

ELAN CORPORATION, PLC
AMENDED AND RESTATED CORPORATE GOVERNANCE
GUIDELINES

Adopted 26 May 2010

The following Amended and Restated Corporate Governance Guidelines (the “Guidelines”) have been adopted by the Board of Directors (the “Board”) of Elan Corporation, plc (the “Company”) to assist the Board in the exercise of its responsibilities. The Guidelines are in addition to, and are not intended to modify, any Irish law or regulation, or the Memorandum and Articles of Association of the Company. The Guidelines are subject to modification from time to time by the Board.

I. MISSION OF THE BOARD

The Board is responsible for overseeing and guiding the management of the business of the Company. The Board’s responsibilities are active and not passive, and include the responsibility to regularly evaluate management policies and the effectiveness with which management implements its policies.

II. DIRECTOR RESPONSIBILITIES

Directors are expected to prepare for and participate in all Board meetings and meetings of committees on which they serve. The Board and each committee will meet as frequently as necessary to properly discharge their responsibilities. Directors are expected to review any materials provided in advance of each meeting.

III. BOARD STRUCTURE

1. Board Leadership

(a) *Chairman and Chief Executive Officer*

The Chairman of the Board (the “Chairman”) is responsible for the leadership and management of the Board. The Chief Executive Officer of the Company (the “Chief Executive Officer”) is responsible for the operation of the business of the Company. The established practice of maintaining these as separate roles will continue. The Chairman will be elected by the Board for a three year term and may be re-elected.

(b) *Lead Independent Director*

The Chair of the Nominating and Governance Committee will serve as the “Lead Independent Director”. The Lead Independent Director coordinates in a lead capacity the other independent directors and may perform, in particular and as appropriate, the following duties:

- Providing ongoing and direct feedback from the directors to the Chairman and the Chief Executive Officer;
- Participating in the preparation of agendas for Board meetings;
- Consulting with the Chairman as to an appropriate schedule of Board meetings and seeking to ensure that the independent directors can perform their duties responsibly while not interfering with the Company’s operations;
- Working with the Chairman to ensure the adequacy and timeliness of information that directors receive;
- Communicating the Board’s annual evaluation of the Chairman and the Chief Executive Officer;
- Consulting with the Chairman and the Chief Executive Officer on the designation of Board committees and Chairs;
- Recommending to the Chairman the retention of consultants who report directly to the Board; and
- Organizing and leading the periodic review of the Board’s governance procedures.

In performing the duties described above, the Lead Independent Director is expected to consult with the Chairs of the appropriate Board committees and solicit their participation in order to avoid diluting the authority or responsibilities of such committee Chairs.

2. *Board Composition and Membership*

(a) *Size of the Board*

The Company’s Memorandum and Articles of Association provide that the number of directors will be no less than three and no more than fifteen. The Board will assess its size from time to time.

(b) *Independent Directors*

One-half of the members of the Board will be independent by December 21, 2003, and two-thirds of the members of the Board will be independent from and after June 30, 2004.

(c) *Definition of Independence*

After considering definitions of independence promulgated by various sources, the Company has decided to adopt a definition of independence based on the standard set by The New York Stock Exchange, the exchange on which most of the Company's shares are traded. Thus, the Board believes that, in order to be considered independent, directors must satisfy the independence requirements of The New York Stock Exchange as set out below.

A director will be considered independent only if the Board affirmatively determines that he or she has no material relationship with the Company (either directly or as a partner, shareholder or officer of an organization that has a material relationship with the Company) or any consolidated subsidiary of the Company. Furthermore, a director will not be considered independent if he or she:

- (i) is, or has been within the last three years, an employee of the Company or any of its consolidated subsidiaries, or an immediate family member is, or has been within the last three years, an executive officer of the Company;
- (ii) received, or has an immediate family member who has received, during any twelve month period within the last three years, more than \$120,000 per year in direct compensation from the Company or any consolidated subsidiary of the Company, other than director and committee fees and pension or other forms of deferred compensation for prior service (provided such compensation is not contingent in any way on continued service);
- (iii) is (A) a current partner or employee of a firm that is the company's internal or external auditor; (B) has an immediate family member who is a current partner of such a firm; (C) has an immediate family member who is a current employee of such a firm and personally works on the Company's audit; or (D) or an immediate family member was within the last three years a partner or employee of such a firm and personally worked on the Company's audit during that time.
- (iv) is a current employee, or whose immediate family member is an executive officer, of a company that makes payments to, or receives payments from, the Company or any consolidated subsidiary of the Company for property or services in an amount which, in any of the last three fiscal years, exceeds the greater of \$1 million, or 2% of such other company's consolidated gross revenues;
- (v) is, or whose immediate family member is, or has been within the last three years, employed, as an executive officer of another company where any of the Company's present executive officers at the same time serves or served on that company's compensation committee; or

A “material relationship” can include commercial, industrial, banking, consulting, legal, accounting, charitable and familial relationships, among others.

An “immediate family member” includes a person’s spouse, parents, children, siblings, mothers and fathers-in-law, sons and daughters-in-law, brothers and sisters-in-law and anyone (other than domestic employees) who share such person’s home.

The Board will monitor its compliance with the New York Stock Exchange and the Combined Code requirements for director independence on an ongoing basis and affirmatively determine each director’s independence status at least annually. Additionally each independent director is expected to notify the Chairman and the Lead Independent Director as soon as reasonably practicable in the event that his or her personal circumstances change in a manner that may affect the Board’s evaluation of such director’s independence. The Board shall disclose the relevant relationships and circumstances considered in making its independence determinations in the annual report.

(d) *Board Membership Criteria*

The Nominating and Governance Committee will review with the Board, on an annual basis, the appropriate skills and characteristics required of Board members in the context of the current composition of the Board and in light of anticipated needs. There are no firm prerequisites to qualify as a candidate for the Board, although the Board seeks a diverse group of candidates who possess the background, skills and expertise to make a significant contribution to the Board, the Company and its shareholders.

(e) *Selection of New Directors*

The Board has the right to fill casual vacancies and to select candidates for electoral recommendation. The Nominating and Governance Committee is responsible for identifying and screening candidates in consultation with the Chairman and the Chief Executive Officer.

(f) *Extending an Invitation to a Potential Director*

The Board should thoroughly discuss and approve a tentative offer to a potential Director with the understanding that the potential new Director should meet, either in person or telephonically, with each of the current Directors prior to receiving an invitation to join the Board. The invitation to become a member of the Board should be extended by the Board itself via the Chairman, together with the Lead Independent Director as appropriate.

(g) *Changes in Present Job Responsibility*

The Board does not believe that directors who retire from or change the principal responsibility they held when they were selected for the Board should necessarily leave the Board. There should, however, be an opportunity for the Board, through the Nominating and Governance Committee, to review the continued appropriateness of Board membership under these circumstances and a director should be prepared to tender his or her resignation if requested by the Nominating and Governance Committee.

(h) *Term Limits and Mandatory Retirement*

The Board has not established any term limit to an individual's membership on the Board or adopted a mandatory retirement age. While such policies may help ensure that fresh ideas and viewpoints are available to the Board, the disadvantage of such policies is the potential loss of the contribution of directors whose knowledge of, and insight into, the Company and its operations has increased over a period of time.

As an alternative to term limits and mandatory retirement, the Nominating and Governance Committee will, in conjunction with the Chairman and the Chief Executive Officer, review each director's continued service on the Board before such director's third nomination to serve on the Board. This approach also allows each director an appropriate opportunity to confirm his or her desire to continue as a member of the Board. Such review will be in addition to the review conducted in connection with a director's nomination to serve on the Board.

3. *Board Compensation and Evaluation*

(a) *Stock Ownership*

Directors are encouraged to acquire and maintain equity stakes in the Company to strengthen the alignment of interests between the directors and the shareholders.

(b) *Compensation of Directors*

Management of the Company will report annually to the Leadership, Development & Compensation Committee ("LDCC") regarding the status of the Board's compensation in relation to peer companies. The LDCC may utilize an independent compensation consultant, who does not work for management, to determine compensation amounts. Changes in Board compensation, if any, will be made on the recommendation of the LDCC, after approval by the Board.

(c) *Prohibition on Loans*

Directors and officers of the Company may not receive, either directly or indirectly, a loan from the Company or any of its subsidiaries.

(d) *Assessment of Board Performance*

The Board, through the Nominating & Governance Committee, will conduct a self-evaluation at least annually to determine whether it and its committees are functioning effectively. Periodically, (perhaps every three years), it will arrange for personal interviews with Board members in a privileged and non-attributable manner by an external third party with a report back to the Board with the objective of meeting best practices and trust building opportunities.

4. *Leadership Development*

(a) *Formal Evaluation of the Chairman and the Chief Executive Officer*

- On behalf of the Board, the Nominating and Governance Committee will conduct separate annual evaluations of the Chairman and of the Chief Executive Officer, the results of which will be reviewed with the other independent directors. The evaluation will be communicated to the Chairman and to the Chief Executive Officer by the Lead Independent Director. The CEO will evaluate his performance for the previous year against the agreed upon goals. This memorandum will also contain the CEO's goals for the coming year, including metrics. The CEO memorandum will be sent to each non-management director who will then evaluate the CEO's performance. At the next board meeting, the CEO will meet in executive session with the non-management directors who will discuss his view of his performance and respond to the feedback. The Lead Independent Director will take the lead in this process, assisted by the Chairman of the LDCC.

The Leadership, Development and Compensation Committee will use the evaluation of the Chief Executive Officer in the course of its deliberations when reviewing and considering his compensation.

(b) *Succession Planning*

The Chairman will work with the Board to develop policies and principles for Chief Executive Officer selection, as well as policies regarding succession in the event of an emergency or the retirement of the Chief Executive Officer. The Chief Executive Officer will report annually to the Board regarding the development of senior management personnel and succession plans. The Chief Executive Officer will work with the Nominating and Governance Committee to prepare, on a continuing basis, a short-term succession plan that delineates a temporary delegation of authority if some or all of the senior officers become unable to perform their duties.

(c) *Director Development*

The Nominating and Governance Committee will develop and monitor an appropriate orientation program for new directors as well as a program of ongoing education for all directors with an emphasis on enhancing their knowledge of corporate directors' responsibilities and the businesses in which the Company is engaged.

5. *Board Committees*

(a) *Number, Structure and Independence of Committees*

There are three standing committees of the Board: the Audit Committee, the Leadership, Development and Compensation Committee and the Nominating and Governance Committee. The Audit Committee, the Leadership, Development and Compensation Committee and the Nominating and Governance Committee will consist solely of independent directors (as defined above). The Board may create additional special committees as needed for a limited purpose and duration. The Board will review its committee structure at least annually and on an ad hoc basis as the need may arise.

(b) *Assignment and Rotation of Committee Members*

The Board, after consultation with the Chairman and the Chief Executive Officer, will appoint the members of the Nominating and Governance Committee. The independent directors, after consultation with the Chairman and the Chief Executive Officer, will appoint the Chair of the Nominating and Governance Committee. The Nominating and Governance Committee will recommend to the Board, after consultation by the Chair of the Nominating and Governance Committee with the Chairman and the Chief Executive Officer and consideration of the desires of individual Board members and appropriate skills and characteristics, directors to serve as members and chairs of the Board committees. Non-director members may also be considered and appointed to the special committees to provide expertise as needed. Subject to this Paragraph 5(b), the full Board will be responsible for appointing members and chairs of Board committees. The Board will have the authority to remove any Committee member at any time without cause.

(c) *Frequency and Length of Committee Meetings*

The Chair of each committee will, in consultation with committee members, determine the frequency and length of the meetings of the committee. The Audit Committee will meet at least quarterly. The Nominating and Governance Committee and the Leadership, Development and Compensation Committee will meet at least once annually.

All directors shall have a standing invitation, but not an obligation, to attend meetings of Committees of which they are not members. Such attendance will, as a matter of courtesy, be discussed with the chair of the Committee beforehand.

(d) *Written Charters*

Each standing committee will maintain a written charter approved by the Board, which will be reviewed at least annually by the respective committee and the Board.

IV. BOARD OPERATIONS

1. Board Meeting Proceedings

(a) *Schedule of Meetings*

The Chairman will consult with the Lead Independent Director as to an appropriate schedule of Board meetings, seeking to ensure that the independent directors can perform their duties responsibly while not interfering with the Company's operations.

The Board should hold an annual off-site retreat for the Board and management.

The Board and each of the Committees will establish an annual calendar which shall be integrated.

(b) *Selection of Agenda Items*

The Chairman, in coordination with the Lead Independent Director, will set the agenda for each Board meeting, taking into account input and suggestions from members of the Board.

The Board should perform deep dives as they deem necessary, on issues of strategic importance, by creating limited duration Board task forces.

Arising from the Company's enterprise-wide risk management assessment, Management will review with the Board annually the Company's major financial and other risk exposures and policies with respect to risk assessment and management including the steps taken to monitor and control such exposures.

(c) *Distribution of Board Materials*

Information that is important to the Board's understanding of the business will be distributed in writing to the Board prior to each Board meeting. Any presentation on specific subjects should be provided to Board members in advance so that time may be conserved at the Board meeting and discussion may be focused on questions that the Board may have about the material covered in the presentation. The Lead Independent Director may request the inclusion of certain material in Board packages.

2. *Sessions of Non-Management Directors*

(a) The non-management directors of the Board will meet without management at regularly scheduled executive sessions with adequate time, and at such other times as they deem appropriate. The Board will also hold executive sessions at least twice a year at which only independent directors are present. The Company has established a toll-free telephone number for interested parties to make their concerns known to the non-management directors. If calling within the United States, the telephone number is 1-866-OUR-ELAN (1-866-687-3526).

(b) The General Counsel and Vice President, Corporate Compliance should meet with the independent or non-management directors at least annually during one of their executive sessions.

3. *Board and Independent Director Access to Top Management*

The Lead Independent Director and all other Board members are free to contact, and will have complete access to, members of senior management, although they are encouraged to coordinate their contacts with the Chief Executive Officer. Non-Board members may attend Board meetings with the concurrence of the Chairman and the Chief Executive Officer.

The senior executives of the Company are encouraged to initiate direct contact with the Lead Independent Director if they believe that there is a matter that should be brought to the attention of the Board.

4. Independent Advice

The Board or any committee of the Board (a “Committee”) will have the authority to retain legal counsel or other consultants to advise it. The Board or any Committee may request any officer or employee of the Company or the Company’s outside counsel to attend any of its meetings or to meet with any of its members or consultants. Generally, such independent advice should be sought with the knowledge of the Chief Executive Officer. The Lead Independent Director may recommend to the Chairman the retention of consultants who report directly to the Board.

5. Board Interaction with Institutional Investors, Research Analysts and Media

As a general rule, the Chief Executive Officer or his designee will speak on behalf of the Company. Director meeting with shareholders will be coordinated by the Chairman to ensure a consistent message based on full factual information and that the feedback from the meeting is shared with the full Board. The Board should continue to engage in shareholder communications and should monitor its effectiveness.