance of his duties to or with respect to Avadel plc and each of its direct or indirect subsidiaries including the Company (collectively, the "Avadel Group of Companies"). The Executive will comply with all written policies of the Avadel Group of Companies to the extent applicable to the Executive.

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(b) Reporting. In his capacities as the Chief Medical Officer of Avadel plc and the Company, the Executive shall report directly to the Company's Chief Executive Officer, currently Gregory J. Divis.

1.2 Citizenship Status. It is the intent of the parties that, at all times during the Executive's employment with the Company, he will remain a citizen of the United States.

1.3 Duration. The duration of the Executive's employment commenced as of the Effective Date and shall continue under the terms and condition of this Agreement for one (1) year following the Effective Date, with this Agreement automatically renewing thereafter for successive periods of one (1) year unless the Executive or the Company provides written notice to the other of his or its intention not to renew the Agreement at least thirty (30) days prior to the next upcoming expiration date. At the termination of this Agreement, the Executive's employment with the Company shall terminate simultaneously.

## 2. COMPENSATION; BENEFITS

2.1 Base Salary. The Company shall pay to the Executive a gross annual base salary of Four Hundred Thirty-Five Thousand Dollars (\$435,000) per year, paid on a semi-monthly basis and subject to ordinary and lawful deductions. The Company will review the Executive's base salary on or about the first of every calendar year, and, in the Company's sole discretion, make any increases that the Company deems warranted. If the Executive's base salary is increased, the new increased base salary will be the base salary for purposes of this Agreement.

2.2 Bonus. The Executive shall be eligible for a potential annual bonus with a target payment of no less than forty-five percent (45%) of the Executive's base salary based upon the Executive's achievement of certain business and individual performance objectives as well as the performance of Avadel plc against its objectives as determined by the Company. For the calendar year 2019, the amount of any earned bonus will be pro-rated based on the Effective Date. Subject to the requirement that the Executive shall be employed by a member of the Avadel Group of Companies on the date of payment, any bonus payments due hereunder shall be paid to the Executive no later than the last day of the calendar year following the applicable year to which the annual bonus relates, subject to ordinary and lawful deductions.

2.3 Stock Options and Additional Equity Grants. Upon approval of the Company's Board of Directors, the Executive will be awarded 340,000 stock options that will vest in equal twenty-five percent (25%) installments on each of the first four (4) anniversaries of the date of this Agreement and will be subject to the terms of a stock option agreement in substantially the form specified by the Avadel plc 2017 Omnibus Incentive Compensation Plan. The Executive will also be eligible to participate in future equity awards which may be granted to executive management, based upon company and individual performance, at the sole discretion of the Company's Board of Directors.

2.4 Insurance and Benefits.

(a) Plan Participation. The Company shall facilitate the participation by the Executive and his family in medical, health, vision, dental, hospitalization, term life, and workers compensation insurance, long-term disability, short-term disability, and 401k savings plan programs of the Company, to the extent now existing or hereafter established, that are generally made available to executives or employees of the Company, in each case according to the terms and conditions (including eligibility requirements) of such plans or programs. Under current policies, the Company pays 85% annually toward employee medical (United Healthcare) coverage, plus 70% of dependent medical coverage; 85% employee coverage for dental insurance (Principal); optional vision coverage (Eyemed); and a \$1000 annual corporate contribution to a health savings account (HSA) (if such medical insurance is elected). The Executive acknowledges that the current insurance plans and Company policies are subject to changes at the business discretion of the Company.

(b) Vacation and Paid Time Off. The Executive shall be eligible for vacation of twenty (20) days per year which shall be accrued or earned each month and which will be pro-rated for the 2019 calendar year. The Executive shall also be entitled to the Company's usual and customary holidays, including two (2) floating holidays per year and corporate holidays (of which there are eleven (11) scheduled during 2019) to be taken in accordance with the normal Company paid vacation and time-off policies. The Company also grants the Executive five (5) sick days annually which shall be pro-rated for 2019.

(c) Indemnification: General Liability.

(i) To the fullest extent permitted by applicable law, the Company, its receiver, or its trustee shall indemnify, defend, and hold the Executive harmless from and against any expense, loss, damage, or liability incurred or connected with any claim, suit, demand, loss, judgment, liability, cost, or expense (including reasonable attorneys' fees) arising from or related to the services performed by him under the terms of this Agreement and amounts paid in settlement of any of the foregoing; provided that the same were not the result of the Executive's fraud, gross negligence, or reckless or intentional misconduct. The Company may advance to the Executive the costs of defending any claim, suit, or action against him if he undertakes to repay the funds advanced, with interest, should it later be determined that he is not entitled to indemnification under this Section 2.4(c).

(ii) The Company shall provide coverage to the Executive for his general liability, director and officer liability, and professional liability insurance at the same levels and on the same terms as provided to its other executive officers.

2.5 Reimbursement of Expenses. The Company shall reimburse the Executive, subject to presentation of adequate substantiation, including receipts, for the reasonable travel, entertainment, lodging and other business expenses incurred by the Executive in accordance with the Company's expense reimbursement policy in effect at the time such expenses are incurred. In no event will such reimbursements, if any, be made later than the last day of the year following the year in which the Executive incurs the expense.

3. TERMINATION AND SEVERANCE

3.1 Termination.

(a) Nothing in this Agreement shall prevent the Company from terminating the Executive's employment with the Company at any time, with or without "Cause." "Cause" means: (i) conviction of the Executive of, or the Executive's plea of nolo contendere to, a felony or crime involving moral turpitude; (ii) fraud, theft, or misappropriation by the Executive of any asset or property of any member of the Avadel Group of Companies, including, without limitation, any theft or embezzlement or any diversion of any corporate opportunity; (iii) breach by the Executive of any of the material obligations contained in this Agreement; (iv) conduct by the Executive materially contrary to the material policies of any member of the Avadel Group of Companies; (v) material failure by the Executive to meet the goals and objectives established by any member of the Avadel Group of Companies; provided that the Executive has failed to cure such failure within a reasonable period of time after written notice to him regarding such failure; or (vi) conduct by the Executive that results in a material detriment to any member of the Avadel Group of Companies, or its program, or goals or that is inimical to its reputation and interest; provided that the Executive has failed to cure such failure within a reasonable period of time after written notice to him regarding such conduct. Any reoccurrence of such acts constituting Cause within one (1) year of the original occurrence will require no such pre-termination right of the Executive to cure.

(b) The Executive may terminate the Executive's employment with the Company with or without "Good Reason". "Good Reason" means, without the Executive's consent, any of the following: (i) the failure of the Company to timely pay to the Executive any compensation owed to him under this Agreement; (ii) the Company's diminution in the Executive's authority, duties or responsibilities with respect to Avadel plc or the Company in any material respect or the Company's assignment to the Executive of duties or responsibilities that are materially inconsistent with the Executive's position with Avadel plc or the Company as stated in this Agreement; (iii) a change in the location of the Executive's employment which increases the Executive's one-way commute by more than sixty (60) miles; (iv) a material breach by the Company of this Agreement; or (v) the failure of the Company to have this Agreement assumed in full by any successor in the case of any merger, consolidation, or sale of all or substantially all of the assets of Avadel plc or the Company.

(c) In the event that the Executive desires to resign from the Company, he shall promptly give the Company written notice of the date that such resignation will be effective, provided that the notice period shall be no less than thirty (30) days. In the event that the Executive desires to resign from the Company for Good Reason, he shall provide the Company with written notice setting forth the acts constituting Good Reason within ninety (90) days of the initial occurrence of the Good Reason condition and providing that the Company may cure such acts within thirty (30) days of receipt of such notice. If such condition is not remedied within such thirty- (30-) day cure period, any termination of employment by the Executive for "Good Reason" must occur within ninety (90) days after the period for remedying such condition has expired.

(d) In the event that the Company desires to terminate the Executive's employment, with or without Cause, the Company shall give the Executive written notice thereof at least thirty (30) days prior to the date that such termination will be effective.

(e) The Executive's employment shall terminate automatically upon the Executive's death. If the Company determines that the Executive is subject to an Incapacity (as hereinafter defined), the Company may terminate the Executive's employment and this Agreement effective upon the Executive's Incapacity. "Incapacity" shall mean the inability of the Executive to perform the essential functions of the Executive's job, with or without reasonable accommodation, for a period of 90 days in the aggregate in any 180-day period.

3.2 Severance. If the Executive terminates this Agreement and his employment with the Company for Good Reason or if the Executive's employment with the Company is terminated by the Company for any reason other than for Cause, including non-renewal of this Agreement by the Company (but not including any circumstances that would give rise to a payment to the Executive pursuant to Section 3.3(a) hereof), the Company shall pay severance to the Executive as follows:

(i) severance pay in an amount equal to 1.0 times the Executive's then-current annual base salary, such amount to be paid in a one-time installment; and

(ii) if the Executive elects continuation coverage pursuant to the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended ("COBRA"), then the Company each month will pay for the Executive's COBRA premiums for such coverage (at coverage levels in effect immediately prior to the Executive's termination) until the earlier of: (A) the expiration of a period of twelve (12) months from the date of termination or (B) the date upon which the Executive becomes covered under similar plans of any subsequent employer or is otherwise ineligible for COBRA.

All payments set forth in the foregoing items (i) and (ii) hereof are defined as the "Severance Indemnity." The Executive's receipt of the foregoing Severance Indemnity is conditioned upon his execution and delivery to the Company of a separation and release agreement acceptable to the Company governing the termination of the employment relationship between the Executive and the Company and the Executive's release of all claims against all members of the Avadel Group of Companies and their employees, officers, directors and contractors, and allowing the applicable revocation period required by law to expire without revoking or causing revocation of same, within sixty (60) days following the date of termination of the Executive's employment. Any Severance Indemnity payments that the Executive would otherwise be entitled to receive prior to the time the aforementioned release becomes effective and irrevocable shall be accumulated and paid in a lump sum after the release becomes effective and irrevocable; and if the permissible period during which the Executive may execute and deliver the release and during which the applicable revocation period could expire spans more than one calendar year, any payments that the Executive is entitled to receive during such period shall be accumulated and paid in a lump sum only in the subsequent calendar year.

3.3 Change of Control.

(a) If the Executive terminates this Agreement and his employment with the Company for Good Reason or if the Executive's employment with the Company is terminated by the Company for any reason other than for Cause, including non-renewal of this Agreement by the Company, and such termination occurs during a Change of Control Period (as hereinafter defined), then, in lieu of a payment to the Executive pursuant to Section 3.2 above, upon such termination:

(i) the Company shall pay to the Executive a change of control indemnity in an amount equal to 1.0 times the Executive's then-current annual base salary, such amount to be paid in a one-time installment, and

(ii) if the Executive elects continuation coverage pursuant to COBRA, then the Company each month will pay for the Executive's COBRA premiums for such coverage (at coverage levels in effect immediately prior to the Executive's termination) until the earlier of: (A) the expiration of a period of twelve (12) months from the date of termination or (B) the date upon which the Executive becomes covered under similar plans of any subsequent employer or is otherwise ineligible for COBRA.

(b) For avoidance of doubt, the amount paid to the Executive pursuant to Section 3.3(a) hereof (x) will be in lieu of, and not in addition to, any amount that would otherwise be payable to the Executive under Section 3.2 hereof, and (y) will not be prorated based on the actual amount of time the Executive is employed by the Company during the fiscal year (or during the relevant performance period if different than a fiscal year) in which the applicable termination occurs. Notwithstanding any other provision in any applicable equity compensation plan and/or individual stock option plan or agreement, after any termination as described in Section 3.3(a) hereof, the Executive's outstanding and vested stock options as of the Executive's termination of employment date will remain exercisable until the eighteen (18) month anniversary of the termination of employment date; provided, however, that the post-termination exercise period for any individual stock option right will not extend beyond its original maximum term as of the original date of the grant. All payments and benefits set forth in items (i) and (ii) of Section 3.3(a) hereof are defined as the "Change of Control Indemnity."

(c) The Executive's receipt of the foregoing Change of Control Indemnity is conditioned upon his execution and delivery to the Company of a separation and release agreement acceptable to the Company governing the termination of the employment relationship between the Executive and the Company and the Executive's release of all claims against all members of the Avadel Group of Companies and their employees, officers, directors and contractors, and allowing the applicable revocation period required by law to expire without revoking or causing revocation of same, within sixty (60) days following the date of termination of the Executive's employment. Any payments that the Executive would otherwise be entitled to receive prior to the time the aforementioned release becomes effective and irrevocable shall be accumulated and paid in a lump sum after the release becomes effective and irrevocable, and if the permissible period during which the Executive may execute and deliver the release and during which the applicable revocation period could expire spans more than one calendar year, any payments that the Executive is entitled to receive during such period shall be accumulated and paid in a lump sum only in the subsequent calendar year.

3.4 Change of Control Definitions. For purposes of Section 3.3 above, the following definitions shall apply:

(a) “Change of Control” means the occurrence of any of the following events:

(i) a change in the ownership of Avadel plc, Avadel US Holdings, Inc. or the Company which occurs on the date that any one person, or more than one person acting as a group (“Person”), acquires ownership of equity interests of Avadel plc, Avadel US Holdings, Inc. or the Company that, together with the other equity interests held by such Person, constitute more than fifty percent (50%) of the total voting power of the equity interests of Avadel plc, Avadel US Holdings, Inc. or the Company (as applicable); provided, however, that for purposes of this subsection, the acquisition of additional equity interests by any one Person, who is considered to own more than fifty percent (50%) of the total voting power of the equity interests of Avadel plc, Avadel US Holdings, Inc. or the Company (as applicable) will not be considered a Change of Control; or

(ii) a change in the effective control of Avadel plc, Avadel US Holdings, Inc. or the Company which occurs on the date that a majority of the members of the Board of Directors of Avadel plc, Avadel US Holdings, Inc. or the Company (as applicable) is replaced during any twelve (12) month period by directors whose appointment or election is not endorsed by a majority of the members of the Board of Directors of Avadel plc, Avadel US Holdings, Inc. or the Company (as applicable) prior to the date of the appointment or election. For purposes of this subsection (ii), if any Person is considered to be in effective control of Avadel plc, Avadel US Holdings, Inc. or the Company (as applicable), the acquisition of additional control of Avadel plc, Avadel US Holdings, Inc. or the Company (as applicable) by the same Person will not be considered a Change of Control; or

(iii) a change in the ownership of a substantial portion of the assets of Avadel plc, Avadel US Holdings, Inc. or the Company (as applicable) which occurs on the date that any Person acquires (or has acquired during the twelve (12) month period ending on the date of the most recent acquisition by such person or persons) assets from Avadel plc, Avadel US Holdings, Inc. or the Company (as applicable) that have a total gross fair market value equal to or more than fifty percent (50%) of the total gross fair market value of all of the assets of Avadel plc, Avadel US Holdings, Inc. or the Company (as applicable) immediately prior to such acquisition or acquisitions.

Notwithstanding the foregoing, the Change in Control must constitute a change in ownership, effective control or substantial portion of the assets of Avadel plc, Avadel US Holdings, Inc. or the Company (as applicable) within the meaning of Section 409A of the Code.

(b) “Change of Control Period” means the period beginning six (6) months prior to, and ending eighteen (18) months following, a Change of Control.

3.5 Other Termination. If the Executive terminates this Agreement and his employment with the Company other than for Good Reason or if the Executive’s employment with the Company is terminated by the Company for Cause or as the result of the Executive’s Incapacity, or the Executive dies while employed by the Company, the Company shall pay to the Executive (or, after the Executive’s death, his estate) all accrued or awarded but unpaid bonuses for any completed fiscal year and vacation pay, expense reimbursement and other benefits due to the Executive under any Company-provided benefit plans, policies and arrangements, with such accrued but unpaid bonuses for any completed fiscal year and vacation pay and expense reimbursements payable no later than thirty (30) days after the date of termination of employment (sooner to the extent the bonus is payable prior to such time) and any other benefits payable in accordance with the applicable terms of the benefit plans, policies and arrangements.

3.6 Resignations. Notwithstanding any other provision of this Agreement, the Executive agrees to resign, as soon as administratively practicable, from any and all positions held with all members of the Avadel Group of Companies, at the time of termination of the Executive’s employment with any member of the Avadel Group of Companies.

#### 4. RESTRICTIVE COVENANTS

##### 4.1 Confidentiality.

(a) Restriction. To the fullest extent permitted under applicable law, at all times during the Executive’s employment by the Company and for a period of five (5) years after termination of the Executive’s employment with the Company, the Executive (i) shall hold in strictest confidence all Restricted Information (as hereinafter defined), (ii) shall not directly or indirectly use, copy, disclose or otherwise distribute any Restricted Information, except for the benefit of a member of the Avadel Group of Companies to the extent necessary to perform his obligations to Avadel plc and the Company under this Agreement, and (iii) shall not disclose any Restricted Information to any person, firm, corporation or other entity without written authorization of the Chief Executive Officer or Board of Directors of Avadel plc. Any breach of any provision of this Section 4.1(a) shall be considered a material breach of this Agreement.

(b) Definitions. As used in this Section 4, the following terms shall have the meanings set forth below:

(i) “Restricted Information” means any Confidential Information (as hereinafter defined) and any Trade Secrets (as hereinafter defined).

(ii) “Confidential Information” means any information of or about any member of the Avadel Group of Companies, and any of the employees, customers and/or suppliers of any member of the Avadel Group of Companies, which is not generally known outside of the Avadel Group of Companies, which the Executive obtains (whether before, on or after the date of this Agreement) in connection with the Executive’s employment with the Company, and which may be useful to any competitor of the Avadel Group of Companies or the disclosure of which would be damaging to any member of the Avadel Group of Companies. Confidential Information includes, but is not limited to, any and all of the following information about any member of the Avadel Group of Companies: (A) information about products, product candidates, and research and development plans, activities and results (including information about planned and in-process clinical trials); (B) information about business and employment policies, marketing methods and the targets of those methods, finances, business plans, promotional materials and price lists; (C) the manner or terms upon which products or services are obtained from suppliers or on which products or services are provided to customers; (D) without duplication of item (A) above, the nature, origin, composition, performance and development of any products or services; (E) information about finances, financial condition, results of operations and prospects; and (F) information about employees, consultants or customers or suppliers. For the avoidance of doubt, Confidential Information shall not include information that (1) is or has been made generally available to the public through the disclosure thereof in a manner that was authorized by the Company and did not violate any common law or contractual right of the applicable party; (2) is or becomes generally available to the public other than as a result of a disclosure by the Executive in violation of the provisions hereof; or (3) was already in the possession of the Executive without an obligation of confidentiality prior to the date his employment with the Company began.

(iii) “Trade Secret” means any Confidential Information to the extent such information constitutes a trade secret under applicable law.



(c) Certain Permitted Disclosures. Notwithstanding the foregoing, the Executive will not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a Trade Secret that (i) is made (A) in confidence to a Federal, State or local government official, either directly or indirectly, or to an attorney, and (B) solely for purposes of reporting or investigating a suspected violation of law, or (ii) is made in a complaint or other document filed in a lawsuit or other proceeding filed in a lawsuit or other proceeding, if such filing is made under seal. If the Executive files a lawsuit for retaliation by the Company for reporting a suspected violation of law, the Executive may disclose the Trade Secret to the Executive's attorney and use the Trade Secret in the court proceeding, if the Executive (i) files any document containing the Trade Secret under seal and (ii) does not disclose the Trade Secret, except pursuant to court order.

4.2 Non-Disparagement. The Executive agrees not to disparage or otherwise refer to any member of the Avadel Group of Companies or any of their executives, officers or directors in an unfavorable manner before, during and after the term of the Executive's employment with the Company, including verbal remarks in public or private and written remarks in paper or electronic format (e.g., e-mail, Twitter, Facebook, etc). Violation of this provision will result in termination of the Executive's Employment and any benefits paid hereunder. The Company, together with all other members of the Avadel Group of Companies, and their executive officers and directors, agree not to disparage or otherwise refer to the Executive in an unfavorable manner before, during and after the term of the Executive's employment with the Company, including verbal remarks in public or private and written remarks in paper or electronic format (e.g., e-mail, Twitter, Facebook, etc).

4.3 Non-Solicitation of Employees and Contractors. During the Executive's employment with the Company and for a period of one (1) year after the termination of the Executive's employment with the Company, the Executive shall not directly or indirectly solicit or attempt to solicit any employee, consultant or other contractor of or service provider to any member of the Avadel Group of Companies with whom the Executive had Material Contact to perform services for the Executive or for any other business or entity, whether as an executive, consultant, partner or participant in any such business or entity, or to terminate or lessen any such employee's, consultant's or other contractor's service with any member of the Avadel Group of Companies. "Material Contact" means contact in person, by telephone, or by paper or electronic correspondence in furtherance of the business of any member of the Avadel Group of Companies. This Section 4.3 shall cease to be applicable to any activity of the Executive from and after such time as all members of the Avadel Group of Companies have ceased all business activities or have made a decision to cease all business activities.

4.4 Non-Solicitation of Customers and Suppliers. During the Executive's employment with the Company and for a period of one (1) year after the termination of the Executive's employment with the Company, the Executive shall not directly or indirectly solicit any actual or prospective customers or suppliers of any member of the Avadel Group of Companies with whom the Executive had material contact, for the purpose of selling any products or services which compete with the business of any member of the Avadel Group of Companies. This Section 4.4 shall cease to be applicable to any activity of the Executive from and after such time as all members of the Avadel Group of Companies have ceased all business activities or have made a decision to cease all business activities.

4.5 Protected Rights. Notwithstanding any other provision of this Agreement, the Company and the Executive hereby acknowledge and agree that:

(i) Nothing in this Agreement shall prohibit the Executive from reporting possible violations of Federal, State or other law or regulations to, or filing a charge or other complaint with, any governmental agency or entity, including but not limited to the Department of Justice, the Equal Employment Opportunity Commission, the National Labor Relations Board, the Occupational Safety and Health Administration, the Securities and Exchange Commission, Congress, and any Inspector General, or making any other disclosures that are protected under any whistleblower provisions of Federal, State or other law or regulation or assisting in any such investigation or proceeding.

(ii) Nothing herein limits the Executive's ability to communicate with any such governmental agency or entity or otherwise participate in any such investigation or proceeding that may be conducted by any such governmental agency or entity, including providing documents or other information, without notice to the Company.

(iii) The Executive does not need the prior authorization of the Company to make any such reports or disclosures, and the Executive is not required to notify the Company that the Executive made any such reports or disclosures or is assisting in any such investigation.

(iv) The Executive (A) does not waive any rights to any individual monetary recovery or other awards in connection with reporting any such information to any such governmental agency or entity, (B) does not breach any confidentiality or other provision hereunder in connection with any such reporting or disclosures, and (C) will not be prohibited from receiving any amounts hereunder as the result of making any such reports or disclosures or assisting with any such investigation or proceeding.

## 5. MISCELLANEOUS

5.1 Entire Agreement. This Agreement (including any exhibits hereto) supersedes any and all other understandings and agreements, either oral or in writing, among the parties (including affiliates of the Company) with respect to the subject matter hereof and constitutes the sole agreement among the parties with respect to the subject matter hereof.

5.2 Severability. If any term or provision of this Agreement or any application of this Agreement shall be declared or held invalid, illegal, or unenforceable, in whole or in part, whether generally or in any particular jurisdiction, such provision shall be deemed amended to the extent, but only to the extent, necessary to cure such invalidity, illegality, or unenforceability, and the validity, legality, and enforceability of the remaining provisions, both generally and in every other jurisdiction, shall not in any way be affected or impaired thereby.

5.3 Survival. Notwithstanding any expiration or termination of this Agreement, Section 2.3 hereof, Section 2.5(c) hereof, Section 3 hereof, Section 4 hereof and this Section 5 shall survive such expiration or termination.

5.4 Interpretation of Agreement.

(a) Unless otherwise indicated to the contrary herein by the context or use thereof: (i) the words, “herein,” “hereto,” “hereof,” and words of similar import refer to this Agreement as a whole and not to any particular Article, Section, subsection, or paragraph hereof; (ii) words importing the masculine gender shall include the feminine and neuter genders and vice versa; and (iii) words importing the singular shall include the plural, and vice versa.

(b) All parties to this Agreement have participated in the drafting and negotiation of this Agreement. This Agreement has been prepared by all parties equally, and is to be interpreted according to its terms. No inference shall be drawn that the Agreement was prepared by or is the product of any particular party or parties.

5.5 Taxes.

(a) The parties hereto acknowledge that the requirements of Section 409A of the Internal Revenue Code (“Section 409A”) are still being developed and interpreted by government agencies and that the parties hereto have made a good faith effort to comply with current guidance under Section 409A. Notwithstanding anything in this Agreement to the contrary, in the event that amendments to this Agreement are necessary in order to continue to comply with future guidance or interpretations under Section 409A, including amendments necessary to ensure that compensation will not be subject to tax under Section 409A (which may require deferral of severance or other compensation), the Company and the Executive agree to negotiate in good faith the applicable terms of such amendments and to implement such negotiated amendments, on a prospective and/or retroactive basis as needed. Further, to the extent any amount or benefit under this Agreement is subject to the requirements of Section 409A, then, with respect to such amount or benefit, this Agreement will be interpreted in a manner to comply with the requirements of Section 409A.

(b) Further, a termination of employment shall not be deemed to have occurred for purposes of any provision of this Agreement providing for the payment of any amounts or benefits upon or as a result of a termination of employment unless such termination is also a “separation from service” within the meaning of Section 409A and, for purposes of any such provision of this Agreement, references to a “termination”, “termination of employment”, “Termination Date”, or the like shall mean “separation from service”.

(c) For purposes of this Agreement, all rights to payments and benefits hereunder shall be treated as rights to receive a series of separate payments and benefits to the fullest extent allowed by Section 409A of the Code.

(d) If the Executive is a key employee (as defined in Section 416(i) of the Code without regard to paragraph (5) thereof) and any of Avadel's securities are publicly traded on an established securities market or otherwise, then payment of any amount or provision of any benefit under this Agreement which is considered deferred compensation subject to Section 409A of the Code shall be deferred for six (6) months after termination of Executive's employment or, if earlier, Executive's death, if and as required by Section 409A(a)(2)(B)(i) of the Code (the "409A Deferral Period"). In the event such payments are otherwise due to be made in installments or periodically during the 409A Deferral Period, the payments which would otherwise have been made in the 409A Deferral Period shall be accumulated and paid in a lump sum as soon as the 409A Deferral Period ends, and the balance of the payments shall be made as otherwise scheduled. In the event benefits are required to be deferred, any such benefit may be provided during the 409A Deferral Period at the Executive's expense, with the Executive having a right to reimbursement from the Company once the 409A Deferral Period ends, and the balance of the benefits shall be provided as otherwise scheduled.

(e) To the extent that some portion of the payments under this Agreement may be bifurcated and treated as exempt from Code Section 409A under the "short-term deferral" or "separation pay" exemptions, then such amounts shall be so treated as exempt from Code Section 409A (and in particular, the earliest amounts to be paid under Section 3 of the Agreement will be first treated as exempt from Code Section 409A under the short-term deferral exemption and then the separation pay exemption to the extent available).

(f) Any reimbursements, in-kind benefits or offset provided under this Agreement that constitutes deferred compensation under Code Section 409A shall be made or provided in accordance with the requirement of Code Section 409A, including, where applicable, the requirement that (i) any reimbursement is for expense incurred during the period of time specified in this Agreement, (ii) the amount of expense eligible for reimbursement, or in-kind benefits, provided during a calendar year may not affect the expense eligible for reimbursement, or in-kind benefits to be provided, in any other calendar year, (iii) the reimbursement of an eligible expense will be made no later than the last day of the calendar year following the calendar in which the expense is incurred, and (iv) the right to reimbursement or in-kind benefits is not subject to liquidation of exchange for another benefit.

(g) The Company makes no warranty regarding the tax treatment to the Executive of payments provided for under this Agreement, including the tax treatment of such payments that may be subject to Section 409A. The Executive will be responsible for paying all federal, state, and local income and employment taxes that may be due on such payment, provided that the Company will be responsible for any withholding obligations under applicable law. The Company will not be liable to the Executive if any payment or benefit which is to be provided pursuant to this Agreement and which is considered deferred compensation subject to Code Section 409A otherwise fails to comply with, or be exempt from, the requirements of Code Section 409A.

5.6 Mandatory Reduction of Payments in Certain Events. Anything in this Agreement to the contrary notwithstanding, in the event it shall be determined that any payment or distribution by the Company to or for the benefit of Executive (whether paid or payable or distributed or distributable pursuant to the terms of this Agreement or otherwise) (a "Payment") would be subject to the excise tax (the "Excise Tax") imposed by Section 4999 of the Code, then, prior to the making of any Payment to Executive, a calculation shall be made comparing (i) the net benefit to Executive of the Payment after payment of the Excise Tax to (ii) the net benefit to Executive if the Payment had been limited to the extent necessary to avoid being subject to the Excise Tax. If the amount calculated under (i) above is less than the amount calculated under (ii) above, then the Payment shall be limited to the extent necessary to avoid being subject to the Excise Tax (the "Reduced Amount"). In that event, cash payments shall be modified or reduced first from the latest amounts to be paid and then any other benefits. The determination of whether an Excise Tax would be imposed, the amount of such Excise Tax, and the calculation of the amounts referred to in clauses (i) and (ii) of the foregoing sentence shall be made by an independent accounting firm selected by Company and reasonably acceptable to the Executive, at the Company's expense (the "Accounting Firm"), and the Accounting Firm shall provide detailed supporting calculations. Any determination by the Accounting Firm shall be binding upon the Company and the Executive. As a result of the uncertainty in the application of Section 4999 of the Code at the time of the initial determination by the Accounting Firm hereunder, it is possible that Payments which Executive was entitled to, but did not receive pursuant to this Section 5.6 could have been made without the imposition of the Excise Tax ("Underpayment"). In such event, the Accounting Firm shall determine the amount of the Underpayment that has occurred and any such Underpayment shall be promptly paid by the Company to or for the benefit of the Executive.

5.7 Governing Law. Notwithstanding the place where this Agreement may be executed by any of the parties hereto, the parties expressly agree that all of the terms and provisions hereof shall be construed in accordance with and governed by the laws of the State of Missouri, or, to the extent applicable the laws of the United States of America, in each case without giving effect to the principles of choice or conflicts of laws thereof. Each of the parties hereto consents and agrees to the exclusive personal jurisdiction of any state or federal court sitting in the State of Missouri, and waives any objection based on venue or *forum non conveniens* with respect to any action instituted therein, and agrees that any dispute concerning the conduct of any party in connection with this Agreement shall be heard only in the courts described above.

5.8 Binding Arbitration.

(a) All disputes arising under this Agreement or arising out of or relating to the Executive's employment relationship with the Company shall be submitted to final and binding arbitration. Arbitration of such matters shall proceed consistent with the National Rules for the Resolution of Employment Disputes as established by the American Arbitration Association ("AAA"). Venue for any arbitration shall be St. Louis, Missouri or any other location mutually agreed upon by the Executive and the Company.

(b) The arbitration shall be conducted using the Expedited Procedures of the AAA Rules, regardless of the amount in dispute.

(c) The disputing parties shall agree on an arbitrator qualified to conduct AAA arbitration. If the disputing parties cannot agree on the choice of arbitrator, then each party shall choose one independent arbitrator. The two arbitrators so chosen shall jointly select a third arbitrator, who shall conduct the arbitration.

(d) All disputes relating to this Agreement shall be governed by the laws of the State of Missouri, and the arbitrator shall apply such law without regard to the principles of choice or conflicts of laws thereof.

(e) All aspects of the arbitration shall be treated as confidential.

(f) The prevailing party, as determined by the arbitrator, shall recover from the other party his or its reasonable costs and attorneys' fees associated with the arbitration no later than thirty (30) days after the arbitration becomes final and binding. The non-prevailing party shall also be liable for the arbitrator's fees and costs.

(g) The decision of the arbitrator shall be final, and the parties agree to entry of such decision as judgments in all courts of appropriate jurisdiction.

5.9 Amendments. This Agreement shall not be modified or amended except by a writing signed by all of the parties.

5.10 Binding Effect. This Agreement shall be binding upon and shall inure to the benefit of the successors and assigns of each party hereto.

5.11 No Assignment.

(a) This Agreement and all of the Executive's rights and obligations hereunder are personal to the Executive and may not be transferred or assigned by him at any time, except that any assets accruing to the Executive in connection with this Agreement shall accrue to the benefit of the Executive's heirs, executors, administrators, successors, permitted assigns, trustees, and legal representatives.

(b) The Company may assign its rights under this Agreement to any entity that assumes the Company's obligations hereunder in connection with a merger, consolidation or sale or transfer of all or substantially all of the Company's assets to such entity.

5.12 Waiver. Any of the terms or conditions of this Agreement may be waived at any time by the party or parties entitled to the benefit thereof, but only by a writing signed by the party or parties waiving such terms or conditions. No waiver of any provision of this Agreement or of any right or benefit arising hereunder shall be deemed to constitute or shall constitute a waiver of any other provision of this Agreement (whether or not similar), nor shall any such waiver constitute a continuing waiver, unless otherwise expressly so provided in writing.

5.13 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Signatures on this Agreement may be conveyed by facsimile or other electronic transmission and shall be binding upon the parties so transmitting their signatures. Counterparts with original signatures shall be provided to the other parties following the applicable facsimile or other electronic transmission; provided, that failure to provide the original counterpart shall have no effect on the validity or the binding nature of this Agreement.

*[Signature page follows]*

IN WITNESS WHEREOF, the parties hereto have executed this Employment Agreement as of the date and year first above written.

THE COMPANY

AVADEL MANAGEMENT CORPORATION

By: /s/ Michael F. Kanan  
Name: Michael F. Kanan  
Title: Treasurer

THE EXECUTIVE

/s/ Jordan Dubow  
Name: Jordan Dubow





## Avadel Pharmaceuticals Appoints Gregory J. Divis Chief Executive Officer

DUBLIN, Ireland, June 3, 2019 (GLOBE NEWSWIRE) -- Avadel Pharmaceuticals plc (Nasdaq: AVDL), a company focused on developing FT218 for narcolepsy, today announced the appointment of Gregory J. Divis as Chief Executive Officer and member of the Board of Directors. Mr. Divis has served as Interim CEO since January 2019.

"Since being named Interim CEO at the beginning of 2019, Greg has done an excellent job leading the Company through rapid restructuring while directing our focus toward the successful development of FT218, our novel once-nightly therapy for narcolepsy patients," said Geoffrey Glass, Chairman of Avadel's Board of Directors. "Under Greg's leadership, we have successfully executed on a series of restructuring initiatives to simplify our business and restore our financial and operational health. While these initiatives required a number of difficult decisions, they have positioned Avadel to maximize the value of the Company and progress our lead clinical candidate, FT218. The entire Board is highly confident in Greg and his ability to continue leading the Company."

Mr. Divis joined Avadel as Chief Commercial Officer in January 2017. He was promoted to Chief Operating Officer in March 2018, and named Interim CEO in January, 2019. Prior to joining Avadel, he served as an Executive in Residence at Linden Capital Partners, a healthcare-focused private equity firm. From 2010 to 2014, he was President and Chief Executive Officer of Lumara Health, a specialty branded pharmaceutical company focused on women's health, where he led the successful turnaround and transformation of the business resulting in a series of transactions culminating in the sale to AMAG Pharmaceuticals. Previously, Mr. Divis served as Vice-President, Business Development & Lifecycle Management at Sanofi-Aventis and as Vice-President and General Manager, UK and Ireland, for Schering-Plough Corporation. He is a graduate of the University of Iowa.

"I am grateful to the Board for their support over the last several months and their confidence at such a crucial juncture for the Company," said Mr. Divis. "In FT218, we have a highly promising once-nightly therapy with the potential to significantly improve the treatment paradigm over the standard of care therapy in a market that exceeds \$1.5B. I am excited for the opportunities that lie ahead for Avadel as we work collectively to advance FT218 for benefit of all the patients that deserve a once-nightly therapeutic option to control their narcolepsy."

### About Avadel Pharmaceuticals plc:

Avadel Pharmaceuticals plc (Nasdaq: AVDL) is a branded specialty pharmaceutical company. The Company's primary focus is on the development and potential FDA approval for FT218, which is in a Phase 3 clinical trial for the treatment of narcolepsy patients suffering from excessive daytime sleepiness (EDS) and cataplexy. In addition, Avadel develops and markets a portfolio of sterile injectable drugs used in the hospital setting. For more information, please visit [www.avadel.com](http://www.avadel.com).

### Cautionary Disclosure Regarding Forward-Looking Statements

This press release may include "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. These forward-looking statements relate to our future expectations, beliefs, plans, strategies, objectives, results, conditions, financial performance, prospects, or other events. In some cases, forward-looking statements can be identified by the use of words or phrases such as "will," "as we continue," "objective," "future success," "potential," "opportunity" and similar expressions, and the negatives thereof (if applicable).

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Our forward-looking statements are based on estimates and assumptions that are made within the bounds of our knowledge of our business and operations and that we consider reasonable. However, our business and operations are subject to significant risks and as a result there can be no assurance that actual results of our research, development and commercialization activities and the results of our business and operations will not differ materially from the results contemplated in such forward-looking statements. Factors that could cause actual results to differ from expectations in our forward-looking statements include (i) the risk that we could experience failure or delay in completing the Phase 3 “REST-ON” clinical trial for our FT218 product, or that if the FDA ultimately approves such product, the approval may not include any period of market exclusivity; (ii) the risk that the review of our FT218 “REST-ON” program that we initiated in the first quarter could result in changes that increase the cost of the program and further delay its completion; (iii) the risk that, even if we successfully complete the development of FT218 and begin its commercialization, it may not receive market acceptance, or new, announced alternative products in development may be approved and may be viewed as more effective than FT218 or otherwise receive greater market acceptance; (iv) the risk that servicing our \$143.75 million Exchangeable Senior Notes due 2023 may require a significant amount of cash, and we may not have sufficient cash or the ability to raise the funds necessary to settle exchanges of such 2023 Notes in cash, repay the 2023 Notes at maturity, or repurchase the 2023 Notes as required following a “fundamental change” event described in the indenture governing the 2023 Notes; and (v) the other risks and uncertainties described in the “Risk Factors” section of Part I, Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2018 which we filed with the Securities and Exchange Commission on March 15, 2019.

Forward-looking statements speak only as of the date they are made and are not guarantees of future performance. Accordingly, you should not place undue reliance on forward-looking statements. We do not undertake any obligation to publicly update or revise the forward-looking statements contained in this press release.

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Source: Avadel Pharmaceuticals plc