

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2018

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File No. 001-35565



(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or organization)

32-0375147

(I.R.S. employer identification number)

1 North Waukegan Road
North Chicago, Illinois 60064

Telephone: (847) 932-7900

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 229.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer

Accelerated Filer

Non-Accelerated Filer

Smaller reporting company

(Do not check if a smaller reporting company)

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.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

As of April 27, 2018, AbbVie Inc. had 1,586,879,451 shares of common stock at \$0.01 par value outstanding.

AbbVie Inc. and Subsidiaries

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PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

AbbVie Inc. and Subsidiaries
Condensed Consolidated Statements of Earnings (unaudited)

(in millions, except per share data)	Three months ended March 31,	
	2018	2017
Net revenues	\$ 7,934	\$ 6,538
Cost of products sold	1,927	1,616
Selling, general and administrative	1,791	1,373
Research and development	1,244	1,142
Acquired in-process research and development	69	—
Total operating costs and expenses	5,031	4,131
Operating earnings	2,903	2,407
Interest expense, net	251	247
Net foreign exchange loss	8	13
Other (income) expense, net	(153)	61
Earnings before income tax expense	2,797	2,086
Income tax expense	14	375
Net earnings	\$ 2,783	\$ 1,711
Per share data		
Basic earnings per share	\$ 1.74	\$ 1.07
Diluted earnings per share	\$ 1.74	\$ 1.06
Cash dividends declared per common share	\$ 0.96	\$ 0.64
Weighted-average basic shares outstanding	1,591	1,597
Weighted-average diluted shares outstanding	1,596	1,603

The accompanying notes are an integral part of these condensed consolidated financial statements.

AbbVie Inc. and Subsidiaries
Condensed Consolidated Statements of Comprehensive Income (unaudited)

(in millions)	Three months ended March 31,	
	2018	2017
Net earnings	\$ 2,783	\$ 1,711
Foreign currency translation adjustments, net of tax expense (benefit) of \$(3) for the three months ended March 31, 2018 and \$— for the three months ended March 31, 2017	189	170
Net investment hedging activities, net of tax expense (benefit) of \$(30) for the three months ended March 31, 2018 and \$(36) for the three months ended March 31, 2017	(104)	(64)
Pension and post-employment benefits, net of tax expense (benefit) of \$9 for the three months ended March 31, 2018 and \$8 for the three months ended March 31, 2017	22	11
Marketable security activities, net of tax expense (benefit) of \$— for the three months ended March 31, 2018 and \$(1) for the three months ended March 31, 2017	(7)	(8)
Cash flow hedging activities, net of tax expense (benefit) of \$(1) for the three months ended March 31, 2018 and \$(13) for the three months ended March 31, 2017	(3)	(65)
Other comprehensive income	97	44
Comprehensive income	\$ 2,880	\$ 1,755

The accompanying notes are an integral part of these condensed consolidated financial statements.

AbbVie Inc. and Subsidiaries
Condensed Consolidated Balance Sheets

(in millions, except share data)	March 31, 2018	December 31, 2017
	(unaudited)	
Assets		
Current assets		
Cash and equivalents	\$ 9,007	\$ 9,303
Short-term investments	467	486
Accounts receivable, net	5,841	5,088
Inventories	1,738	1,605
Prepaid expenses and other	3,391	4,741
Total current assets	20,444	21,223
Investments	2,057	2,090
Property and equipment, net	2,828	2,803
Intangible assets, net	27,230	27,559
Goodwill	15,880	15,785
Other assets	903	1,326
Total assets	\$ 69,342	\$ 70,786
Liabilities and Equity		
Current liabilities		
Short-term borrowings	\$ 367	\$ 400
Current portion of long-term debt and lease obligations	6,014	6,015
Accounts payable and accrued liabilities	10,677	10,226
Total current liabilities	17,058	16,641
Long-term debt and lease obligations	30,906	30,953
Deferred income taxes	2,304	2,490
Other long-term liabilities	15,521	15,605
Commitments and contingencies		
Stockholders' equity		
Common stock, \$0.01 par value, 4,000,000,000 shares authorized, 1,775,505,540 shares issued as of March 31, 2018 and 1,768,738,550 as of December 31, 2017	18	18
Common stock held in treasury, at cost, 188,735,571 shares as of March 31, 2018 and 176,607,525 as of December 31, 2017	(13,331)	(11,923)
Additional paid-in capital	14,519	14,270
Retained earnings	4,977	5,459
Accumulated other comprehensive loss	(2,630)	(2,727)
Total stockholders' equity	3,553	5,097
Total liabilities and equity	\$ 69,342	\$ 70,786

The accompanying notes are an integral part of these condensed consolidated financial statements.

AbbVie Inc. and Subsidiaries
Condensed Consolidated Statements of Cash Flows (unaudited)

(in millions) (brackets denote cash outflows)	Three months ended March 31,	
	2018	2017
Cash flows from operating activities		
Net earnings	\$ 2,783	\$ 1,711
Adjustments to reconcile net earnings to net cash from operating activities:		
Depreciation	115	103
Amortization of intangible assets	330	271
Change in fair value of contingent consideration liabilities	(148)	85
Stock-based compensation	191	141
Upfront costs and milestones related to collaborations	101	28
Other, net	101	45
Changes in operating assets and liabilities:		
Accounts receivable	(681)	(34)
Inventories	(71)	71
Prepaid expenses and other assets	(267)	(53)
Accounts payable and other liabilities	191	(266)
Cash flows from operating activities	2,645	2,102
Cash flows from investing activities		
Acquisitions and investments	(372)	(63)
Acquisitions of property and equipment	(119)	(95)
Purchases of investment securities	(267)	(970)
Sales and maturities of investment securities	311	444
Cash flows from investing activities	(447)	(684)
Cash flows from financing activities		
Net change in short-term borrowings	(33)	23
Repayments of long-term debt and lease obligations	(7)	(6)
Dividends paid	(1,137)	(1,027)
Purchases of treasury stock	(1,431)	(895)
Proceeds from the exercise of stock options	62	85
Other, net	37	26
Cash flows from financing activities	(2,509)	(1,794)
Effect of exchange rate changes on cash and equivalents	15	16
Net change in cash and equivalents	(296)	(360)
Cash and equivalents, beginning of period	9,303	5,100
Cash and equivalents, end of period	\$ 9,007	\$ 4,740

The accompanying notes are an integral part of these condensed consolidated financial statements.

AbbVie Inc. and Subsidiaries
Notes to Condensed Consolidated Financial Statements (unaudited)

Note 1 Basis of Presentation

Basis of Historical Presentation

The unaudited interim condensed consolidated financial statements of AbbVie Inc. (AbbVie or the company) have been prepared pursuant to the rules and regulations of the U.S. Securities and Exchange Commission. Accordingly, certain information and footnote disclosures normally included in annual financial statements prepared in accordance with generally accepted accounting principles in the United States (U.S. GAAP) have been omitted. These unaudited interim condensed consolidated financial statements should be read in conjunction with the company's audited consolidated financial statements and notes included in the company's Annual Report on Form 10-K for the year ended December 31, 2017.

It is management's opinion that these financial statements include all normal and recurring adjustments necessary for a fair presentation of the company's financial position and operating results. Net revenues and net earnings for any interim period are not necessarily indicative of future or annual results. Certain reclassifications were made to conform the prior period interim condensed consolidated financial statements to the current period presentation.

Recent Accounting Pronouncements

Recently Adopted Accounting Pronouncements

ASU No. 2014-09

In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2014-09, *Summary and Amendments That Create Revenue from Contracts with Customers (Topic 606) and Other Assets and Deferred Costs - Contracts with Customers (Subtopic 340-40)*. The amendments in this standard superseded most existing revenue recognition requirements. The core principle of the new guidance is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. AbbVie adopted the standard in the first quarter of 2018 using the modified retrospective method. Results for reporting periods beginning after December 31, 2017 have been presented in accordance with the standard, while results for prior periods have not been adjusted and continue to be reported in accordance with AbbVie's historical accounting. The cumulative effect of initially applying the new revenue standard was recognized as an adjustment to the opening balance of retained earnings as of January 1, 2018.

There were no significant changes to the amounts or timing of revenue recognition for product sales, the company's primary revenue stream. For certain licensing arrangements where revenue was previously deferred and recognized over time, revenue is now recognized at the point in time when the license is granted. Additionally, for certain contract manufacturing arrangements where revenue was previously recognized at a point in time at the end of the manufacturing process, revenue is now recognized over time throughout the manufacturing process.

Under the new standard, on January 1, 2018, the company recognized a cumulative-effect adjustment to retained earnings primarily related to certain deferred license revenues that were originally expected to be recognized through early 2020. The adjustment to the condensed consolidated balance sheet included (i) a \$42 million increase to prepaid expenses and other; (ii) a \$39 million decrease to inventories; (iii) a \$57 million decrease to accounts payable and accrued liabilities; (iv) a \$75 million decrease to other long-term liabilities; (v) a \$22 million increase to deferred income taxes; and (vi) a \$124 million increase to retained earnings. Other cumulative-effect adjustments to the condensed consolidated balance sheet were insignificant.

The impact of adoption on the company's condensed consolidated statement of earnings for the three months ended March 31, 2018 was as follows:

(in millions, except per share data)	Three months ended March 31, 2018		
	As Reported	Balances Without Adoption of ASU 2014-09	Effect of Change Higher/(Lower)
Net revenues	\$ 7,934	\$ 7,891	\$ 43
Cost of products sold	1,927	1,906	21
Income tax expense	14	7	7
Net earnings	2,783	2,768	15
Diluted earnings per share	\$ 1.74	\$ 1.73	\$ 0.01

As of March 31, 2018, due to the impact of the adoption of ASU 2014-09, prepaid expenses and other were \$100 million higher, inventories were \$60 million lower, accounts payable and accrued liabilities were \$48 million lower, other long-term liabilities were \$61 million lower, deferred income taxes were \$19 million higher and retained earnings were \$139 million higher in the company's condensed consolidated balance sheet than they would have been had ASU 2014-09 not been adopted. Other impacts to the condensed consolidated balance sheet were insignificant.

ASU No. 2016-01

In January 2016, the FASB issued ASU No. 2016-01, *Financial Instruments - Overall (Subtopic 825-10): Recognition and Measurement of Financial Assets and Financial Liabilities*. The standard requires several targeted changes including that equity investments (except those accounted for under the equity method of accounting, or those that result in consolidation of the investee) be measured at fair value with changes in fair value recognized in net earnings. AbbVie adopted the standard in the first quarter of 2018. The adoption did not impact the accounting for AbbVie's investments in debt securities and did not have a material impact on the company's consolidated financial statements.

ASU No. 2016-16

In October 2016, the FASB issued ASU No. 2016-16, *Income Taxes (Topic 740)*. The standard requires entities to recognize the income tax consequences of an intercompany transfer of an asset other than inventory when the transfer occurs. Under previous U.S. GAAP, the income tax consequences of these intercompany asset transfers were deferred until the asset was sold to a third party or otherwise recovered through use. AbbVie adopted the standard in the first quarter of 2018 using the modified retrospective method. As a result, on January 1, 2018, the company recorded a cumulative-effect adjustment to its condensed consolidated balance sheet that included a \$1.9 billion decrease to retained earnings, a \$1.4 billion decrease to prepaid expenses and other and a \$0.5 billion decrease to other assets.

ASU No. 2017-07

In March 2017, the FASB issued ASU No. 2017-07, *Compensation - Retirement Benefits (Topic 715): Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost*. The standard requires that an employer continue to report the service cost component of net periodic benefit cost in the same income statement line item or items as other employee compensation costs arising from services rendered during the period. The other components of net periodic benefit cost are required to be presented separately outside of income from operations and are not eligible for capitalization. AbbVie adopted the standard in the first quarter of 2018 and applied the income statement classification provisions of this standard retrospectively. As a result, the company reclassified income of \$12 million from operating earnings to non-operating income for the three months ended March 31, 2017. Additionally, the company recorded approximately \$4 million of non-operating income for the three months ended March 31, 2018 which would have been recorded in operating earnings under the previous guidance.

ASU No. 2017-12

In August 2017, the FASB issued ASU No. 2017-12, *Derivatives and Hedging (Topic 815): Targeted Improvements to Accounting for Hedging Activities*. The standard simplifies the application of hedge accounting and more closely aligns the accounting with an entity's risk management activities. AbbVie elected to early adopt the standard in the first quarter of 2018. The adoption did not have a material impact on the company's consolidated financial statements.

Recent Accounting Pronouncements Not Yet Adopted

ASU No. 2016-02

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842)*. The standard outlines a comprehensive lease accounting model that supersedes the current lease guidance and requires lessees to recognize lease liabilities and corresponding right-of-use assets for all leases with lease terms greater than 12 months. The guidance also changes the definition of a lease and expands the disclosure requirements of lease arrangements. The new standard must be adopted using the modified retrospective approach and will be effective for AbbVie starting with the first quarter of 2019, with early adoption permitted. AbbVie will adopt the standard effective in the first quarter of 2019 and is currently assessing the impact of adopting this guidance on its consolidated financial statements and related disclosures. AbbVie does not expect the adoption will have a material impact on its consolidated statement of earnings. However, the new standard will require AbbVie to establish liabilities and corresponding right-of-use assets on its consolidated balance sheet for operating leases that exist as of the January 1, 2019 adoption date.

ASU No. 2016-13

In June 2016, the FASB issued ASU No. 2016-13, *Financial Instruments - Credit Losses (Topic 326)*. The standard changes how credit losses are measured for most financial assets and certain other instruments. For trade and other receivables, held-to-maturity debt securities, loans and other financial instruments, the standard requires the use of a new forward-looking "expected credit loss" model that generally will result in the earlier recognition of allowances for losses. For available-for-sale debt securities with unrealized losses, the standard now requires allowances to be recorded instead of reducing the amortized cost of the investment. Additionally, the standard requires new disclosures and will be effective for AbbVie starting with the first quarter of 2020. Early adoption beginning in the first quarter of 2019 is permitted. With certain exceptions, adjustments are to be applied using a modified-retrospective approach by reflecting adjustments through a cumulative-effect impact to retained earnings as of the beginning of the fiscal year of adoption. AbbVie is currently assessing the impact and timing of adopting this guidance on its consolidated financial statements.

ASU No. 2018-02

In February 2018, the FASB issued ASU No. 2018-02, *Income Statement - Reporting Comprehensive Income (Topic 220): Reclassification of Certain Tax Effects from Accumulated Other Comprehensive Income*, which allows a reclassification from accumulated other comprehensive income (AOCI) to retained earnings for stranded tax effects related to adjustments to deferred taxes resulting from the enactment of the Tax Cuts and Jobs Act. The standard will be effective for AbbVie starting with the first quarter of 2019, with early adoption permitted. AbbVie is currently assessing the impact and timing of adopting this guidance on its consolidated financial statements.

Note 2 Revenue Recognition

AbbVie recognizes revenue when control of promised goods or services is transferred to the company's customers, in an amount that reflects the consideration AbbVie expects to be entitled to in exchange for those goods or services. Sales, value add and other taxes collected concurrent with revenue-producing activities are excluded from revenue. AbbVie generates revenue primarily from product sales. For the majority of sales, the company transfers control, invoices the customer and recognizes revenue upon shipment to the customer. The company recognizes shipping and handling costs as an expense in cost of products sold when the company transfers control to the customer. Payment terms vary depending on the type and location of the customer, are based on customary commercial terms and are generally less than one year. AbbVie does not adjust revenue for the effects of a significant financing component for contracts where AbbVie expects the period between the transfer of the good or service and collection to be one year or less.

Discounts, rebates, sales incentives to customers, returns and certain other adjustments are accounted for as variable consideration. Provisions for variable consideration are based on current pricing, executed contracts, government pricing legislation and historical data and are provided for in the period the related revenues are recorded. Rebate amounts are typically based upon the volume of purchases using contractual or statutory prices, which may vary by product and by payer. For each type of rebate, factors used in the calculation of the accrual include the identification of the products subject to the rebate, the applicable price terms and the estimated lag time between sale and payment of the rebate, which can be significant. Sales incentives to customers are insignificant.

In addition to revenue from contracts with customers, the company also recognizes certain collaboration revenues. See Note 6 for additional information related to the collaboration with Janssen Biotech, Inc. Additionally, see Note 14 for disaggregation of revenue by product and geography.

Note 3 Supplemental Financial Information

Interest Expense, Net

(in millions)	Three months ended March 31,	
	2018	2017
Interest expense	\$ 309	\$ 273
Interest income	(58)	(26)
Interest expense, net	\$ 251	\$ 247

Inventories

(in millions)	March 31, 2018	December 31, 2017
Finished goods	\$ 632	\$ 610
Work-in-process	913	822
Raw materials	193	173
Inventories	\$ 1,738	\$ 1,605

Property and Equipment

(in millions)	March 31, 2018	December 31, 2017
Property and equipment, gross	\$ 8,231	\$ 8,071
Accumulated depreciation	(5,403)	(5,268)
Property and equipment, net	\$ 2,828	\$ 2,803

Depreciation expense was \$115 million for the three months ended March 31, 2018 and \$103 million for the three months ended March 31, 2017.

Note 4 Earnings Per Share

AbbVie grants certain restricted stock awards (RSAs) and restricted stock units (RSUs) that are considered to be participating securities. Due to the presence of participating securities, AbbVie calculates earnings per share (EPS) using the more dilutive of the treasury stock or the two-class method. For all periods presented, the two-class method was more dilutive.

The following table summarizes the impact of the two-class method:

(in millions, except per share data)	Three months ended March 31,	
	2018	2017
Basic EPS		
Net earnings	\$ 2,783	\$ 1,711
Earnings allocated to participating securities	12	9
Earnings available to common shareholders	\$ 2,771	\$ 1,702
Weighted-average basic shares outstanding	1,591	1,597
Basic earnings per share	\$ 1.74	\$ 1.07
Diluted EPS		
Net earnings	\$ 2,783	\$ 1,711
Earnings allocated to participating securities	12	9
Earnings available to common shareholders	\$ 2,771	\$ 1,702
Weighted-average shares of common stock outstanding	1,591	1,597
Effect of dilutive securities	5	6
Weighted-average diluted shares outstanding	1,596	1,603
Diluted earnings per share	\$ 1.74	\$ 1.06

Certain shares issuable under stock-based compensation plans were excluded from the computation of EPS because the effect would have been antidilutive. The number of common shares excluded was insignificant for all periods presented.

Note 5 Licensing, Acquisitions and Other Arrangements

Cash outflows related to acquisitions and investments totaled \$372 million for the three months ended March 31, 2018 and \$63 million for the three months ended March 31, 2017. AbbVie recorded acquired in-process research and development (IPR&D) charges of \$69 million for the three months ended March 31, 2018 and recorded no IPR&D charges for the three months ended March 31, 2017.

Note 6 Collaboration with Janssen Biotech, Inc.

In December 2011, Pharmacyclics, a wholly-owned subsidiary of AbbVie, entered into a worldwide collaboration and license agreement with Janssen Biotech, Inc. and its affiliates (Janssen), one of the Janssen Pharmaceutical companies of Johnson & Johnson, for the joint development and commercialization of IMBRUVICA, a novel, orally active, selective covalent inhibitor of Bruton's tyrosine kinase (BTK) and certain compounds structurally related to IMBRUVICA, for oncology and other indications, excluding all immune and inflammatory mediated diseases or conditions and all psychiatric or psychological diseases or conditions, in the United States and outside the United States.

The collaboration provides Janssen with an exclusive license to commercialize IMBRUVICA outside of the United States and co-exclusively with AbbVie in the United States. Both parties are responsible for the development, manufacturing and marketing of any products generated as a result of the collaboration. The collaboration has no set duration or specific expiration date and provides for potential future development, regulatory and approval milestone payments of up to \$200 million to AbbVie. The collaboration also includes a cost sharing arrangement for associated collaboration activities. Except in certain cases, Janssen is responsible for approximately 60% of collaboration development costs and AbbVie is responsible for the remaining 40% of collaboration development costs.

In the United States, both parties have co-exclusive rights to commercialize the products; however, AbbVie is the principal in the end customer product sales. AbbVie and Janssen share pre-tax profits and losses equally from the commercialization of products. Sales of

IMBRUVICA are included in AbbVie's net revenues. Janssen's share of profits is included in AbbVie's cost of products sold. Other costs incurred under the collaboration are reported in their respective expense line items, net of Janssen's share.

Outside the United States, Janssen is responsible for and has exclusive rights to commercialize IMBRUVICA. AbbVie and Janssen share pre-tax profits and losses equally from the commercialization of products. AbbVie's share of profits is included in AbbVie's net revenues. Other costs incurred under the collaboration are reported in their respective expense line items, net of Janssen's share.

The following table shows the profit and cost sharing relationship between Janssen and AbbVie:

(in millions)	Three months ended March 31,	
	2018	2017
United States - Janssen's share of profits (included in cost of products sold)	\$ 276	\$ 212
International - AbbVie's share of profits (included in net revenues)	138	94
Global - AbbVie's share of other costs (included in respective line items)	71	59

AbbVie's receivable from Janssen, included in accounts receivable, net, was \$153 million at March 31, 2018 and \$124 million at December 31, 2017. AbbVie's payable to Janssen, included in accounts payable and accrued liabilities, was \$251 million at March 31, 2018 and \$253 million at December 31, 2017.

Note 7 Goodwill and Intangible Assets

Goodwill

The following table summarizes the changes in the carrying amount of goodwill:

(in millions)		
Balance as of December 31, 2017	\$	15,785
Foreign currency translation adjustments		95
Balance as of March 31, 2018	\$	15,880

The company performs its annual goodwill impairment assessment in the third quarter, or earlier if impairment indicators exist. As of March 31, 2018, there were no accumulated goodwill impairment losses.

Intangible Assets, Net

The following table summarizes intangible assets:

(in millions)	March 31, 2018			December 31, 2017		
	Gross carrying amount	Accumulated amortization	Net carrying amount	Gross carrying amount	Accumulated amortization	Net carrying amount
Definite-lived intangible assets						
Developed product rights	\$ 16,141	\$ (5,207)	\$ 10,934	\$ 16,138	\$ (4,982)	\$ 11,156
License agreements	7,822	(1,516)	6,306	7,822	(1,409)	6,413
Total definite-lived intangible assets	23,963	(6,723)	17,240	23,960	(6,391)	17,569
Indefinite-lived research and development	9,990	—	9,990	9,990	—	9,990
Total intangible assets, net	\$ 33,953	\$ (6,723)	\$ 27,230	\$ 33,950	\$ (6,391)	\$ 27,559

Amortization expense was \$330 million for the three months ended March 31, 2018 and \$271 million for the three months ended March 31, 2017. Amortization expense was included in cost of products sold in the condensed consolidated statements of earnings.

Indefinite-lived intangible assets represent acquired IPR&D associated with products that have not yet received regulatory approval. Indefinite-lived intangible assets as of March 31, 2018 and December 31, 2017 related to the 2016 acquisitions of Stemcentrx and Boehringer Ingelheim compounds. The company performs its annual impairment assessment of indefinite-lived intangible assets in the third quarter, or earlier if impairment indicators exist. No impairment charges were recorded for the three months ended March 31, 2018 and 2017.

Note 8 Restructuring Plans

AbbVie recorded restructuring charges of \$22 million for the three months ended March 31, 2018 and \$16 million for the three months ended March 31, 2017.

The following table summarizes the cash activity in the restructuring reserve for the three months ended March 31, 2018:

(in millions)		
Accrued balance as of December 31, 2017	\$	86
Restructuring charges		22
Payments and other adjustments		(7)
Accrued balance as of March 31, 2018	\$	101

Note 9 Financial Instruments and Fair Value Measures

Risk Management Policy

See Note 10 to the company's Annual Report on Form 10-K for the year ended December 31, 2017 for a summary of AbbVie's risk management policy and use of derivative instruments.

Financial Instruments

Various AbbVie foreign subsidiaries enter into foreign currency forward exchange contracts to manage exposures to changes in foreign exchange rates for anticipated intercompany transactions denominated in a currency other than the functional currency of the local entity. These contracts, with notional amounts totaling \$3.2 billion at March 31, 2018 and \$2.2 billion at December 31, 2017, are designated as cash flow hedges and are recorded at fair value. The durations of these forward exchange contracts were generally less than eighteen months. Accumulated gains and losses as of March 31, 2018 will be reclassified from AOCI and included in cost of products sold at the time the products are sold, generally not exceeding six months from the date of settlement.

The company also enters into foreign currency forward exchange contracts to manage its exposure to foreign currency denominated trade payables and receivables and intercompany loans. These contracts are not designated as hedges and are recorded at fair value. Resulting gains or losses are reflected in net foreign exchange loss in the consolidated statements of earnings and are generally offset by losses or gains on the foreign currency exposure being managed. These contracts had notional amounts totaling \$10.5 billion at March 31, 2018 and \$7.7 billion at December 31, 2017.

The company also uses foreign currency forward exchange contracts or foreign currency denominated debt to hedge its net investments in certain foreign subsidiaries and affiliates. The company designated €3.6 billion aggregate principal amount of senior Euro notes as net investment hedges at March 31, 2018 and December 31, 2017. Realized and unrealized gains and losses from these hedges are included in AOCI.

AbbVie is a party to interest rate hedge contracts designated as fair value hedges with notional amounts totaling \$11.8 billion at March 31, 2018 and December 31, 2017. The effect of the hedge contracts is to change a fixed-rate interest obligation to a floating rate for that portion of the debt. AbbVie records the contracts at fair value and adjusts the carrying amount of the fixed-rate debt by an offsetting amount.

No amounts are excluded from the assessment of effectiveness for cash flow hedges, net investment hedges or fair value hedges.

The following table summarizes the amounts and location of AbbVie's derivative instruments on the condensed consolidated balance sheets:

(in millions)	Fair value – Derivatives in asset position			Fair value – Derivatives in liability position		
	Balance sheet caption	March 31, 2018	December 31, 2017	Balance sheet caption	March 31, 2018	December 31, 2017
Foreign currency forward exchange contracts						
Designated as cash flow hedges	Prepaid expenses and other \$	3	\$ 1	Accounts payable and accrued liabilities \$	106	\$ 120
Designated as cash flow hedges	Other assets	1	—	Other long-term liabilities	2	—
Not designated as hedges	Prepaid expenses and other	14	22	Accounts payable and accrued liabilities	19	29
Interest rate swaps designated as fair value hedges	Prepaid expenses and other	—	—	Accounts payable and accrued liabilities	10	8
Interest rate swaps designated as fair value hedges	Other assets	—	—	Other long-term liabilities	575	393
Total derivatives		\$ 18	\$ 23		\$ 712	\$ 550

While certain derivatives are subject to netting arrangements with the company's counterparties, the company does not offset derivative assets and liabilities within the condensed consolidated balance sheets.

The following table presents the pre-tax amounts of losses from derivative instruments recognized in other comprehensive income:

(in millions)	Three months ended March 31,	
	2018	2017
Foreign currency forward exchange contracts	\$ (48)	\$ (61)

Assuming market rates remain constant through contract maturities, the company expects to transfer pre-tax unrealized losses of \$178 million into cost of products sold for foreign currency cash flow hedges during the next 12 months.

Related to AbbVie's non-derivative, foreign currency denominated debt designated as net investment hedges, the company recognized pre-tax losses in other comprehensive income of \$134 million for the three months ended March 31, 2018 and \$100 million for the three months ended March 31, 2017.

The following table summarizes the pre-tax amounts and location of derivative instrument net gains (losses) recognized in the condensed consolidated statements of earnings, including the net gains (losses) reclassified out of AOCI into net earnings. See Note 11 for the amount of net gains (losses) reclassified out of AOCI.

(in millions)	Statement of earnings caption	Three months ended March 31,	
		2018	2017
Foreign currency forward exchange contracts			
Designated as cash flow hedges	Cost of products sold	\$ (44)	\$ 17
Not designated as hedges	Net foreign exchange loss	(59)	(46)
Interest rate swaps designated as fair value hedges	Interest expense, net	(184)	(15)
Debt designated as hedged item in fair value hedges	Interest expense, net	184	15

Fair Value Measures

The fair value hierarchy consists of the following three levels:

- Level 1 – Valuations based on unadjusted quoted prices in active markets for identical assets that the company has the ability to access;
- Level 2 – Valuations based on quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active and model-based valuations in which all significant inputs are observable in the market; and
- Level 3 – Valuations using significant inputs that are unobservable in the market and include the use of judgment by the company's management about the assumptions market participants would use in pricing the asset or liability.

The following table summarizes the bases used to measure certain assets and liabilities carried at fair value on a recurring basis on the condensed consolidated balance sheet as of March 31, 2018:

(in millions)	Total	Basis of fair value measurement		
		Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets				
Cash and equivalents	\$ 9,007	\$ 1,021	\$ 7,986	\$ —
Time deposits	8	—	8	—
Debt securities	2,471	—	2,471	—
Equity securities	1	1	—	—
Foreign currency contracts	18	—	18	—
Total assets	\$ 11,505	\$ 1,022	\$ 10,483	\$ —
Liabilities				
Interest rate hedges	\$ 585	\$ —	\$ 585	\$ —
Foreign currency contracts	127	—	127	—
Contingent consideration	4,386	—	—	4,386
Total liabilities	\$ 5,098	\$ —	\$ 712	\$ 4,386

The following table summarizes the bases used to measure certain assets and liabilities carried at fair value on a recurring basis on the condensed consolidated balance sheet as of December 31, 2017:

(in millions)	Total	Basis of fair value measurement		
		Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets				
Cash and equivalents	\$ 9,303	\$ 849	\$ 8,454	\$ —
Debt securities	2,524	—	2,524	—
Equity securities	4	4	—	—
Foreign currency contracts	23	—	23	—
Total assets	\$ 11,854	\$ 853	\$ 11,001	\$ —
Liabilities				
Interest rate hedges	\$ 401	\$ —	\$ 401	\$ —
Foreign currency contracts	149	—	149	—
Contingent consideration	4,534	—	—	4,534
Total liabilities	\$ 5,084	\$ —	\$ 550	\$ 4,534

The fair values of time deposits approximate their amortized cost due to the short maturities of these instruments. The fair values of available-for-sale debt securities were determined based on prices obtained from commercial pricing services. The derivatives entered into by the company were valued using publicized spot curves for interest rate hedges and publicized forward curves for foreign currency contracts. The fair value measurements of the contingent consideration liabilities were determined based on significant unobservable inputs, including the discount rate, estimated probabilities and timing of achieving specified development, regulatory and commercial milestones and the estimated amount of future sales of the acquired products still in development. Changes to the fair value of the contingent consideration liabilities can result from changes to one or a number of inputs, including discount rates, the probabilities of achieving the milestones, the time required to achieve the milestones and estimated future sales. Significant judgment is employed in determining the appropriateness of these inputs. Changes to the inputs described above could have a material impact on the company's financial position and results of operations in any given period. At March 31, 2018, a 50 basis point increase/decrease in the assumed discount rate would have decreased/increased the value of the contingent consideration liabilities by approximately \$160 million. Additionally, at March 31, 2018, a five percentage point increase/decrease in the assumed probability of success across all potential indications would have increased/decreased the value of the contingent consideration liabilities by approximately \$370 million.

There have been no transfers of assets or liabilities between the fair value measurement levels. The following table presents the changes in fair value of contingent consideration liabilities which are measured using Level 3 inputs:

(in millions)	Three months ended March 31,	
	2018	2017
Beginning balance	\$ 4,534	\$ 4,213
Change in fair value recognized in net earnings	(148)	85
Ending balance	\$ 4,386	\$ 4,298

The change in fair value recognized in net earnings is recorded in other expense, net in the condensed consolidated statements of earnings.

Certain financial instruments are carried at historical cost or some basis other than fair value. The book values, approximate fair values and bases used to measure the approximate fair values of certain financial instruments as of March 31, 2018 are shown in the table below:

(in millions)	Book value	Approximate fair value	Basis of fair value measurement		
			Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Liabilities					
Short-term borrowings	\$ 367	\$ 367	\$ —	\$ 367	\$ —
Current portion of long-term debt and lease obligations, excluding fair value hedges	6,024	6,026	3,997	2,029	—
Long-term debt and lease obligations, excluding fair value hedges	31,481	31,572	31,494	78	—
Total liabilities	\$ 37,872	\$ 37,965	\$ 35,491	\$ 2,474	\$ —

AbbVie also holds investments in equity securities that do not have readily determinable fair values. The company records these investments at cost and remeasures them to fair value based on certain observable price changes or impairment events as they occur. The carrying amount of these investments was \$44 million as of March 31, 2018. No cumulative upward or downward adjustments have been recorded for these investments as of March 31, 2018. Prior to the adoption of ASU No. 2016-01 discussed in Note 1, these investments were accounted for under the cost method and disclosed in the table below as of December 31, 2017.

The book values, approximate fair values and bases used to measure the approximate fair values of certain financial instruments as of December 31, 2017 are shown in the table below:

(in millions)	Book value	Approximate fair value	Basis of fair value measurement		
			Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets					
Investments	\$ 48	\$ 48	\$ —	\$ —	\$ 48
Total assets	\$ 48	\$ 48	\$ —	\$ —	\$ 48
Liabilities					
Short-term borrowings	\$ 400	\$ 400	\$ —	\$ 400	\$ —
Current portion of long-term debt and lease obligations, excluding fair value hedges	6,023	6,034	4,004	2,030	—
Long-term debt and lease obligations, excluding fair value hedges	31,346	32,846	32,763	83	—
Total liabilities	\$ 37,769	\$ 39,280	\$ 36,767	\$ 2,513	\$ —

Available-for-sale Securities

Substantially all of the company's investments in debt securities were classified as available-for-sale with changes in fair value recognized in other comprehensive income. Debt securities classified as short-term were \$458 million as of March 31, 2018 and \$482 million as of December 31, 2017. Long-term debt securities mature primarily within five years. Estimated fair values of available-for-sale debt securities were generally determined based on prices obtained from commercial pricing services.

The following table is a summary of available-for-sale securities by type as of March 31, 2018:

(in millions)	Amortized cost	Gross unrealized		Fair value
		Gains	Losses	
Asset backed securities	\$ 911	\$ 1	\$ (6)	\$ 906
Corporate debt securities	1,455	4	(4)	1,455
Other debt securities	111	—	(1)	110
Total	\$ 2,477	\$ 5	\$ (11)	\$ 2,471

The following table is a summary of available-for-sale securities by type as of December 31, 2017:

(in millions)	Amortized cost	Gross unrealized		Fair value
		Gains	Losses	
Asset backed securities	\$ 930	\$ 1	\$ (3)	\$ 928
Corporate debt securities	1,451	4	(2)	1,453
Other debt securities	144	—	(1)	143
Equity securities	4	2	(2)	4
Total	\$ 2,529	\$ 7	\$ (8)	\$ 2,528

AbbVie had no other-than-temporary impairments as of March 31, 2018. Net realized gains were insignificant for the three months ended March 31, 2018 and 2017.

Concentrations of Risk

AbbVie continues to do business with foreign governments in certain countries, including Greece, Portugal, Italy and Spain, which have historically experienced challenges in credit and economic conditions. Substantially all of AbbVie's trade receivables in Greece, Portugal, Italy and Spain are with government health systems. Outstanding governmental receivables in these countries, net of allowances for doubtful accounts, totaled \$320 million as of March 31, 2018 and \$255 million as of December 31, 2017. The company also continues to do business with foreign governments in certain oil-exporting countries that have experienced a deterioration in economic conditions, including Saudi Arabia and Russia, which may result in delays in the collection of receivables. Outstanding governmental receivables related to Saudi Arabia, net of allowances for doubtful accounts, were \$143 million as of March 31, 2018 and \$149 million as of December 31, 2017. Outstanding governmental receivables related to Russia, net of allowances for doubtful accounts, were \$106 million as of March 31, 2018 and \$152 million as of December 31, 2017. Global economic conditions and customer-specific factors may require the company to periodically re-evaluate the collectability of its receivables and the company could potentially incur credit losses.

Of total net accounts receivable, three U.S. wholesalers accounted for 52% as of March 31, 2018 and 56% as of December 31, 2017, and substantially all of AbbVie's net revenues in the United States were to these three wholesalers.

HUMIRA (adalimumab) is AbbVie's single largest product and accounted for approximately 59% of AbbVie's total net revenues for the three months ended March 31, 2018 and 63% for the three months ended March 31, 2017.

Debt and Credit Facilities

Short-term borrowings included commercial paper borrowings of \$367 million as of March 31, 2018 and \$400 million as of December 31, 2017. The weighted-average interest rate on commercial paper borrowings was 1.8% for the three months ended March 31, 2018 and 1.1% for the three months ended March 31, 2017.

Note 10 Post-Employment Benefits

The following is a summary of net periodic benefit cost relating to the company's defined benefit and other post-employment plans:

(in millions)	Defined benefit plans		Other post-employment plans	
	Three months ended March 31,		Three months ended March 31,	
	2018	2017	2018	2017
Service cost	\$ 72	\$ 58	\$ 8	\$ 7
Interest cost	57	50	8	6
Expected return on plan assets	(111)	(95)	—	—
Amortization of actuarial losses and prior service costs	37	26	4	1
Net periodic benefit cost	\$ 55	\$ 39	\$ 20	\$ 14

The components of net periodic benefit cost other than service cost are included in other (income) expense, net in the condensed consolidated statements of earnings.

Note 11 Equity

Stock-Based Compensation

Stock-based compensation expense is principally related to awards issued pursuant to the AbbVie 2013 Incentive Stock Program and is summarized as follows:

(in millions)	Three months ended March 31,	
	2018	2017
Cost of products sold	\$ 4	\$ 3
Research and development	72	64
Selling, general and administrative	115	74
Pre-tax compensation expense	191	141
Tax benefit	29	47
After-tax compensation expense	\$ 162	\$ 94

Stock Options

During the three months ended March 31, 2018, primarily in connection with the company's annual grant, AbbVie granted 0.6 million stock options with a weighted-average grant-date fair value of \$21.63. As of March 31, 2018, \$15 million of unrecognized compensation cost related to stock options is expected to be recognized as expense over approximately the next two years.

RSAs, RSUs and Performance Shares

During the three months ended March 31, 2018, primarily in connection with the company's annual grant, AbbVie granted 3.7 million RSUs and performance shares with a weighted-average grant-date fair value of \$115.20. As of March 31, 2018, \$467 million of unrecognized compensation cost related to RSAs, RSUs and performance shares is expected to be recognized as expense over approximately the next two years.

Cash Dividends

The following table summarizes quarterly cash dividends declared during 2018 and 2017:

2018			2017		
Date Declared	Payment Date	Dividend Per Share	Date Declared	Payment Date	Dividend Per Share
02/15/18	05/15/18	\$ 0.96	10/27/17	02/15/18	\$ 0.71
			09/08/17	11/15/17	\$ 0.64
			06/22/17	08/15/17	\$ 0.64
			02/16/17	05/15/17	\$ 0.64

Stock Repurchase Program

On February 15, 2018, AbbVie's board of directors authorized a new \$10.0 billion stock repurchase program, which superseded AbbVie's previous stock repurchase program. The new stock repurchase program permits purchases of AbbVie shares from time to time in open-market or private transactions, including accelerated share repurchases, at management's discretion. The program has no time limit and can be discontinued at any time. Shares repurchased under this program are recorded at acquisition cost, including related expenses, and are available for general corporate purposes.

As part of this repurchase program, on May 1, 2018, AbbVie announced a modified "Dutch auction" tender offer to purchase for cash up to \$7.5 billion of its common stock at a price not less than \$99.00 per share and not more than \$114.00 per share. The tender offer expires at midnight Eastern Time, at the end of the day on May 29, 2018, unless extended or terminated by AbbVie.

Prior to the new authorization, AbbVie repurchased approximately 10.9 million shares in the open market for \$1.3 billion during the three months ended March 31, 2018. AbbVie's stock repurchase authorization was \$10.0 billion as of March 31, 2018.

Accumulated Other Comprehensive Loss

The following table summarizes the changes in each component of accumulated other comprehensive loss, net of tax, for the three months ended March 31, 2018:

(in millions)	Foreign currency translation adjustments	Net investment hedging activities	Pension and post-employment benefits	Marketable security activities	Cash flow hedging activities	Total
Balance as of December 31, 2017	\$ (439)	\$ (203)	\$ (1,919)	\$ —	\$ (166)	\$ (2,727)
Other comprehensive income (loss) before reclassifications	189	(104)	(11)	(7)	(45)	22
Net losses reclassified from accumulated other comprehensive loss	—	—	33	—	42	75
Net current-period other comprehensive income (loss)	189	(104)	22	(7)	(3)	97
Balance as of March 31, 2018	\$ (250)	\$ (307)	\$ (1,897)	\$ (7)	\$ (169)	\$ (2,630)

Other comprehensive income for the three months ended March 31, 2018 included foreign currency translation adjustments totaling a gain of \$189 million, which was principally due to the impact of the improvement in the Euro in the three months ended March 31, 2018 on the translation of the company's assets denominated in the Euro.

The following table summarizes the changes in each component of accumulated other comprehensive loss, net of tax, for the three months ended March 31, 2017:

(in millions)	Foreign currency translation adjustments	Net investment hedging activities	Pension and post- employment benefits	Marketable security activities	Cash flow hedging activities	Total
Balance as of December 31, 2016	\$ (1,435)	\$ 140	\$ (1,513)	\$ 46	\$ 176	\$ (2,586)
Other comprehensive income (loss) before reclassifications	170	(64)	(8)	2	(49)	51
Net losses (gains) reclassified from accumulated other comprehensive loss	—	—	19	(10)	(16)	(7)
Net current-period other comprehensive income (loss)	170	(64)	11	(8)	(65)	44
Balance as of March 31, 2017	\$ (1,265)	\$ 76	\$ (1,502)	\$ 38	\$ 111	\$ (2,542)

Other comprehensive income for the three months ended March 31, 2017 included foreign currency translation adjustments totaling a gain of \$170 million, which was principally due to the impact of the improvement in the Euro in the three months ended March 31, 2017 on the translation of the company's assets denominated in the Euro.

The table below presents the impact on AbbVie's condensed consolidated statements of earnings for significant amounts reclassified out of each component of accumulated other comprehensive loss:

(in millions) (brackets denote gains)	Three months ended March 31,	
	2018	2017
Pension and post-employment benefits		
Amortization of actuarial losses and other(a)	\$ 41	\$ 27
Tax (benefit)	(8)	(8)
Total reclassifications, net of tax	\$ 33	\$ 19
Cash flow hedging activities		
Losses (gains) on designated cash flow hedges(b)	\$ 44	\$ (17)
Tax expense (benefit)	(2)	1
Total reclassifications, net of tax	\$ 42	\$ (16)

(a) Amounts are included in the computation of net periodic benefit cost (see Note 10).

(b) Amounts are included in cost of products sold (see Note 9).

Note 12 Income Taxes

The effective tax rate was 1% for the three months ended March 31, 2018 and 18% for the three months ended March 31, 2017. The effective tax rate in each period differed from the U.S. statutory tax rates of 21% in 2018 and 35% in 2017, principally due to the benefit from foreign operations which reflects the impact of lower income tax rates in locations outside the United States, tax exemptions and incentives in Puerto Rico and other foreign tax jurisdictions and business development activities.

The change in the effective tax rate for the three months ended March 31, 2018 over the prior year was principally due to the effects of the enactment of the Tax Cuts and Jobs Act (the "Act") in December 2017. The Act significantly changes the U.S. corporate tax system, reducing the U.S. federal corporate tax rate from 35% to 21%, requiring companies to pay a one-time transition tax on a mandatory deemed repatriation of earnings of certain foreign subsidiaries that were previously untaxed and creating new taxes on certain foreign sourced earnings. The Act also creates a territorial tax system that generally excludes dividends from foreign subsidiaries from U.S. taxation. Specific to 2018, there is a beneficial impact due to timing of provisions related to the earnings from certain foreign subsidiaries.

Given the complexity of the Act and anticipated guidance from the U.S. Treasury about implementing the Act, the company's analysis and accounting for the tax effects of the enactment of the Act is preliminary. In the fourth quarter of 2017, the company recorded, as

a direct result of the Act, \$4.5 billion of transition tax expense, as well as \$4.1 billion of net tax benefit for deferred tax remeasurement. Both of these amounts are provisional estimates, as the company has not fully completed its analysis and calculation of foreign earnings subject to the transition tax or its analysis of certain other aspects of the Act that could result in adjustments to the remeasurement of deferred tax balances. Upon completion of the analysis in 2018, these estimates may be adjusted through income tax expense in the consolidated statement of earnings. No adjustments to these provisional estimates were made during the three months ended March 31, 2018. The Act also created a minimum tax on certain foreign sourced earnings. The taxability of the foreign sourced earnings and the applicable tax rates are dependent on future events. While the company is still evaluating its accounting policy for the minimum tax on foreign sourced earnings, the provisional estimates of the tax effects of the Act were reported on the basis that the minimum tax will be recognized in tax expense in the year it is incurred as a period expense.

Due to the potential for resolution of federal, state and foreign examinations and the expiration of various statutes of limitations, it is reasonably possible that the company's gross unrecognized tax benefits balance may change within the next twelve months by up to \$38 million. At the time of separation, AbbVie and Abbott Laboratories (Abbott) entered into a tax sharing agreement which provides that Abbott is liable for and has indemnified AbbVie against all income tax liabilities for periods prior to the separation. Accordingly, Abbott will indemnify and hold AbbVie harmless if the tax positions are settled for amounts in excess of recorded liabilities, and AbbVie will not benefit if prior tax positions are resolved more favorably than recorded amounts.

Note 13 Legal Proceedings and Contingencies

AbbVie is subject to contingencies, such as various claims, legal proceedings and investigations regarding product liability, intellectual property, commercial, securities and other matters that arise in the normal course of business. Loss contingency provisions are recorded for probable losses at management's best estimate of a loss, or when a best estimate cannot be made, a minimum loss contingency amount within a probable range is recorded. The recorded accrual balance for litigation was approximately \$560 million as of March 31, 2018 and \$445 million as of December 31, 2017. Initiation of new legal proceedings or a change in the status of existing proceedings may result in a change in the estimated loss accrued by AbbVie. While it is not feasible to predict the outcome of all proceedings and exposures with certainty, management believes that their ultimate disposition should not have a material adverse effect on AbbVie's consolidated financial position, results of operations or cash flows.

Subject to certain exceptions specified in the separation agreement by and between Abbott and AbbVie, AbbVie assumed the liability for, and control of, all pending and threatened legal matters related to its business, including liabilities for any claims or legal proceedings related to products that had been part of its business, but were discontinued prior to the distribution, as well as assumed or retained liabilities, and will indemnify Abbott for any liability arising out of or resulting from such assumed legal matters.

Several pending lawsuits filed against Unimed Pharmaceuticals, Inc., Solvay Pharmaceuticals, Inc. (a company Abbott acquired in February 2010 and now known as AbbVie Products LLC) and others are consolidated for pre-trial purposes in the United States District Court for the Northern District of Georgia under the Multi-District Litigation (MDL) Rules as *In re: AndroGel Antitrust Litigation*, MDL No. 2084. These cases, brought by private plaintiffs and the Federal Trade Commission (FTC), generally allege Solvay's patent litigation involving AndroGel was sham litigation and the 2006 patent litigation settlement agreements and related agreements with three generic companies violate federal antitrust laws. Plaintiffs generally seek monetary damages and/or injunctive relief and attorneys' fees. These cases include: (a) four individual plaintiff lawsuits; (b) three purported class actions; and (c) *Federal Trade Commission v. Actavis, Inc. et al.* Following the district court's dismissal of all plaintiffs' claims, appellate proceedings led to the reinstatement of the claims regarding the patent litigation settlements, which are proceeding in the district court.

Lawsuits are pending against AbbVie and others generally alleging that the 2005 patent litigation settlement involving Niaspan entered into between Kos Pharmaceuticals, Inc. (a company acquired by Abbott in 2006 and presently a subsidiary of AbbVie) and a generic company violates federal and state antitrust laws and state unfair and deceptive trade practices and unjust enrichment laws. Plaintiffs generally seek monetary damages and/or injunctive relief and attorneys' fees. The lawsuits consist of four individual plaintiff lawsuits and two consolidated purported class actions: one brought by three named direct purchasers of Niaspan and the other brought by ten named end-payer purchasers of Niaspan. The cases are consolidated for pre-trial proceedings in the United States District Court for the Eastern District of Pennsylvania under the MDL Rules as *In re: Niaspan Antitrust Litigation*, MDL No. 2460. In October 2016, the State of California filed a lawsuit regarding the Niaspan patent litigation settlement in Orange County Superior Court, asserting a claim under the unfair competition provision of the California Business and Professions Code seeking injunctive relief, restitution, civil penalties and attorneys' fees.

In September 2014, the FTC filed suit in the United States District Court for the Eastern District of Pennsylvania against AbbVie and others, alleging that the 2011 patent litigation with two generic companies regarding AndroGel was sham litigation and the patent litigation settlement with one of those generic companies violates federal antitrust laws. The FTC's complaint seeks monetary damages and injunctive relief. In May 2015, the court dismissed the FTC's claim regarding the patent litigation settlement.

In March 2015, the State of Louisiana filed a lawsuit, *State of Louisiana v. Fournier Industrie et Sante, et al.*, against AbbVie, Abbott and affiliated Abbott entities in Louisiana state court. Plaintiff alleges that patent applications and patent litigation filed and other alleged conduct from the early 2000's and before related to the drug TriCor violated Louisiana State antitrust and unfair trade practices laws. The lawsuit seeks monetary damages and attorneys' fees.

In November 2014, a putative class action lawsuit, *Medical Mutual of Ohio v. AbbVie Inc., et al.*, was filed against several manufacturers of testosterone replacement therapies (TRTs), including AbbVie, in the United States District Court for the Northern District of Illinois on behalf of all insurance companies, health benefit providers, and other third party payers who paid for TRTs, including AndroGel. The claims asserted include violations of the federal RICO Act and state consumer fraud and deceptive trade practices laws. The complaint seeks monetary damages and injunctive relief.

Product liability cases are pending in which plaintiffs generally allege that AbbVie and other manufacturers of TRTs did not adequately warn about risks of certain injuries, primarily heart attacks, strokes and blood clots. Approximately 4,300 claims are consolidated for pre-trial purposes in the United States District Court for the Northern District of Illinois under the MDL Rules as *In re: Testosterone Replacement Therapy Products Liability Litigation*, MDL No. 2545. Approximately 200 claims are pending in various state courts. Plaintiffs generally seek compensatory and punitive damages. In March 2018, a jury in the United States District Court for the Northern District of Illinois reached a verdict in the retrial of the first case that had been tried in July 2017. In orders from December 2017 and February 2018, the court vacated the original verdict in that case for AbbVie on two claims and for the plaintiff on one claim and the jury's award of \$150 million in punitive damages with no compensatory damages, and ordered a new trial. In the retrial, the jury reached a verdict for AbbVie on strict liability and fraud and for the plaintiff on negligence, and awarded \$200,000 in compensatory damages and \$3 million in punitive damages, which is the subject to post-trial proceedings. In a second trial, a jury in the Cook County, Illinois Circuit Court reached a verdict for AbbVie in August 2017 on all claims, which is the subject of post-trial proceedings. In a third trial, a jury in the United States District Court for the Northern District of Illinois reached a verdict for AbbVie in October 2017 on strict liability but for the plaintiff on remaining claims and awarded \$140,000 in compensatory damages and \$140 million in punitive damages, which is the subject of post-trial proceedings. In a fourth trial, a jury in the United States District Court for the Northern District of Illinois reached a verdict for AbbVie in January 2018 on all claims.

Product liability cases are pending in which plaintiffs generally allege that AbbVie did not adequately warn about risk of certain injuries, primarily various birth defects, arising from use of Depakote. Over ninety percent of the approximately 619 claims are pending in the United States District Court for the Southern District of Illinois, and the rest are pending in various other federal and state courts. Plaintiffs generally seek compensatory and punitive damages.

In November 2014, five individuals filed a putative class action lawsuit, *Rubinstein, et al. v Gonzalez, et al.*, on behalf of purchasers and sellers of certain Shire plc (Shire) securities between June 20 and October 14, 2014, against AbbVie and its chief executive officer in the United States District Court for the Northern District of Illinois alleging that the defendants made and/or are responsible for material misstatements in violation of federal securities laws in connection with AbbVie's proposed transaction with Shire.

In June 2016, a lawsuit, *Elliott Associates, L.P., et al. v. AbbVie Inc.*, was filed by five investment funds against AbbVie in the Cook County, Illinois Circuit Court alleging that AbbVie made misrepresentations and omissions in connection with its proposed transaction with Shire. Similar lawsuits were filed between July and September 2017 against AbbVie and in some instances its chief executive officer in the same court by twelve additional investment funds. Plaintiffs seek compensatory and punitive damages.

In May 2017, a shareholder derivative lawsuit, *Ellis v. Gonzalez, et al.*, was filed in Delaware Chancery Court, alleging that AbbVie's directors breached their fiduciary duties in connection with statements made regarding the Shire transaction. The lawsuit seeks unspecified compensatory damages for AbbVie, among other relief.

Beginning in May 2016, the Patent Trial & Appeal Board of the U.S. Patent & Trademark Office (PTO) instituted five inter partes review proceedings brought by Coherus Biosciences and Boehringer Ingelheim related to three AbbVie patents covering methods of treatment of rheumatoid arthritis using adalimumab. In these proceedings, the PTO reviewed the validity of the patents and issued decisions of invalidity in May, June and July of 2017. AbbVie's appeal of the decisions is pending in the Court of Appeals for the Federal Circuit.

In March 2017, AbbVie filed a lawsuit, *AbbVie Inc. v. Novartis Vaccines and Diagnostics, Inc. and Grifols Worldwide Operations Ltd.*, in the United States District Court for the Northern District of California against Novartis Vaccines and Grifols Worldwide seeking a declaratory judgment that eleven HCV-related patents licensed to AbbVie in 2002 are invalid.

AbbVie is seeking to enforce certain patent rights related to adalimumab (a drug AbbVie sells under the trademark HUMIRA®). In a case filed in United States District Court for the District of Delaware in August 2017, AbbVie alleges that Boehringer Ingelheim International GmbH's, Boehringer Ingelheim Pharmaceutical, Inc.'s, and Boehringer Ingelheim Fremont, Inc.'s proposed biosimilar adalimumab product infringes certain AbbVie patents. AbbVie seeks declaratory and injunctive relief.

Pharmacyclics LLC, a wholly owned subsidiary of AbbVie, is seeking to enforce its patent rights relating to ibrutinib capsules (a drug Pharmacyclics sells under the trademark IMBRUVICA®). In February 2018, four separate cases were filed in the United States District Court for the District of Delaware against the following defendants: Fresenius Kabi USA, LLC, Fresenius Kabi USA, Inc., and Fresenius Kabi Oncology Limited; Shilpa Medicare Limited, Sun Pharma Global FZE and Sun Pharmaceutical Industries Ltd.; Cipla Limited and Cipla USA Inc.; and Zydus Worldwide DMCC, Cadila Healthcare Limited, Teva Pharmaceuticals USA, Inc., Teva Pharmaceutical Industries Ltd., Sandoz Inc., and Lek Pharmaceuticals D.D. In each case, Pharmacyclics alleges the defendant's proposed generic ibrutinib product infringes certain Pharmacyclics patents and seeks declaratory and injunctive relief. Janssen Biotech, Inc. which is in a global collaboration with Pharmacyclics concerning the development and marketing of IMBRUVICA, is the co-plaintiff in these suits.

Note 14 Segment Information

AbbVie operates in one business segment—pharmaceutical products. The following table details AbbVie's worldwide net revenues:

(in millions)	Three months ended March 31,	
	2018	2017
HUMIRA		
United States	\$ 3,003	\$ 2,696
International	1,706	1,422
Total	\$ 4,709	\$ 4,118
IMBRUVICA		
United States	\$ 624	\$ 457
Collaboration revenues	138	94
Total	\$ 762	\$ 551
HCV		
United States	\$ 343	\$ 38
International	576	225
Total	\$ 919	\$ 263
Creon		
United States	\$ 209	\$ 185
Lupron		
United States	\$ 177	\$ 155
International	42	39
Total	\$ 219	\$ 194
Synthroid		
United States	\$ 182	\$ 192
Synagis		
International	\$ 321	\$ 300
AndroGel		
United States	\$ 130	\$ 136
Duodopa		
United States	\$ 18	\$ 14
International	85	66
Total	\$ 103	\$ 80
Sevoflurane		
United States	\$ 17	\$ 18
International	89	89
Total	\$ 106	\$ 107
Kaletra		
United States	\$ 13	\$ 19
International	60	96
Total	\$ 73	\$ 115
All other	\$ 201	\$ 297
Total net revenues	\$ 7,934	\$ 6,538

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following is a discussion and analysis of the financial condition of AbbVie Inc. (AbbVie or the company) as of March 31, 2018 and December 31, 2017 and the results of operations for the three months ended March 31, 2018 and 2017. This commentary should be read in conjunction with the condensed consolidated financial statements and accompanying notes appearing in Item 1, "Financial Statements and Supplementary Data."

EXECUTIVE OVERVIEW

Company Overview

AbbVie is a global, research-based biopharmaceutical company formed in 2013 following separation from Abbott Laboratories (Abbott). AbbVie uses its expertise, dedicated people and unique approach to innovation to develop and market advanced therapies that address some of the world's most complex and serious diseases. AbbVie's products are focused on treating conditions such as chronic autoimmune diseases in rheumatology, gastroenterology and dermatology; oncology, including blood cancers; virology, including hepatitis C (HCV) and human immunodeficiency virus (HIV); neurological disorders, such as Parkinson's disease; metabolic diseases, including thyroid disease and complications associated with cystic fibrosis; as well as other serious health conditions. AbbVie also has a pipeline of promising new medicines across such important medical specialties as immunology, oncology and neuroscience, with additional targeted investment in cystic fibrosis and women's health.

AbbVie's products are generally sold worldwide directly to wholesalers, distributors, government agencies, health care facilities, specialty pharmacies and independent retailers from AbbVie-owned distribution centers and public warehouses. In the United States, AbbVie distributes pharmaceutical products principally through independent wholesale distributors, with some sales directly to pharmacies and patients. Outside the United States, sales are made either directly to customers or through distributors, depending on the market served. Certain products are co-marketed or co-promoted with other companies. AbbVie has approximately 29,000 employees. AbbVie operates in one business segment—pharmaceutical products.

2018 Strategic Objectives

AbbVie's mission is to be an innovation-driven, patient-focused specialty biopharmaceutical company capable of achieving top-tier financial performance through outstanding execution and a consistent stream of innovative new medicines. AbbVie intends to continue to advance its mission in a number of ways, including: (i) growing revenues by diversifying revenue streams, driving late-stage pipeline assets to the market and ensuring strong commercial execution of new product launches; (ii) continued investment and expansion in its pipeline in support of opportunities in immunology, oncology and neurology as well as continued investment in key on-market products; (iii) expanding operating margins; and (iv) returning cash to shareholders via dividends and share repurchases. In addition, AbbVie anticipates several regulatory submissions and key data readouts from key clinical trials in the next twelve months.

Financial Results

The company's financial performance for the three months ended March 31, 2018 included delivering worldwide net revenues of \$7.9 billion, operating earnings of \$2.9 billion and diluted earnings per share of \$1.74. Worldwide net revenues grew by 18% on a constant currency basis, driven primarily by the continued strength of HUMIRA, revenue growth related to IMBRUVICA and HCV product MAVYRET. These increases were partially offset by a decline in net revenues of HCV product VIEKIRA.

Diluted earnings per share was \$1.74 for the three months ended March 31, 2018 and included the following after-tax costs: (i) \$272 million related to the amortization of intangible assets; (ii) litigation reserve charges of \$100 million; (iii) \$69 million for acquired in-process research and development (IPR&D); and (iv) milestone payments of \$32 million. These costs were partially offset by an after-tax benefit of \$148 million for the change in fair value of contingent consideration liabilities. Financial results for the three months ended March 31, 2018 were also impacted by U.S. tax reform and the timing of the new legislation's phase in on certain subsidiaries. Additionally, financial results reflected continued added funding to support AbbVie's emerging mid- and late-stage pipeline assets and continued investment in AbbVie's growth brands.

The company generated cash flows from operations of \$2.6 billion for the three months ended March 31, 2018, which AbbVie utilized to continue to enhance its pipeline through licensing and collaboration activities, repurchase approximately 10.9 million shares for \$1.3 billion in the open market and pay cash dividends to stockholders of \$1.1 billion. In February 2018, the company announced that its board of directors declared an increase in the company's quarterly cash dividend from \$0.71 per share to \$0.96

per share beginning with the dividend payable in May 2018. This reflects an increase of approximately 35% over the previous quarterly rate.

In addition to these financial results, AbbVie continued to advance and augment its pipeline as further described below under the heading "Research and Development."

Research and Development

Research and innovation are the cornerstones of AbbVie's business as a global biopharmaceutical company. AbbVie's long-term success depends to a great extent on its ability to continue to discover and develop innovative pharmaceutical products and acquire or collaborate on compounds currently in development by other biotechnology or pharmaceutical companies.

AbbVie's pipeline currently includes more than 60 compounds or indications in clinical development individually or under collaboration or license agreements and is focused on such important medical specialties as immunology, oncology and neurology along with targeted investments in cystic fibrosis and women's health. Of these programs, more than 30 are in mid- and late-stage development.

The following sections summarize transitions of significant programs from Phase 2 development to Phase 3 development as well as developments in significant Phase 3 and registration programs. AbbVie expects multiple Phase 2 programs to transition into Phase 3 programs in the next twelve months.

Significant Programs and Developments

Immunology

Upadacitinib

- In January 2018, the U.S. Food and Drug Administration (FDA) granted breakthrough therapy designation for upadacitinib, an investigational oral JAK1-selective inhibitor, in adult patients with moderate to severe atopic dermatitis who are candidates for systemic therapy.
- In April 2018, AbbVie announced that top-line results from the Phase 3 SELECT-COMPARE clinical trial evaluating upadacitinib met all primary and ranked secondary endpoints in patients with moderate to severe rheumatoid arthritis (RA) who are on a stable background of methotrexate and who have an inadequate response. The safety profile of upadacitinib was consistent with previously reported clinical trials and no new safety signals were detected.

Risankizumab

- In January 2018, AbbVie initiated two Phase 3 clinical trials to evaluate the efficacy and safety of risankizumab, an investigational interleukin-23 (IL-23) inhibitor, versus placebo during induction therapy in subjects with moderately to severely active Crohn's disease.
- In February 2018, AbbVie announced that top-line results from two Phase 3 clinical trials evaluating risankizumab with 12-week dosing compared to ustekinumab met ranked additional secondary endpoints for the treatment of patients with moderate to severe chronic plaque psoriasis. The initial results from these clinical trials were previously announced in October 2017. The safety profile was consistent with all previously reported studies, and there were no new safety signals detected across the two studies.
- In April 2018, AbbVie submitted a Biologics License Application (BLA) to the FDA and a Marketing Authorisation Application (MAA) to the European Medicines Agency (EMA) for risankizumab for the treatment of plaque psoriasis in adults.

Oncology

IMBRUVICA

- In April 2018, AbbVie submitted a supplemental New Drug Application (sNDA) to the FDA for IMBRUVICA in combination with Rituxan (rituximab) in patients with Waldenström's macroglobulinemia.

VENCLEXTA

- In January 2018, AbbVie submitted an sNDA to the FDA for VENCLEXTA monotherapy in patients with chronic lymphocytic leukemia (CLL) who are refractory to or have relapsed B-cell receptor pathway inhibitors.

- In January 2018, AbbVie submitted a Type II variation to the EMA to extend the current approved indication based on the results of the Phase 3 MURANO study. The new additional proposed indication is venetoclax tablets in combination with Rituxan for treatment of adult patients with CLL who have received at least one prior therapy. This submission followed the December 2017 sNDA submission to the FDA for VENCLEXTA in combination with Rituxan in patients with relapsed or refractory CLL.

Rova-T

- In March 2018, AbbVie announced top-line results from the Phase 2 TRINITY study evaluating rovalpituzumab tesirine (Rova-T) for third-line relapsed/refractory (R/R) small cell lung cancer (SCLC). Although Rova-T demonstrated single agent responses in advanced SCLC patients, after consulting with the FDA, based on the magnitude of effect across multiple parameters in this single-arm study, the company will not seek accelerated approval for Rova-T in third-line R/R SCLC. Ongoing Phase 3 studies will continue to investigate Rova-T in first- and second-line SCLC.

Neurology

- In March 2018, Biogen and AbbVie announced the voluntary worldwide withdrawal of marketing authorizations for ZINBRYTA, a prescription medicine used to treat adults with relapsing forms of multiple sclerosis.

Other

- In February 2018, AbbVie announced that top-line results from the Phase 3 ELARIS UF-I study evaluating elagolix, an investigational, orally administered gonadotropin-releasing hormone (GnRH) antagonist, being investigated in combination with low-dose hormone (add-back) therapy for uterine fibroids met its primary efficacy endpoint and all ranked secondary endpoints.
- In March 2018, AbbVie announced that top-line results from the Phase 3 ELARIS UF-II study evaluating elagolix in combination with low-dose hormone (add-back) therapy for uterine fibroids met its primary efficacy endpoint and all ranked secondary endpoints.
- In April 2018, AbbVie announced notification by the FDA that extended time is required to review additional information regarding the results of liver function tests provided by AbbVie in connection with its New Drug Application (NDA) for elagolix in endometriosis-associated pain. The Prescription Drug User Fee Act (PDUFA) date has been extended three months to the third quarter of 2018.

For a more comprehensive discussion of AbbVie's products and pipeline, see the company's Annual Report on Form 10-K for the year ended December 31, 2017.

RESULTS OF OPERATIONS

Net Revenues

The comparisons presented at constant currency rates reflect comparative local currency net revenues at the prior year's foreign exchange rates. This measure provides information on the change in net revenues assuming that foreign currency exchange rates had not changed between the prior and the current periods. AbbVie believes that the non-GAAP measure of change in net revenues at constant currency rates, when used in conjunction with the GAAP measure of change in net revenues at actual currency rates, may provide a more complete understanding of the company's operations and can facilitate analysis of the company's results of operations, particularly in evaluating performance from one period to another.

(dollars in millions)	Three months ended		Percent change	
	March 31,		At actual currency rates	At constant currency rates
	2018	2017		
United States	\$ 4,790	\$ 4,052	18.3%	18.3%
International	3,144	2,486	26.4%	16.6%
Net revenues	\$ 7,934	\$ 6,538	21.4%	17.6%

The following table details AbbVie's worldwide net revenues:

(dollars in millions)	Three months ended March 31,		Percent change	
	2018	2017	At actual currency rates	At constant currency rates
HUMIRA				
United States	\$ 3,003	\$ 2,696	11.4 %	11.4 %
International	1,706	1,422	20.0 %	9.3 %
Total	\$ 4,709	\$ 4,118	14.4 %	10.7 %
IMBRUVICA				
United States	\$ 624	\$ 457	36.7 %	36.7 %
Collaboration revenues	138	94	47.2 %	47.2 %
Total	\$ 762	\$ 551	38.5 %	38.5 %
HCV				
United States	\$ 343	\$ 38	>100.0	>100.0
International	576	225	>100.0	>100.0
Total	\$ 919	\$ 263	>100.0	>100.0
Creon				
United States	\$ 209	\$ 185	13.0 %	13.0 %
Lupron				
United States	\$ 177	\$ 155	14.8 %	14.8 %
International	42	39	7.8 %	2.5 %
Total	\$ 219	\$ 194	13.3 %	12.2 %
Synthroid				
United States	\$ 182	\$ 192	(5.3)%	(5.3)%
Synagis				
International	\$ 321	\$ 300	6.9 %	0.4 %
AndroGel				
United States	\$ 130	\$ 136	(4.6)%	(4.6)%
Duodopa				
United States	\$ 18	\$ 14	30.8 %	30.8 %
International	85	66	28.5 %	13.6 %
Total	\$ 103	\$ 80	28.9 %	16.5 %
Sevoflurane				
United States	\$ 17	\$ 18	(3.6)%	(3.6)%
International	89	89	(0.3)%	(5.4)%
Total	\$ 106	\$ 107	(0.8)%	(5.0)%
Kaletra				
United States	\$ 13	\$ 19	(29.3)%	(29.3)%
International	60	96	(37.4)%	(40.6)%
Total	\$ 73	\$ 115	(36.0)%	(38.7)%
All other	\$ 201	\$ 297	(32.3)%	(48.4)%
Total net revenues	\$ 7,934	\$ 6,538	21.4 %	17.6 %

The following discussion and analysis of AbbVie's net revenues by product is presented on a constant currency basis.

Global HUMIRA sales increased 11% for the three months ended March 31, 2018 primarily as a result of market growth across therapeutic categories and geographies as well as favorable pricing in certain geographies. In the United States, HUMIRA sales increased 11% for the three months ended March 31, 2018 driven by market growth across all indications and favorable pricing. Internationally, HUMIRA sales increased 9% for the three months ended March 31, 2018 driven primarily by market growth across indications. AbbVie continues to pursue strategies intended to further differentiate HUMIRA from competing products and add to the sustainability and future growth of HUMIRA.

Net revenues for IMBRUVICA represent product sales in the United States and collaboration revenues outside of the United States related to AbbVie's 50% share of IMBRUVICA profit. Global IMBRUVICA sales increased 38% for the three months ended March 31, 2018 as a result of continued penetration of IMBRUVICA as a first-line treatment for patients with chronic lymphocytic leukemia (CLL) as well as favorable pricing.

Global HCV sales increased by more than 100% for the three months ended March 31, 2018 as a result of the launch of MAVYRET in certain geographies beginning in the second half of 2017 and was partially offset by a decrease in revenues of VIEKIRA.

Net revenues for Creon increased 13% for the three months ended March 31, 2018 driven primarily by continued market growth and higher market share. Creon maintains market leadership in the pancreatic enzyme market.

Net revenues for Duodopa increased 16% for the three months ended March 31, 2018 primarily as a result of increased market penetration.

Gross Margin

(dollars in millions)	Three months ended March 31,		
	2018	2017	% change
Gross margin	\$ 6,007	\$ 4,922	22%
as a % of net revenues	76%	75%	

Gross margin as a percentage of net revenues increased for the three months ended March 31, 2018 compared to the prior year. Gross margin percentage for the three months ended March 31, 2018 was favorably impacted by product mix and operational efficiencies, partially offset by the unfavorable impact of higher intangible asset amortization, foreign exchange and the IMBRUVICA profit sharing arrangement.

Selling, General and Administrative

(dollars in millions)	Three months ended March 31,		
	2018	2017	% change
Selling, general and administrative	\$ 1,791	\$ 1,373	30%
as a % of net revenues	23%	21%	

SG&A expenses as a percentage of net revenues increased for the three months ended March 31, 2018 compared to the prior year. SG&A expense percentage for the three months ended March 31, 2018 was unfavorably impacted by new product launch expenses as well as litigation reserve charges of \$118 million, partially offset by continued leverage from revenue growth.

Research and Development and Acquired In-Process Research and Development

(dollars in millions)	Three months ended March 31,		
	2018	2017	% change
Research and development	\$ 1,244	\$ 1,142	9%
as a % of net revenues	16%	17%	
Acquired in-process research and development	\$ 69	\$ —	n/m

Research and Development (R&D) expenses for the three months ended March 31, 2018 increased compared to the prior year principally due to increased funding to support the company's emerging mid- and late-stage pipeline assets.

Acquired in-process research and development (IPR&D) expenses reflect upfront payments related to various collaborations. There were no individually significant transactions during the three months ended March 31, 2018 and 2017.

Other Non-Operating Expenses

(in millions)	Three months ended March 31,	
	2018	2017
Interest expense	\$ 309	\$ 273
Interest income	(58)	(26)
Interest expense, net	\$ 251	\$ 247
Net foreign exchange loss	\$ 8	\$ 13
Other (income) expense, net	(153)	61

Interest expense, net increased for the three months ended March 31, 2018 compared to the prior year primarily due to the unfavorable impact of higher interest rates on the company's floating rate obligations, partially offset by an increase in interest income due to growth in the company's cash and investments and higher interest rates.

Other (income) expense, net included a \$148 million benefit related to changes in fair value of the Boehringer Ingelheim and Stemcentrx contingent consideration liabilities for the three months ended March 31, 2018 compared to a charge of \$85 million for the three months ended March 31, 2017. The fair value of contingent consideration liabilities is impacted by the passage of time and multiple other inputs, including the probability of success of achieving regulatory/commercial milestones, discount rates and other market-based factors. For the three months ended March 31, 2018, the change in fair value represented the effect of rising interest rates partially offset by the passage of time.

Income Tax Expense

The effective tax rate was 1% for the three months ended March 31, 2018 and 18% for the three months ended March 31, 2017. The effective tax rate in each period differed from the U.S. statutory tax rates of 21% in 2018 and 35% in 2017, principally due to the benefit from foreign operations which reflects the impact of lower income tax rates in locations outside the United States, tax exemptions and incentives in Puerto Rico and other foreign tax jurisdictions and business development activities.

The change in the effective tax rate for the three months ended March 31, 2018 over the prior year was principally due to the effects of the enactment of the Tax Cuts and Jobs Act (the "Act") in December 2017. The Act significantly changes the U.S. corporate tax system, reducing the U.S. federal corporate tax rate from 35% to 21%, requiring companies to pay a one-time transition tax on a mandatory deemed repatriation of earnings of certain foreign subsidiaries that were previously untaxed and creating new taxes on certain foreign sourced earnings. The Act also creates a territorial tax system that generally excludes dividends from foreign subsidiaries from U.S. taxation. Specific to 2018, there is a beneficial impact due to timing of provisions related to the earnings from certain foreign subsidiaries.

FINANCIAL POSITION, LIQUIDITY AND CAPITAL RESOURCES

(in millions)	Three months ended March 31,	
	2018	2017
Cash flows provided by (used in):		
Operating activities	\$ 2,645	\$ 2,102
Investing activities	(447)	(684)
Financing activities	(2,509)	(1,794)

Operating cash flows for the three months ended March 31, 2018 increased from the prior year due to improved results of operations resulting from revenue growth and an improvement in operating earnings. Operating cash flows also reflected AbbVie's voluntary contributions to its principal domestic defined benefit plan of \$150 million for both the three months ended March 31, 2018 and 2017. The company plans to make additional voluntary contributions of \$600 million to its various defined benefit plans in 2018.

Investing cash flows for the three months ended March 31, 2018 included payments made for acquisitions and investments of \$372 million, capital expenditures of \$119 million and net sales and maturities of investment securities totaling \$44 million. Investing cash flows for the three months ended March 31, 2017 included net purchases of investment securities totaling \$526 million, capital expenditures of \$95 million and payments made for acquisitions and investments of \$63 million.

Financing cash flows included cash dividend payments of \$1.1 billion for the three months ended March 31, 2018 and \$1.0 billion for the three months ended March 31, 2017. The increase in cash dividend payments was driven by an increase in the quarterly dividend rate. On October 27, 2017, AbbVie announced that its board of directors declared an increase in the company's quarterly cash dividend from \$0.64 per share to \$0.71 per share beginning with the dividend payable on February 15, 2018 to stockholders of record as of January 12, 2018. On February 15, 2018, AbbVie announced that its board of directors declared an increase in the company's quarterly cash dividend from \$0.71 per share to \$0.96 per share beginning with the dividend payable on May 15, 2018 to stockholders of record as of April 13, 2018. The timing, declaration, amount of and payment of any dividends by AbbVie in the future is within the discretion of its board of directors and will depend upon many factors, including AbbVie's financial condition, earnings, capital requirements of its operating subsidiaries, covenants associated with certain of AbbVie's debt service obligations, legal requirements, regulatory constraints, industry practice, ability to access capital markets and other factors deemed relevant by its board of directors.

On February 15, 2018, AbbVie's board of directors authorized a new \$10.0 billion stock repurchase program, which superseded AbbVie's previous stock repurchase program. Prior to the new authorization, the company repurchased approximately 10.9 million shares for \$1.3 billion in the open market in the three months ended March 31, 2018. The new stock repurchase program permits purchases of AbbVie shares from time to time in open-market or private transactions, including accelerated share repurchases, at management's discretion. The program has no time limit and can be discontinued at any time.

As part of this repurchase program, on May 1, 2018, AbbVie announced a modified "Dutch auction" tender offer to purchase for cash up to \$7.5 billion of its common stock at a price not less than \$99.00 per share and not more than \$114.00 per share. The tender offer expires at midnight Eastern Time, at the end of the day on May 29, 2018, unless extended or terminated by AbbVie.

During the three months ended March 31, 2018 and 2017, the company issued and redeemed commercial paper. The balance of commercial paper outstanding was \$367 million as of March 31, 2018 and \$400 million as of December 31, 2017. AbbVie may issue additional commercial paper or retire commercial paper to meet liquidity requirements as needed.

Credit Risk

AbbVie monitors economic conditions, the creditworthiness of customers and government regulations and funding, both domestically and abroad. AbbVie regularly communicates with its customers regarding the status of receivable balances, including their payment plans and obtains positive confirmation of the validity of the receivables. AbbVie establishes an allowance against accounts receivable when it is probable they will not be collected. AbbVie may also utilize factoring arrangements to mitigate credit risk, although the receivables included in such arrangements have historically not been a significant amount of total outstanding receivables.

AbbVie continues to do business with foreign governments in certain countries, including Greece, Portugal, Italy and Spain, which have historically experienced challenges in credit and economic conditions. Substantially all of AbbVie's trade receivables in Greece, Portugal, Italy and Spain are with government health systems. Outstanding governmental receivables in these countries, net of allowances for doubtful accounts, totaled \$320 million as of March 31, 2018 and \$255 million as of December 31, 2017. The company also continues to do business with foreign governments in certain oil-exporting countries that have experienced a deterioration in economic conditions, including Saudi Arabia and Russia, which may result in delays in the collection of receivables. Outstanding governmental receivables related to Saudi Arabia, net of allowances for doubtful accounts, were \$143 million as of March 31, 2018 and \$149 million as of December 31, 2017. Outstanding governmental receivables related to Russia, net of allowances for doubtful accounts, were \$106 million as of March 31, 2018 and \$152 million as of December 31, 2017. Global economic conditions and customer-specific factors may require the company to periodically re-evaluate the collectability of its receivables and the company could potentially incur credit losses.

Currently, AbbVie does not believe the economic conditions in oil-exporting countries will have a significant impact on the company's liquidity, cash flow or financial flexibility. However, if government funding were to become unavailable in these countries or if significant adverse changes in their reimbursement practices were to occur, AbbVie may not be able to collect the entire balance outstanding as of March 31, 2018.

Credit Facility, Access to Capital and Credit Ratings

Credit Facility

AbbVie currently has a \$3.0 billion five-year revolving credit facility, which matures in October 2019. The revolving credit facility enables the company to borrow funds on an unsecured basis at variable interest rates and contains various covenants. At March 31, 2018, the company was in compliance with all its credit facility covenants. Commitment fees under the credit facility were insignificant. There were no amounts outstanding under the credit facility as of March 31, 2018 and December 31, 2017.

Access to Capital

The company intends to fund short-term and long-term financial obligations as they mature through cash on hand, future cash flows from operations, or by issuing additional debt. The company's ability to generate cash flows from operations, issue debt or enter into financing arrangements on acceptable terms could be adversely affected if there is a material decline in the demand for the company's products or in the solvency of its customers or suppliers, deterioration in the company's key financial ratios or credit ratings, or other material unfavorable changes in business conditions. At the current time, the company believes it has sufficient financial flexibility to issue debt, enter into other financing arrangements and attract long-term capital on acceptable terms to support the company's growth objectives.

Credit Ratings

There were no changes in the company's credit ratings during the three months ended March 31, 2018. Unfavorable changes to the ratings may have an adverse impact on future financing arrangements; however, they would not affect the company's ability to draw on its credit facility and would not result in an acceleration of scheduled maturities of any of the company's outstanding debt.

CRITICAL ACCOUNTING POLICIES

A summary of the company's significant accounting policies is included in Note 2, "Summary of Significant Accounting Policies" in AbbVie's Annual Report on Form 10-K for the year ended December 31, 2017. Significant changes in the company's application of its critical accounting policies include the adoption of a new accounting standard that establishes a new revenue recognition framework. See Notes 1 and 2 to the condensed consolidated financial statements for additional information.

FORWARD-LOOKING STATEMENTS

Some statements in this quarterly report on Form 10-Q may be forward-looking statements for purposes of the Private Securities Litigation Reform Act of 1995. The words "believe," "expect," "anticipate," "project," and similar expressions, among others, generally identify forward-looking statements. AbbVie cautions that these forward-looking statements are subject to risks and uncertainties that may cause actual results to differ materially from those indicated in the forward-looking statements. Such risks and uncertainties include, but are not limited to, challenges to intellectual property, competition from other products, difficulties inherent in the research and development process, adverse litigation or government action, and changes to laws and regulations applicable to our industry. Additional information about the economic, competitive, governmental, technological and other factors that may affect AbbVie's operations is set forth in Item 1A, "Risk Factors," in AbbVie's Annual Report on Form 10-K for the year ended December 31, 2017, which has been filed with the Securities and Exchange Commission. AbbVie notes these factors for investors as permitted by the Private Securities Litigation Reform Act of 1995. AbbVie undertakes no obligation to release publicly any revisions to forward-looking statements as a result of subsequent events or developments, except as required by law.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

For a discussion of the company's market risk, see Item 7A, "Quantitative and Qualitative Disclosures About Market Risk" in AbbVie's Annual Report on Form 10-K for the year ended December 31, 2017.

ITEM 4. CONTROLS AND PROCEDURES

DISCLOSURE CONTROLS AND PROCEDURES

Evaluation of disclosure controls and procedures. The Chief Executive Officer, Richard A. Gonzalez, and the Chief Financial Officer, William J. Chase, evaluated the effectiveness of AbbVie's disclosure controls and procedures as of the end of the period covered by this report, and concluded that AbbVie's disclosure controls and procedures were effective to ensure that information AbbVie is required to disclose in the reports that it files or submits with the Securities and Exchange Commission under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported, within the time periods specified in the Commission's rules and forms, and to ensure that information required to be disclosed by AbbVie in the reports that it files or submits under the Exchange Act is accumulated and communicated to AbbVie's management, including its principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding required disclosure.

INTERNAL CONTROL OVER FINANCIAL REPORTING

Changes in internal control over financial reporting. There were no changes in AbbVie's internal control over financial reporting (as defined in Rule 13a-15(f) under the Exchange Act) that have materially affected, or are reasonably likely to materially affect, AbbVie's internal control over financial reporting during the quarter ended March 31, 2018.

Inherent Limitations on Effectiveness of Controls. AbbVie's management, including its Chief Executive Officer and its Chief Financial Officer, do not expect that AbbVie's disclosure controls or internal control over financial reporting will prevent or detect all errors and all fraud. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance that the control system's objectives will be met. The design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Further, because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that misstatements due to error or fraud will not occur or that all control issues and instances of fraud, if any, have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty and that breakdowns can occur because of simple error or mistake. Controls can also be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the controls.

The design of any system of controls is based in part on certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Projections of any evaluation of controls effectiveness to future periods are subject to risks. Over time, controls may become inadequate because of changes in conditions or deterioration in the degree of compliance with policies or procedures.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

Information pertaining to legal proceedings is provided in Note 13 to the condensed consolidated financial statements and is incorporated by reference herein.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

(c) Issuer Purchases of Equity Securities

Period	(a) Total Number of Shares (or Units) Purchased	(b) Average Price Paid per Share (or Unit)	(c) Total Number of Shares (or Units) Purchased as Part of Publicly Announced Plans or Programs	(d) Maximum Number (or Approximate Dollar Value) of Shares (or Units) that May Yet Be Purchased Under the Plans or Programs
January 1, 2018 – January 31, 2018	2,920,187 (1)	\$116.16 (1)	2,874,402	\$3,701,741,091
February 1, 2018 – February 28, 2018	8,050,487 (1)	\$113.81 (1)	8,043,265	\$10,000,000,000 (2)
March 1, 2018 – March 31, 2018	35,246 (1)	\$95.61 (1)	—	\$10,000,000,000 (2)
Total	11,005,920 (1)	\$114.38 (1)	10,917,667	\$10,000,000,000 (2)

1. In addition to AbbVie shares repurchased on the open market under a publicly announced program, if any, these shares included the shares deemed surrendered to AbbVie to pay the exercise price in connection with the exercise of employee stock options – 44,659 in January; 6,244 in February; and 1,108 in March, with average prices of \$101.95 in January; \$112.16 in February; and \$112.47 in March.

These shares also included the shares purchased on the open market for the benefit of participants in the AbbVie Employee Stock Purchase Plan – 1,126 in January; 978 in February; and 34,138 in March.

These shares do not include the shares surrendered to AbbVie to satisfy minimum tax withholding obligations in connection with the vesting or exercise of stock-based awards.

2. On February 15, 2018, AbbVie's board of directors authorized a new \$10.0 billion stock repurchase program. This new program superseded AbbVie's previous stock repurchase program, of which \$2.7 billion remained available at the time of termination and under which no further purchases will be made. The new stock repurchase program permits purchases of AbbVie shares from time to time in open-market or private transactions, including accelerated share repurchases, at management's discretion. The program has no time limit and can be discontinued at any time.

As part of this repurchase program, on May 1, 2018, AbbVie announced a modified "Dutch auction" tender offer to purchase for cash up to \$7.5 billion of its common stock at a price not less than \$99.00 per share and not more than \$114.00 per share. The tender offer expires at midnight Eastern Time, at the end of the day on May 29, 2018, unless extended or terminated by AbbVie.

ITEM 6. EXHIBITS

Exhibits 32.1 and 32.2 are furnished herewith and should not be deemed to be "filed" under the Securities Exchange Act of 1934.

Exhibit No.	Exhibit Description
10.1	Form of AbbVie Inc. Performance-Vested Restricted Stock Unit Agreement*
10.2	Form of AbbVie Inc. Performance Share Award Agreement*
10.3	Form of AbbVie Inc. Non-Employee Director RSU Agreement (US)*
10.4	Form of AbbVie Inc. Non-Qualified Stock Option Agreement*
10.5	Form of AbbVie Inc. Non-Employee Director Non-Qualified Stock Option Agreement*
31.1	Certification of Chief Executive Officer Required by Rule 13a-14(a) (17 CFR 240.13a-14(a)).
31.2	Certification of Chief Financial Officer Required by Rule 13a-14(a) (17 CFR 240.13a-14(a)).
32.1	Certification of Chief Executive Officer Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certification of Chief Financial Officer Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101	The following financial statements and notes from the AbbVie Inc. Quarterly Report on Form 10-Q for the quarter ended March 31, 2018, filed on May 4, 2018, formatted in XBRL: (i) Condensed Consolidated Statements of Earnings; (ii) Condensed Consolidated Statements of Comprehensive Income; (iii) Condensed Consolidated Balance Sheets; (iv) Condensed Consolidated Statements of Cash Flows; and (v) the Notes to Condensed Consolidated Financial Statements.

* Denotes management contract or compensatory plan or arrangement required to be filed as an exhibit hereto.

SIGNATURE

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

ABBVIE INC.

By: /s/ William J. Chase
William J. Chase
Executive Vice President,
Chief Financial Officer

Date: May 4, 2018

ABBVIE INC.
PERFORMANCE-VESTED RESTRICTED STOCK UNIT AGREEMENT

On this «Grant_Day» day of «Grant_Month», 2018 (the “Grant Date”), AbbVie Inc. (the “Company”) hereby grants to «First Name» «MI» «Last Name» (the “Employee”) a Performance-Vested Restricted Stock Unit Award (the “Award”) of «NoShares12345» restricted stock units (the “Units”). The actual number of shares of Company common stock (the “Shares”) that may be issued under this Award will be determined in accordance with this Agreement by reference to the number of Units set forth above.

The Award is granted under the Program and is subject to the provisions of the Program, the Program prospectus, the Program administrative rules, applicable Company policies, and the terms and conditions set forth in this Agreement. In the event of any inconsistency among the provisions of this Agreement, the provisions of the Program, the Program prospectus, and the Program administrative rules, the provisions of the Program shall control. This Award is intended to conform with the qualified performance-based compensation requirements of Code Section 162(m) and the regulations thereunder, to the extent applicable, and shall be construed accordingly.

The terms and conditions of the Award are as follows:

1. Definitions. To the extent not defined herein, capitalized terms shall have the same meaning as in the Program.

- (a) *Agreement*: This Performance-Vested Restricted Stock Unit Agreement.
- (b) *Cause*: Unless otherwise defined in the Employee’s Change in Control Agreement, cause shall mean the following, as determined by the Company in its sole discretion:
 - (i) material breach by the Employee of the terms and conditions of the Employee’s employment, including, but not limited to:
 - (A) material breach by the Employee of the Code of Business Conduct;
 - (B) material breach by the Employee of the Employee’s Employee Agreement or employment contract, if any;
 - (C) commission by the Employee of an act of fraud, embezzlement or theft in connection with the Employee’s duties or in the course of the Employee’s employment;
 - (D) wrongful disclosure by the Employee of secret processes or confidential information of the Company or any of its Subsidiaries; or
 - (E) failure by the Employee to substantially perform the duties of the Employee’s employment (other than any such failure resulting from the Employee’s Disability); or
 - (ii) to the extent permitted by applicable law, engagement by the Employee, directly or indirectly, for the benefit of the Employee or others, in any activity, employment or business which is competitive with the Company or any of its Subsidiaries.
- (c) *Change in Control Agreement*: An agreement regarding Change in Control in effect between the Company (or the Surviving Entity) and the Employee.

- (d) *Code of Business Conduct*: The Company's Code of Business Conduct, as amended from time to time.
- (e) *Controlled Group*: AbbVie and any corporation, partnership and proprietorship under common control (as defined under the aggregation rules of Code Section 414 (b), (c), or (m)) with AbbVie.
- (f) *Data*: Certain personal information about the Employee held by the Company and the Subsidiary that employs the Employee (if applicable), including (but not limited to) the Employee's name, home address and telephone number, email address, date of birth, social security, passport or other identification number, salary, nationality, job title, any Shares held in the Company, details of all Awards or any other entitlement to Shares awarded, canceled, purchased, vested, unvested or outstanding in the Employee's favor, for the purpose of managing and administering the Program.
- (g) *Disability*: Sickness or accidental bodily injury, directly and independently of all other causes, that disables the Employee so that the Employee is completely prevented from performing all the duties of his or her occupation or employment.
- (h) *Employee Agreement*: The Employee Agreement entered into by and between the Company and the Employee as it may be amended from time to time.
- (i) *Employee's Representative*: The Employee's legal guardian or other legal representative.
- (j) *Good Reason*: Unless otherwise defined in the Employee's Change in Control Agreement, good reason shall mean the occurrence of any of the following circumstances without the Employee's express written consent:
 - (i) a significant adverse change in the nature, scope or status of the Employee's position, authorities or duties from those in effect immediately prior to the Change in Control, including, without limitation, if the Employee was, immediately prior to the Change in Control, an officer of a public company, the Employee ceasing to be an officer of a public company;
 - (ii) the failure by the Company or a Subsidiary to pay the Employee any portion of the Employee's current compensation, or to pay the Employee any portion of any installment of deferred compensation under any deferred compensation program of the Company, within seven days of the date such compensation is due;
 - (iii) a reduction in the Employee's annual base salary (or a material change in the frequency of payment) as in effect immediately prior to the Change in Control as the same may be increased from time to time;
 - (iv) the failure by the Company or a Subsidiary to award the Employee an annual bonus in any year which is at least equal to the annual bonus awarded to the Employee under the annual bonus plan of the Company or Subsidiary for the year immediately preceding the year of the Change in Control;
 - (v) the failure by the Company to award the Employee equity-based incentive compensation (such as stock options, shares of restricted stock, restricted stock units, or other equity-based compensation) on a periodic basis consistent with the Company's practices with respect to timing, value and terms prior to the Change in Control;
 - (vi) the failure by the Company or a Subsidiary to continue to provide the Employee with the welfare benefits, fringe benefits and perquisites enjoyed by the Employee immediately prior to the Change in Control under any of the Company's or Subsidiary's plans or policies,

including, but not limited to, those plans and policies providing pension, life insurance, medical, health and accident, disability and vacation;

- (vii) the relocation of the Employee's base office to a location that is more than 35 miles from the Employee's base office immediately prior to the Change in Control; or
 - (viii) the failure of the Company to obtain a satisfactory agreement from any successor to the Company to assume and agree to perform this Agreement as contemplated in Section 5.
- (k) *Performance Determination Date*: The date on which the Committee determines whether or to what extent the Performance Vesting Requirements have been achieved.
- (l) *Performance Period*: The period(s) specified in the attached Schedule, over which achievement of the Performance Vesting Requirements is to be measured.
- (m) *Performance-Vested Shares*: The maximum number of Shares the Employee may receive under this Award based on the extent to which the Performance Vesting Requirements are achieved. In no event will the number of Performance-Vested Shares exceed 150% of the number of Units set forth in the first paragraph of this Agreement.
- (n) *Performance Vesting Requirements*: The performance goals described in the attached Schedule, which must be achieved for Units to vest and the corresponding Shares to be delivered under this Award.
- (o) *Program*: The AbbVie 2013 Incentive Stock Program.
- (p) *Retirement*:
- (i) Except as provided under (ii) or (iii) below, Retirement means either of the following:
 - age 55 with 10 years of service; or
 - age 65 with at least three years of service.
 - (ii) For Employees who (A) are not covered by (iii) below and (B) transferred to the Company directly from Abbott Laboratories either as a result of the Company's spin-off from Abbott Laboratories or during the period from January 1, 2013 through June 30, 2015 with the consent of each company's head of human resources and were hired into the Abbott Laboratories controlled group prior to January 1, 2004, Retirement means any of the following:
 - age 50 with 10 years of service;
 - age 65 with at least three years of service; or
 - age 55 with an age and service combination of 70 points, where each year of age is one point and each year of service is one point.
 - (iii) For participants in the AbbVie Pension Plan for Former BASF and Former Solvay Employees, Retirement means either of the following:
 - age 55 with 10 years of service; or
 - age 65 with at least three years of service.
 - (iv) For purposes of calculating service under this Section 1(p), except as otherwise provided by the Committee or its delegate: (A) service is earned only if performed for a member of

the Controlled Group while that Controlled Group member is a part of the Controlled Group; and (B) for Employees who transferred to the Company directly from Abbott Laboratories during the period from January 1, 2013 through June 30, 2015 either as a result of the Company's spin-off from Abbott Laboratories or with the consent of each company's head of human resources, service includes service with Abbott Laboratories that is counted for benefit calculation purposes under the AbbVie Pension Plan, the AbbVie Pension Plan for Former BASF and Former Solvay Employees, or another Company-sponsored pension plan, as applicable.

(g) *Termination*: A severance of employment for any reason (including Retirement) from the Company and all Subsidiaries. Any Termination shall be effective on the last day the Employee performs services for or on behalf of the Company or its Subsidiary, and employment shall not be extended by any statutory or common law notice of termination period.

2. **Delivery Dates and Shareholder Rights.** The delivery dates for Shares issuable with respect to the Units are the respective dates on which the Shares are distributable to the Employee if the Restrictions lapse pursuant to Section 4 below (each a "Delivery Date"). Prior to the Delivery Date(s):

- (a) the Employee shall not be treated as a shareholder as to any Shares issuable under the Agreement, and shall have only a contractual right to receive Shares, unsecured by any assets of the Company or its Subsidiaries;
- (b) the Employee shall not be permitted to vote any Shares issuable under the Agreement; and
- (c) the Employee's right to receive such Shares will be subject to the adjustment provisions relating to mergers, reorganizations, and similar events set forth in the Program.

Subject to the requirements of local law, if any dividend or other distribution is declared and paid on Shares (other than dividends or distributions of securities of the Company which may be issued with respect to its Shares by virtue of any stock split, combination, stock dividend or recapitalization) while any of the Units remain subject to this Award (meaning that any of the Shares into which Units would be converted are not otherwise issued and outstanding for purposes of the entitlement to the dividend or distribution), then a book account will be maintained for the Employee and credited with a phantom dividend that is equivalent to the actual dividend or distribution that would have been paid on the total number of Performance-Vested Shares that may be distributed under this Award if that number of Shares had been issued and outstanding and entitled to the dividend or distribution. As any Units vest under this Award, the phantom dividends credited to the book account that are attributable to the Shares issuable with respect to such Units will vest and be distributed to the Employee (in the form in which the actual dividend or distribution was paid to shareholders or in such other form as the Administrator deems appropriate under the circumstances) concurrently with the issuance of the Shares resulting from the Unit vesting. Any such distribution is subject to the Company's collection of withholding taxes applicable to the distribution.

If fewer than all of the Performance-Vested Shares are earned as a result of the application of the vesting requirements or the forfeiture provisions of this Agreement or the Program, then the phantom dividends attributable to the unearned Shares will be cancelled and the Employee will cease to have any right or entitlement to receive any distribution or other amount with respect to such cancelled phantom dividends.

No phantom dividends will be paid or payable to or for the benefit of the Employee with respect to dividends or distributions for which the record date occurs on or after the applicable Delivery Date, the date the Employee has forfeited the Units or, in some cases due to applicable law, the date the Restrictions on the

Units have lapsed. For purposes of compliance with the requirements of Code Section 409A, to the extent applicable, the specified date for payment of any phantom dividend to which the Employee is entitled under this Section 2 is the calendar year in which the corresponding Shares vest and are distributed to the Employee. The Employee has no right to determine the year in which phantom dividends will be paid.

3. **Restrictions.** The Units (encompassing all of the Performance-Vested Shares) are subject to the forfeiture provisions in Sections 6 and 7 below. Shares are not earned and may not be sold, exchanged, assigned, transferred, pledged or otherwise disposed of (collectively, the "Restrictions") until an event or combination of events described in subsections 4(a), (b), (c) or (d) or Section 5 occurs.
4. **Lapse of Restrictions.** If the Company's 2018 return on equity (as defined and approved by the Committee) is a minimum of 18 percent, the number of Shares that become issuable under this Award, as set forth in this Section 4 and subject to the provisions of Sections 5, 6 and 7 below, will be calculated based on the extent to which the Performance Vesting Requirements described in the attached Schedule are achieved. If the Company's 2018 return on equity is less than 18 percent, no Shares will become issuable under the Award. The Committee may equitably adjust the Performance Vesting Requirements described in the attached Schedule in recognition of unusual or non-recurring events affecting the Company or any Subsidiary or the financial statements of the Company or any Subsidiary, in response to changes in applicable laws or regulations, or to account for items of gain, loss or expense determined to be unusual in nature or infrequent in occurrence or related to the acquisition or disposal of a business or assets or related to a change in accounting principles.
 - (a) **Performance.** If the Employee remains employed with the Company or its Subsidiaries as of the applicable vesting date specified below and has not experienced a Termination that triggers forfeiture, then:
 - (i) the Restrictions on up to one-third of the total number of Units may lapse on «**VESTING DATE 1**», as determined in accordance with the Schedule;
 - (ii) the Restrictions on up to an additional one-third of the total number of Units may lapse on «**VESTING DATE 2**», as determined in accordance with the Schedule; and
 - (iii) the Restrictions on up to an additional one-third of the total number of Units may lapse on «**VESTING DATE 3**», as determined in accordance with the Schedule.
 - (b) **Retirement.** The Restrictions will continue to apply in the event of the Employee's Termination due to Retirement, but may lapse thereafter in accordance with the provisions of subsection 4(a) above, in which case any Units not previously settled on a Delivery Date will be settled in the form of Shares on the Delivery Date(s) set forth in subsection 4(a) above occurring after the date of such Termination due to Retirement.
 - (c) **Death.** The Restrictions will lapse on the date of the Employee's Termination due to death, and any Units not previously settled on a Delivery Date will be settled (for the person or persons to whom rights under the Award have passed by will or the laws of descent or distribution) in the form of Shares as soon as administratively possible after, and effective as of, the date of Termination due to death. The extent to which the Restrictions lapse, and the number of Shares to be delivered as a result, will be determined as follows:
 - (i) For any Performance Period that has begun but has not been completed as of the date of Termination due to death, the number of Shares to be delivered with respect to the

applicable Award tranche will be determined based on the greater of (A) performance through the date of Termination measured against the Performance Vesting Requirements set forth in the Schedule using the most recent earnings information released before the date of Termination, and (B) the target vesting level for the applicable Award tranche.

(ii) For any Performance Period that has not yet begun as of the date of Termination due to death, the number of Shares to be delivered will be determined using the target vesting level for the applicable Award tranche(s).

(d) **Disability.** The Restrictions will lapse on the date of the Employee's Termination due to Disability, and any Units not previously settled on a Delivery Date will be settled in the form of Shares as soon as administratively possible after, and effective as of, the date of Termination due to Disability. The extent to which the Restrictions lapse, and the number of Shares to be delivered as a result, will be determined as follows:

(i) For any Performance Period that has begun but has not been completed as of the date of Termination due to Disability, the number of Shares to be delivered with respect to the applicable Award tranche will be determined based on the greater of (A) performance through the date of Termination measured against the Performance Vesting Requirements set forth in the Schedule using the most recent earnings information released before the date of Termination, and (B) the target vesting level for the applicable Award tranche.

(ii) For any Performance Period that has not yet begun as of the date of Termination due to Disability, the number of Shares to be delivered will be determined using the target vesting level for the applicable Award tranche(s).

5. **Change in Control.** In the event of a Change in Control, the entity surviving such Change in Control or the ultimate parent thereof (referred to herein as the "*Surviving Entity*") may assume, convert or replace this Award with an award of at least equal value and terms and conditions not less favorable than the terms and conditions provided in this Agreement, in which case the new award will vest according to the terms of the applicable award agreement. If the Surviving Entity does not assume, convert or replace this Award, the Restrictions will lapse on the date of the Change in Control, as described below.

If the Surviving Entity does assume, convert or replace this Award, then in the event the Employee's Termination (a) occurs within the time period beginning six months immediately before a Change in Control and ending two years immediately following such Change in Control, and (b) was initiated by the Company (or the Surviving Entity) for a reason other than Cause or was initiated by the Employee for Good Reason, the Restrictions will lapse on the later of the date of the Change in Control and the date of the Employee's Termination (referred to herein as the "*Applicable Lapse Date*").

The extent to which the Restrictions lapse, and the number of Shares to be delivered as a result, will be determined as follows:

(i) For any Performance Period that has begun but has not been completed as of the Applicable Lapse Date, the number of Shares to be delivered with respect to the applicable Award tranche will be determined based on the greatest of: (A) performance through the date of the Change in Control measured against the Performance Vesting Requirements set forth in the Schedule using the most recent earnings information released before the date of the Change in Control; (B) performance through the date of the Termination measured against the Performance Vesting Requirements set

forth in the Schedule using the most recent earnings information released before the date of the Termination; and (C) the target vesting level for the applicable Award tranche.

- (ii) For any Performance Period that has not yet begun as of the Applicable Lapse Date, the number of Shares to be delivered will be determined using the target vesting level for the applicable Award tranche(s).

The provisions of this Section 5 supersede Section 13(a)(iii), (iv) and (v) of the Program.

6. **Effect of Certain Bad Acts.** Any Units not previously settled will be cancelled and forfeited immediately if the Employee engages in activity that constitutes Cause, as determined in the sole opinion and discretion of the Committee or its delegate, whether or not the Employee experiences a Termination or remains employed with the Company or a Subsidiary.
7. **Forfeiture of Units.** In the event of the Employee's Termination for any reason other than those set forth in subsection 4(b), (c) or (d) or Section 5, any Units with respect to which Restrictions have not lapsed as of the date of Termination will be forfeited without consideration to the Employee or the Employee's Representative. In the event that the Employee is terminated by the Company other than for Cause and in a situation not covered by Section 5, the Company may, in its sole discretion, cause some or all of the Units to continue to be subject to the Restrictions, provided such Restrictions may lapse thereafter in accordance with the provisions of subsection 4(a), in which case such Units will be settled in the form of Shares on the Delivery Date(s) set forth in subsection 4(a) above as if the Employee had remained employed on such dates. In accepting this Award, the Employee acknowledges that in the event of Termination (whether or not in breach of local labor laws), the Employee's right to vest in the Units, if any, will cease and will not be extended by any notice period mandated under local law (e.g., active employment does not include a period of "garden leave" or similar period pursuant to local law) and that the Company shall have the exclusive discretion to determine when Termination occurs.
8. **Withholding Taxes.** To the extent permitted under applicable law and by the Company, the Employee may satisfy any federal, state, local or other applicable taxes arising from the grant of the Award, the lapse of Restrictions or the delivery of Shares pursuant to this Agreement by:
 - (a) tendering a cash payment;
 - (b) having the Company withhold Shares from the Shares to be delivered to satisfy the applicable withholding tax;
 - (c) tendering Shares received in connection with the Award back to the Company; or
 - (d) delivering other previously acquired Shares having a Fair Market Value approximately equal to the amount to be withheld.

The Company shall have the right and is hereby authorized to withhold from the Shares deliverable to the Employee pursuant to this Agreement or (to the extent permitted by applicable law, including without limitation Code Section 409A) from any other compensation or other amount owing to the Employee, such amount as may be necessary in the opinion of the Company to satisfy all such taxes, requirements and withholding obligations. If the Company withholds for tax purposes from the Shares otherwise to be delivered to the Employee, the Employee is deemed to have been issued the full number of Shares underlying the Award, subject to the Restrictions set forth in this Agreement.

Notwithstanding the foregoing, if the Employee is subject to Section 16(b) of the Exchange Act, the Company will withhold using the method described in subsection 8(b) above unless the use of such withholding method is problematic under applicable laws or has materially adverse accounting consequences, in which case the Committee shall determine which of the other methods described in this Section 8 or in the Program shall be used to satisfy the applicable withholding obligations.

9. **No Right to Continued Employment.** This Agreement and the Employee's participation in the Program do not and shall not be interpreted to:

- (a) form an employment contract or relationship with the Company or its Subsidiaries;
- (b) confer upon the Employee any right to continue in the employ of the Company or any of its Subsidiaries; or
- (c) interfere with the ability of the Company or its Subsidiaries to terminate the Employee's employment at any time.

10. **Nature of Grant.** In accepting this Award, the Employee acknowledges that:

- (a) the Program is established voluntarily by the Company, it is discretionary in nature and it may be modified, amended, suspended or terminated by the Company at any time;
- (b) this Award is a one-time benefit and does not create any contractual or other right to receive future grants of Units, benefits in lieu of Units, or other Program Benefits in the future, even if Units have been granted repeatedly in the past;
- (c) all decisions with respect to future Unit grants, if any, and their terms and conditions, will be made by the Company, in its sole discretion;
- (d) nothing contained in this Agreement is intended to create or enlarge any other contractual obligations between the Company and the Employee;
- (e) the Employee is voluntarily participating in the Program;
- (f) the Units and Shares subject to the Units are:
 - (i) extraordinary items that do not constitute compensation of any kind for services of any kind rendered to the Company or its Subsidiaries, and are outside the scope of the Employee's employment contract, if any;
 - (ii) not intended to replace any pension rights or compensation;
 - (iii) not part of the Employee's normal or expected compensation or salary for any purpose, including, but not limited to, calculating any severance, resignation, termination, redundancy, dismissal, end-of-service payments, holiday pay, bonuses, long-service awards, pension or retirement or welfare benefits, or similar payments and in no event should they be considered as compensation for, or relating in any way to, past services for the Company or any of its Subsidiaries;
- (g) the future value of the Shares underlying the Units is unknown and cannot be predicted with certainty;
- (h) in consideration of the Award, no claim or entitlement to compensation or damages shall arise from the Units resulting from Termination (for any reason whatsoever) and the Employee irrevocably releases the Company and its Subsidiaries from any such claim that may arise; if any such claim is

found by a court of competent jurisdiction to have arisen, then, by signing or electronically accepting this Agreement, the Employee shall be deemed irrevocably to have waived the Employee's entitlement to pursue such claim;

- (i) the Units and the Benefits under the Program, if any, will not automatically transfer to another company in the case of a merger, take-over or transfer of liability; and
- (j) neither the Company nor any of its Subsidiaries shall be liable for any change in value of the Units, the amount realized upon settlement of the Units or the amount realized upon a subsequent sale of any Shares acquired upon settlement of the Units, resulting from any fluctuation of the United States Dollar/local currency foreign exchange rate.

11. **Data Privacy.**

- (a) Pursuant to applicable personal data protection laws, the collection, processing and transfer of the Employee's personal Data is necessary for the Company's administration of the Program and the Employee's participation in the Program. The Employee's denial and/or objection to the collection, processing and transfer of personal Data may affect his or her ability to participate in the Program. As such (where required under applicable law), the Employee:
 - (i) voluntarily acknowledges, consents and agrees to the collection, use, processing and transfer of personal Data as described herein; and
 - (ii) authorizes Data recipients to receive, possess, use, retain and transfer the Data, in electronic or other form, for purposes of implementing, administering and managing the Employee's participation in the Program, including any requisite transfer of such Data as may be required for the administration of the Program and/or the subsequent holding of Shares on the Employee's behalf to a broker or other third party with whom the Employee may elect to deposit any Shares acquired pursuant to the Program.
- (b) Data may be provided by the Employee or collected, where lawful, from third parties, and the Company and the Subsidiary that employs the Employee (if applicable) will process the Data for the exclusive purpose of implementing, administering and managing the Employee's participation in the Program. Data processing will take place through electronic and non-electronic means according to logics and procedures strictly correlated to the purposes for which the Data is collected and with confidentiality and security provisions as set forth by applicable laws and regulations in the Employee's country of residence. Data processing operations will be performed minimizing the use of personal and identification data when such operations are unnecessary for the processing purposes sought. The Data will be accessible within the Company's organization only by those persons requiring access for purposes of the implementation, administration and operation of the Program and for the Employee's participation in the Program.
- (c) The Company and the Subsidiary that employs the Employee (if applicable) will transfer Data as necessary for the purpose of implementation, administration and management of the Employee's participation in the Program, and the Company and the Subsidiary that employs the Employee (if applicable) may further transfer Data to any third parties assisting the Company in the implementation, administration and management of the Program. These recipients may be located throughout the world.
- (d) The Employee may, at any time, exercise his or her rights provided under applicable personal data protection laws, which may include the right to:

- (i) obtain confirmation as to the existence of the Data;
- (ii) verify the content, origin and accuracy of the Data;
- (iii) request the integration, update, amendment, deletion or blockage (for breach of applicable laws) of the Data; and
- (iv) oppose, for legal reasons, the collection, processing or transfer of the Data which is not necessary or required for the implementation, administration and/or operation of the Program and the Employee's participation in the Program.

The Employee may seek to exercise these rights by contacting his or her local human resources manager.

- (e) Upon request of the Company or the Subsidiary that employs the Employee, the Employee agrees to provide an executed data privacy consent form (or any other agreement or consent that may be required by the Company and/or the Subsidiary that employs the Employee) to the Company and/or the Subsidiary that employs the Employee that the Company and/or the Subsidiary that employs the Employee may deem necessary to obtain from the Employee for the purpose of administering his or her participation in the Program in compliance with the data privacy laws in the Employee's country, either now or in the future. The Employee understands and agrees that he or she will not be able to participate in the Program if the Employee fails to provide any such requested consent or agreement.

12. Form of Payment. The Company may, in its sole discretion, settle the Employee's Units in the form of a cash payment to the extent settlement in Shares: (a) is prohibited under local law; (b) would require the Employee, the Company and/or its Subsidiaries to obtain the approval of any governmental and/or regulatory body in the Employee's country; (c) would result in adverse tax consequences for the Employee or the Company; or (d) is administratively burdensome. Alternatively, the Company may, in its sole discretion, settle the Employee's Units in the form of Shares but require the Employee to sell such Shares immediately or within a specified period of time following the Employee's Termination (in which case, this Agreement shall give the Company the authority to issue sales instructions on the Employee's behalf).

13. Private Placement. This Award is not intended to be a public offering of securities in the Employee's country. The Company has not submitted any registration statement, prospectus or other filings with the local securities authorities (unless otherwise required under local law), and this Award is not subject to the supervision of the local securities authorities.

14. Exchange Controls. As a condition to this Award, the Employee agrees to comply with any applicable foreign exchange rules and regulations.

15. Compliance with Applicable Laws and Regulations.

- (a) The Company shall not be required to issue or deliver any Shares pursuant to this Agreement pending compliance with all applicable federal and state securities and other laws (including any registration requirements or tax withholding requirements) and compliance with the rules and practices of any stock exchange upon which the Company's Shares are listed.
- (b) Regardless of any action the Company or its Subsidiaries take with respect to any or all income tax, social insurance, payroll tax, payment on account or other tax-related items related to the Employee's

participation in the Program and legally applicable to the Employee or deemed by the Company or its Subsidiaries to be an appropriate charge to the Employee even if technically due by the Company or its Subsidiaries ("*Tax-Related Items*"), the Employee acknowledges that the ultimate liability for all Tax-Related Items is and remains the Employee's responsibility and may exceed the amount actually withheld by the Company or its Subsidiaries, if any. The Employee further acknowledges that the Company and/or its Subsidiaries: (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Units, including, but not limited to, the grant, lapse of Restrictions or settlement of the Units, the issuance of Shares upon payment of the Units, the subsequent sale of Shares acquired pursuant to such issuance and the receipt of any dividends and/or Dividend Equivalents; and (ii) do not commit to and are under no obligation to structure the terms of the grant or any aspect of the Units to reduce or eliminate the Employee's liability for Tax-Related Items or achieve any particular tax result. If the Employee has become subject to tax in more than one jurisdiction between the date of grant and the date of any relevant taxable event, the Employee acknowledges that the Company and/or its Subsidiaries may be required to withhold or account for Tax-Related Items in more than one jurisdiction. If the Employee relocates to another country, the Company may establish special or alternative terms and conditions as necessary or advisable to comply with local laws, rules or regulations, to facilitate the operation and administration of the Award and the Program and/or to accommodate the Employee's relocation.

- (c) The Employee acknowledges that, depending on the Employee's or the broker's country of residence or where the Shares are listed, the Employee may be subject to insider trading restrictions and/or market abuse laws which may affect his or her ability to accept, acquire, sell or otherwise dispose of Shares, rights to Shares (e.g., Units) or rights linked to the value of Shares during such times the Employee is considered to have "inside information" regarding the Company as defined in the laws or regulations in his or her country. Local insider trading laws and regulations may prohibit the cancellation or amendment of orders the Employee placed before he or she possessed inside information. Furthermore, the Employee could be prohibited from (i) disclosing the inside information to any third party (other than on a "need to know" basis) and (ii) "tipping" third parties or causing them otherwise to buy or sell securities. The Employee understands that third parties may include fellow employees. Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable Company insider trading policy. The Employee acknowledges that it is the Employee's responsibility to comply with any restrictions and the Employee is advised to speak to his or her personal legal advisor on this matter.

16. **Code Section 409A.** Payments made pursuant to this Agreement are intended to be exempt from or otherwise to comply with the provisions of Code Section 409A to the extent applicable. The Program and this Agreement shall be administered and interpreted in a manner consistent with this intent. If the Company determines that any payments under this Agreement are subject to Code Section 409A and this Agreement fails to comply with that section's requirements, the Company may, at the Company's sole discretion, and without the Employee's consent, amend this Agreement to cause it to comply with Code Section 409A or otherwise be exempt from Code Section 409A.

To the extent required to avoid accelerated taxation and/or tax penalties under Code Section 409A and applicable guidance issued thereunder, the Employee shall not be deemed to have had a Termination unless the Employee has incurred a "separation from service" as defined in Treasury Regulation §1.409A-1(h), and

amounts that would otherwise be payable pursuant to this Agreement during the six-month period immediately following the Employee's Termination (including Retirement) shall instead be paid on the first business day after the date that is six months following the Employee's Termination (or upon the Employee's death, if earlier). For purposes of Code Section 409A, to the extent applicable: (a) all payments provided hereunder shall be treated as a right to a series of separate payments and each separately identified amount to which the Employee is entitled under this Agreement shall be treated as a separate payment; (b) except as otherwise provided in Section 13(a) of the Program, upon the lapse of Restrictions pursuant to Section 5 of this Agreement, any Units not previously settled on a Delivery Date shall be settled as soon as administratively possible after, and effective as of, the date of the Change in Control or the date of the Employee's Termination (as applicable); (c) the term "as soon as administratively possible" means a period of time that is within 60 days after the Termination, Disability or Change in Control (as applicable); and (d) the date of the Employee's Disability shall be determined by the Company in its sole discretion.

Although this Agreement and the payments provided hereunder are intended to be exempt from or to otherwise comply with the requirements of Code Section 409A, the Company does not represent or warrant that this Agreement or the payments provided hereunder will comply with Code Section 409A or any other provision of federal, state, local, or non-United States law. None of the Company, its Subsidiaries, or their respective directors, officers, employees or advisors shall be liable to the Employee (or any other individual claiming a benefit through the Employee) for any tax, interest, or penalties the Employee may owe as a result of compensation paid under this Agreement, and the Company and its Subsidiaries shall have no obligation to indemnify or otherwise protect the Employee from the obligation to pay any taxes pursuant to Code Section 409A.

17. **No Advice Regarding Grant.** The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding the Award, the Employee's participation in the Program or the Employee's acquisition or sale of the underlying Shares. The Employee is hereby advised to consult with the Employee's own personal tax, legal and financial advisors regarding participation in the Program before taking any action related to the Program.
18. **Imposition of Other Requirements.** The Company reserves the right to impose other requirements on the Employee's participation in the Program, on the Units and on any Shares acquired under the Program, to the extent the Company or any Subsidiary determines it is necessary or advisable to comply with local laws, rules and/or regulations or to facilitate the operation and administration of the Units and the Program, and to require the Employee to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing. The Employee agrees to take any and all actions, and consents to any and all actions taken by the Company and its Subsidiaries, as may be required to allow the Company and its Subsidiaries to comply with local laws, rules and regulations in the Employee's country. In addition, the Employee agrees to take any and all actions as may be required to comply with the Employee's personal obligations under local laws, rules and regulations in the Employee's country.
19. **Determinations.** Each decision, determination, interpretation or other action made or taken pursuant to the provisions of this Agreement by the Company, the Committee or any delegate of the Committee shall be final, conclusive and binding for all purposes and upon all persons, including, without limitation, the Company, the Employee, the Employee's Representative, and the person or persons to whom rights under the Award have passed by will or the laws of descent or distribution.

20. **Electronic Delivery.** The Company may, in its sole discretion, decide to deliver any documents related to current or future participation in the Program by electronic means. The Employee hereby consents to receive such documents by electronic delivery and agrees to participate in the Program through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.
21. **Addendum.** This Award shall be subject to any special terms and conditions set forth in any Addendum to this Agreement for the Employee's country. Moreover, if the Employee relocates to one of the countries included in the Addendum, the special terms and conditions for such country will apply to the Employee, to the extent the Company determines that the application of such terms and conditions is necessary or advisable in order to comply with local laws, rules and/or regulations or facilitate the operation and administration of the Units and the Program (or the Company may establish alternative terms and conditions as may be necessary or advisable to accommodate the Employee's relocation). The Addendum constitutes part of this Agreement.
22. **Severability.** The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, and each other provision of this Agreement shall be severable and enforceable to the extent permitted by law. To the extent a court or tribunal of competent jurisdiction determines that any provision of this Agreement is invalid or unenforceable, in whole or in part, the Company, in its sole discretion, shall have the power and authority to revise or strike such provision to the minimum extent necessary to make it valid and enforceable to the full extent permitted under local law.
23. **Entire Agreement.** This Agreement and the Program constitute the entire agreement between the Employee and the Company regarding the Award and supersede all prior and contemporaneous agreements and understandings, oral or written, between the parties regarding the Award. Except as expressly set forth herein, this Agreement (and any provision of this Agreement) may not be modified, changed, clarified, or interpreted by the parties, except in a writing specifying the modification, change, clarification, or interpretation, and signed by a duly authorized Company officer.
24. **Succession.** This Agreement shall be binding upon and operate for the benefit of the Company and its successors and assigns, and the Employee, the Employee's Representative, and the person or persons to whom rights under the Award have passed by will or the laws of descent or distribution.
25. **Language.** If the Employee has received this Agreement or any other document related to the Program translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control.
26. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware without giving effect to any state's conflict of laws principles.

* * *

IN WITNESS WHEREOF, the Company has caused this Agreement to be executed by its duly authorized officer as of the grant date above set forth.

ABBVIE INC.

By _____

Title _____

SCHEDULE
PERFORMANCE PERIODS AND PERFORMANCE VESTING REQUIREMENTS

Any capitalized term used but not defined in this Schedule has the meaning set forth in the Agreement or the Program. This Schedule is subject to, and is to be interpreted in combination with, all of the terms and conditions of the Agreement and the Program.

Award Tranches and Performance Periods

The Award is subject to vesting in one-third increments over three years with each vesting tranche tied to the Company's return on equity ("ROE") performance for the applicable year (2018, 2019 or 2020), as described in the Agreement and the Performance Vesting Requirements section below. The vesting tranches and corresponding Performance Periods are as follows:

Vesting Tranche	Units Subject to Vesting	Performance Period
Tranche 1	1/3 of Units	January 1-December 31, 2018
Tranche 2	1/3 of Units	January 1-December 31, 2019
Tranche 3	1/3 of Units	January 1-December 31, 2020

Performance Vesting Requirements

The vesting for each tranche will be determined based on the Company's ROE for the applicable Performance Period relative to the ROE for that period of the companies (other than the Company) that were constituents of either the S&P Pharmaceutical, Biotech, and Life Science Index or the NYSE Arca Pharmaceutical Index on January 1, 2018 and on the last day of the applicable Performance Period (the "Index Companies").

Within sixty-five (65) days after the end of each Performance Period, the Committee will determine the Company's relative ROE percentile rank for the applicable Performance Period. For purposes of determining Performance Period ROE results, ROE means non-GAAP (or equivalent) ROE measured using the annual results disclosed in each company's earnings release issued most recently prior to the Performance Determination Date. If an Index Company has not issued its annual earnings release prior to the Performance Determination Date, then its results shall be based on the most currently available four quarters of financial information.

The Company's relative ROE percentile rank for the applicable Performance Period determines the vesting percentage for the Units covered by the applicable tranche, such that:

- a. A ranking at or above the 90th percentile results in vesting at 150% of target level;
- b. A ranking from the 75th percentile up to the 90th percentile results in vesting at target level;
- c. A ranking from the 50th percentile up to the 75th percentile results in vesting at 50% of target level; and
- d. A ranking below the 50th percentile results in 0% vesting.

The vesting percentage derived from the ranking determination will be multiplied by the number of Units covered by the applicable tranche, yielding the number of Shares deliverable under the Agreement as a result of the application of the Performance Vesting Requirements for the Performance Period.

ADDENDUM

In addition to the terms and conditions set forth in the Agreement, the Award is subject to the following terms and conditions. If the Employee is employed in a country identified in this Addendum, the additional terms and conditions for such country will apply. If the Employee relocates to one of the countries identified in this Addendum, the special terms and conditions for such country will apply to the Employee, to the extent the Company determines, in its sole discretion, that the application of such terms and conditions is necessary or advisable to comply with local laws, rules and/or regulations or to facilitate the operation and administration of the Units and the Program (or the Company may establish alternative terms and conditions as may be necessary or advisable to accommodate the Employee's relocation).

All defined terms contained in this Addendum shall have the same meaning as set forth in the Program.

ALGERIA

Settlement in Cash. Notwithstanding Section 4 of the Agreement or any other provision in the Agreement to the contrary, pursuant to Section 12 of the Agreement, the Units will be settled in the form of a cash payment, except as otherwise determined by the Company.

AUSTRALIA

1. Breach of Law. Notwithstanding anything to the contrary in the Agreement or the Program, the Employee will not be entitled to, and shall not claim any benefit (including without limitation a legal right) under the Program if the provision of such benefit would give rise to a breach of Part 2D.2 of the Corporations Act 2001 (Cth), any other provision of that Act, or any other applicable statute, rule or regulation which limits or restricts the giving of such benefits.

2. Australian Offer Document. In addition to the Agreement and the Program, the Employee must review the Australian Offer Document for additional important information pertaining to the Award. This document can be accessed via the UBS website at www.ubs.com/onesource/abbv. By accepting the Award, the Employee acknowledges and confirms that the Employee has reviewed the Australian Offer Document.

3. Tax Information. The Program is a program to which Subdivision 83A-C of the Income Tax Assessment Act 1997 (Cth) (the "Act") applies (subject to the conditions in that Act).

BAHRAIN

Securities Notification. This Agreement does not constitute advertising or an offering of securities in Bahrain, nor does it constitute an allotment of securities in Bahrain. Any Shares issued pursuant to the Units under the Program shall be deposited into a brokerage account in the United States. In no event will Shares be issued or delivered in Bahrain. The issuance of Shares pursuant to the Units described herein has not and will not be registered in Bahrain and hence, the Shares described herein may not be admitted or used for offering, placement or public circulation in Bahrain. Accordingly, the Employee may not make any public advertising or announcements regarding the Units or Shares in Bahrain, promote these Shares to legal entities or individuals in Bahrain, or sell Shares directly to other legal entities or individuals in Bahrain. The Employee acknowledges and agrees that Shares may only be sold outside of Bahrain and on a stock exchange on which AbbVie is traded.

BRAZIL

Labor Law Acknowledgment. The Employee agrees, for all legal purposes, (i) the Benefits provided under the Agreement and the Program are the result of commercial transactions unrelated to the Employee's employment; (ii) the Agreement and the Program are not a part of the terms and conditions of the Employee's employment; and (iii) the income from the Units, if any, is not part of the Employee's remuneration from employment.

CANADA

1. **Settlement in Shares.** Notwithstanding anything to the contrary in the Agreement, Addendum or the Program, the Employee's Award shall be settled only in Shares (and may not be settled in cash).

2. **Resale Restriction.** The Employee is permitted to sell Shares acquired upon settlement of the Units through the designated broker appointed under the Program, provided the resale of Shares acquired under the Program takes place outside of Canada through the facilities of the stock exchange on which the Shares are listed. The Shares are currently listed on the New York Stock Exchange.

3. **English Language.** The parties to the Agreement acknowledge that it is their express wish that the Agreement, as well as all documents, notices and legal proceedings entered into, given or instituted pursuant hereto or relating directly or indirectly hereto, be drawn up in English. ***Les parties reconnaissent avoir exigé la rédaction en anglais de la présente convention, ainsi que de tous documents exécutés, avis donnés et procédures judiciaires intentées, directement ou indirectement, relativement à ou suite à la présente convention.***

CHILE

Private Placement. The following provision shall replace Section 13 of the Agreement:

The grant of the Units hereunder is not intended to be a public offering of securities in Chile but instead is intended to be a private placement.

- a) The starting date of the offer will be the Grant Date (as defined in the Agreement), and this offer conforms to General Ruling no. 336 of the Chilean Commission for the Financial Market;
 - b) The offer deals with securities not registered in the registry of securities or in the registry of foreign securities of the Chilean Commission for the Financial Market, and therefore such securities are not subject to its oversight;
 - c) The issuer is not obligated to provide public information in Chile regarding the foreign securities, as such securities are not registered with the Chilean Commission for the Financial Market; and
 - d) The foreign securities shall not be subject to public offering as long as they are not registered with the corresponding registry of securities in Chile.
- a) *La fecha de inicio de la oferta será el de la fecha de otorgamiento (o "Grant Date", según este término se define en el documento denominado "Agreement") y esta oferta se acoge a la norma de Carácter General n° 336 de la Comisión para el Mercado Financiero Chilena;*

- b) *La oferta versa sobre valores no inscritos en el registro de valores o en el registro de valores extranjeros que lleva la Comisión para el Mercado Financiero Chilena, por lo que tales valores no están sujetos a la fiscalización de ésta;*
- c) *Por tratar de valores no inscritos no existe la obligación por parte del emisor de entregar en Chile información pública respecto de esos valores; y*
- d) *Esos valores no podrán ser objeto de oferta pública mientras no sean inscritos en el registro de valores correspondiente.*

CHINA

Foreign Exchange Control Laws. The following provisions shall govern the Employee's participation in the Program if the Employee is a national of the People's Republic of China ("China") resident in mainland China, or if determined to be necessary or appropriate by the Company in its sole discretion:

The Employee agrees to hold the Shares received upon settlement of the Units with the Company's designated broker. Upon a Termination, the Employee shall be required to sell all Shares issued pursuant to the Units within 180 days (or such shorter period as may be required by the State Administration of Foreign Exchange or the Company) of the Termination date and repatriate the sales proceeds to China in the manner designated by the Company. For purposes of the foregoing, the Company shall establish procedures for effectuating the forced sale of the Shares (including procedures whereby the Company may issue sell instructions on behalf of the Employee), and the Employee hereby agrees to comply with such procedures and take any and all actions as the Company determines, in its sole discretion, are necessary or advisable for purposes of complying with local laws, rules and regulations in China.

The Employee understands and agrees that the repatriation of dividends and sales proceeds may need to be effected through a special exchange control account established by the Company or its Subsidiaries, and the Employee hereby consents and agrees that dividends issued on Shares and sales proceeds from the sale of Shares acquired under the Program may be transferred to such account by the Company on the Employee's behalf prior to being delivered to the Employee. Dividends and/or sales proceeds may be paid to the Employee in U.S. dollars or local currency at the Company's discretion. If dividends and/or sales proceeds are paid to the Employee in U.S. dollars, the Employee understands that the Employee will be required to set up a U.S. dollar bank account in China so that the dividends or proceeds may be deposited into this account. If dividends and/or sales proceeds are paid to the Employee in local currency, the Employee acknowledges that the Company is under no obligation to secure any particular exchange conversion rate and that the Company may face delays in converting the dividends and/or proceeds to local currency due to exchange control restrictions. The Employee agrees to bear any currency fluctuation risk between the time dividends are issued or Shares are sold and the net proceeds are converted into local currency and distributed to the Employee. The Employee further agrees to comply with any other requirements that may be imposed by the Company or its Subsidiaries in China in the future in order to facilitate compliance with exchange control requirements in China. The Employee acknowledges and agrees that the processes and requirements set forth herein shall continue to apply following the Employee's Termination.

Neither the Company nor any of its Subsidiaries shall be liable for any costs, fees, lost interest or dividends or other losses the Employee may incur or suffer resulting from the enforcement of the terms of this Addendum or otherwise from the Company's operation and enforcement of the Program, the Agreement and the Units in accordance with Chinese law including, without limitation, any applicable State Administration of Foreign Exchange rules, regulations and requirements.

DENMARK

Treatment of Units upon Termination. Notwithstanding any provisions in the Agreement to the contrary, if the Employee is determined to be an “Employee,” as defined in Section 2 of the Danish Act on the Use of Rights to Purchase or Subscribe for Shares etc. in Employment Relationships (the “Stock Option Act”), the treatment of the Units upon Termination shall be governed by Sections 4 and 5 of the Stock Option Act. However, if the provisions in the Agreement or the Program governing the treatment of the Units upon a Termination are more favorable, the provisions of the Agreement or the Program will govern. The Employee acknowledges having received an “Employer Information Statement” in Danish.

FINLAND

Withholding of Tax-Related Items. Notwithstanding Section 8 of the Agreement, if the Employee is a local national of Finland, any Tax-Related Items shall be withheld only in cash from the Employee’s regular salary/wages or other amounts payable to the Employee in cash, or such other withholding methods as may be permitted under the Program and allowed under local law.

FRANCE

1. **Nature of the Award.** The Units are not granted under the French specific regime provided by Articles L225-197-1 and seq. of the French commercial code.

2. **English Language.** The parties to the Agreement acknowledge that it is their express wish that the Agreement, as well as all documents, notices and legal proceedings entered into, given or instituted pursuant hereto or relating directly or indirectly hereto, be drawn up in English. *Les parties reconnaissent avoir exigé la rédaction en anglais de la présente convention, ainsi que de tous documents exécutés, avis donnés et procédures judiciaires intentées, directement ou indirectement, relativement à ou suite à la présente convention.*

HONG KONG

1. **Settlement in Shares.** Notwithstanding anything to the contrary in the Agreement, Addendum or the Program, the Award shall be settled only in Shares (and may not be settled in cash).

2. **Lapse of Restrictions.** If, for any reason, Shares are issued to the Employee within six months of the Grant Date, the Employee agrees that he or she will not sell or otherwise dispose of any such Shares prior to the six-month anniversary of the Grant Date.

3. **IMPORTANT NOTICE.** WARNING: The contents of the Agreement, the Addendum, the Program, and all other materials pertaining to the Units and/or the Program have not been reviewed by any regulatory authority in Hong Kong. The Employee is hereby advised to exercise caution in relation to the offer thereunder. If the Employee has any doubts about any of the contents of the aforesaid materials, the Employee should obtain independent professional advice.

4. **Wages.** The Units and Shares subject to the Units do not form part of the Employee’s wages for the purposes of calculating any statutory or contractual payments under Hong Kong law.

ISRAEL

Trustee Arrangement: The Employee agrees to hold the Shares received upon settlement of the Units with the Company’s designated broker. The Employee understands and agrees that upon the Employee’s sale of Shares, unless otherwise determined by the Company, (a) the repatriation of sales proceeds shall be effected

through a trustee in Israel engaged by the Company (the “Trustee”), (b) the Trustee will withhold the requisite tax and other mandatory withholding (e.g., National Insurance payments) from the sales proceeds and (c) the Trustee will transfer the remaining sale proceeds (net of the requisite tax and other mandatory withholding) to the Employee. The Employee acknowledges and agrees that the process and requirements set forth herein shall continue to apply following the Employee’s Termination.

MEXICO

1. Commercial Relationship. The Employee expressly acknowledges that the Employee’s participation in the Program and the Company’s grant of the Award does not constitute an employment relationship between the Employee and the Company. The Employee has been granted the Award as a consequence of the commercial relationship between the Company and the Subsidiary in Mexico that employs the Employee, and the Company’s Subsidiary in Mexico is the Employee’s sole employer. Based on the foregoing: (a) the Employee expressly acknowledges that the Program and the benefits derived from participation in the Program do not establish any rights between the Employee and the Subsidiary in Mexico that employs the Employee; (b) the Program and the benefits derived from participation in the Program are not part of the employment conditions and/or benefits provided by the Subsidiary in Mexico that employs the Employee; and (c) any modifications or amendments of the Program or benefits granted thereunder by the Company, or a termination of the Program by the Company, shall not constitute a change or impairment of the terms and conditions of the Employee’s employment with the Subsidiary in Mexico that employs the Employee.

2. Extraordinary Item of Compensation. The Employee expressly recognizes and acknowledges that the Employee’s participation in the Program is a result of the discretionary and unilateral decision of the Company, as well as the Employee’s free and voluntary decision to participate in the Program in accordance with the terms and conditions of the Program, the Agreement and this Addendum. As such, the Employee acknowledges and agrees that the Company, in its sole discretion, may amend and/or discontinue the Employee’s participation in the Program at any time and without any liability. The value of the Units is an extraordinary item of compensation outside the scope of the Employee’s employment contract, if any. The Units are not part of the Employee’s regular or expected compensation for purposes of calculating any severance, resignation, redundancy, end of service payments, bonuses, long-service awards, pension or retirement benefits, or any similar payments, which are the exclusive obligations of the Company’s Subsidiary in Mexico that employs the Employee.

MOROCCO

Settlement in Cash. Notwithstanding Section 4 of the Agreement or any other provision in the Agreement to the contrary, pursuant to Section 12 of the Agreement, the Units will be settled in the form of a cash payment, except as otherwise determined by the Company.

NETHERLANDS

Waiver of Termination Rights. The Employee waives any and all rights to compensation or damages as a result of a Termination, insofar as those rights result or may result from: (a) the loss or diminution in value of such rights or entitlements under the Program; or (b) the Employee ceasing to have rights, or ceasing to be entitled to any Awards under the Program as a result of such Termination.

NEW ZEALAND

Securities Law Notice. The following securities notification applies for an offer of Units on or after December 1, 2016:

Warning

This is an offer of Units which, upon vesting and settlement in accordance with the terms of the Program and the Agreement, will be converted into Shares. Shares give you a stake in the ownership of AbbVie Inc. You may receive a return if dividends are paid.

If AbbVie Inc. runs into financial difficulties and is wound up, you will be paid only after all creditors and holders of preference shares have been paid. You may lose some or all of your investment.

New Zealand law normally requires people who offer financial products to give information to investors before they invest. This information is designed to help investors to make an informed decision. The usual rules do not apply to this offer because it is made under an employee share purchase scheme. As a result, you may not be given all the information usually required. You will also have fewer other legal protections for this investment.

Ask questions, read all documents carefully, and seek independent financial advice before committing.

Prior to the vesting and settlement of the Units, you will not have any rights of ownership (e.g., voting rights) with respect to the underlying Shares.

No interest in any Units may be transferred (legally or beneficially), assigned, mortgaged, charged or encumbered.

The Shares are quoted on the New York Stock Exchange. This means that if you acquire Shares under the Program, you may be able to sell them on the New York Stock Exchange if there are interested buyers. You may get less than you invested. The price will depend on the demand for the Shares.

You also are hereby notified that the documents listed below are available for review on sites at the web addresses listed below:

1. AbbVie Inc.'s most recent Annual Report (Form 10-K): <http://investors.abbvie.com/phoenix.zhtml?c=251551&p=irol-sec>.
2. AbbVie Inc.'s most recent published financial statements (Form 10-Q or 10-K) and the auditor's report on those financial statements: <http://investors.abbvie.com/phoenix.zhtml?c=251551&p=irol-sec>.
3. The AbbVie 2013 Incentive Stock Program: This document can be accessed in the library section of the UBS website at www.ubs.com/onesource/abby.
4. AbbVie 2013 Incentive Stock Program Prospectus: This document can be accessed in the library section of the UBS website at www.ubs.com/onesource/abby.

Copies of the documents listed above will be sent to you free of charge on written request to: Director, Equity Programs, AbbVie Inc., Dept. V58G, Bldg. AP34-2, 1 North Waukegan Road, North Chicago, IL 60064, USA.

ROMANIA

1. Termination. A Termination shall include the situation where the Employee's employment contract is terminated by operation of law on the date the Employee reaches the standard retirement age and has completed the minimum contribution record for receipt of state retirement pension or the relevant authorities award the Employee an early-retirement pension of any type.

2. English Language. The Employee hereby expressly agrees that this Agreement, the Program as well as all documents, notices and proceedings entered into, relating directly or indirectly hereto, be drawn up or communicated only in the English language. **Angajatul consimte în mod expres prin prezentul ca acest Contract, Programul precum și orice alte documente, notificări, înștiințări legate direct sau indirect de acest Contract să fie redactate sau efectuate doar în limba engleză.**

RUSSIA

1. Sale or Transfer of Shares. Notwithstanding anything to the contrary in the Program or the Agreement, the Employee shall not be permitted to sell or otherwise dispose of the Shares acquired pursuant to the Award in Russia. The Employee may sell the Shares only through a broker established and operating outside Russia.

2. Repatriation Requirements. The Employee agrees to promptly repatriate proceeds resulting from the sale of Shares acquired under the Program to a foreign currency account at an authorized bank in Russia if legally required at the time Shares are sold and to comply with all applicable local foreign exchange rules and regulations. Neither the Company nor any of its Subsidiaries shall be liable for any fines or penalties resulting from the Employee's failure to comply with applicable laws.

SAUDI ARABIA

Securities Law Notice. This document may not be distributed in the Kingdom except to such persons as are permitted under the Offers of Securities Regulations issued by the Capital Market Authority. The Capital Market Authority does not make any representation as to the accuracy or completeness of this document, and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this document. Prospective purchasers of the securities offered hereby should conduct their own due diligence on the accuracy of the information relating to the securities. If the Employee does not understand the contents of this document he or she should consult an authorized financial advisor.

SINGAPORE

Qualifying Person Exemption. The grant of the Award under the Program is being made pursuant to the "Qualifying Person" exemption under section 273(1)(f) of the Securities and Futures Act (Chapter 289, 2006 Ed.) (the "SFA"). The Program has not been and will not be lodged or registered as a prospectus with the Monetary Authority of Singapore and is not regulated by any financial supervisory authority pursuant to any legislation in Singapore. Accordingly, statutory liability under the SFA in relation to the content of prospectuses would not apply. The Employee should note that, as a result, the Award is subject to section 257 of the SFA and the Employee will not be able to make: (a) any subsequent sale of the Shares underlying the Award in Singapore; or (b) any offer of such subsequent sale of the Shares subject to the Award in Singapore, unless such sale or offer is made pursuant to the exemptions under Part XIII Division 1 Subdivision (4) (other than section 280) of the SFA.

SOUTH AFRICA

1. Exchange Control Obligations. The Employee is solely responsible for complying with applicable exchange control regulations and rulings (the “*Exchange Control Regulations*”) in South Africa. As the Exchange Control Regulations change frequently and without notice, the Employee should consult the Employee’s legal advisor prior to the acquisition or sale of Shares under the Program to ensure compliance with current Exchange Control Regulations. Neither the Company nor any of its Subsidiaries shall be liable for any fines or penalties resulting from the Employee’s failure to comply with applicable laws, rules or regulations.

2. Securities Law Notice. In compliance with South African securities laws, the Employee acknowledges that the documents listed below are available for review at the web addresses listed below:

- a. AbbVie Inc.’s most recent Annual Report (Form 10-K): <http://investors.abbvie.com/phoenix.zhtml?c=251551&p=irol-sec>.
- b. AbbVie 2013 Incentive Stock Program Prospectus: This document can be accessed in the library section of the UBS website at www.ubs.com/onesource/abbv.

The Employee understands that a copy of the above documents will be sent to the Employee free of charge on written request to: Director, Equity Programs, AbbVie Inc., Dept. V58G, Bldg. AP34-2, 1 North Waukegan Road, North Chicago, IL 60064, USA.

The Employee is advised to carefully read the materials provided before making a decision whether to participate in the Program and to contact the Employee’s tax advisor for specific information concerning the Employee’s personal tax situation with regard to Program participation.

SPAIN

1. Acknowledgement of Discretionary Nature of the Program; No Vested Rights

By accepting the Award, the Employee consents to participation in the Program and acknowledges receipt of a copy of the Program.

The Employee understands that the Company has unilaterally, gratuitously and in its sole discretion granted Units under the Program to individuals who may be employees of the Company or its Subsidiaries throughout the world. The decision is a limited decision that is entered into upon the express assumption and condition that any grant will not economically or otherwise bind the Company or any of its Subsidiaries on an ongoing basis. Consequently, the Employee understands that the Units are granted on the assumption and condition that the Units and the Shares acquired upon settlement of the Units shall not become a part of any employment contract (either with the Company or any of its Subsidiaries) and shall not be considered a mandatory benefit, salary for any purposes (including severance compensation) or any other right whatsoever. In addition, the Employee understands that this grant would not be made to the Employee but for the assumptions and conditions referenced above; thus, the Employee acknowledges and freely accepts that should any or all of the assumptions be mistaken or should any of the conditions not be met for any reason the Award shall be null and void.

The Employee understands and agrees that, as a condition of the Award, unless otherwise provided in Section 4 of the Agreement, any unvested Units as of the date the Employee ceases active employment will be forfeited without entitlement to the underlying Shares or to any amount of indemnification in the event of

Termination. The Employee acknowledges that the Employee has read and specifically accepts the conditions referred to in the Agreement regarding the impact of a Termination on the Units.

2. Termination for Cause. Notwithstanding anything to the contrary in the Program or the Agreement, “Cause” shall be as defined as set forth in the Agreement, regardless of whether the Termination is considered a fair termination (i.e., “despido procedente”) under Spanish legislation.

TUNISIA

Settlement in Cash. Notwithstanding Section 4 of the Agreement or any other provision in the Agreement to the contrary, pursuant to Section 12 of the Agreement, the Units will be settled in the form of a cash payment, except as otherwise determined by the Company.

UKRAINE

Settlement in Cash. Notwithstanding Section 4 of the Agreement or any other provision in the Agreement to the contrary, pursuant to Section 12 of the Agreement, the Units will be settled in the form of a cash payment, except as otherwise determined by the Company.

UNITED KINGDOM

1. Withholding Taxes. Without limitation to Section 8 of the Agreement, the Employee hereby agrees that the Employee is liable for all Tax-Related Items and hereby covenants to pay all such Tax-Related Items, as and when requested by the Company or (if different) the Subsidiary that employs the Employee or by Her Majesty’s Revenue & Customs (“HMRC”) (or any other tax authority or any other relevant authority). The Employee also hereby agrees to indemnify and keep indemnified the Company and (if different) the Subsidiary that employs the Employee against any Tax-Related Items that they are required to pay or withhold on the Employee’s behalf or have paid or will pay on the Employee’s behalf to HMRC (or any other tax authority or any other relevant authority).

Notwithstanding the foregoing, if the Employee is a director or executive officer (as within the meaning of Section 13(k) of the U.S. Securities Exchange Act of 1934, as amended), the terms of the immediately foregoing provision will not apply. In the event that the Employee is a director or executive officer and income tax due is not collected from or paid by the Employee by within 90 days after the U.K. tax year in which an event giving rise to the indemnification described above occurs, the amount of any uncollected tax may constitute a benefit to the Employee on which additional income tax and national insurance contributions may be payable. The Employee acknowledges that the Employee ultimately will be responsible for reporting and paying any income tax due on this additional benefit directly to HMRC under the self-assessment regime and for reimbursing the Company or the Subsidiary that employs the Employee (as applicable) for the value of any employee national insurance contributions due on this additional benefit, which the Company and/or the Subsidiary that employs the Employee may recover from the Employee at any time thereafter by any of the means referred to in Section 8 of the Agreement.

2. Exclusion of Claim. The Employee acknowledges and agrees that the Employee will have no entitlement to compensation or damages insofar as such entitlement arises or may arise from the Employee’s ceasing to have rights under or to be entitled to the Units, whether or not as a result of Termination (whether the Termination is in breach of contract or otherwise), or from the loss or diminution in value of the Units. Upon the grant of the Award, the Employee shall be deemed to have waived irrevocably any such entitlement.

VIETNAM

Settlement in Cash. Notwithstanding Section 4 of the Agreement or any other provision in the Agreement to the contrary, pursuant to Section 12 of the Agreement, the Units will be settled in the form of a cash payment, except as otherwise determined by the Company.

ABBVIE INC.
PERFORMANCE SHARE AWARD AGREEMENT

On this «Grant_Day» day of «Grant_Month», 2018 (the “Grant Date”), AbbVie Inc. (the “Company”) hereby grants to «First Name» «MI» «Last Name» (the “Employee”) a Performance Share Award (the “Award”) of «NoShares12345» performance share units (the “Units”). The actual number of shares of Company common stock (the “Shares”) that may be issued under this Award will be determined in accordance with this Agreement by reference to the number of Units set forth above.

The Award is granted under the Program and is subject to the provisions of the Program, the Program prospectus, the Program administrative rules, applicable Company policies, and the terms and conditions set forth in this Agreement. In the event of any inconsistency among the provisions of this Agreement, the provisions of the Program, the Program prospectus, and the Program administrative rules, the provisions of the Program shall control. This Award is intended to conform with the qualified performance-based compensation requirements of Code Section 162(m) and the regulations thereunder, to the extent applicable, and shall be construed accordingly.

The terms and conditions of the Award are as follows:

1. Definitions. To the extent not defined herein, capitalized terms shall have the same meaning as in the Program.

- (a) *Agreement*: This Performance Share Award Agreement.
- (b) *Cause*: Unless otherwise defined in the Employee’s Change in Control Agreement, cause shall mean the following, as determined by the Company in its sole discretion:
 - (i) material breach by the Employee of the terms and conditions of the Employee’s employment, including, but not limited to:
 - (A) material breach by the Employee of the Code of Business Conduct;
 - (B) material breach by the Employee of the Employee’s Employee Agreement or employment contract, if any;
 - (C) commission by the Employee of an act of fraud, embezzlement or theft in connection with the Employee’s duties or in the course of the Employee’s employment;
 - (D) wrongful disclosure by the Employee of secret processes or confidential information of the Company or any of its Subsidiaries; or
 - (E) failure by the Employee to substantially perform the duties of the Employee’s employment (other than any such failure resulting from the Employee’s Disability); or
 - (ii) to the extent permitted by applicable law, engagement by the Employee, directly or indirectly, for the benefit of the Employee or others, in any activity, employment or business which is competitive with the Company or any of its Subsidiaries.
- (c) *Change in Control Agreement*: An agreement regarding Change in Control in effect between the Company (or the Surviving Entity) and the Employee.

- (d) *Code of Business Conduct*: The Company's Code of Business Conduct, as amended from time to time.
- (e) *Controlled Group*: AbbVie and any corporation, partnership and proprietorship under common control (as defined under the aggregation rules of Code Section 414 (b), (c), or (m)) with AbbVie.
- (f) *Data*: Certain personal information about the Employee held by the Company and the Subsidiary that employs the Employee (if applicable), including (but not limited to) the Employee's name, home address and telephone number, email address, date of birth, social security, passport or other identification number, salary, nationality, job title, any Shares held in the Company, details of all Awards or any other entitlement to Shares awarded, canceled, purchased, vested, unvested or outstanding in the Employee's favor, for the purpose of managing and administering the Program.
- (g) *Disability*: Sickness or accidental bodily injury, directly and independently of all other causes, that disables the Employee so that the Employee is completely prevented from performing all the duties of his or her occupation or employment.
- (h) *Employee Agreement*: The Employee Agreement entered into by and between the Company and the Employee as it may be amended from time to time.
- (i) *Employee's Representative*: The Employee's legal guardian or other legal representative.
- (j) *Good Reason*: Unless otherwise defined in the Employee's Change in Control Agreement, good reason shall mean the occurrence of any of the following circumstances without the Employee's express written consent:
 - (i) a significant adverse change in the nature, scope or status of the Employee's position, authorities or duties from those in effect immediately prior to the Change in Control, including, without limitation, if the Employee was, immediately prior to the Change in Control, an officer of a public company, the Employee ceasing to be an officer of a public company;
 - (ii) the failure by the Company or a Subsidiary to pay the Employee any portion of the Employee's current compensation, or to pay the Employee any portion of any installment of deferred compensation under any deferred compensation program of the Company, within seven days of the date such compensation is due;
 - (iii) a reduction in the Employee's annual base salary (or a material change in the frequency of payment) as in effect immediately prior to the Change in Control as the same may be increased from time to time;
 - (iv) the failure by the Company or a Subsidiary to award the Employee an annual bonus in any year which is at least equal to the annual bonus awarded to the Employee under the annual bonus plan of the Company or Subsidiary for the year immediately preceding the year of the Change in Control;
 - (v) the failure by the Company to award the Employee equity-based incentive compensation (such as stock options, shares of restricted stock, restricted stock units, or other equity-based compensation) on a periodic basis consistent with the Company's practices with respect to timing, value and terms prior to the Change in Control;
 - (vi) the failure by the Company or a Subsidiary to continue to provide the Employee with the welfare benefits, fringe benefits and perquisites enjoyed by the Employee immediately prior to the Change in Control under any of the Company's or Subsidiary's plans or policies,

including, but not limited to, those plans and policies providing pension, life insurance, medical, health and accident, disability and vacation;

- (vii) the relocation of the Employee's base office to a location that is more than 35 miles from the Employee's base office immediately prior to the Change in Control; or
 - (viii) the failure of the Company to obtain a satisfactory agreement from any successor to the Company to assume and agree to perform this Agreement as contemplated in Section 5.
- (k) *Performance Determination Date*: The date on which the Committee determines whether or to what extent the Performance Vesting Requirements have been achieved.
- (l) *Performance Period*: The period(s) specified in the attached Schedule, over which achievement of the Performance Vesting Requirements is to be measured.
- (m) *Performance Shares*: The maximum number of Shares the Employee may receive under this Award based on the extent to which the Performance Vesting Requirements are achieved. In no event will the number of Performance Shares exceed 250% of the number of Units set forth in the first paragraph of this Agreement.
- (n) *Performance Vesting Requirements*: The performance goals described in the attached Schedule, which must be achieved for Units to vest and the corresponding Shares to be delivered under this Award.
- (o) *Program*: The AbbVie 2013 Incentive Stock Program.
- (p) *Retirement*:
- (i) Except as provided under (ii) or (iii) below, Retirement means either of the following:
 - age 55 with 10 years of service; or
 - age 65 with at least three years of service.
 - (ii) For Employees who (A) are not covered by (iii) below and (B) transferred to the Company directly from Abbott Laboratories either as a result of the Company's spin-off from Abbott Laboratories or during the period from January 1, 2013 through June 30, 2015 with the consent of each company's head of human resources and were hired into the Abbott Laboratories controlled group prior to January 1, 2004, Retirement means any of the following:
 - age 50 with 10 years of service;
 - age 65 with at least three years of service; or
 - age 55 with an age and service combination of 70 points, where each year of age is one point and each year of service is one point.
 - (iii) For participants in the AbbVie Pension Plan for Former BASF and Former Solvay Employees, Retirement means either of the following:
 - age 55 with 10 years of service; or
 - age 65 with at least three years of service.
 - (iv) For purposes of calculating service under this Section 1(p), except as otherwise provided by the Committee or its delegate: (A) service is earned only if performed for a member of

the Controlled Group while that Controlled Group member is a part of the Controlled Group; and (B) for Employees who transferred to the Company directly from Abbott Laboratories during the period from January 1, 2013 through June 30, 2015 either as a result of the Company's spin-off from Abbott Laboratories or with the consent of each company's head of human resources, service includes service with Abbott Laboratories that is counted for benefit calculation purposes under the AbbVie Pension Plan, the AbbVie Pension Plan for Former BASF and Former Solvay Employees, or another Company-sponsored pension plan, as applicable.

(g) *Termination*: A severance of employment for any reason (including Retirement) from the Company and all Subsidiaries. Any Termination shall be effective on the last day the Employee performs services for or on behalf of the Company or its Subsidiary, and employment shall not be extended by any statutory or common law notice of termination period.

2. **Delivery Dates and Shareholder Rights.** The delivery dates for Shares issuable with respect to the Units are the respective dates on which the Shares are distributable to the Employee if the Units vest pursuant to Section 4 below (each a "*Delivery Date*"). Prior to the Delivery Date(s):

- (a) the Employee shall not be treated as a shareholder as to any Shares issuable under the Agreement, and shall have only a contractual right to receive Shares, unsecured by any assets of the Company or its Subsidiaries;
- (b) the Employee shall not be permitted to vote any Shares issuable under the Agreement; and
- (c) the Employee's right to receive such Shares will be subject to the adjustment provisions relating to mergers, reorganizations, and similar events set forth in the Program.

Subject to the requirements of local law, if any dividend or other distribution is declared and paid on Shares (other than dividends or distributions of securities of the Company which may be issued with respect to its Shares by virtue of any stock split, combination, stock dividend or recapitalization) while any of the Units remain subject to this Award (meaning that any of the Shares into which Units would be converted are not otherwise issued and outstanding for purposes of the entitlement to the dividend or distribution), then a book account will be maintained for the Employee and credited with a phantom dividend that is equivalent to the actual dividend or distribution that would have been paid on the total number of Performance Shares that may be distributed under this Award if that number of Shares had been issued and outstanding and entitled to the dividend or distribution. As any Units vest under this Award, the phantom dividends credited to the book account that are attributable to the Shares issuable with respect to such Units will vest and be distributed to the Employee (in the form in which the actual dividend or distribution was paid to shareholders or in such other form as the Administrator deems appropriate under the circumstances) concurrently with the issuance of the Shares resulting from the Unit vesting. Any such distribution is subject to the Company's collection of withholding taxes applicable to the distribution.

If fewer than all of the Performance Shares are earned as a result of the application of the vesting requirements or the forfeiture provisions of this Agreement or the Program, then the phantom dividends attributable to the unearned Shares will be cancelled and the Employee will cease to have any right or entitlement to receive any distribution or other amount with respect to such cancelled phantom dividends.

No phantom dividends will be paid or payable to or for the benefit of the Employee with respect to dividends or distributions for which the record date occurs on or after the date the Employee has forfeited the Units, or the date on which vested Units have been settled in Shares. For purposes of compliance with the

requirements of Code Section 409A, to the extent applicable, the specified date for payment of any phantom dividend to which the Employee is entitled under this Section 2 is the calendar year in which the corresponding Shares vest and are distributed to the Employee. The Employee has no right to determine the year in which phantom dividends will be paid.

3. **Restrictions.** The Units (encompassing all of the Performance Shares) are subject to the forfeiture provisions in Sections 6 and 7 below. Shares are not earned and may not be sold, exchanged, assigned, transferred, pledged or otherwise disposed of (collectively, the "Restrictions") until an event or combination of events described in subsections 4(a), (b), (c) or (d) or Section 5 occurs.
4. **Vesting.** If the Company's 2018 return on equity (as defined and approved by the Committee) is a minimum of 18 percent, the number of Shares that become issuable under this Award, as set forth in this Section 4 and subject to the provisions of Sections 5, 6 and 7 below, will be calculated based on the extent to which the Performance Vesting Requirements described in the attached Schedule are achieved. If the Company's 2018 return on equity is less than 18 percent, no Units will vest and no Shares will become issuable under the Award. The Committee may equitably adjust the Performance Vesting Requirements described in the attached Schedule in recognition of unusual or non-recurring events affecting the Company or any Subsidiary or the financial statements of the Company or any Subsidiary, in response to changes in applicable laws or regulations, or to account for items of gain, loss or expense determined to be unusual in nature or infrequent in occurrence or related to the acquisition or disposal of a business or assets or related to a change in accounting principles.
 - (a) **Performance.** If the Employee remains employed with the Company or its Subsidiaries as of the vesting date and has not experienced a Termination that triggers forfeiture, then the Units may be earned as described in the Schedule. The number of Shares deliverable as a result of Units being earned shall be determined in accordance with the Schedule. The Delivery Date for the Shares to be delivered as a result of Units being earned under this subsection (a) shall be no later than 75 days after the date of the applicable vesting event.
 - (b) **Retirement.** In the event of the Employee's Termination due to Retirement, the Award will remain in effect and any Units not previously vested may vest as set forth in subsection 4(a) above.
 - (c) **Death.** In the event of the Employee's Termination due to death, any Units not previously vested will vest and be settled (for the person or persons to whom rights under the Award have passed by will or the laws of descent or distribution) in the form of Shares as soon as administratively possible after, and effective as of, the date of death. The extent to which the Units vest, and the number of Shares to be delivered as a result, will be determined based on the greater of (A) performance through the date of Termination measured against the Performance Vesting Requirements set forth in the Schedule using, as applicable, adjusted earnings per share calculated through the most recent quarterly earnings release preceding or coinciding with the date of Termination and relative Total Shareholder Return (TSR) calculated as of the date of Termination, and (B) the target vesting level for the Award.
 - (d) **Disability.** In the event of the Employee's Termination due to Disability, any Units not previously vested will vest and be settled in the form of Shares as soon as administratively possible after, and effective as of, the date of Termination due to Disability. The extent to which the Units vest, and the number of Shares to be delivered as a result, will be determined based on the greater of (A) performance through the date of Termination measured against the Performance Vesting

Requirements set forth in the Schedule using, as applicable, adjusted earnings per share calculated through the most recent quarterly earnings release preceding or coinciding with the date of Termination and relative TSR calculated as of the date of Termination, and (B) the target vesting level for the Award.

5. **Change in Control.** In the event of a Change in Control, the entity surviving such Change in Control or the ultimate parent thereof (referred to herein as the “*Surviving Entity*”) may assume, convert or replace this Award with an award of at least equal value and terms and conditions not less favorable than the terms and conditions provided in this Agreement, in which case the new award will vest according to the terms of the applicable award agreement. If the Surviving Entity does not assume, convert or replace this Award, the Units will vest on the date of the Change in Control, as described below.

If the Surviving Entity does assume, convert or replace this Award, then in the event the Employee’s Termination (a) occurs within the time period beginning six months immediately before a Change in Control and ending two years immediately following such Change in Control, and (b) was initiated by the Company (or the Surviving Entity) for a reason other than Cause or was initiated by the Employee for Good Reason, the Units will vest on the later of the date of the Change in Control and the date of the Employee’s Termination (referred to herein as the “*Applicable Vesting Date*”).

The extent to which the Units vest, and the number of Shares to be delivered as a result, will be determined based on the greatest of (A) performance through the date of the Change in Control measured against the Performance Vesting Requirements set forth in the Schedule using the most recent earnings information released before or on the date of the Change in Control and relative TSR calculated immediately before the Change in Control; (B) performance through the date of the Termination measured against the Performance Vesting Requirements set forth in the Schedule using the most recent earnings information released before or on the date of the Termination and relative TSR calculated as of the date of Termination; and (C) the target vesting level for the Award.

The provisions of this Section 5 supersede Section 13(a)(iii), (iv) and (v) of the Program.

6. **Effect of Certain Bad Acts.** Any Units not previously settled will be cancelled and forfeited immediately if the Employee engages in activity that constitutes Cause, as determined in the sole opinion and discretion of the Committee or its delegate, whether or not the Employee experiences a Termination or remains employed with the Company or a Subsidiary.
7. **Forfeiture of Units.** In the event of the Employee’s Termination for any reason other than those set forth in subsections 4(b), (c) or (d) or Section 5, any Units that have not vested as of the date of Termination will be forfeited without consideration to the Employee or the Employee’s Representative. In the event that the Employee is terminated by the Company other than for Cause and in a situation not covered by Section 5, the Company may, in its sole discretion, cause some or all of the Units to remain in effect and subject to vesting in accordance with the provisions of subsection 4(a), in which case such Units will be settled in the form of Shares on the Delivery Date(s) set forth in subsection 4(a) above as if the Employee had remained employed on such dates. In accepting this Award, the Employee acknowledges that in the event of Termination (whether or not in breach of local labor laws), the Employee’s right to vest in the Units, if any, will cease and will not be extended by any notice period mandated under local law (e.g., active employment does not include a period of “garden leave” or similar period pursuant to local law) and that the Company shall have the exclusive discretion to determine when Termination occurs.

8. **Withholding Taxes.** To the extent permitted under applicable law and by the Company, the Employee may satisfy any federal, state, local or other applicable taxes arising from the grant of the Award, the vesting of Units or the delivery of Shares pursuant to this Agreement by:

- (a) tendering a cash payment;
- (b) having the Company withhold Shares from the Shares to be delivered to satisfy the applicable withholding tax;
- (c) tendering Shares received in connection with the Award back to the Company; or
- (d) delivering other previously acquired Shares having a Fair Market Value approximately equal to the amount to be withheld.

The Company shall have the right and is hereby authorized to withhold from the Shares deliverable to the Employee pursuant to this Agreement or (to the extent permitted by applicable law, including without limitation Code Section 409A) from any other compensation or other amount owing to the Employee, such amount as may be necessary in the opinion of the Company to satisfy all such taxes, requirements and withholding obligations. If the Company withholds for tax purposes from the Shares otherwise to be delivered to the Employee, the Employee is deemed to have been issued the full number of Shares underlying the Award, subject to the vesting requirements set forth in this Agreement.

Notwithstanding the foregoing, if the Employee is subject to Section 16(b) of the Exchange Act, the Company will withhold using the method described in subsection 8(b) above unless the use of such withholding method is problematic under applicable laws or has materially adverse accounting consequences, in which case the Committee shall determine which of the other methods described in this Section 8 or in the Program shall be used to satisfy the applicable withholding obligations.

9. **No Right to Continued Employment.** This Agreement and the Employee's participation in the Program do not and shall not be interpreted to:

- (a) form an employment contract or relationship with the Company or its Subsidiaries;
- (b) confer upon the Employee any right to continue in the employ of the Company or any of its Subsidiaries; or
- (c) interfere with the ability of the Company or its Subsidiaries to terminate the Employee's employment at any time.

10. **Nature of Grant.** In accepting this Award, the Employee acknowledges that:

- (a) the Program is established voluntarily by the Company, it is discretionary in nature and it may be modified, amended, suspended or terminated by the Company at any time;
- (b) this Award is a one-time benefit and does not create any contractual or other right to receive future grants of Units, benefits in lieu of Units, or other Program Benefits in the future, even if Units have been granted repeatedly in the past;
- (c) all decisions with respect to future Unit grants, if any, and their terms and conditions, will be made by the Company, in its sole discretion;
- (d) nothing contained in this Agreement is intended to create or enlarge any other contractual obligations between the Company and the Employee;

- (e) the Employee is voluntarily participating in the Program;
- (f) the Units and Shares subject to the Units are:
 - (i) extraordinary items that do not constitute compensation of any kind for services of any kind rendered to the Company or its Subsidiaries, and are outside the scope of the Employee's employment contract, if any;
 - (ii) not intended to replace any pension rights or compensation;
 - (iii) not part of the Employee's normal or expected compensation or salary for any purpose, including, but not limited to, calculating any severance, resignation, termination, redundancy, dismissal, end-of-service payments, holiday pay, bonuses, long-service awards, pension or retirement or welfare benefits, or similar payments and in no event should they be considered as compensation for, or relating in any way to, past services for the Company or any of its Subsidiaries;
- (g) the future value of the Shares underlying the Units is unknown and cannot be predicted with certainty;
- (h) in consideration of the Award, no claim or entitlement to compensation or damages shall arise from the Units resulting from Termination (for any reason whatsoever) and the Employee irrevocably releases the Company and its Subsidiaries from any such claim that may arise; if any such claim is found by a court of competent jurisdiction to have arisen, then, by signing or electronically accepting this Agreement, the Employee shall be deemed irrevocably to have waived the Employee's entitlement to pursue such claim;
- (i) the Units and the Benefits under the Program, if any, will not automatically transfer to another company in the case of a merger, take-over or transfer of liability; and
- (j) neither the Company nor any of its Subsidiaries shall be liable for any change in value of the Units, the amount realized upon settlement of the Units or the amount realized upon a subsequent sale of any Shares acquired upon settlement of the Units, resulting from any fluctuation of the United States Dollar/local currency foreign exchange rate.

11. **Data Privacy.**

- (a) Pursuant to applicable personal data protection laws, the collection, processing and transfer of the Employee's personal Data is necessary for the Company's administration of the Program and the Employee's participation in the Program. The Employee's denial and/or objection to the collection, processing and transfer of personal Data may affect his or her ability to participate in the Program. As such (where required under applicable law), the Employee:
 - (i) voluntarily acknowledges, consents and agrees to the collection, use, processing and transfer of personal Data as described herein; and
 - (ii) authorizes Data recipients to receive, possess, use, retain and transfer the Data, in electronic or other form, for purposes of implementing, administering and managing the Employee's participation in the Program, including any requisite transfer of such Data as may be required for the administration of the Program and/or the subsequent holding of Shares on the Employee's behalf to a broker or other third party with whom the Employee may elect to deposit any Shares acquired pursuant to the Program.

- (b) Data may be provided by the Employee or collected, where lawful, from third parties, and the Company and the Subsidiary that employs the Employee (if applicable) will process the Data for the exclusive purpose of implementing, administering and managing the Employee's participation in the Program. Data processing will take place through electronic and non-electronic means according to logics and procedures strictly correlated to the purposes for which the Data is collected and with confidentiality and security provisions as set forth by applicable laws and regulations in the Employee's country of residence. Data processing operations will be performed minimizing the use of personal and identification data when such operations are unnecessary for the processing purposes sought. The Data will be accessible within the Company's organization only by those persons requiring access for purposes of the implementation, administration and operation of the Program and for the Employee's participation in the Program.
- (c) The Company and the Subsidiary that employs the Employee (if applicable) will transfer Data as necessary for the purpose of implementation, administration and management of the Employee's participation in the Program, and the Company and the Subsidiary that employs the Employee (if applicable) may further transfer Data to any third parties assisting the Company in the implementation, administration and management of the Program. These recipients may be located throughout the world.
- (d) The Employee may, at any time, exercise his or her rights provided under applicable personal data protection laws, which may include the right to:
 - (i) obtain confirmation as to the existence of the Data;
 - (ii) verify the content, origin and accuracy of the Data;
 - (iii) request the integration, update, amendment, deletion or blockage (for breach of applicable laws) of the Data; and
 - (iv) oppose, for legal reasons, the collection, processing or transfer of the Data which is not necessary or required for the implementation, administration and/or operation of the Program and the Employee's participation in the Program.

The Employee may seek to exercise these rights by contacting his or her local human resources manager.

- (e) Upon request of the Company or the Subsidiary that employs the Employee, the Employee agrees to provide an executed data privacy consent form (or any other agreement or consent that may be required by the Company and/or the Subsidiary that employs the Employee) to the Company and/or the Subsidiary that employs the Employee that the Company and/or the Subsidiary that employs the Employee may deem necessary to obtain from the Employee for the purpose of administering his or her participation in the Program in compliance with the data privacy laws in the Employee's country, either now or in the future. The Employee understands and agrees that he or she will not be able to participate in the Program if the Employee fails to provide any such requested consent or agreement.

12. Form of Payment. The Company may, in its sole discretion, settle the Employee's Units in the form of a cash payment to the extent settlement in Shares: (a) is prohibited under local law; (b) would require the Employee, the Company and/or its Subsidiaries to obtain the approval of any governmental and/or regulatory body in the Employee's country; (c) would result in adverse tax consequences for the Employee or the Company; or (d) is administratively burdensome. Alternatively, the Company may, in its sole discretion, settle the

Employee's Units in the form of Shares but require the Employee to sell such Shares immediately or within a specified period of time following the Employee's Termination (in which case, this Agreement shall give the Company the authority to issue sales instructions on the Employee's behalf).

13. **Private Placement.** This Award is not intended to be a public offering of securities in the Employee's country. The Company has not submitted any registration statement, prospectus or other filings with the local securities authorities (unless otherwise required under local law), and this Award is not subject to the supervision of the local securities authorities.
14. **Exchange Controls.** As a condition to this Award, the Employee agrees to comply with any applicable foreign exchange rules and regulations.
15. **Compliance with Applicable Laws and Regulations.**
 - (a) The Company shall not be required to issue or deliver any Shares pursuant to this Agreement pending compliance with all applicable federal and state securities and other laws (including any registration requirements or tax withholding requirements) and compliance with the rules and practices of any stock exchange upon which the Company's Shares are listed.
 - (b) Regardless of any action the Company or its Subsidiaries take with respect to any or all income tax, social insurance, payroll tax, payment on account or other tax-related items related to the Employee's participation in the Program and legally applicable to the Employee or deemed by the Company or its Subsidiaries to be an appropriate charge to the Employee even if technically due by the Company or its Subsidiaries ("*Tax-Related Items*"), the Employee acknowledges that the ultimate liability for all Tax-Related Items is and remains the Employee's responsibility and may exceed the amount actually withheld by the Company or its Subsidiaries, if any. The Employee further acknowledges that the Company and/or its Subsidiaries: (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Units, including, but not limited to, the grant, vesting or settlement of the Units, the issuance of Shares upon payment of the Units, the subsequent sale of Shares acquired pursuant to such issuance and the receipt of any dividends and/or Dividend Equivalents; and (ii) do not commit to and are under no obligation to structure the terms of the grant or any aspect of the Units to reduce or eliminate the Employee's liability for Tax-Related Items or achieve any particular tax result. If the Employee has become subject to tax in more than one jurisdiction between the date of grant and the date of any relevant taxable event, the Employee acknowledges that the Company and/or its Subsidiaries may be required to withhold or account for Tax-Related Items in more than one jurisdiction. If the Employee relocates to another country, the Company may establish special or alternative terms and conditions as necessary or advisable to comply with local laws, rules or regulations, to facilitate the operation and administration of the Award and the Program and/or to accommodate the Employee's relocation.
 - (c) The Employee acknowledges that, depending on the Employee's or the broker's country of residence or where the Shares are listed, the Employee may be subject to insider trading restrictions and/or market abuse laws which may affect his or her ability to accept, acquire, sell or otherwise dispose of Shares, rights to Shares (e.g., Units) or rights linked to the value of Shares during such times the Employee is considered to have "inside information" regarding the Company as defined in the laws or regulations in his or her country. Local insider trading laws and regulations may prohibit the cancellation or amendment of orders the Employee placed before he or she possessed inside

information. Furthermore, the Employee could be prohibited from (i) disclosing the inside information to any third party (other than on a “need to know” basis) and (ii) “tipping” third parties or causing them otherwise to buy or sell securities. The Employee understands that third parties may include fellow employees. Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable Company insider trading policy. The Employee acknowledges that it is the Employee’s responsibility to comply with any restrictions and the Employee is advised to speak to his or her personal legal advisor on this matter.

16. **Code Section 409A.** Payments made pursuant to this Agreement are intended to be exempt from or otherwise to comply with the provisions of Code Section 409A to the extent applicable. The Program and this Agreement shall be administered and interpreted in a manner consistent with this intent. If the Company determines that any payments under this Agreement are subject to Code Section 409A and this Agreement fails to comply with that section’s requirements, the Company may, at the Company’s sole discretion, and without the Employee’s consent, amend this Agreement to cause it to comply with Code Section 409A or otherwise be exempt from Code Section 409A.

To the extent required to avoid accelerated taxation and/or tax penalties under Code Section 409A and applicable guidance issued thereunder, the Employee shall not be deemed to have had a Termination unless the Employee has incurred a “separation from service” as defined in Treasury Regulation §1.409A-1(h), and amounts that would otherwise be payable pursuant to this Agreement during the six-month period immediately following the Employee’s Termination (including Retirement) shall instead be paid on the first business day after the date that is six months following the Employee’s Termination (or upon the Employee’s death, if earlier). For purposes of Code Section 409A, to the extent applicable: (a) all payments provided hereunder shall be treated as a right to a series of separate payments and each separately identified amount to which the Employee is entitled under this Agreement shall be treated as a separate payment; (b) except as otherwise provided in Section 13(a) of the Program, upon the lapse of Restrictions pursuant to Section 5 of this Agreement, any Units not previously settled on a Delivery Date shall be settled as soon as administratively possible after, and effective as of, the date of the Change in Control or the date of the Employee’s Termination (as applicable); and (c) the term “as soon as administratively possible” means a period of time that is within 60 days after the Termination or Change in Control (as applicable).

Although this Agreement and the payments provided hereunder are intended to be exempt from or to otherwise comply with the requirements of Code Section 409A, the Company does not represent or warrant that this Agreement or the payments provided hereunder will comply with Code Section 409A or any other provision of federal, state, local, or non-United States law. None of the Company, its Subsidiaries, or their respective directors, officers, employees or advisors shall be liable to the Employee (or any other individual claiming a benefit through the Employee) for any tax, interest, or penalties the Employee may owe as a result of compensation paid under this Agreement, and the Company and its Subsidiaries shall have no obligation to indemnify or otherwise protect the Employee from the obligation to pay any taxes pursuant to Code Section 409A.

17. **No Advice Regarding Grant.** The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding the Award, the Employee’s participation in the Program or the Employee’s acquisition or sale of the underlying Shares. The Employee is hereby advised to consult

with the Employee's own personal tax, legal and financial advisors regarding participation in the Program before taking any action related to the Program.

18. **Imposition of Other Requirements.** The Company reserves the right to impose other requirements on the Employee's participation in the Program, on the Units and on any Shares acquired under the Program, to the extent the Company or any Subsidiary determines it is necessary or advisable to comply with local laws, rules and/or regulations or to facilitate the operation and administration of the Units and the Program, and to require the Employee to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing. The Employee agrees to take any and all actions, and consents to any and all actions taken by the Company and its Subsidiaries, as may be required to allow the Company and its Subsidiaries to comply with local laws, rules and regulations in the Employee's country. In addition, the Employee agrees to take any and all actions as may be required to comply with the Employee's personal obligations under local laws, rules and regulations in the Employee's country.
19. **Determinations.** Each decision, determination, interpretation or other action made or taken pursuant to the provisions of this Agreement by the Company, the Committee or any delegate of the Committee shall be final, conclusive and binding for all purposes and upon all persons, including, without limitation, the Company, the Employee, the Employee's Representative, and the person or persons to whom rights under the Award have passed by will or the laws of descent or distribution.
20. **Electronic Delivery.** The Company may, in its sole discretion, decide to deliver any documents related to current or future participation in the Program by electronic means. The Employee hereby consents to receive such documents by electronic delivery and agrees to participate in the Program through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.
21. **Addendum.** This Award shall be subject to any special terms and conditions set forth in any Addendum to this Agreement for the Employee's country. Moreover, if the Employee relocates to one of the countries included in the Addendum, the special terms and conditions for such country will apply to the Employee, to the extent the Company determines that the application of such terms and conditions is necessary or advisable in order to comply with local laws, rules and/or regulations or facilitate the operation and administration of the Units and the Program (or the Company may establish alternative terms and conditions as may be necessary or advisable to accommodate the Employee's relocation). The Addendum constitutes part of this Agreement.
22. **Severability.** The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, and each other provision of this Agreement shall be severable and enforceable to the extent permitted by law. To the extent a court or tribunal of competent jurisdiction determines that any provision of this Agreement is invalid or unenforceable, in whole or in part, the Company, in its sole discretion, shall have the power and authority to revise or strike such provision to the minimum extent necessary to make it valid and enforceable to the full extent permitted under local law.
23. **Entire Agreement.** This Agreement and the Program constitute the entire agreement between the Employee and the Company regarding the Award and supersede all prior and contemporaneous agreements and understandings, oral or written, between the parties regarding the Award. Except as expressly set forth herein, this Agreement (and any provision of this Agreement) may not be modified, changed, clarified, or interpreted by the parties, except in a writing specifying the modification, change, clarification, or interpretation, and signed by a duly authorized Company officer.

24. **Succession.** This Agreement shall be binding upon and operate for the benefit of the Company and its successors and assigns, and the Employee, the Employee's Representative, and the person or persons to whom rights under the Award have passed by will or the laws of descent or distribution.
25. **Language.** If the Employee has received this Agreement or any other document related to the Program translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control.
26. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware without giving effect to any state's conflict of laws principles.

* * *

IN WITNESS WHEREOF, the Company has caused this Agreement to be executed by its duly authorized officer as of the grant date above set forth.

ABBVIE INC.

By _____

Title _____

SCHEDULE

PERFORMANCE PERIODS AND PERFORMANCE VESTING REQUIREMENTS

Any capitalized term used but not defined in this Schedule has the meaning set forth in the Agreement or the Program. This Schedule is subject to, and is to be interpreted in combination with, all of the terms and conditions of the Agreement and the Program.

Vesting Steps and Performance Periods

The Award is subject to vesting in two steps as summarized below. Step 1 is based on the Company's adjusted earnings per share ("EPS") performance for the designated Performance Period and Step 2 is based on the Company's EPS performance for 2018 and relative total shareholder return ("TSR") for the designated Performance Period, as described in the Agreement and the Performance Vesting Requirements section below. The vesting steps and corresponding Performance Periods are as follows:

Vesting Step	Performance Period
Step 1	January 1-December 31, 2018
Step 2	January 1, 2018-December 31, 2020

Performance Vesting Requirements

Step 1

Step 1 is based on the Company's EPS performance for 2018. Within sixty-five (65) days after the end of the designated Performance Period, the Committee will determine the Company's EPS for the Performance Period. For purposes of determining Performance Period EPS results, EPS means non-GAAP EPS disclosed in the Company's annual earnings release for the year ended December 31, 2018.

The Company's EPS performance for the Performance Period determines the adjustment percentage for Step 1, such that:

- EPS of \$7.53 results in an adjustment of 200%;
- EPS of \$7.38 results in an adjustment of 100%;
- EPS of \$7.33 results in an adjustment of 50%; and
- EPS below \$7.33 results in an adjustment of 0%.

The adjustment percentages for EPS performance between \$7.33 and \$7.38 and between \$7.38 and \$7.53 will be interpolated based on the parameters listed above. The adjustment percentage derived from the EPS performance determination will be multiplied by the number of Units, yielding an adjusted number of Units (the "Adjusted Units") that will be used in Step 2 below to determine the number of Shares deliverable under the Agreement.

Step 2

Step 2 is based on the Company's TSR for 2018-2020 relative to the TSR for the same period of the companies (other than the Company) that were constituents of either the S&P Pharmaceutical, Biotech, and Life Science Index or the NYSE Arca Pharmaceutical Index

on January 1, 2018 and on the last day of the Performance Period (the “Index Companies”). Within sixty-five (65) days after the end of the designated Performance Period, the Committee will determine performance against the Step 2 Performance Vesting Requirement.

The Committee will determine the Company’s 2018-2020 TSR relative to the 2018-2020 TSR of the Index Companies. For the purposes of determining TSR, for each company the beginning stock price will be the closing stock price on December 31, 2017 and the ending stock price will be the closing stock price on December 31, 2020. The TSR results of the individual Index Companies will be indexed by market capitalization.

The Company’s TSR compared to the Index Companies TSR for the Performance Period determines the adjustment percentage to be applied to the Adjusted Units, such that:

- a. Company TSR more than 15 points above the index results in an adjustment of +25%;
- b. Company TSR more than 10 points above the index results in an adjustment of +20%;
- c. Company TSR more than 5 points above the index results in an adjustment of +15%;
- d. Company TSR more than 5 points below the index results in an adjustment of -15%; and
- e. Company TSR more than 15 points below the index results in an adjustment of -25%.

The adjustment percentage derived from the index comparison will be multiplied by the number of Adjusted Units, yielding the number of Shares deliverable under the Agreement as a result of the application of the Performance Vesting Requirements.

ADDENDUM

In addition to the terms and conditions set forth in the Agreement, the Award is subject to the following terms and conditions. If the Employee is employed in a country identified in this Addendum, the additional terms and conditions for such country will apply. If the Employee relocates to one of the countries identified in this Addendum, the special terms and conditions for such country will apply to the Employee, to the extent the Company determines, in its sole discretion, that the application of such terms and conditions is necessary or advisable to comply with local laws, rules and/or regulations or to facilitate the operation and administration of the Units and the Program (or the Company may establish alternative terms and conditions as may be necessary or advisable to accommodate the Employee's relocation).

All defined terms contained in this Addendum shall have the same meaning as set forth in the Program.

ALGERIA

Settlement in Cash. Notwithstanding Section 4 of the Agreement or any other provision in the Agreement to the contrary, pursuant to Section 12 of the Agreement, the Units will be settled in the form of a cash payment, except as otherwise determined by the Company.

AUSTRALIA

1. Breach of Law. Notwithstanding anything to the contrary in the Agreement or the Program, the Employee will not be entitled to, and shall not claim any benefit (including without limitation a legal right) under the Program if the provision of such benefit would give rise to a breach of Part 2D.2 of the Corporations Act 2001 (Cth), any other provision of that Act, or any other applicable statute, rule or regulation which limits or restricts the giving of such benefits.

2. Australian Offer Document. In addition to the Agreement and the Program, the Employee must review the Australian Offer Document for additional important information pertaining to the Award. This document can be accessed via the UBS website at www.ubs.com/onesource/abbv. By accepting the Award, the Employee acknowledges and confirms that the Employee has reviewed the Australian Offer Document.

3. Tax Information. The Program is a program to which Subdivision 83A-C of the Income Tax Assessment Act 1997 (Cth) (the "Act") applies (subject to the conditions in that Act).

BAHRAIN

Securities Notification. This Agreement does not constitute advertising or an offering of securities in Bahrain, nor does it constitute an allotment of securities in Bahrain. Any Shares issued pursuant to the Units under the Program shall be deposited into a brokerage account in the United States. In no event will Shares be issued or delivered in Bahrain. The issuance of Shares pursuant to the Units described herein has not and will not be registered in Bahrain and hence, the Shares described herein may not be admitted or used for offering, placement or public circulation in Bahrain. Accordingly, the Employee may not make any public advertising or announcements regarding the Units or Shares in Bahrain, promote these Shares to legal entities or individuals in Bahrain, or sell Shares directly to other legal entities or individuals in Bahrain. The Employee acknowledges and agrees that Shares may only be sold outside of Bahrain and on a stock exchange on which AbbVie is traded.

BRAZIL

Labor Law Acknowledgment. The Employee agrees, for all legal purposes, (i) the Benefits provided under the Agreement and the Program are the result of commercial transactions unrelated to the Employee's employment; (ii) the Agreement and the Program are not a part of the terms and conditions of the Employee's employment; and (iii) the income from the Units, if any, is not part of the Employee's remuneration from employment.

CANADA

1. **Settlement in Shares.** Notwithstanding anything to the contrary in the Agreement, Addendum or the Program, the Employee's Award shall be settled only in Shares (and may not be settled in cash).
2. **Resale Restriction.** The Employee is permitted to sell Shares acquired upon settlement of the Units through the designated broker appointed under the Program, provided the resale of Shares acquired under the Program takes place outside of Canada through the facilities of the stock exchange on which the Shares are listed. The Shares are currently listed on the New York Stock Exchange.
3. **English Language.** The parties to the Agreement acknowledge that it is their express wish that the Agreement, as well as all documents, notices and legal proceedings entered into, given or instituted pursuant hereto or relating directly or indirectly hereto, be drawn up in English. *Les parties reconnaissent avoir exigé la rédaction en anglais de la présente convention, ainsi que de tous documents exécutés, avis donnés et procédures judiciaires intentées, directement ou indirectement, relativement à ou suite à la présente convention.*

CHILE

Private Placement. The following provision shall replace Section 13 of the Agreement:

The grant of the Units hereunder is not intended to be a public offering of securities in Chile but instead is intended to be a private placement.

- a) The starting date of the offer will be the Grant Date (as defined in the Agreement), and this offer conforms to General Ruling no. 336 of the Chilean Commission for the Financial Market;
 - b) The offer deals with securities not registered in the registry of securities or in the registry of foreign securities of the Chilean Commission for the Financial Market, and therefore such securities are not subject to its oversight;
 - c) The issuer is not obligated to provide public information in Chile regarding the foreign securities, as such securities are not registered with the Chilean Commission for the Financial Market; and
 - d) The foreign securities shall not be subject to public offering as long as they are not registered with the corresponding registry of securities in Chile.
- a) *La fecha de inicio de la oferta será el de la fecha de otorgamiento (o "Grant Date", según este término se define en el documento denominado "Agreement") y esta oferta se acoge a la norma de Carácter General n° 336 de la Comisión para el Mercado Financiero Chilena;*
 - b) *La oferta versa sobre valores no inscritos en el registro de valores o en el registro de valores extranjeros que lleva la Comisión para el Mercado Financiero Chilena, por lo que tales valores no están sujetos a la fiscalización de ésta;*

- c) *Por tratar de valores no inscritos no existe la obligación por parte del emisor de entregar en Chile información pública respecto de esos valores; y*
- d) *Esos valores no podrán ser objeto de oferta pública mientras no sean inscritos en el registro de valores correspondiente.*

CHINA

Foreign Exchange Control Laws. The following provisions shall govern the Employee's participation in the Program if the Employee is a national of the People's Republic of China ("China") resident in mainland China, or if determined to be necessary or appropriate by the Company in its sole discretion:

The Employee agrees to hold the Shares received upon settlement of the Units with the Company's designated broker. Upon a Termination, the Employee shall be required to sell all Shares issued pursuant to the Units within 180 days (or such shorter period as may be required by the State Administration of Foreign Exchange or the Company) of the Termination date and repatriate the sales proceeds to China in the manner designated by the Company. For purposes of the foregoing, the Company shall establish procedures for effectuating the forced sale of the Shares (including procedures whereby the Company may issue sell instructions on behalf of the Employee), and the Employee hereby agrees to comply with such procedures and take any and all actions as the Company determines, in its sole discretion, are necessary or advisable for purposes of complying with local laws, rules and regulations in China.

The Employee understands and agrees that the repatriation of dividends and sales proceeds may need to be effected through a special exchange control account established by the Company or its Subsidiaries, and the Employee hereby consents and agrees that dividends issued on Shares and sales proceeds from the sale of Shares acquired under the Program may be transferred to such account by the Company on the Employee's behalf prior to being delivered to the Employee. Dividends and/or sales proceeds may be paid to the Employee in U.S. dollars or local currency at the Company's discretion. If dividends and/or sales proceeds are paid to the Employee in U.S. dollars, the Employee understands that the Employee will be required to set up a U.S. dollar bank account in China so that the dividends or proceeds may be deposited into this account. If dividends and/or sales proceeds are paid to the Employee in local currency, the Employee acknowledges that the Company is under no obligation to secure any particular exchange conversion rate and that the Company may face delays in converting the dividends and/or proceeds to local currency due to exchange control restrictions. The Employee agrees to bear any currency fluctuation risk between the time dividends are issued or Shares are sold and the net proceeds are converted into local currency and distributed to the Employee. The Employee further agrees to comply with any other requirements that may be imposed by the Company or its Subsidiaries in China in the future in order to facilitate compliance with exchange control requirements in China. The Employee acknowledges and agrees that the processes and requirements set forth herein shall continue to apply following the Employee's Termination.

Neither the Company nor any of its Subsidiaries shall be liable for any costs, fees, lost interest or dividends or other losses the Employee may incur or suffer resulting from the enforcement of the terms of this Addendum or otherwise from the Company's operation and enforcement of the Program, the Agreement and the Units in accordance with Chinese law including, without limitation, any applicable State Administration of Foreign Exchange rules, regulations and requirements.

DENMARK

Treatment of Units upon Termination. Notwithstanding any provisions in the Agreement to the contrary, if the Employee is determined to be an "Employee," as defined in Section 2 of the Danish Act on the Use of Rights to Purchase or Subscribe for Shares etc. in Employment Relationships (the "Stock Option Act"), the

treatment of the Units upon Termination shall be governed by Sections 4 and 5 of the Stock Option Act. However, if the provisions in the Agreement or the Program governing the treatment of the Units upon a Termination are more favorable, the provisions of the Agreement or the Program will govern. The Employee acknowledges having received an “Employer Information Statement” in Danish.

FINLAND

Withholding of Tax-Related Items. Notwithstanding Section 8 of the Agreement, if the Employee is a local national of Finland, any Tax-Related Items shall be withheld only in cash from the Employee’s regular salary/wages or other amounts payable to the Employee in cash, or such other withholding methods as may be permitted under the Program and allowed under local law.

FRANCE

1. Nature of the Award. The Units are not granted under the French specific regime provided by Articles L225-197-1 and seq. of the French commercial code.

2. English Language. The parties to the Agreement acknowledge that it is their express wish that the Agreement, as well as all documents, notices and legal proceedings entered into, given or instituted pursuant hereto or relating directly or indirectly hereto, be drawn up in English. *Les parties reconnaissent avoir exigé la rédaction en anglais de la présente convention, ainsi que de tous documents exécutés, avis donnés et procédures judiciaires intentées, directement ou indirectement, relativement à ou suite à la présente convention.*

HONG KONG

1. Settlement in Shares. Notwithstanding anything to the contrary in the Agreement, Addendum or the Program, the Award shall be settled only in Shares (and may not be settled in cash).

2. Lapse of Restrictions. If, for any reason, Shares are issued to the Employee within six months of the Grant Date, the Employee agrees that he or she will not sell or otherwise dispose of any such Shares prior to the six-month anniversary of the Grant Date.

3. IMPORTANT NOTICE. WARNING: The contents of the Agreement, the Addendum, the Program, and all other materials pertaining to the Units and/or the Program have not been reviewed by any regulatory authority in Hong Kong. The Employee is hereby advised to exercise caution in relation to the offer thereunder. If the Employee has any doubts about any of the contents of the aforesaid materials, the Employee should obtain independent professional advice.

4. Wages. The Units and Shares subject to the Units do not form part of the Employee’s wages for the purposes of calculating any statutory or contractual payments under Hong Kong law.

ISRAEL

Trustee Arrangement: The Employee agrees to hold the Shares received upon settlement of the Units with the Company’s designated broker. The Employee understands and agrees that upon the Employee’s sale of Shares, unless otherwise determined by the Company, (a) the repatriation of sales proceeds shall be effected through a trustee in Israel engaged by the Company (the “Trustee”), (b) the Trustee will withhold the requisite tax and other mandatory withholding (e.g., National Insurance payments) from the sales proceeds and (c) the Trustee will transfer the remaining sale proceeds (net of the requisite tax and other mandatory withholding)

to the Employee. The Employee acknowledges and agrees that the process and requirements set forth herein shall continue to apply following the Employee's Termination.

MEXICO

1. Commercial Relationship. The Employee expressly acknowledges that the Employee's participation in the Program and the Company's grant of the Award does not constitute an employment relationship between the Employee and the Company. The Employee has been granted the Award as a consequence of the commercial relationship between the Company and the Subsidiary in Mexico that employs the Employee, and the Company's Subsidiary in Mexico is the Employee's sole employer. Based on the foregoing: (a) the Employee expressly acknowledges that the Program and the benefits derived from participation in the Program do not establish any rights between the Employee and the Subsidiary in Mexico that employs the Employee; (b) the Program and the benefits derived from participation in the Program are not part of the employment conditions and/or benefits provided by the Subsidiary in Mexico that employs the Employee; and (c) any modifications or amendments of the Program or benefits granted thereunder by the Company, or a termination of the Program by the Company, shall not constitute a change or impairment of the terms and conditions of the Employee's employment with the Subsidiary in Mexico that employs the Employee.

2. Extraordinary Item of Compensation. The Employee expressly recognizes and acknowledges that the Employee's participation in the Program is a result of the discretionary and unilateral decision of the Company, as well as the Employee's free and voluntary decision to participate in the Program in accordance with the terms and conditions of the Program, the Agreement and this Addendum. As such, the Employee acknowledges and agrees that the Company, in its sole discretion, may amend and/or discontinue the Employee's participation in the Program at any time and without any liability. The value of the Units is an extraordinary item of compensation outside the scope of the Employee's employment contract, if any. The Units are not part of the Employee's regular or expected compensation for purposes of calculating any severance, resignation, redundancy, end of service payments, bonuses, long-service awards, pension or retirement benefits, or any similar payments, which are the exclusive obligations of the Company's Subsidiary in Mexico that employs the Employee.

MOROCCO

Settlement in Cash. Notwithstanding Section 4 of the Agreement or any other provision in the Agreement to the contrary, pursuant to Section 12 of the Agreement, the Units will be settled in the form of a cash payment, except as otherwise determined by the Company.

NETHERLANDS

Waiver of Termination Rights. The Employee waives any and all rights to compensation or damages as a result of a Termination, insofar as those rights result or may result from: (a) the loss or diminution in value of such rights or entitlements under the Program; or (b) the Employee ceasing to have rights, or ceasing to be entitled to any Awards under the Program as a result of such Termination.

NEW ZEALAND

Securities Law Notice. The following securities notification applies for an offer of Units on or after December 1, 2016:

Warning

This is an offer of Units which, upon vesting and settlement in accordance with the terms of the Program and the Agreement, will be converted into Shares. Shares give you a stake in the ownership of AbbVie Inc. You may receive a return if dividends are paid.

If AbbVie Inc. runs into financial difficulties and is wound up, you will be paid only after all creditors and holders of preference shares have been paid. You may lose some or all of your investment.

New Zealand law normally requires people who offer financial products to give information to investors before they invest. This information is designed to help investors to make an informed decision. The usual rules do not apply to this offer because it is made under an employee share purchase scheme. As a result, you may not be given all the information usually required. You will also have fewer other legal protections for this investment.

Ask questions, read all documents carefully, and seek independent financial advice before committing.

Prior to the vesting and settlement of the Units, you will not have any rights of ownership (e.g., voting rights) with respect to the underlying Shares.

No interest in any Units may be transferred (legally or beneficially), assigned, mortgaged, charged or encumbered.

The Shares are quoted on the New York Stock Exchange. This means that if you acquire Shares under the Program, you may be able to sell them on the New York Stock Exchange if there are interested buyers. You may get less than you invested. The price will depend on the demand for the Shares.

You also are hereby notified that the documents listed below are available for review on sites at the web addresses listed below:

1. AbbVie Inc.'s most recent Annual Report (Form 10-K): <http://investors.abbvie.com/phoenix.zhtml?c=251551&p=irol-sec>.
2. AbbVie Inc.'s most recent published financial statements (Form 10-Q or 10-K) and the auditor's report on those financial statements: <http://investors.abbvie.com/phoenix.zhtml?c=251551&p=irol-sec>.
3. The AbbVie 2013 Incentive Stock Program: This document can be accessed in the library section of the UBS website at www.ubs.com/onesource/abby.
4. AbbVie 2013 Incentive Stock Program Prospectus: This document can be accessed in the library section of the UBS website at www.ubs.com/onesource/abby.

Copies of the documents listed above will be sent to you free of charge on written request to: Director, Equity Programs, AbbVie Inc., Dept. V58G, Bldg. AP34-2, 1 North Waukegan Road, North Chicago, IL 60064, USA.

ROMANIA

1. **Termination.** A Termination shall include the situation where the Employee's employment contract is terminated by operation of law on the date the Employee reaches the standard retirement age and has completed the minimum contribution record for receipt of state retirement pension or the relevant authorities award the Employee an early-retirement pension of any type.

2. **English Language.** The Employee hereby expressly agrees that this Agreement, the Program as well as all documents, notices and proceedings entered into, relating directly or indirectly hereto, be drawn up or communicated only in the English language. **Angajatul consimte în mod expres prin prezentul ca acest Contract, Programul precum și orice alte documente, notificări, înștiințări legate direct sau indirect de acest Contract să fie redactate sau efectuate doar în limba engleză.**

RUSSIA

1. **Sale or Transfer of Shares.** Notwithstanding anything to the contrary in the Program or the Agreement, the Employee shall not be permitted to sell or otherwise dispose of the Shares acquired pursuant to the Award in Russia. The Employee may sell the Shares only through a broker established and operating outside Russia.

2. **Repatriation Requirements.** The Employee agrees to promptly repatriate proceeds resulting from the sale of Shares acquired under the Program to a foreign currency account at an authorized bank in Russia if legally required at the time Shares are sold and to comply with all applicable local foreign exchange rules and regulations. Neither the Company nor any of its Subsidiaries shall be liable for any fines or penalties resulting from the Employee's failure to comply with applicable laws.

SAUDI ARABIA

Securities Law Notice. This document may not be distributed in the Kingdom except to such persons as are permitted under the Offers of Securities Regulations issued by the Capital Market Authority. The Capital Market Authority does not make any representation as to the accuracy or completeness of this document, and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this document. Prospective purchasers of the securities offered hereby should conduct their own due diligence on the accuracy of the information relating to the securities. If the Employee does not understand the contents of this document he or she should consult an authorized financial advisor.

SINGAPORE

Qualifying Person Exemption. The grant of the Award under the Program is being made pursuant to the "Qualifying Person" exemption under section 273(1)(f) of the Securities and Futures Act (Chapter 289, 2006 Ed.) (the "SFA"). The Program has not been and will not be lodged or registered as a prospectus with the Monetary Authority of Singapore and is not regulated by any financial supervisory authority pursuant to any legislation in Singapore. Accordingly, statutory liability under the SFA in relation to the content of prospectuses would not apply. The Employee should note that, as a result, the Award is subject to section 257 of the SFA and the Employee will not be able to make: (a) any subsequent sale of the Shares underlying the Award in Singapore; or (b) any offer of such subsequent sale of the Shares subject to the Award in Singapore, unless such sale or offer is made pursuant to the exemptions under Part XIII Division 1 Subdivision (4) (other than section 280) of the SFA.

SOUTH AFRICA

1. Exchange Control Obligations. The Employee is solely responsible for complying with applicable exchange control regulations and rulings (the “*Exchange Control Regulations*”) in South Africa. As the Exchange Control Regulations change frequently and without notice, the Employee should consult the Employee’s legal advisor prior to the acquisition or sale of Shares under the Program to ensure compliance with current Exchange Control Regulations. Neither the Company nor any of its Subsidiaries shall be liable for any fines or penalties resulting from the Employee’s failure to comply with applicable laws, rules or regulations.

2. Securities Law Notice. In compliance with South African securities laws, the Employee acknowledges that the documents listed below are available for review at the web addresses listed below:

- a. AbbVie Inc.’s most recent Annual Report (Form 10-K): <http://investors.abbvie.com/phoenix.zhtml?c=251551&p=irol-sec>.
- b. AbbVie 2013 Incentive Stock Program Prospectus: This document can be accessed in the library section of the UBS website at www.ubs.com/onesource/abby.

The Employee understands that a copy of the above documents will be sent to the Employee free of charge on written request to: Director, Equity Programs, AbbVie Inc., Dept. V58G, Bldg. AP34-2, 1 North Waukegan Road, North Chicago, IL 60064, USA.

The Employee is advised to carefully read the materials provided before making a decision whether to participate in the Program and to contact the Employee’s tax advisor for specific information concerning the Employee’s personal tax situation with regard to Program participation.

SPAIN

1. Acknowledgement of Discretionary Nature of the Program; No Vested Rights

By accepting the Award, the Employee consents to participation in the Program and acknowledges receipt of a copy of the Program.

The Employee understands that the Company has unilaterally, gratuitously and in its sole discretion granted Units under the Program to individuals who may be employees of the Company or its Subsidiaries throughout the world. The decision is a limited decision that is entered into upon the express assumption and condition that any grant will not economically or otherwise bind the Company or any of its Subsidiaries on an ongoing basis. Consequently, the Employee understands that the Units are granted on the assumption and condition that the Units and the Shares acquired upon settlement of the Units shall not become a part of any employment contract (either with the Company or any of its Subsidiaries) and shall not be considered a mandatory benefit, salary for any purposes (including severance compensation) or any other right whatsoever. In addition, the Employee understands that this grant would not be made to the Employee but for the assumptions and conditions referenced above; thus, the Employee acknowledges and freely accepts that should any or all of the assumptions be mistaken or should any of the conditions not be met for any reason the Award shall be null and void.

The Employee understands and agrees that, as a condition of the Award, unless otherwise provided in Section 4 of the Agreement, any unvested Units as of the date the Employee ceases active employment will be forfeited without entitlement to the underlying Shares or to any amount of indemnification in the event of

Termination. The Employee acknowledges that the Employee has read and specifically accepts the conditions referred to in the Agreement regarding the impact of a Termination on the Units.

2. Termination for Cause. Notwithstanding anything to the contrary in the Program or the Agreement, “Cause” shall be as defined as set forth in the Agreement, regardless of whether the Termination is considered a fair termination (i.e., “despido procedente”) under Spanish legislation.

TUNISIA

Settlement in Cash. Notwithstanding Section 4 of the Agreement or any other provision in the Agreement to the contrary, pursuant to Section 12 of the Agreement, the Units will be settled in the form of a cash payment, except as otherwise determined by the Company.

UKRAINE

Settlement in Cash. Notwithstanding Section 4 of the Agreement or any other provision in the Agreement to the contrary, pursuant to Section 12 of the Agreement, the Units will be settled in the form of a cash payment, except as otherwise determined by the Company.

UNITED KINGDOM

1. Withholding Taxes. Without limitation to Section 8 of the Agreement, the Employee hereby agrees that the Employee is liable for all Tax-Related Items and hereby covenants to pay all such Tax-Related Items, as and when requested by the Company or (if different) the Subsidiary that employs the Employee or by Her Majesty’s Revenue & Customs (“HMRC”) (or any other tax authority or any other relevant authority). The Employee also hereby agrees to indemnify and keep indemnified the Company and (if different) the Subsidiary that employs the Employee against any Tax-Related Items that they are required to pay or withhold on the Employee’s behalf or have paid or will pay on the Employee’s behalf to HMRC (or any other tax authority or any other relevant authority).

Notwithstanding the foregoing, if the Employee is a director or executive officer (as within the meaning of Section 13(k) of the U.S. Securities Exchange Act of 1934, as amended), the terms of the immediately foregoing provision will not apply. In the event that the Employee is a director or executive officer and income tax due is not collected from or paid by the Employee by within 90 days after the U.K. tax year in which an event giving rise to the indemnification described above occurs, the amount of any uncollected tax may constitute a benefit to the Employee on which additional income tax and national insurance contributions may be payable. The Employee acknowledges that the Employee ultimately will be responsible for reporting and paying any income tax due on this additional benefit directly to HMRC under the self-assessment regime and for reimbursing the Company or the Subsidiary that employs the Employee (as applicable) for the value of any employee national insurance contributions due on this additional benefit, which the Company and/or the Subsidiary that employs the Employee may recover from the Employee at any time thereafter by any of the means referred to in Section 8 of the Agreement.

2. Exclusion of Claim. The Employee acknowledges and agrees that the Employee will have no entitlement to compensation or damages insofar as such entitlement arises or may arise from the Employee’s ceasing to have rights under or to be entitled to the Units, whether or not as a result of Termination (whether the Termination is in breach of contract or otherwise), or from the loss or diminution in value of the Units. Upon the grant of the Award, the Employee shall be deemed to have waived irrevocably any such entitlement.

VIETNAM

Settlement in Cash. Notwithstanding Section 4 of the Agreement or any other provision in the Agreement to the contrary, pursuant to Section 12 of the Agreement, the Units will be settled in the form of a cash payment, except as otherwise determined by the Company.

ABBVIE INC.
NON-EMPLOYEE DIRECTOR RESTRICTED STOCK UNIT AGREEMENT

On this «Grant_Day» day of «Grant_Month», 2018 (the “Grant Date”), AbbVie Inc. (the “Company”) hereby grants to «First Name» «MI» «Last Name» (the “Director”) a Restricted Stock Unit Award (the “Award”) of «NoShares12345» restricted stock units (the “Units”) representing the right to receive an equal number of Shares on a specified Delivery Date.

The Award is granted under the Program and is subject to the provisions of the Program, the Program prospectus, the Program administrative rules, applicable Company policies, and the terms and conditions set forth in this Agreement. In the event of any inconsistency among the provisions of this Agreement, the provisions of the Program, the Program prospectus, and the Program administrative rules, the provisions of the Program shall control.

The terms and conditions of the Award are as follows:

1. **Definitions.** To the extent not defined herein, capitalized terms shall have the same meaning as in the Program.
 - (a) *Agreement:* This Restricted Stock Unit Agreement.
 - (b) *Data:* Certain personal information about the Director held by the Company and the Subsidiary for which the Director provides services (if applicable), including (but not limited to) the Director’s name, home address and telephone number, email address, date of birth, social security, passport or other identification number, salary, nationality, job title, any Shares held in the Company, details of all Awards or any other entitlement to Shares awarded, canceled, purchased, vested, unvested or outstanding in the Director’s favor, for the purpose of managing and administering the Program.
 - (c) *Director’s Representative:* The Director’s legal guardian or other legal representative.
 - (d) *Program:* The AbbVie 2013 Incentive Stock Program.
 - (e) *Termination:* A termination from service for any reason (including death or retirement) with the Board of Directors of the Company and all Subsidiaries.
2. **Delivery Date and Shareholder Rights.** The delivery dates for Shares underlying the Units is the date on which the Shares are payable to the Director after the Restrictions on such Units lapse pursuant to Section 4 below (each a “Delivery Date”). Prior to the Delivery Date:

- (a) the Director shall not be treated as a shareholder as to those Shares underlying the Units, and shall have only a contractual right to receive Shares, unsecured by any assets of the Company or its Subsidiaries;
- (b) the Director shall not be permitted to vote the Shares underlying the Units; and
- (c) the Director's right to receive such Shares will be subject to the adjustment provisions relating to mergers, reorganizations, and similar events set forth in the Program.

Subject to the requirements of local law, the Director shall receive cash payments equal to the dividends and distributions paid on Shares underlying the Units (the "*Dividend Equivalents*") (other than dividends or distributions of securities of the Company which may be issued with respect to its Shares by virtue of any stock split, combination, stock dividend or recapitalization) to the same extent and on the same date as if each Unit were a Share; provided, however, that no Dividend Equivalents shall be payable to or for the benefit of the Director with respect to dividends or distributions the record date for which occurs on or after the applicable Delivery Date, the date the Director has forfeited the Units or, in some cases due to applicable law, the date the Restrictions on the Units have lapsed. For purposes of compliance with the requirements of Code Section 409A, to the extent applicable, the specified date for payment of any Dividend Equivalents to which the Director is entitled under this Section 2 is the calendar year during the term of this Agreement in which the associated dividends or distributions are paid on Shares underlying the Units. The Director shall have no right to determine the year in which Dividend Equivalents will be paid.

3. **Restrictions.** The Units shall be fully vested as of the Grant Date; provided, however, that the Units will be subject to subsections (3)(a), (b), and (c) below (collectively, the "*Restrictions*") until the earlier to occur of the events described in subsection 4(a) or (b).
- (a) The Units may not be sold, exchanged, assigned, transferred, pledged, or otherwise disposed of.
 - (b) Any additional Shares or other securities or property issued with respect to Shares covered by the Units as a result of any stock split, combination, stock dividend or recapitalization, shall be subject to the Restrictions and other provisions of the Program and this Agreement.
 - (c) The Director shall not be entitled to receive any Shares prior to completion of all actions deemed appropriate by the Company to comply with federal, state or other applicable securities laws and stock exchange requirements.
4. **Lapse of Restrictions.** The Restrictions shall lapse and have no further force or effect and Shares underlying the Units shall be settled upon the earlier of the following events (each, a "*Delivery Date*"):
- (a) **Termination Event.** The date of the Director's Termination; or

(b) **Change in Control.** The date of occurrence of a Change in Control; provided that the event constituting a Change in Control is a “change in control event” as such term is defined in Treasury Regulation § 1.409A-3(i)(5).

5. **Withholding Taxes.** The Director may satisfy any federal, state, local or other applicable taxes arising from the grant of the Award, the lapse of Restrictions or the delivery of Shares pursuant to this Agreement by:

- (a) tendering a cash payment;
- (b) having the Company withhold Shares from the Shares to be delivered to satisfy the applicable withholding tax;
- (c) tendering Shares received in connection with the Units back to the Company; or
- (d) delivering other previously acquired Shares having a Fair Market Value approximately equal to the amount to be withheld.

The Company shall have the right and is hereby authorized to withhold from the Shares deliverable to the Director pursuant to this Agreement or (to the extent permitted by applicable law, including without limitation Code Section 409A) from any other compensation or other amount owing to the Director, such amount as may be necessary in the opinion of the Company to satisfy all such taxes, requirements and withholding obligations. If the Company withholds for tax purposes from the Shares otherwise to be delivered to the Director, the Director is deemed to have been issued the full number of Shares underlying the Units, subject to the Restrictions set forth in this Agreement.

Notwithstanding the foregoing, if the Director is subject to Section 16(b) of the Exchange Act, the Company will withhold using the method described in subsection 5(b) above unless the use of such withholding method is problematic under applicable laws or has materially adverse accounting consequences, in which case the Committee shall determine which of the other methods described in this Section 5 or in the Program shall be used to satisfy the applicable withholding obligations.

6. **No Right to Continued Service.** This Agreement and the Director's participation in the Program is not and shall not be interpreted to:

- (a) form a contractual or other relationship with the Company or its Subsidiaries;
- (b) confer upon the Director any right to continue in the service of the Company or any of its Subsidiaries; or
- (c) interfere with the ability of the Company or its Subsidiaries to terminate the Director's service at any time.

7. **No Contract as of Right.** The Award does not create any contractual or other right to receive additional Awards or other Program Benefits. Nothing contained in this Agreement is intended to create or enlarge any other contractual obligations between the Company and the Director. Future Awards, if any, and their terms and conditions, will be at the sole discretion of the Committee.

8. Data Privacy.

- (a) Pursuant to applicable personal data protection laws, the collection, processing and transfer of the Director's personal Data is necessary for the Company's administration of the Program and the Director's participation in the Program. The Director's denial and/or objection to the collection, processing and transfer of personal Data may affect his or her ability to participate in the Program. As such (where required under applicable law), the Director:
- (i) voluntarily acknowledges, consents and agrees to the collection, use, processing and transfer of personal Data as described herein; and
 - (ii) authorizes Data recipients to receive, possess, use, retain and transfer the Data, in electronic or other form, for purposes of implementing, administering and managing the Director's participation in the Program, including any requisite transfer of such Data as may be required for the administration of the Program and/or the subsequent holding of Shares on the Director's behalf to a broker or other third party with whom the Director may elect to deposit any Shares acquired pursuant to the Program.
- (b) Data may be provided by the Director or collected, where lawful, from third parties, and the Company will process the Data for the exclusive purpose of implementing, administering and managing the Director's participation in the Program. Data processing will take place through electronic and non-electronic means according to logics and procedures strictly correlated to the purposes for which the Data is collected and with confidentiality and security provisions as set forth by applicable laws and regulations in the Director's country of residence. Data processing operations will be performed minimizing the use of personal and identification data when such operations are unnecessary for the processing purposes sought. The Data will be accessible within the Company's organization only by those persons requiring access for purposes of the implementation, administration and operation of the Program and for the Director's participation in the Program.
- (c) The Company will transfer Data as necessary for the purpose of implementation, administration and management of the Director's participation in the Program, and the Company and the Subsidiary that served by the Director (if applicable) may further transfer Data to any third parties assisting the Company in the implementation, administration and management of the Program. These recipients may be located throughout the world.
- (d) The Director may, at any time, exercise his or her rights provided under applicable personal data protection laws, which may include the right to:
- (i) obtain confirmation as to the existence of the Data;
 - (ii) verify the content, origin and accuracy of the Data;

- (iii) request the integration, update, amendment, deletion or blockage (for breach of applicable laws) of the Data; and
- (iv) oppose, for legal reasons, the collection, processing or transfer of the Data which is not necessary or required for the implementation, administration and/or operation of the Program and the Director's participation in the Program.

The Director may seek to exercise these rights by contacting the Company's corporate human resources department.

- (e) Upon request of the Company, the Director agrees to provide an executed data privacy consent form (or any other agreement or consent that may be required by the Company) to the Company that the Company may deem necessary to obtain from the Director for the purpose of administering his or her participation in the Program in compliance with the data privacy laws in the Director's country, either now or in the future. The Director understands and agrees that he or she will not be able to participate in the Program if the Director fails to provide any such requested consent or agreement.
9. **No Advice Regarding Grant.** The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding the Units, the Director's participation in the Program or the Director's acquisition or sale of the underlying Shares. The Director is hereby advised to consult with the Director's own personal tax, legal and financial advisors regarding participation in the Program before taking any action related to the Program.
 10. **Entire Agreement.** This Agreement and the Program constitute the entire agreement between the Director and the Company regarding the Award and supersede all prior and contemporaneous agreements and understandings, oral or written, between the parties regarding the Award. Except as expressly set forth herein, this Agreement (and any provision of this Agreement) may not be modified, changed, clarified, or interpreted by the parties, except in a writing specifying the modification, change, clarification, or interpretation, and signed by a duly authorized Company officer.
 11. **Succession.** This Agreement shall be binding upon and operate for the benefit of the Company and its successors and assigns, and the Director, the Director's Representative, and the person or persons to whom rights under the Award have passed by will or the laws of descent or distribution.
 12. **Compliance with Applicable Laws and Regulations.** The Company shall not be required to issue or deliver any Shares pursuant to this Agreement pending compliance with all applicable federal and state securities and other laws (including any registration requirements or tax withholding requirements) and compliance with the rules and practices of any stock exchange upon which the Company's Shares are listed. If the Director relocates to another country, the Company may establish special or alternate terms and conditions as necessary or advisable to comply with local laws, rules or regulations, to facilitate the operation and administration of the Award and the Program and/or to accommodate the Director's relocation.

13. **Code Section 409A.** Payments made pursuant to this Agreement are intended to be exempt from or to otherwise comply with the provisions of Code Section 409A to the extent applicable. The Program and this Agreement shall be administered and interpreted in a manner consistent with this intent. If the Company determines that any payments under this Agreement are subject to Code Section 409A and this Agreement fails to comply with that section's requirements, the Company may, at the Company's sole discretion, and without the Director's consent, amend this Agreement to cause it to comply with Code Section 409A or otherwise be exempt from Code Section 409A.

To the extent required to avoid accelerated taxation and/or tax penalties under Code Section 409A and applicable guidance issued thereunder, the Director shall not be deemed to have had a Termination unless the Director has incurred a "separation from service" as defined in Treasury Regulation §1.409A-1(h), and amounts that would otherwise be payable pursuant to this Agreement during the six-month period immediately following the Director's Termination shall instead be paid on the first business day after the date that is six months following the Director's Termination (or upon the Director's death, if earlier). For purposes of Code Section 409A, to the extent applicable, all payments provided hereunder shall be treated as a right to a series of separate payments and each separately identified amount to which the Director is entitled under this Agreement shall be treated as a separate payment.

Although this Agreement and the payments provided hereunder are intended to be exempt from or to otherwise comply with the requirements of Code Section 409A, the Company does not represent or warrant that this Agreement or the payments provided hereunder will comply with Code Section 409A or any other provision of federal, state, local, or non-United States law. None of the Company, its Subsidiaries, or their respective directors, officers, employees or advisers shall be liable to the Director (or any other individual claiming a benefit through the Director) for any tax, interest, or penalties the Director may owe as a result of compensation paid under this Agreement, and the Company and its Subsidiaries shall have no obligation to indemnify or otherwise protect the Director from the obligation to pay any taxes pursuant to Code Section 409A.

14. **Determinations.** Each decision, determination, interpretation or other action made or taken pursuant to the provisions of this Agreement by the Company, the Committee or any delegate of the Committee shall be final, conclusive and binding for all purposes and upon all persons, including, without limitation, the Company, the Director, the Director's Representative, and the person or persons to whom rights under the Award have passed by will or the laws of descent or distribution.
15. **Severability.** The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, and each other provision of this Agreement shall be severable and enforceable to the extent permitted by law. To the extent a court or tribunal of competent jurisdiction determines that any provision of this Agreement is invalid or unenforceable, in whole or in part, the Company, in its sole discretion, shall have the power and authority to revise or strike such provision to the minimum extent necessary to make it valid and enforceable to the full extent permitted under local law.

16. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware without giving effect to any state's conflict of laws principles.

* * *

IN WITNESS WHEREOF, the Company has caused this Agreement to be executed by its duly authorized officer as of the grant date above set forth.

ABBVIE INC.

By _____

Title _____

ABBVIE INC.
NON-QUALIFIED STOCK OPTION AGREEMENT

On this «Grant_Day» day of «Grant_Month», 2018 (the “Grant Date”), AbbVie Inc. (the “Company”) hereby grants to «First Name» «MI» «Last Name» (the “Employee”) an Option (the “Option”) to purchase a total of «NQSOS» Shares, at the price of \$«Option_Price» per Share (the “Exercise Price”), such price being not less than 100% of the Fair Market Value of the Shares on the Grant Date.

The Option is granted under the Program and is subject to the provisions of the Program, the Program prospectus, the Program administrative rules, applicable Company policies, and the terms and conditions set forth in this Agreement. In the event of any inconsistency among the provisions of this Agreement, the provisions of the Program, the Program prospectus, and the Program administrative rules, the provisions of the Program shall control.

The terms and conditions of the Option granted to the Employee are as follows:

1. **Definitions.** To the extent not defined herein, capitalized terms shall have the same meaning as in the Program.
 - (j) *Agreement:* This Non-Qualified Stock Option Agreement.
 - (k) *Cause:* Unless otherwise defined in the Employee’s Change in Control Agreement, cause shall mean the following, as determined by the Company in its sole discretion:
 - (i) material breach by the Employee of the terms and conditions of the Employee’s employment, including, but not limited to:
 - (A) material breach by the Employee of the Code of Business Conduct;
 - (B) material breach by the Employee of the Employee’s Employee Agreement;
 - (C) commission by the Employee of an act of fraud, embezzlement or theft in connection with the Employee’s duties or in the course of the Employee’s employment;
 - (D) wrongful disclosure by the Employee of secret processes or confidential information of the Company or any of its Subsidiaries; or
 - (E) failure by the Employee to substantially perform the duties of the Employee’s employment (other than any such failure resulting from the Employee’s Disability); or
 - (ii) to the extent permitted by applicable law, engagement by the Employee, directly or indirectly, for the benefit of the Employee or others, in any activity, employment or business which is competitive with the Company or any of its Subsidiaries.
 - (l) *Change in Control Agreement:* An agreement regarding Change in Control in effect between the Company (or the Surviving Entity) and the Employee.

- (m) *Code of Business Conduct*: The Company's Code of Business Conduct, as amended from time to time.
- (n) *Controlled Group*: AbbVie and any corporation, partnership and proprietorship under common control (as defined under the aggregation rules of Code Section 414 (b), (c), or (m)) with AbbVie.
- (o) *Data*: Certain personal information about the Employee held by the Company and the Subsidiary that employs the Employee (if applicable), including (but not limited to) the Employee's name, home address and telephone number, email address, date of birth, social security, passport or other identification number, salary, nationality, job title, any Shares held in the Company, details of all Options or any other entitlement to Shares awarded, canceled, purchased, vested, unvested or outstanding in the Employee's favor, for the purpose of managing and administering the Program.
- (p) *Disability*: Sickness or accidental bodily injury, directly and independently of all other causes, that disables the Employee so that the Employee is completely prevented from performing all the duties of his or her occupation or employment.
- (q) *Employee Agreement*: The Employee Agreement entered into by and between the Company and the Employee as it may be amended from time to time.
- (r) *Employee's Representative*: The Employee's legal guardian or other legal representative.
- (j) *Good Reason*: Unless otherwise defined in the Employee's Change in Control Agreement, good reason shall mean the occurrence of any of the following circumstances without the Employee's express written consent:
 - (i) a significant adverse change in the nature, scope or status of the Employee's position, authorities or duties from those in effect immediately prior to the Change in Control, including, without limitation, if the Employee was, immediately prior to the Change in Control, an officer of a public company, the Employee ceasing to be an officer of a public company;
 - (ii) the failure by the Company or a subsidiary to pay the Employee any portion of the Employee's current compensation, or to pay the Employee any portion of any installment of deferred compensation under any deferred compensation program of the Company, within seven days of the date such compensation is due;
 - (iii) a reduction in the Employee's annual base salary (or a material change in the frequency of payment) as in effect immediately prior to the Change in Control as the same may be increased from time to time;
 - (iv) the failure by the Company or a subsidiary to award the Employee an annual bonus in any year which is at least equal to the annual bonus awarded to the Employee under the annual bonus plan of the Company or subsidiary for the year immediately preceding the year of the Change in Control;

- (v) the failure by the Company to award the Employee equity-based incentive compensation (such as stock options, shares of restricted stock, restricted stock units, or other equity-based compensation) on a periodic basis consistent with the Company's practices with respect to timing, value and terms prior to the Change in Control;
- (vi) the failure by the Company or a subsidiary to continue to provide the Employee with the welfare benefits, fringe benefits and perquisites enjoyed by the Employee immediately prior to the Change in Control under any of the Company's or subsidiary's plans or policies, including, but not limited to, those plans and policies providing pension, life insurance, medical, health and accident, disability and vacation;
- (vii) the relocation of the Employee's base office to a location that is more than 35 miles from the Employee's base office immediately prior to the Change in Control; or
- (viii) the failure of the Company to obtain a satisfactory agreement from any successor to the Company to assume and agree to perform this Agreement as contemplated in Section 5.
- (j) *Option:* The Non-Qualified Stock Option granted pursuant to this Agreement.
- (k) *Program:* The AbbVie 2013 Incentive Stock Program.
- (l) *Retirement:*
 - (i) Except as provided under (ii) or (iii) below, Retirement means either of the following:
 - age 55 with 10 years of service; or
 - age 65 with at least three years of service.
 - (ii) For Employees who (A) are not covered by (iii) below and (B) transferred to the Company directly from Abbott Laboratories either as a result of the Company's spin-off from Abbott Laboratories or during the period from January 1, 2013 through June 30, 2015 with the consent of each company's head of human resources and were hired into the Abbott Laboratories controlled group prior to January 1, 2004, Retirement means any of the following:
 - age 50 with 10 years of service;
 - age 65 with at least three years of service; or
 - age 55 with an age and service combination of 70 points, where each year of age is one point and each year of service is one point.
 - (iii) For participants in the AbbVie Pension Plan for Former BASF and Former Solvay Employees, Retirement means either of the following:

- age 55 with 10 years of service; or
 - age 65 with at least three years of service.
- (iv) For purposes of calculating service under this Section 1(m), except as otherwise provided by the Committee or its delegate: (A) service is earned only if performed for a member of the Controlled Group while that Controlled Group member is a part of the Controlled Group; and (B) for Employees who transferred to the Company directly from Abbott Laboratories during the period from January 1, 2013 through June 30, 2015 either as a result of the Company's spin-off from Abbott Laboratories or with the consent of each company's head of human resources, service includes service with Abbott Laboratories that is counted for benefit calculation purposes under the AbbVie Pension Plan, the AbbVie Pension Plan for Former BASF and Former Solvay Employees, or another Company-sponsored pension plan, as applicable.
- (m) *Termination:* A severance of employment for any reason (including Retirement) from the Company and all Subsidiaries. Any Termination shall be effective on the last day the Employee performs services for or on behalf of the Company or its Subsidiary, and employment shall not be extended by any statutory or common law notice of termination period.
2. **Term of Option.** Subject to Sections 5 and 7, the Employee may exercise all or a portion of the vested Option at any time prior to the 10th anniversary of the Grant Date (the "*Expiration Date*"); provided that the Option may be exercised with respect to whole Shares only. In no event shall the Option be exercisable on or after the Expiration Date. To the extent the Option is not exercised prior to the Expiration Date (or any earlier expiration of the Option pursuant to Sections 5 and 7), it shall be canceled and forfeited.
3. **Vesting.** The Option shall vest and become exercisable as follows:
- (j) on the first anniversary of the Grant Date, one-third of the total number of Shares may be purchased;
 - (k) on the second anniversary of the Grant Date, two-thirds of the total number of Shares may be purchased; and
 - (l) on the third anniversary of the Grant Date, the Option may be exercised in full.
- The Option is not earned and the Employee has no right to purchase the underlying Shares until an event described above occurs. The vesting described above is cumulative, so that at each vesting date an additional amount of Shares is available for purchase and remains available until the Option's Expiration Date or such earlier date determined pursuant to Section 5 or 7 below.
4. **Exercise of the Option.** To the extent vested, the Option may be exercised in whole or in part as follows:
- (j) **Who May Hold/Exercise the Option.**

- (i) **General Rule - Exercise by Employee Only.** During the lifetime of the Employee, the Option may be exercised only by the Employee or the Employee's Representative.
 - (ii) **Death Exception.** If the Employee dies, then the Option may be exercised only by the executor or administrator of the estate of the Employee or the person or persons to whom rights under the Option have passed by will or the laws of descent or distribution. Such person(s) shall furnish the appropriate tax clearances, proof of the right of such person(s) to exercise the Option, and other pertinent data as the Company may deem necessary.
 - (iii) **Transferability.** Except as otherwise provided by the Committee or its delegate, the Option is not transferable other than by will or the laws of descent and distribution. It may not be assigned, transferred (except by will or the laws of descent and distribution), pledged or hypothecated in any way, whether by operation of law or otherwise, and shall not be subject to execution, attachment, or similar process. Any attempt at assignment, transfer, pledge, hypothecation, or other disposition of the Option contrary to the provisions hereof, and the levy of any attachment or similar process upon such Option, shall be null and void.
- (k) **Method of Exercise.** Subject to the requirements of local law, the Option may be exercised only by:
- (i) delivery to the designated employee or agent of the Company of a written, electronic, or telephonic notice of exercise, specifying the number of Shares with respect to which the Option is then being exercised, and payment of the full Exercise Price of the Shares being purchased in cash or with other Shares held by the Employee having a then Fair Market Value equal to the Exercise Price;
 - (ii) delivery of a properly-executed exercise notice together with a copy of irrevocable instructions to a broker to deliver promptly to the Company the amount of sale or loan proceeds to pay the Exercise Price;
 - (iii) a combination of (i) and (ii) above; or
 - (iv) any other manner approved by the Committee from time to time.

Each method of exercise requires payment of the full amount of any federal, state, local or other applicable taxes which the Company believes are required to be withheld and paid with respect to such exercise, as described below.

Notwithstanding the foregoing, the Company may require payment in a particular or different method of exercise than those methods specified in Section 4(b)(i) - (iii), may allow the Employee to exercise the Option only by means of a cashless exercise (either a cashless "sell all" exercise or a cashless "sell-to-cover" exercise) as it shall determine in its sole discretion, or may require the Employee to sell any Shares the Employee acquired under the Program immediately or within a specified period following the Employee's

Termination (in which case, this Agreement shall give the Company the authority to issue sales instructions on the Employee's behalf).

- (l) **Payment of Taxes.** To the extent permitted under applicable law and by the Company, the Employee may satisfy any federal, state, local or other applicable taxes arising from any transaction related to the exercise of the Option pursuant to this Agreement by:
- (i) tendering a cash payment;
 - (ii) having the Company withhold Shares from the Option exercised to satisfy the applicable withholding tax;
 - (iii) tendering Shares received in connection with the Option back to the Company; or
 - (iv) delivering other previously acquired Shares having a Fair Market Value approximately equal to the amount to be withheld.

The Company shall have the right and is hereby authorized to withhold from the Shares transferable to the Employee upon any exercise of the Option or (to the extent permitted by applicable law, including without limitation Code Section 409A) from any other compensation or other amount owing to the Employee such amount as may be necessary in the opinion of the Company to satisfy all such tax and withholding obligations.

Notwithstanding the foregoing, if the Employee is subject to Section 16(b) of the Exchange Act, the Company will withhold using the method described in subsection 4(c)(ii) above unless the use of such withholding method is problematic under applicable laws or has materially adverse accounting consequences, in which case the Committee shall determine which of the other methods described in this subsection 4(c) or in the Program shall be used to satisfy the applicable withholding obligations.

5. **Effect of Termination or Death on the Option.** By accepting this Option grant, the Employee acknowledges that, except as otherwise provided in this Agreement, in the event of Termination (whether or not in breach of local labor laws), the Employee's right to vest in the Option under the Program, if any, will cease and will not be extended by any notice period mandated under local law (e.g., active employment does not include a period of "garden leave" or similar period pursuant to local law) and that the Company shall have the exclusive discretion to determine Termination occurs.

- (j) **Termination due to Retirement.** Subject to Section 7 below, in the event of Termination due to Retirement, then (regardless of any subsequent death of the Employee) the Option will continue to vest pursuant to Section 3, and the last date on which the Option may be exercised is the day prior to the Expiration Date.
- (k) **Termination due to Disability.** Subject to Section 7 below, in the event of Termination due to Disability, then (regardless of any subsequent death of the Employee) the Option will continue to vest pursuant to Section 3, and the last date on which the Option may be exercised is the day prior to the Expiration Date.

- (l) **Termination due to Death of the Employee.** In the event of the death of the Employee during employment, the Option will continue to vest pursuant to Section 3, and the last date on which the Option may be exercised is the day prior to the Expiration Date.
 - (m) **Termination for Reason Other than under Subsection 5(a), (b), or (c) or Section 6.**
 - (i) **Options Granted Within Nine Months of Termination.** Any Option granted less than nine months prior to a Termination for any reason other than those set forth in subsections 5(a), (b) or (c) or Section 6 shall be cancelled and forfeited immediately upon such Termination.
 - (ii) **Options Granted Nine Months or More Prior to Termination.** Subject to Section 7 below, an Option granted nine months or more prior to a Termination for any reason other than those set forth in subsections 5(a), (b) or (c) or Section 6 will continue to vest and shall be exercisable to the extent permitted by Section 3 for a three-month period after the Employee's effective date of Termination, but in no event shall such Option be exercised on or after the Expiration Date. In the event of the death of the Employee during the three-month period after the Employee's effective date of Termination, the Option shall continue to vest and be exercisable for a three-month period measured from the date of death, but in no event shall such Option be exercised on or after the Expiration Date.
6. **Change in Control.** In the event of a Change in Control, the entity surviving such Change in Control or the ultimate parent thereof (referred to herein as the "*Surviving Entity*") may assume, convert or replace this Option with an award of at least equal value and terms and conditions not less favorable than the terms and conditions provided in this Agreement, in which case the new award will vest according to the terms of the applicable award agreement. If the Surviving Entity does not assume, convert or replace this Option, the Option shall vest on the date of the Change in Control. If the Surviving Entity does assume, convert or replace this Option, then in the event the Employee's Termination (a) occurs within the time period beginning six months immediately before a Change in Control and ending two years immediately following such Change in Control, and (b) was initiated by the Company (or the Surviving Entity) for a reason other than Cause or was initiated by the Employee for Good Reason, the Option will become fully vested and exercisable as of the later of the date of the Change in Control and the date of the Employee's Termination. The provisions of this Section 6 shall supersede Section 13(a)(i) of the Program.
7. **Effect of Certain Bad Acts.** The Option shall be cancelled and forfeited immediately if, in the sole opinion and discretion of the Committee or its delegate, the Employee:
- (j) commits a material breach of the terms and conditions of the Employee's employment, including, but not limited to:
 - (i) material breach by the Employee of the Code of Business Conduct;
 - (ii) material breach by the Employee of the Employee's Employee Agreement or employment contract, if any;

- (iii) commission by the Employee of an act of fraud, embezzlement or theft in connection with the Employee's duties or in the course of the Employee's employment;
 - (iv) wrongful disclosure by the Employee of secret processes or confidential information of the Company or any of its Subsidiaries; or
 - (v) failure by the Employee to substantially perform the duties of the Employee's employment (other than any such failure resulting from the Employee's Disability); or
- (k) to the extent permitted by applicable law, engagement by the Employee, directly or indirectly, for the benefit of the Employee or others, in any activity, employment or business which is competitive with the Company or any of its Subsidiaries.

8. **No Right to Continued Employment.** This Agreement and the Employee's participation in the Program do not and shall not be interpreted to:

- (j) form an employment contract or relationship with the Company or its Subsidiaries;
- (k) confer upon the Employee any right to continue in the employ of the Company or any of its Subsidiaries; or
- (l) interfere with the ability of the Company or its Subsidiaries to terminate the Employee's employment at any time.

9. **Nature of Grant.** In accepting this Option grant, the Employee acknowledges that:

- (a) the Program is established voluntarily by the Company, it is discretionary in nature and it may be modified, amended, suspended or terminated by the Company at any time;
- (b) this Option grant is a one-time benefit and does not create any contractual or other right to receive future grants of Options, benefits in lieu of Options, or other Program benefits in the future, even if Options have been granted repeatedly in the past;
- (c) all decisions with respect to future Option grants, if any, and their terms and conditions, will be made by the Company, in its sole discretion;
- (d) nothing contained in this Agreement is intended to create or enlarge any other contractual obligations between the Company and the Employee;
- (e) the Employee is voluntarily participating in the Program;
- (f) the Option and Shares subject to the Option are:
 - (i) extraordinary items that do not constitute compensation of any kind for services of any kind rendered to the Company or its Subsidiaries, and are outside the scope of the Employee's employment contract, if any;
 - (ii) not intended to replace any pension rights or compensation;

- (iii) not part of the Employee's normal or expected compensation or salary for any purpose, including, but not limited to, calculating any severance, resignation, termination, redundancy, dismissal, end-of-service payments, holiday pay, bonuses, long-service awards, pension or retirement or welfare benefits, or similar payments and in no event should be considered as compensation for, or relating in any way to, past services for the Company or its Subsidiaries;
- (g) the future value of the Shares underlying the Option is unknown and cannot be predicted with certainty;
- (h) in consideration of this Option grant, no claim or entitlement to compensation or damages shall arise from the Option resulting from Termination (for any reason whatsoever) and the Employee irrevocably releases the Company and its Subsidiaries from any such claim that may arise; if any such claim is found by a court of competent jurisdiction to have arisen, then, by signing or electronically accepting this Agreement, the Employee shall be deemed irrevocably to have waived the Employee's entitlement to pursue such claim;
- (i) the Option and the Benefits under the Program, if any, will not automatically transfer to another company in the case of a merger, take-over or transfer of liability; and
- (j) neither the Company nor any of its Subsidiaries shall be liable for any change in value of the Option, the amount realized upon exercise of the Option or the amount realized upon a subsequent sale of any Shares acquired upon exercise of the Option, resulting from any fluctuation of the United States Dollar/local currency foreign exchange rate.

10. **Data Privacy.**

- (j) Pursuant to applicable personal data protection laws, the collection, processing and transfer of the Employee's personal Data is necessary for the Company's administration of the Program and the Employee's participation in the Program. The Employee's denial and/or objection to the collection, processing and transfer of personal Data may affect his or her ability to participate in the Program. As such (where required under applicable law), the Employee:
 - (i) voluntarily acknowledges, consents and agrees to the collection, use, processing and transfer of personal Data as described herein; and
 - (ii) authorizes Data recipients to receive, possess, use, retain and transfer the Data, in electronic or other form, for purposes of implementing, administering and managing the Employee's participation in the Program, including any requisite transfer of such Data as may be required for the administration of the Program and/or the subsequent holding of Shares on the Employee's behalf to a broker or other third party with whom the Employee may elect to deposit any Shares acquired pursuant to the Program.
- (k) Data may be provided by the Employee or collected, where lawful, from third parties, and the Company and the Subsidiary that employs the Employee (if applicable) will process the Data for the exclusive purpose of implementing, administering and managing the

Employee's participation in the Program. Data processing will take place through electronic and non-electronic means according to logics and procedures strictly correlated to the purposes for which the Data is collected and with confidentiality and security provisions as set forth by applicable laws and regulations in the Employee's country of residence. Data processing operations will be performed minimizing the use of personal and identification data when such operations are unnecessary for the processing purposes sought. The Data will be accessible within the Company's organization only by those persons requiring access for purposes of the implementation, administration and operation of the Program and for the Employee's participation in the Program.

- (l) The Company and the Subsidiary that employs the Employee (if applicable) will transfer Data as necessary for the purpose of implementation, administration and management of the Employee's participation in the Program, and the Company and the Subsidiary that employs the Employee (if applicable) may further transfer Data to any third parties assisting the Company in the implementation, administration and management of the Program. These recipients may be located throughout the world.
- (m) The Employee may, at any time, exercise his or her rights provided under applicable personal data protection laws, which may include the right to:
 - (i) obtain confirmation as to the existence of the Data;
 - (ii) verify the content, origin and accuracy of the Data;
 - (iii) request the integration, update, amendment, deletion or blockage (for breach of applicable laws) of the Data; and
 - (iv) oppose, for legal reasons, the collection, processing or transfer of the Data which is not necessary or required for the implementation, administration and/or operation of the Program and the Employee's participation in the Program.

The Employee may seek to exercise these rights by contacting his or her local human resources manager.

- (e) Upon request of the Company or the Subsidiary that employs the Employee, the Employee agrees to provide an executed data privacy consent form (or any other agreement or consent that may be required by the Company and/or the Subsidiary that employs the Employee) to the Company and/or the Subsidiary that employs the Employee that the Company and/or the Subsidiary that employs the Employee may deem necessary to obtain from the Employee for the purpose of administering his or her participation in the Program in compliance with the data privacy laws in the Employee's country, either now or in the future. The Employee understands and agrees that he or she will not be able to participate in the Program if the Employee fails to provide any such requested consent or agreement.

11. **Private Placement.** This Option grant is not intended to be a public offering of securities in the Employee's country. The Company has not submitted any registration statement, prospectus or other filings with the local securities authorities (unless otherwise required under local law), and this Option grant is not subject to the supervision of the local securities authorities.

12. **Exchange Controls.** As a condition to this Option grant, the Employee agrees to comply with any applicable foreign exchange rules and regulations.
13. **Compliance with Applicable Laws and Regulations.**
- (a) The Company shall not be required to issue or deliver any Shares pursuant to this Agreement pending compliance with all applicable federal and state securities and other laws (including any registration requirements or tax withholding requirements) and compliance with the rules and practices of any stock exchange upon which the Company's Shares are listed.
 - (b) Regardless of any action the Company or its Subsidiaries take with respect to any or all income tax, social insurance, payroll tax, payment on account or other tax-related items related to the Employee's participation in the Program and legally applicable to the Employee or deemed by the Company or its Subsidiaries to be an appropriate charge to the Employee even if technically due by the Company or its Subsidiaries ("*Tax-Related Items*"), the Employee acknowledges that the ultimate liability for all Tax-Related Items is and remains the Employee's responsibility and may exceed the amount actually withheld by the Company or its Subsidiaries, if any. The Employee further acknowledges that the Company and/or its Subsidiaries: (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Option, including, but not limited to, the grant, vesting or exercise of the Option, the issuance of Shares upon exercise of the Option, the subsequent sale of Shares acquired pursuant to such issuance and the receipt of any dividends; and (ii) do not commit to and are under no obligation to structure the terms of the grant or any aspect of the Option to reduce or eliminate the Employee's liability for Tax-Related Items or achieve any particular tax result. If the Employee has become subject to tax in more than one jurisdiction between the date of grant and the date of any relevant taxable event, the Employee acknowledges that the Company and/or its Subsidiaries may be required to withhold or account for Tax-Related Items in more than one jurisdiction. If the Employee relocates to another country, the Company may establish special or alternative terms and conditions as necessary or advisable to comply with local laws, rules or regulations, to facilitate the operation and administration of the Option and the Program and/or to accommodate the Employee's relocation.
 - (c) The Employee acknowledges that, depending on the Employee's or the broker's country of residence or where the Shares are listed, the Employee may be subject to insider trading restrictions and/or market abuse laws which may affect his or her ability to accept, acquire, sell or otherwise dispose of Shares, rights to Shares (e.g., Options) or rights linked to the value of Shares during such times the Employee is considered to have "inside information" regarding the Company as defined in the laws or regulations in his or her country. Local insider trading laws and regulations may prohibit the cancellation or amendment of orders the Employee placed before he or she possessed inside information. Furthermore, the Employee could be prohibited from (i) disclosing the inside information to any third party (other than on a "need to know" basis) and (ii) "tipping" third parties or causing them otherwise to buy or sell securities. The Employee understands that third parties may include

fellow employees. Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable Company insider trading policy. The Employee acknowledges that it is the Employee's responsibility to comply with any restrictions and the Employee is advised to speak to his or her personal legal advisor on this matter.

14. **Code Section 409A.** The Option is intended to be exempt from the requirements of Code Section 409A. The Program and this Agreement shall be administered and interpreted in a manner consistent with this intent. If the Company determines that the Option is subject to Code Section 409A and this Agreement fails to comply with that section's requirements, the Company may, at the Company's sole discretion, and without the Employee's consent, amend this Agreement to cause it to comply with Code Section 409A or otherwise be exempt from Code Section 409A.

Although this Agreement and the Benefits provided hereunder are intended to be exempt from the requirements of Code Section 409A, the Company does not represent or warrant that this Agreement or the Benefits provided hereunder will comply with Code Section 409A or any other provision of federal, state, local, or non-United States law. None of the Company, its Subsidiaries, or their respective directors, officers, employees or advisers shall be liable to the Employee (or any other individual claiming a benefit through the Employee) for any tax, interest, or penalties the Employee may owe as a result of compensation paid under this Agreement, and the Company and its Subsidiaries shall have no obligation to indemnify or otherwise protect the Employee from the obligation to pay any taxes pursuant to Code Section 409A.

15. **No Advice Regarding Grant.** The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding the Option, the Employee's participation in the Program or the Employee's acquisition or sale of the underlying Shares. The Employee is hereby advised to consult with the Employee's own personal tax, legal and financial advisors regarding participation in the Program before taking any action related to the Program.

16. **Imposition of Other Requirements.** The Company reserves the right to impose other requirements on the Employee's participation in the Program, on the Option and on any Shares acquired under the Program, to the extent the Company or any Subsidiary determines it is necessary or advisable to comply with local laws, rules and/or regulations or to facilitate the operation and administration of the Option and the Program, and to require the Employee to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing. The Employee agrees to take any and all actions, and consents to any and all actions taken by the Company and its Subsidiaries, as may be required to allow the Company and its Subsidiaries to comply with local laws, rules and regulations in the Employee's country. In addition, the Employee agrees to take any and all actions as may be required to comply with the Employee's personal obligations under local laws, rules and regulations in the Employee's country.

17. **Determinations.** Each decision, determination, interpretation or other action made or taken pursuant to the provisions of this Agreement by the Company, the Committee or any delegate of the Committee shall be final, conclusive and binding for all purposes and upon all persons, including,

without limitation, the Company, the Employee, the Employee's Representative, and the person or persons to whom rights under the Option have passed by will or the laws of descent or distribution.

18. **Electronic Delivery.** The Company may, in its sole discretion, decide to deliver any documents related to current or future participation in the Program by electronic means. The Employee hereby consents to receive such documents by electronic delivery and agrees to participate in the Program through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.
19. **Addendum.** This Option grant shall be subject to any special terms and conditions set forth in any Addendum to this Agreement for the Employee's country. Moreover, if the Employee relocates to one of the countries included in the Addendum, the special terms and conditions for such country will apply to the Employee, to the extent the Company determines that the application of such terms and conditions is necessary or advisable in order to comply with local laws, rules and/or regulations or facilitate the operation and administration of the Option and the Program (or the Company may establish alternative terms and conditions as may be necessary or advisable to accommodate the Employee's relocation). The Addendum constitutes part of this Agreement.
20. **Severability.** The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, and each other provision of this Agreement shall be severable and enforceable to the extent permitted by law. To the extent a court or tribunal of competent jurisdiction determines that any provision of this Agreement is invalid or unenforceable, in whole or in part, the Company, in its sole discretion, shall have the power and authority to revise or strike such provision to the minimum extent necessary to make it valid and enforceable to the full extent permitted under local law.
21. **Entire Agreement.** This Agreement and the Program constitute the entire agreement between the Employee and the Company regarding the Option and supersede all prior and contemporaneous agreements and understandings, oral or written, between the parties regarding the Option. Except as expressly set forth herein, this Agreement (and any provision of this Agreement) may not be modified, changed, clarified, or interpreted by the parties, except in a writing specifying the modification, change, clarification, or interpretation, and signed by a duly authorized Company officer.
22. **Succession.** This Agreement shall be binding upon and operate for the benefit of the Company and its successors and assigns, and the Employee, the Employee's Representative, and the person or persons to whom rights under the Option have passed by will or the laws of descent or distribution.
23. **Language.** If the Employee has received this Agreement or any other document related to the Program translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control.
24. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware without giving effect to any state's conflict of laws principles.

IN WITNESS WHEREOF, the Company has caused this Agreement to be executed by its duly authorized officer as of the grant date above set forth.

ABBVIE INC.

By _____

Title _____

**ADDENDUM TO THE ABBVIE INC.
NON-QUALIFIED STOCK OPTION AGREEMENT**

In addition to the terms and conditions set forth in the Agreement, the Option is subject to the following terms and conditions. If the Employee is employed in a country identified in this Addendum, the additional terms and conditions for such country will apply. If the Employee relocates to one of the countries identified in this Addendum, the special terms and conditions for such country will apply to the Employee, to the extent the Company determines, in its sole discretion, that the application of such terms and conditions is necessary and advisable to comply with local laws, rules and/or regulations or to facilitate the operation and administration of the Option and the Program (or the Company may establish alternative terms and conditions as may be necessary or advisable to accommodate the Employee's relocation).

All defined terms contained in this Addendum shall have the same meaning as set forth in the Program.

AUSTRALIA

1. Breach of Law. Notwithstanding anything to the contrary in the Agreement or the Program, the Employee will not be entitled to, and shall not claim any benefit (including without limitation a legal right) under the Program if the provision of such benefit would give rise to a breach of Part 2D.2 of the Corporations Act 2001 (Cth), any other provision of that Act, or any other applicable statute, rule or regulation which limits or restricts the giving of such benefits.
2. Australian Offer Document. In addition to the Agreement and the Program, the Employee must review the Australian Offer Document for additional important information pertaining to the Option. This document can be accessed via the UBS website at www.ubs.com/onesource/abbv. By accepting the Option, the Employee acknowledges and confirms that the Employee has reviewed the Australian Offer Document.
3. Tax Information. The Program is a program to which Subdivision 83A-C of the Income Tax Assessment Act 1997 (Cth) (the "Act") applies (subject to the conditions in that Act).

BAHRAIN

Securities Notification. This Agreement does not constitute advertising or an offering of securities in Bahrain, nor does it constitute an allotment of securities in Bahrain. Any Shares issued pursuant to the Option under the Program shall be deposited into a brokerage account in the United States. In no event will Shares be issued or delivered in Bahrain. The issuance of Shares pursuant to the Option described herein has not and will not be registered in Bahrain and hence, the Shares described herein may not be admitted or used for offering, placement or public circulation in Bahrain. Accordingly, the Employee may not make any public advertising or announcements regarding the Option or Shares in Bahrain, promote these Shares to legal entities or individuals in Bahrain, or sell Shares directly to other legal entities or individuals in Bahrain. The Employee acknowledges and agrees that Shares may only be sold outside of Bahrain and on a stock exchange on which AbbVie is traded.

BRAZIL

Labor Law Acknowledgment. The Employee agrees, for all legal purposes, (i) the Benefits provided under the Agreement and the Program are the result of commercial transactions unrelated to the Employee's employment; (ii) the Agreement and the Program are not a part of the terms and conditions of the Employee's employment; and (iii) the income from the Option, if any, is not part of the Employee's remuneration from employment.

CANADA

1. English Language. The parties to the Agreement acknowledge that it is their express wish that the Agreement, as well as all documents, notices and legal proceedings entered into, given or instituted pursuant hereto or relating directly or indirectly hereto, be drawn up in English. *Les parties reconnaissent avoir exigé la rédaction en anglais de la présente convention, ainsi que de tous documents exécutés, avis donnés et procédures judiciaires intentées, directement ou indirectement, relativement à ou suite à la présente convention.*

2. Exercise of the Option – No Tendering Previously-Owned Shares. Notwithstanding Section 4 of the Agreement or any other provision in the Agreement or Program to the contrary, if the Employee is resident in Canada, the Employee may not tender Shares that the Employee owns to pay the Exercise Price or taxes in connection with the Option.

3. Resale Restriction. The Employee is permitted to sell Shares acquired upon settlement of the Option through the designated broker appointed under the Program, provided the resale of Shares acquired under the Program takes place outside of Canada through the facilities of the stock exchange on which the Shares are listed. The Shares are currently listed on the New York Stock Exchange.

CHILE

Private Placement. The following shall replace Section 11 of the Agreement:

The grant of the Option hereunder is not intended to be a public offering of securities in Chile but instead is intended to be a private placement.

- a) The starting date of the offer will be the Grant Date (as defined in the Agreement), and this offer conforms to General Ruling no. 336 of the Chilean Commission for the Financial Market;
 - b) The offer deals with securities not registered in the registry of securities or in the registry of foreign securities of the Chilean Commission for the Financial Market, and therefore such securities are not subject to its oversight;
 - c) The issuer is not obligated to provide public information in Chile regarding the foreign securities, as such securities are not registered with the Chilean Commission for the Financial Market; and
 - d) The foreign securities shall not be subject to public offering as long as they are not registered with the corresponding registry of securities in Chile.
- a) *La fecha de inicio de la oferta será el de la fecha de otorgamiento (o “Grant Date”, según este término se define en el documento denominado “Agreement”) y esta oferta se acoge a la norma de Carácter General n° 336 de la Comisión para el Mercado Financiero Chilena;*
 - b) *La oferta versa sobre valores no inscritos en el registro de valores o en el registro de valores extranjeros que lleva la Comisión para el Mercado Financiero Chilena, por lo que tales valores no están sujetos a la fiscalización de ésta;*
 - c) *Por tratar de valores no inscritos no existe la obligación por parte del emisor de entregar en Chile información pública respecto de esos valores; y*

d) *Esos valores no podrán ser objeto de oferta pública mientras no sean inscritos en el registro de valores correspondiente.*

CHINA

The following provisions shall govern the Employee's participation in the Program if the Employee is a national of the People's Republic of China ("*China*") resident in mainland China, or if determined to be necessary or appropriate by the Company in its sole discretion:

1. Mandatory Full Cashless Exercise. Notwithstanding Section 4 of the Agreement or any other provision in the Agreement to the contrary, the Option may be exercised only by using the cashless method, except as otherwise determined by the Company. Only full cashless exercise (net proceeds remitted to the Employee in cash) will be permitted. Cash, cashless sell-to-cover, or stock swap methods of exercise are prohibited.
2. Foreign Exchange Control Laws. As a condition of the Option, the Employee understands and agrees that, due to the exchange control laws in China, the Employee will be required to immediately repatriate the cash proceeds resulting from the cashless exercise of the Option to China.

The Employee understands and agrees that the repatriation of sales proceeds may need to be effected through a special exchange control account established by the Company or its Subsidiaries, and the Employee hereby consents and agrees that sales proceeds from the sale of Shares acquired under the Program may be transferred to such account by the Company on the Employee's behalf prior to being delivered to the Employee. The sales proceeds may be paid to the Employee in U.S. dollars or local currency at the Company's discretion. If the sales proceeds are paid to the Employee in U.S. dollars, the Employee understands that the Employee will be required to set up a U.S. dollar bank account in China so that the proceeds may be deposited into this account. If the sales proceeds are paid to the Employee in local currency, the Employee acknowledges that the Company is under no obligation to secure any particular exchange conversion rate and that the Company may face delays in converting the proceeds to local currency due to exchange control restrictions. The Employee agrees to bear any currency fluctuation risk between the time the Shares are sold and the net proceeds are converted into local currency and distributed to the Employee. The Employee further agrees to comply with any other requirements that may be imposed by the Company or its Subsidiaries in China in the future to facilitate compliance with exchange control requirements in China. The Employee acknowledges and agrees that the processes and requirements set forth herein shall continue to apply following the Employee's Termination.

Notwithstanding anything to the contrary in the Program or the Agreement, in the event of an Employee's Termination other than due to Retirement, the Employee shall be required to exercise the Option (to the extent outstanding, vested and otherwise permitted under the Agreement) and/or sell all Shares issued pursuant to the Program no later than 90 days after the date of Termination (or such shorter period as may be required by the State Administration of Foreign Exchange ("*SAFE*") or the Company), and repatriate the sales proceeds to China in the manner designated by the Company. Notwithstanding the foregoing, in the event of an Employee's Termination by reason of Retirement, the Employee shall be required to exercise the Option (to the extent outstanding, vested and otherwise permitted under the Agreement) and/or sell all Shares issued pursuant to the Program no later than 180 days after the date of such Retirement (or such shorter period as may be required by the *SAFE* or the Company), and repatriate the sales proceeds to China in the manner designated by the Company. Any Options that remain unexercised after such date shall expire.

Neither the Company nor any of its Subsidiaries shall be liable for any costs, fees, lost interest or dividends or other losses the Employee may incur or suffer resulting from the enforcement of the terms of this Addendum or otherwise from the Company's operation and enforcement of the Program, the Agreement and the Option in accordance with Chinese law including, without limitation, any applicable SAFE rules, regulations and requirements.

CROATIA

Mandatory Full Cashless Exercise. Notwithstanding Section 4 of the Agreement or any other provision in the Agreement to the contrary, the Option may be exercised only by using the cashless method, except as otherwise determined by the Company. Only full cashless exercise (net proceeds remitted to the Employee in cash) will be permitted. Cash, cashless sell-to-cover, or stock swap methods of exercise are prohibited.

DENMARK

Treatment of Option upon Termination. Notwithstanding any provisions in the Agreement to the contrary, if the Employee is determined to be an "Employee," as defined in Section 2 of the Danish Act on the Use of Rights to Purchase or Subscribe for Shares etc. in Employment Relationships (the "*Stock Option Act*"), the treatment of the Option upon Termination shall be governed by Sections 4 and 5 of the Stock Option Act. However, if the provisions in the Agreement or the Program governing the treatment of the Option upon a Termination are more favorable, the provisions of the Agreement or the Program will govern. The Employee acknowledges having received an "Employer Information Statement" in Danish.

FINLAND

Withholding of Tax-Related Items. Notwithstanding anything in Section 4(c) of the Agreement to the contrary, if the Employee is a local national of Finland, any Tax-Related Items shall be withheld only in cash from the Employee's regular salary/wages or other amounts payable to the Employee in cash, or such other withholding methods as may be permitted under the Program and allowed under local law.

FRANCE

1. Nature of the Award. The Option is not granted under the French specific regime provided by Articles L225-177-1 and seq. of the French commercial code.

2. English Language. The parties to the Agreement acknowledge that it is their express wish that the Agreement, as well as all documents, notices and legal proceedings entered into, given or instituted pursuant hereto or relating directly or indirectly hereto, be drawn up in English. *Les parties reconnaissent avoir exigé la rédaction en anglais de la présente convention, ainsi que de tous documents exécutés, avis donnés et procédures judiciaires intentées, directement ou indirectement, relativement à ou suite à la présente convention.*

HONG KONG

1. Exercise of Option. If, for any reason, the Employee exercises the Option within six months of the Grant Date, the Employee agrees that he or she will not sell or otherwise dispose of any such Shares prior to the six-month anniversary of the Grant Date.

2. IMPORTANT NOTICE. WARNING: The contents of the Agreement, the Addendum, the Program, and all other materials pertaining to the Option and/or the Program have not been reviewed by any regulatory authority in Hong Kong. The Employee is hereby advised to exercise caution in relation to the offer

thereunder. If the Employee has any doubts about any of the contents of the aforesaid materials pertaining to the Option, the Employee should obtain independent professional advice.

3. Wages. The Option and Shares underlying the Option do not form part of the Employee's wages for the purposes of calculating any statutory or contractual payments under Hong Kong law.

ISRAEL

Trustee Arrangement: The Employee agrees to hold the Shares received upon exercise of the Option with the Company's designated broker. The Employee understands and agrees that upon the Employee's sale of Shares, unless otherwise determined by the Company, (a) the repatriation of sales proceeds shall be effected through a trustee in Israel engaged by the Company (the "Trustee"), (b) the Trustee will withhold the requisite tax and other mandatory withholding (e.g., National Insurance payments) from the sales proceeds and (c) the Trustee will transfer the remaining sale proceeds (net of the requisite tax and other mandatory withholding) to the Employee. The Employee acknowledges and agrees that the process and requirements set forth herein shall continue to apply following the Employee's Termination.

ITALY

Mandatory Full Cashless Exercise. Notwithstanding Section 4 of the Agreement or any other provision in the Agreement to the contrary, the Option may be exercised only by using the cashless method, except as otherwise determined by the Company. Only full cashless exercise (net proceeds remitted to the Employee in cash) will be permitted. Cash, cashless sell-to-cover, or stock swap methods of exercise are prohibited.

MEXICO

1. Commercial Relationship. The Employee expressly acknowledges that the Employee's participation in the Program and the Company's grant of the Option does not constitute an employment relationship between the Employee and the Company. The Employee has been granted the Option as a consequence of the commercial relationship between the Company and the Company's Subsidiary in Mexico that employs the Employee, and the Company's Subsidiary in Mexico is the Employee's sole employer. Based on the foregoing: (a) the Employee expressly acknowledges that the Program and the benefits derived from participation in the Program do not establish any rights between the Employee and the Subsidiary in Mexico that employs the Employee; (b) the Program and the benefits derived from participation in the Program are not part of the employment conditions and/or benefits provided by the Subsidiary in Mexico that employs the Employee; and (c) any modifications or amendments of the Program or benefits granted thereunder by the Company, or a termination of the Program by the Company, shall not constitute a change or impairment of the terms and conditions of the Employee's employment with the Subsidiary in Mexico that employs the Employee.

2. Extraordinary Item of Compensation. The Employee expressly recognizes and acknowledges that the Employee's participation in the Program is a result of the discretionary and unilateral decision of the Company, as well as the Employee's free and voluntary decision to participate in the Program in accordance with the terms and conditions of the Program, the Agreement and this Addendum. As such, the Employee acknowledges and agrees that the Company, in its sole discretion, may amend and/or discontinue the Employee's participation in the Program at any time and without any liability. The value of the Option is an extraordinary item of compensation outside the scope of the Employee's employment contract, if any. The Option is not part of the Employee's regular or expected compensation for purposes of calculating any severance, resignation, redundancy, end of service payments, bonuses, long-service awards, pension or retirement benefits, or any similar payments, which are the exclusive obligations of the Company's Subsidiary in Mexico that employs the Employee.

NETHERLANDS

Waiver of Termination Rights. The Employee waives any and all rights to compensation or damages as a result of a Termination, insofar as those rights result or may result from: (a) the loss or diminution in value of such rights or entitlements under the Program; or (b) the Employee ceasing to have rights, or ceasing to be entitled to any awards, under the Program as a result of such Termination.

NEW ZEALAND

Securities Law Notice. The following securities notification applies for an offer of an Option on or after December 1, 2016:

Warning

This is an offer of an Option which, upon exercise and settlement in accordance with the terms of the Program and the Agreement, will be converted into Shares. Shares give you a stake in the ownership of AbbVie Inc. You may receive a return if dividends are paid.

If AbbVie Inc. runs into financial difficulties and is wound up, you will be paid only after all creditors and holders of preference shares have been paid. You may lose some or all of your investment.

New Zealand law normally requires people who offer financial products to give information to investors before they invest. This information is designed to help investors to make an informed decision. The usual rules do not apply to this offer because it is made under an employee share purchase scheme. As a result, you may not be given all the information usually required. You will also have fewer other legal protections for this investment.

Ask questions, read all documents carefully, and seek independent financial advice before committing.

Prior to the exercise and settlement of the Option, you will not have any rights of ownership (e.g., voting or dividend rights) with respect to the underlying Shares.

No interest in any Option may be transferred (legally or beneficially), assigned, mortgaged, charged or encumbered.

The Shares are quoted on the New York Stock Exchange. This means that if you acquire Shares under the Program, you may be able to sell them on the New York Stock Exchange if there are interested buyers. You may get less than you invested. The price will depend on the demand for the Shares.

You also are hereby notified that the documents listed below are available for review on sites at the web addresses listed below:

1. AbbVie Inc.'s most recent Annual Report (Form 10-K): <http://investors.abbvie.com/phoenix.zhtml?c=251551&p=irol-sec>.
2. AbbVie Inc.'s most recent published financial statements (Form 10-Q or 10-K) and the auditor's report on those financial statements: <http://investors.abbvie.com/phoenix.zhtml?c=251551&p=irol-sec>.

3. The AbbVie 2013 Incentive Stock Program: This document can be accessed in the library section of the UBS website at www.ubs.com/onesource/abby.
4. AbbVie 2013 Incentive Stock Program Prospectus: This document can be accessed in the library section of the UBS website at www.ubs.com/onesource/abby.

Copies of the documents listed above will be sent to you free of charge on written request to: Director, Equity Programs, AbbVie Inc., Dept. V58G, Bldg. AP34-2, 1 North Waukegan Road, North Chicago, IL 60064, USA.

ROMANIA

1. Termination. A Termination shall include the situation where the Employee's employment contract is terminated by operation of law on the date the Employee reaches the standard retirement age and has completed the minimum contribution record for receipt of state retirement pension or the relevant authorities award the Employee an early-retirement pension of any type.
2. English Language. The Employee hereby expressly agrees that this Agreement, the Program as well as all documents, notices and proceedings entered into, relating directly or indirectly hereto, be drawn up or communicated only in the English language. *Angajatul consimte în mod expres prin prezentul ca acest Contract, Programul precum și orice alte documente, notificări, înștiințări legate direct sau indirect de acest Contract să fie redactate sau efectuate doar în limba engleză.*

RUSSIA

1. Sale or Transfer of Shares. Notwithstanding anything to the contrary in the Program or the Agreement, the Employee shall not be permitted to sell or otherwise dispose of the Shares acquired pursuant to the Option in Russia. The Employee may sell the Shares only through a broker established and operating outside Russia.
2. Repatriation Requirements. The Employee agrees to promptly repatriate proceeds resulting from the sale of Shares acquired under the Program to a foreign currency account at an authorized bank in Russia if legally required at the time Shares are sold and to comply with all applicable local foreign exchange rules and regulations. Neither the Company nor any of its Subsidiaries shall be liable for any fines or penalties resulting from the Employee's failure to comply with applicable laws.

SINGAPORE

Qualifying Person Exemption. The grant of the Option under the Program is being made pursuant to the "Qualifying Person" exemption under section 273(1)(f) of the Securities and Futures Act (Chapter 289, 2006 Ed.) (the "SFA"). The Program has not been and will not be lodged or registered as a prospectus with the Monetary Authority of Singapore and is not regulated by any financial supervisory authority pursuant to any legislation in Singapore. Accordingly, statutory liability under the SFA in relation to the content of the prospectuses would not apply. The Employee should note that, as a result, the Option is subject to section 257 of the SFA and the Employee will not be able to make: (a) any subsequent sale of the Shares in Singapore; or (b) any offer of such subsequent sale of the Shares subject to the Option in Singapore, unless such sale or offer is made pursuant to the exemptions under Part XIII Division 1 Subdivision (4) (other than section 280) of the SFA.

SOUTH AFRICA

1. Exchange Control Obligations. The Employee is solely responsible for complying with applicable exchange control regulations and rulings (the “*Exchange Control Regulations*”) in South Africa. As the Exchange Control Regulations change frequently and without notice, the Employee should consult the Employee’s legal advisor prior to the acquisition or sale of Shares under the Program to ensure compliance with current Exchange Control Regulations. Neither the Company nor any of its Subsidiaries shall be liable for any fines or penalties resulting from the Employee’s failure to comply with applicable laws.

2. Securities Law Notice. In compliance with South African securities laws, the Employee acknowledges that the documents listed below are available for review at the web addresses listed below:

- a. AbbVie Inc.’s most recent Annual Report (Form 10-K): <http://investors.abbvie.com/phoenix.zhtml?c=251551&p=irol-sec>.
- b. AbbVie 2013 Incentive Stock Program Prospectus: This document can be accessed in the library section of the UBS website at www.ubs.com/onesource/abby.

The Employee understands that copies of the documents listed above will be sent to the Employee free of charge on written request to: Director, Equity Programs, AbbVie Inc., Dept. V58G, Bldg. AP34-2, 1 North Waukegan Road, North Chicago, IL 60064, USA.

The Employee is advised to carefully read the materials provided before making a decision whether to participate in the Program and to contact the Employee’s tax advisor for specific information concerning the Employee’s personal tax situation with regard to Program participation.

SPAIN

1. Acknowledgement of Discretionary Nature of the Program; No Vested Rights.

By accepting the Option grant, the Employee consents to participation in the Program and acknowledges receipt of a copy of the Program.

The Employee understands that the Company has unilaterally, gratuitously and in its sole discretion granted Options under the Program to individuals who may be employees of the Company or its Subsidiaries throughout the world. The decision is a limited decision that is entered into upon the express assumption and condition that any grant will not economically or otherwise bind the Company or any of its Subsidiaries on an ongoing basis. Consequently, the Employee understands that the Option is granted on the assumption and condition that the Option and the Shares acquired upon exercise of the Option shall not become a part of any employment contract (either with the Company or any of its Subsidiaries) and shall not be considered a mandatory benefit, salary for any purposes (including severance compensation) or any other right whatsoever. In addition, the Employee understands that this grant would not be made to the Employee but for the assumptions and conditions referenced above; thus, the Employee acknowledges and freely accepts that should any or all of the assumptions be mistaken or should any of the conditions not be met for any reason, the Option grant shall be null and void.

The Employee understands and agrees that, as a condition of the Option grant, unless otherwise provided in Section 5 of the Agreement, any unvested Option as of the date the Employee ceases active employment, and any vested portion of the Option not exercised within the post-termination exercise period set out in the Agreement, will be forfeited without entitlement to the underlying Shares or to any amount of indemnification

in the event of Termination. The Employee acknowledges that the Employee has read and specifically accepts the conditions referred to in the Agreement regarding the impact of a Termination on the Option.

2. Termination for Cause. Notwithstanding anything to the contrary in the Program or the Agreement, “Cause” shall be defined as set forth in the applicable Change in Control Agreement, regardless of whether the Termination is considered a fair termination (i.e., “despido procedente”) under Spanish legislation.

SWEDEN

Exercise Procedures. Notwithstanding any provision in the Agreement to the contrary, if the Employee is a resident in Sweden, the Company may not limit the exercise method of the Option only to a cashless exercise.

UNITED KINGDOM

1. Payment of Taxes. Without limitation to Section 4 of the Agreement, the Employee hereby agrees that the Employee is liable for all Tax-Related Items and hereby covenants to pay all such Tax-Related Items, as and when requested by the Company or (if different) the Subsidiary that employs the Employee or by Her Majesty’s Revenue & Customs (“HMRC”) (or any other tax authority or any other relevant authority). The Employee also hereby agrees to indemnify and keep indemnified the Company and (if different) the Subsidiary that employs the Employee against any Tax-Related Items that they are required to pay or withhold on the Employee’s behalf or have paid or will pay on the Employee’s behalf to HMRC (or any other tax authority or any other relevant authority).

Notwithstanding the foregoing, if the Employee is a director or executive officer (as within the meaning of Section 13(k) of the U.S. Securities Exchange Act of 1934, as amended), the terms of the immediately foregoing provision will not apply. In the event that the Employee is a director or executive officer and income tax due is not collected from or paid by the Employee by within 90 days after the U.K. tax year in which an event giving rise to the indemnification described above occurs, the amount of any uncollected tax may constitute a benefit to the Employee on which additional income tax and national insurance contributions may be payable. The Employee acknowledges that the Employee ultimately will be responsible for reporting and paying any income tax due on this additional benefit directly to HMRC under the self-assessment regime and for reimbursing the Company or the Subsidiary that employs the Employee (as applicable) for the value of any employee national insurance contributions due on this additional benefit, which the Company and/or the Subsidiary that employs the Employee may recover from the Employee at any time thereafter by any of the means referred to in Section 4 of the Agreement.

2. Exclusion of Claim. The Employee acknowledges and agrees that the Employee will have no entitlement to compensation or damages insofar as such entitlement arises or may arise from the Employee’s ceasing to have rights under or to be entitled to exercise the Option, whether or not as a result of Termination (whether the Termination is in breach of contract or otherwise), or from the loss or diminution in value of the Option. Upon the grant of the Option, the Employee shall be deemed to have waived irrevocably any such entitlement.

VENEZUELA

Mandatory Full Cashless Exercise. Notwithstanding Section 4 of the Agreement or any other provision in the Agreement to the contrary, the Option may be exercised only by using the cashless method, except as otherwise determined by the Company. Only full cashless exercise (net proceeds remitted to the Employee in cash) will be permitted. Cash, cashless sell-to-cover, or stock swap methods of exercise are prohibited.

VIETNAM

Mandatory Full Cashless Exercise. Notwithstanding Section 4 of the Agreement or any other provision in the Agreement to the contrary, the Option may be exercised only by using the cashless method, except as otherwise determined by the Company. Only full cashless exercise (net proceeds remitted to the Employee in cash) will be permitted. Cash, cashless sell-to-cover, or stock swap methods of exercise are prohibited.

ABBVIE INC.
NON-EMPLOYEE DIRECTOR NON-QUALIFIED STOCK OPTION AGREEMENT

On this «**Grant_Day**» day of «**Grant_Month**», 2018 (the “*Grant Date*”), AbbVie Inc. (the “*Company*”) hereby grants to «**First Name**» «**MI**» «**Last Name**», (the “*Director*”) an Option (the “*Option*”) to purchase a total of «**NQSOs**» Shares, at the price of \$«**Option_Price**» per Share (the “*Exercise Price*”), such price being not less than 100% of the Fair Market Value of the Shares on the Grant Date.

The Option is granted under the Program and is subject to the provisions of the Program, the Program prospectus, the Program administrative rules, applicable Company policies, and the terms and conditions set forth in this Agreement. In the event of any inconsistency among the provisions of this Agreement, the provisions of the Program, the Program prospectus, and the Program administrative rules, the provisions of the Program shall control.

The terms and conditions of the Option granted to the Director are as follows:

1. **Definitions.** To the extent not defined herein, capitalized terms shall have the same meaning as in the Program.
 - (a) *Agreement*: This Non-Employee Director Non-Qualified Stock Option Agreement.
 - (b) *Data*: Certain personal information about the Director held by the Company and the Subsidiary for which the Director provides services (if applicable), including (but not limited to) the Director's name, home address and telephone number, email address, date of birth, social security, passport or other identification number, salary, nationality, job title, any Shares held in the Company, details of all Options or any other entitlement to Shares awarded, canceled, purchased, vested, unvested or outstanding in the Director's favor, for the purpose of managing and administering the Program.
 - (c) *Director's Representative*: The Director's legal guardian or other legal representative.
 - (d) *Option*: The Non-Qualified Stock Option granted pursuant to this Agreement.
 - (e) *Program*: The AbbVie 2013 Incentive Stock Program.
 - (f) *Termination*: A termination from service with the Board of Directors of the Company and all Subsidiaries.
2. **Term of Option.** The Director may exercise all or a portion of the vested Option at any time prior to the 10th anniversary of the Grant Date (the “*Expiration Date*”); provided that the Option may be exercised with respect to whole Shares only. In no event shall the Option be exercisable on or after the Expiration Date. To the extent the Option is not exercised prior to the Expiration Date, it shall be canceled and forfeited.
3. **Vesting.** The Option is 100% vested on the Grant Date.
4. **Exercise of the Option.** To the extent vested, the Option may be exercised in whole or in part as follows:
 - (a) **Who May Hold/Exercise the Option.**

- (i) **General Rule - Exercise by Director Only.** During the lifetime of the Director, the Option may be exercised only by the Director or the Director's Representative.
 - (ii) **Death Exception.** If the Director dies, then the Option may be exercised only by the executor or administrator of the estate of the Director or the person or persons to whom rights under the Option have passed by will or the laws of descent or distribution. Such person(s) shall furnish the appropriate tax clearances, proof of the right of such person(s) to exercise the Option, and other pertinent data as the Company may deem necessary.
 - (iii) **Transferability.** Except as otherwise provided by the Committee or its delegate, the Option is not transferable other than: (A) by will or the laws of descent and distribution; or (B) by the Director as a gift to the Director's spouse, child or grandchild (the Director's "*Immediate Family*") or to a family trust, a family partnership, a family limited liability company, or a similar arrangement for the benefit of members of the Director's Immediate Family. It may not be assigned, transferred (except by will or the laws of descent and distribution), pledged or hypothecated in any way, whether by operation of law or otherwise, and shall not be subject to execution, attachment, or similar process. Any attempt at assignment, transfer, pledge, hypothecation, or other disposition of the Option contrary to the provisions hereof, and the levy of any attachment or similar process upon such Option, shall be null and void.
- (b) **Method of Exercise.** The Option may be exercised only by:
- (i) delivery to the designated employee or agent of the Company of a written, electronic, or telephonic notice of exercise, specifying the number of Shares with respect to which the Option is then being exercised, and payment of the full Exercise Price of the Shares being purchased in cash or with other Shares held by the Director having a then Fair Market Value equal to the Exercise Price;
 - (ii) delivery of a properly-executed exercise notice together with a copy of irrevocable instructions to a broker to deliver promptly to the Company the amount of sale or loan proceeds to pay the Exercise Price;
 - (iii) a combination of (i) and (ii) above; or
 - (iv) any other manner approved by the Committee from time to time.

Each method of exercise requires payment of the full amount of any federal, state, local or other applicable taxes which the Company believes are required to be withheld and paid with respect to such exercise, as described below.

Notwithstanding the foregoing, the Company may require payment in a particular or different method of exercise than those methods specified in Section 4(b)(i)-(iii), may allow the Director to exercise the Option only by means of a cashless exercise (either a cashless "sell all" exercise or a cashless "sell-to-cover" exercise) as it shall determine in its sole discretion, or may require the Director to sell any Shares the Director acquired under the

Program immediately or within a specified period following the Director's Termination (in which case, this Agreement shall give the Company the authority to issue sales instructions on the Director's behalf).

- (c) **Payment of Taxes.** To the extent permitted under applicable law and by the Company, the Director may satisfy any federal, state, local or other applicable taxes arising from any transaction related to the exercise of the Option pursuant to this Agreement by:
- (i) tendering a cash payment;
 - (ii) having the Company withhold Shares from the Option exercised to satisfy the applicable withholding tax;
 - (iii) tendering Shares received in connection with the Option back to the Company; or
 - (iv) delivering other previously acquired Shares having a Fair Market Value approximately equal to the amount to be withheld.

The Company shall have the right and is hereby authorized to withhold from the Shares transferable to the Director upon any exercise of the Option or (to the extent permitted by applicable law, including without limitation Code Section 409A) from any other compensation or other amount owing to the Director such amount as may be necessary in the opinion of the Company to satisfy all such tax and withholding obligations.

Notwithstanding the foregoing, if the Director is subject to Section 16(b) of the Exchange Act, the Company will withhold using the method described in subsection 4(c)(ii) above unless the use of such withholding method is problematic under applicable laws or has materially adverse accounting consequences, in which case the Committee shall determine which of the other methods described in this subsection 4(c) or in the Program shall be used to satisfy the applicable withholding obligations.

5. **No Right to Continued Service.** This Agreement and the Director's participation in the Program is not and shall not be interpreted to:
- (a) form a contractual or other relationship with the Company or its Subsidiaries;
 - (b) confer upon the Director any right to continue in the service of the Company or any of its Subsidiaries; or
 - (c) interfere with the ability of the Company or its Subsidiaries to terminate the Director's service at any time.
6. **No Contract as of Right.** The grant of an Option under the Program does not create any contractual or other right to receive additional Options or other Program Benefits. Nothing contained in this Agreement is intended to create or enlarge any other contractual obligations between the Company and the Director. Future Option grants, if any, and their terms and conditions, will be at the sole discretion of the Committee.
7. **Data Privacy.**

- (a) Pursuant to applicable personal data protection laws, the collection, processing and transfer of the Director's personal Data is necessary for the Company's administration of the Program and the Director's participation in the Program. The Director's denial and/or objection to the collection, processing and transfer of personal Data may affect his or her ability to participate in the Program. As such (where required under applicable law), the Director:
- (i) voluntarily acknowledges, consents and agrees to the collection, use, processing and transfer of personal Data as described herein; and
 - (ii) authorizes Data recipients to receive, possess, use, retain and transfer the Data, in electronic or other form, for purposes of implementing, administering and managing the Director's participation in the Program, including any requisite transfer of such Data as may be required for the administration of the Program and/or the subsequent holding of Shares on the Director's behalf to a broker or other third party with whom the Director may elect to deposit any Shares acquired pursuant to the Program.
- (b) Data may be provided by the Director or collected, where lawful, from third parties, and the Company will process the Data for the exclusive purpose of implementing, administering and managing the Director's participation in the Program. Data processing will take place through electronic and non-electronic means according to logics and procedures strictly correlated to the purposes for which the Data is collected and with confidentiality and security provisions as set forth by applicable laws and regulations in the Director's country of residence. Data processing operations will be performed minimizing the use of personal and identification data when such operations are unnecessary for the processing purposes sought. The Data will be accessible within the Company's organization only by those persons requiring access for purposes of the implementation, administration and operation of the Program and for the Director's participation in the Program.
- (c) The Company will transfer Data as necessary for the purpose of implementation, administration and management of the Director's participation in the Program, and the Company and the Subsidiary that served by the Director (if applicable) may further transfer Data to any third parties assisting the Company in the implementation, administration and management of the Program. These recipients may be located throughout the world.
- (d) The Director may, at any time, exercise his or her rights provided under applicable personal data protection laws, which may include the right to:
- (i) obtain confirmation as to the existence of the Data;
 - (ii) verify the content, origin and accuracy of the Data;
 - (iii) request the integration, update, amendment, deletion or blockage (for breach of applicable laws) of the Data; and

- (iv) oppose, for legal reasons, the collection, processing or transfer of the Data which is not necessary or required for the implementation, administration and/or operation of the Program and the Director's participation in the Program.

The Director may seek to exercise these rights by contacting the Company's corporate human resources department.

- (e) Upon request of the Company, the Director agrees to provide an executed data privacy consent form (or any other agreement or consent that may be required by the Company) to the Company that the Company may deem necessary to obtain from the Director for the purpose of administering his or her participation in the Program in compliance with the data privacy laws in the Director's country, either now or in the future. The Director understands and agrees that he or she will not be able to participate in the Program if the Director fails to provide any such requested consent or agreement.
8. **No Advice Regarding Grant.** The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding the Option, the Director's participation in the Program or the Director's acquisition or sale of the underlying Shares. The Director is hereby advised to consult with the Director's own personal tax, legal and financial advisors regarding participation in the Program before taking any action related to the Program.
 9. **Entire Agreement.** This Agreement and the Program constitute the entire agreement between the Director and the Company regarding the Option and supersede all prior and contemporaneous agreements and understandings, oral or written, between the parties regarding the Option. Except as expressly set forth herein, this Agreement (and any provision of this Agreement) may not be modified, changed, clarified, or interpreted by the parties, except in a writing specifying the modification, change, clarification, or interpretation, and signed by a duly authorized Company officer.
 10. **Succession.** This Agreement shall be binding upon and operate for the benefit of the Company and its successors and assigns, and the Director, the Director's Representative, and the person or persons to whom rights under the Option have passed by will or the laws of descent or distribution.
 11. **Compliance with Applicable Laws and Regulations.** The Company shall not be required to issue or deliver any Shares pursuant to this Agreement pending compliance with all applicable federal and state securities and other laws (including any registration requirements or tax withholding requirements) and compliance with the rules and practices of any stock exchange upon which the Company's Shares are listed. If the Director relocates to another country, the Company may establish special or alternate terms and conditions as necessary or advisable to comply with local laws, rules or regulations, to facilitate the operation and administration of the Option and the Program and/or to accommodate the Director's relocation.
 12. **Code Section 409A.** The Option is intended to be exempt from the requirements of Code Section 409A. The Program and this Agreement shall be administered and interpreted in a manner consistent with this intent. If the Company determines that the Option is subject to Code Section 409A and

this Agreement fails to comply with that section's requirements, the Company may, at the Company's sole discretion, and without the Director's consent, amend this Agreement to cause it to comply with Code Section 409A or otherwise be exempt from Code Section 409A.

Although this Agreement and the Benefits provided hereunder are intended to be exempt from the requirements of Code Section 409A, the Company does not represent or warrant that this Agreement or the Benefits provided hereunder will comply with Code Section 409A or any other provision of federal, state, local, or non-United States law. None of the Company, its Subsidiaries, or their respective directors, officers, employees or advisers shall be liable to the Director (or any other individual claiming a benefit through the Director) for any tax, interest, or penalties the Director may owe as a result of compensation paid under this Agreement, and the Company and its Subsidiaries shall have no obligation to indemnify or otherwise protect the Director from the obligation to pay any taxes pursuant to Code Section 409A.

13. **Determinations.** Each decision, determination, interpretation or other action made or taken pursuant to the provisions of this Agreement by the Company, the Committee or any delegate of the Committee shall be final, conclusive and binding for all purposes and upon all persons, including, without limitation, the Company, the Director, the Director's Representative, and the person or persons to whom rights under the Option have passed by will or the laws of descent or distribution.
14. **Severability.** The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, and each other provision of this Agreement shall be severable and enforceable to the extent permitted by law. To the extent a court or tribunal of competent jurisdiction determines that any provision of this Agreement is invalid or unenforceable, in whole or in part, the Company, in its sole discretion, shall have the power and authority to revise or strike such provision to the minimum extent necessary to make it valid and enforceable to the full extent permitted under local law.
15. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware without giving effect to any state's conflict of laws principles.

* * *

IN WITNESS WHEREOF, the Company has caused this Agreement to be executed by its duly authorized officer as of the grant date above set forth.

ABBVIE INC.

By _____

Title _____

**Certification of Chief Executive Officer
Required by Rule 13a-14(a) (17 CFR 240.13a-14(a))**

I, Richard A. Gonzalez, certify that:

1. I have reviewed this quarterly report on Form 10-Q of AbbVie Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of AbbVie as of, and for, the periods presented in this report;
4. AbbVie's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for AbbVie and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to AbbVie, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of AbbVie's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in AbbVie's internal control over financial reporting that occurred during AbbVie's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, AbbVie's internal control over financial reporting; and
5. AbbVie's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to AbbVie's auditors and the audit committee of AbbVie's board of directors:
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect AbbVie's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in AbbVie's internal control over financial reporting.

Date: May 4, 2018

/s/ Richard A. Gonzalez

Richard A. Gonzalez, Chairman of the Board
and Chief Executive Officer

**Certification of Chief Financial Officer
Required by Rule 13a-14(a) (17 CFR 240.13a-14(a))**

I, William J. Chase, certify that:

1. I have reviewed this quarterly report on Form 10-Q of AbbVie Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of AbbVie as of, and for, the periods presented in this report;
4. AbbVie's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for AbbVie and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to AbbVie, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of AbbVie's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in AbbVie's internal control over financial reporting that occurred during AbbVie's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, AbbVie's internal control over financial reporting; and
5. AbbVie's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to AbbVie's auditors and the audit committee of AbbVie's board of directors:
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect AbbVie's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in AbbVie's internal control over financial reporting.

Date: May 4, 2018

/s/ William J. Chase

William J. Chase, Executive Vice President,
Chief Financial Officer

**Certification Pursuant To
18 U.S.C. Section 1350
As Adopted Pursuant To
Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Quarterly Report of AbbVie Inc. (the "Company") on Form 10-Q for the period ended March 31, 2018 as filed with the Securities and Exchange Commission (the "Report"), I, Richard A. Gonzalez, Chairman of the Board and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Richard A. Gonzalez

Richard A. Gonzalez

Chairman of the Board and Chief Executive Officer

May 4, 2018

A signed original of this written statement required by Section 906 has been provided to AbbVie Inc. and will be retained by AbbVie Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

**Certification Pursuant To
18 U.S.C. Section 1350
As Adopted Pursuant To
Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Quarterly Report of AbbVie Inc. (the "Company") on Form 10-Q for the period ended March 31, 2018 as filed with the Securities and Exchange Commission (the "Report"), I, William J. Chase, Executive Vice President, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ William J. Chase

William J. Chase

Executive Vice President, Chief Financial Officer

May 4, 2018

A signed original of this written statement required by Section 906 has been provided to AbbVie Inc. and will be retained by AbbVie Inc. and furnished to the Securities and Exchange Commission or its staff upon request.