

EXHIBIT A-35

Annex F to the MSA

ANNEX F
B-SIDE PAYMENT GROUP 2¹

ARTICLE I.
DEFINITIONS; MISCELLANEOUS

Section 1.01 Master Settlement Agreement. Capitalized terms used herein and not defined herein have the meanings ascribed to such terms in the Master Settlement Agreement (to which this Annex F is attached) and any exhibit attached there to, as applicable.

Section 1.02 Defined Terms. As used in this Credit Support Annex, the following terms shall have the meanings specified below:

“Adjusted Collateral Value” means, as of any date of determination, the sum of the Value of the Collateral of the Applicable Payment Group (excluding for purposes of such determination the Value of (i) the Designated Assets and any proceeds thereof (unless contributed to a Holding Company Pledgor or Investment Holding Vehicle), (ii) Designated Assets Proceeds Accounts, (iii) rights with respect to the Reserves, and (iv) equity interests in IACs, but including for purposes of such determination the Value of (a) the IAC Accounts of the Trust Pledgors and their Subsidiaries and (b) without double counting, the assets of the applicable Holding Company Pledgors and their respective Subsidiaries) multiplied by the Asset Class Advance Rate applicable to the relevant asset class constituting Collateral.

“Applicable Federal Rate” means, with respect to any month, the applicable federal rate published by the IRS for such month.

“Applicable Payment Group” means B-Side Payment Group 2 (the Beverly Sackler and Jonathan Sackler Family) under the Master Settlement Agreement.

“Asset Class Advance Rate” means, with respect to any asset, the below indicated factor applicable to such asset class:

(A) Cash and Cash Equivalents: 1.00x,

(B) Marketable Securities: 1.00x,

(C) Hedge Funds: 0.85x

(D) Private Capital Investments (excluding any equity of IACs): 0.80x

(E) Accounts Receivables: 1.00x

(F) Notes Receivable: 0.80x (any note receivable representing a loan that is a Restricted Payment will be assigned a Value of zero)

(G) Residential Real Estate: 0.80x

(H) Real Estate Investments (Other than Residential Real Estate): 0.80x

¹ NTD: Formatting under review.

(I) Other Investments: 0.80x

(J) Life Insurance – Surrender Value: 0.80x

(K) Retirement Accounts and Government Pensions: 0.80x

(L) Artwork (Including Jewelry): 0.80x

“Asset Management Agreement” means any asset management agreement entered into from time to time between or among the Holding Company Pledgors, on the one hand, and the Asset Manager, on the other hand, with respect to the management of the assets and investments of the Holding Company Pledgors, including the agreements existing as of the Settlement Effective Date specified in Exhibit F.

“Asset Manager” means Kokino and any replacement asset manager.

“Beverly Sackler ICSPs” means *[To describe Beverly Sackler Estate and Rev Trust HoldCos that are in the Applicable Payment Group (but not the Richard family Payment Group) Also, Raymond Sackler Estate, Raymond R. Sackler GST Exempt Marital Trust u/a 3/29/2012 and Raymond R. Sackler Credit Shelter Trust u/a 3/29/2012 to be on same footing as Beverly Sackler ICSPs and subject to same conditions.]*

“Business Day” means any day excluding Saturday, Sunday and any day which is a legal holiday under the laws of the State of New York or the State of Wyoming or is a day on which banking institutions located in any such state are authorized or required by law or other governmental action to close.

“Cash Collateral Account” as defined in Section 5.12(a).

“Collateral” as defined in Section 3.01(a). In no event shall the Collateral include Excluded Property. When the term “Collateral” is used in reference to a specific Trust Pledgor, rather than to the Collateral of the Applicable Payment Group as a whole, it refers to the individual assets pledged by that Trust Pledgor, its Holding Company Pledgors and its other direct and indirect Subsidiaries, including any Designated Assets Proceeds Accounts, that form part of the broader Collateral of the Applicable Payment Group.

“Collateral Coverage Ratio” means, as of any date of determination, the ratio of (a) the Adjusted Collateral Value, reduced by the Applicable Payment Group’s Available Retained Payment Amount (to the extent such Available Retained Payment Amount is greater than zero) provided that such reduction shall only be made if the Final Reversion Event has not occurred, to (b) the Full Outstanding Settlement Amount as of such date of determination.

“Control Agreement” means a customary springing deposit account control agreement, or a customary springing securities account control agreement, in form and substance reasonably acceptable to the MDT, between a Trust Pledgor, in the case of a Designated Asset Proceeds Account, or a Holding Company Pledgor, in the case of a Cash Collateral Account, the MDT and a commercial bank or other financial institution, which Control Agreement shall give the MDT “control” (as such term is described in Section 9-104 of the UCC) over the applicable deposit account or securities account; it being understood that (i) the MDT shall have no right to exercise remedies over the applicable deposit account or securities account until the occurrence of an Enforcement Event with respect to the applicable account holder and (ii) a “springing” control agreement means that the applicable account bank shall be entitled to comply with instructions delivered by the account holder with respect to the disposition of assets held in such account prior to delivery by the MDT of a notice of exclusive control (or similar notice) to such account bank.

“Credit Support Annex” means this Annex F to the Master Settlement Agreement.

“Designated Assets” means certain assets of a Trust Pledgor (e.g., interests in third party managed funds, but excluding IAC equity interests which will be pledged pursuant to IAC Pledge and Security Agreements (as defined in the Master Settlement Agreement)) that the Trust Pledgor determines cannot be transferred and/or pledged without violating contractual restrictions or triggering other adverse events for the Trust Pledgor or its counterparties.

“Designated Assets Proceeds Accounts” means (x) [_____] ² and (y) certain Deposit Accounts or Securities Accounts maintained at a depository institution in a United States jurisdiction in respect of which, subject to Section 4.07, any Pledgor shall have entered into a Control Agreement, in each case, that may be designated as a “Designated Asset Proceeds Account” by the Asset Manager from time to time. It is understood and agreed that IAC Accounts are not Designated Assets Proceeds Accounts.

“Deposit Account” means a demand, time, savings, passbook or like account with a bank, savings and loan association, credit union or like organization, other than an account evidenced by a negotiable certificate of deposit.

“Disposition” shall mean, with respect to any property or asset, any conveyance, sale, lease, sublease, license or assignment of such property or asset, including by means of a merger, consolidation, division or similar transaction (but, for the avoidance of doubt, excluding the disposition by death of property owned by a natural person that continues to be owned as property of the decedent’s estate and those reflecting the appointment of an additional or replacement trustee of a trust in accordance with Section 5.10 hereof), and the terms “Dispose,” “Disposed” and “Disposing” shall have meanings correlative thereto.

“Distribution Incurrence Test” as defined in Section 5.01(i)(B).

“Enforcement Event” means:

(i) in the case of a Payment Party in the Applicable Payment Group (but not the Applicable Payment Group itself), such Payment Party is subject to:

(a) a Specified Breach by such Payment Party permitting the Secured Party to exercise the Payment Remedy and related remedies set forth in Section 9.02(a)(ii)(A) of the Master Settlement Agreement with respect to such Payment Party; provided that the MDT remains entitled to exercise such remedies under Section 9.02(a) of the Master Settlement Agreement and has not elected Option 2 under Section 9.02(a)(ii)(B);

(b) an Insolvency Proceeding with respect to such Payment Party permitting the Secured Party to exercise the remedies set forth in Section 9.08(a) of the Master Settlement Agreement with respect to such Payment Party; or

(c) a Major Judgment with respect to such Payment Party permitting the Secured Party to exercise the remedies set forth in Section 9.08(b) of the Master Settlement Agreement with respect to such Payment Party.

(ii) in the case of the Applicable Payment Group itself, the occurrence of a Specified Breach by the Applicable Payment Group, in each case permitting the Secured Party to exercise the Payment Remedy and related remedies set forth in Section 9.02(a)(ii)(A) of the Master Settlement Agreement with

² Note to Draft: To be updated to include day-1 accounts?

respect to each Trust Pledgor and Holding Company Pledgor of the Applicable Payment Group; provided that the MDT remains entitled to exercise such remedies under Section 9.02(a) of the Master Settlement Agreement and has not elected Option 2 under Section 9.02(a)(ii)(B).

“Equity Interest” as defined in the Master Settlement Agreement.

“Excluded Property” as defined in Section 3.01(a).

“Final Reversion Event” means the date when all funds in the Released Claims Reserves and Special Operating Reserve have reverted to the MDT pursuant to Section 4 of Exhibit N (provided that a Final Reversion Event shall not occur unless (i) there has been no litigation against any of the Shareholder Released Parties with respect to Covered Conduct pending for the requisite time period set forth in Section 4(b) of Exhibit N to the Master Settlement Agreement; (ii) the MDT has ceased Replenishment Transfers and (iii) there has been no Suspension Event (as defined in Exhibit N to the Master Settlement Agreement).

“First Priority” means, with respect to any Lien purported to be created in any Collateral pursuant to any Security Document, that such Lien is prior in lien priority to any other Lien thereon other than Permitted Encumbrances applicable to such Collateral which as a matter of law have priority over the respective Liens on such Collateral created pursuant to the relevant Security Document.

“Full Outstanding Settlement Amount” means, as of any date of determination, the sum of the following amounts: (i) the Applicable Payment Group’s aggregate maximum remaining Settlement Payment Obligations under the Master Settlement Agreement, plus (ii) any RCR Top Off Payment and SOR Top Off Payment owed with respect to the Applicable Payment Group, plus (iii) any Breach Fees owed by any Trust Pledgor or any Subsidiary thereof, each based on all data known at such time. The Full Outstanding Settlement Amount shall exclude IAC Sale Bonus Payments and will be determined after deducting all prepayments and advanced payments made as of the date of determination (subject to Section 9.06 of the Master Settlement Agreement).

“Hedging Agreement” means (i) any and all rate swap transactions, basis swaps, credit derivative transactions, forward rate transactions, commodity swaps, commodity options, forward commodity contracts, equity or equity index swaps or options, bond or bond price or bond index swaps or options or forward bond or forward bond price or forward bond index transactions, interest rate options, forward foreign exchange transactions, currency swap transactions, cross-currency rate swap transactions, currency options, cap transactions, floor transactions, collar transactions, spot contracts, or any other similar transactions or any combination of any of the foregoing (including any options or warrants to enter into any of the foregoing), whether or not any such transaction is governed by, or otherwise subject to, any master agreement or any netting agreement, and (ii) any and all transactions or arrangements of any kind, and the related confirmations, which are subject to the terms and conditions of, or governed by, any form of master agreement (or similar documentation) published from time to time by the International Swaps and Derivatives Association, Inc., any International Foreign Exchange Master Agreement, or any other master agreement (any such agreement or documentation, together with any related schedules, a **“Master Agreement”**), including any such obligations or liabilities under any Master Agreement.

“Holding Company Pledgors” means, collectively, the Persons specified under the column entitled “Holding Company Pledgor” in Exhibit E hereto, as it may be updated from time to time by written notice from the Asset Manager to the Secured Party.

“Holding Company Pledgor Collateral” as defined in Section 3.01(a)(ii).

“IAC Accounts” as defined in the Master Settlement Agreement. It is understood and agreed that IAC Accounts are not Designated Assets Proceeds Accounts.

“Indebtedness for Borrowed Money” of any Person means, as of any date of determination, all of the following: (i) all indebtedness of such Person for borrowed money, (ii) all obligations of such Person evidenced by bonds, debentures, notes or other similar instruments, (iii) all obligations of such Person under finance or capital leases, (iv) all net reimbursement obligations of such Person with respect to letters of credit, foreign currency sale agreements and bankers’ acceptances, except such as are obtained by such Person to secure performance of obligations (other than for borrowed money or similar obligations), (v) all indebtedness of others with respect to obligations referred to in (i) to (iv) above, guaranteed in any manner, directly or indirectly, by such Person, and (vi) all indebtedness of others with respect to obligations referred to in (i) to (v) above are secured by a Lien on any asset owned by such Person (whether or not such indebtedness is assumed by, or is a personal obligation of, such Person); provided that the amount of such indebtedness will be the lesser of: (a) the fair market value of such asset at such date of determination in the event such indebtedness is not assumed by, or is not a personal obligation of, such Person, and (b) the amount of such indebtedness of such other Person. It is understood and agreed that Payment Obligations of any Person under the Master Settlement Agreement shall not constitute Indebtedness for Borrowed Money.

“Independent Financial Advisor” means (i) a financial advisor selected by the Pledgors from the financial advisors listed on Exhibit O attached to the Master Settlement Agreement or (ii) solely to the extent the applicable Pledgor is unable to engage any such independent financial advisor set forth in clause (i) of this definition, any other independent financial advisor reasonably acceptable to the MDT.

“Individual Trust Pledgor Collateral Coverage Ratio” means, with respect to any Trust Pledgor, as of any date of determination, the ratio of (1) the sum of (x) the Adjusted Collateral Value of such Trust Pledgor’s Collateral minus (y) the amount of the applicable judgment rendered and outstanding against such Trust Pledgor, to (2) the Full Outstanding Settlement Amount.

“Investment Holding Vehicles” means each direct, wholly-owned Subsidiary of any Holding Company Pledgor as of the Settlement Effective Date and identified as such in the Pledge Agreement and each other direct, wholly-owned Subsidiary formed or acquired by a Holding Company Pledgor after the Settlement Effective Date to make and hold investments but excluding, in all cases, any underlying investment vehicle owned by an Investment Holding Vehicle.

“IRC” means the Internal Revenue Code of 1986, as amended.

“IRS” means the United States Internal Revenue Service.

“Jon Sackler ICSPs” means each of the following Trust Pledgors (to the extent permitted by applicable court(s) and as may be altered pursuant to the Permitted Trust Restructuring): (i) the Estate of Jonathan Sackler; (ii) the JDS Revocable Pourover Trust; (iii) the Trust under agreement dated December 3, 1979 f/b/o JDS (JDS BRP Trust); (iv) the Trust under agreement dated December 23, 1980 f/b/o Jonathan D. Sackler (a/k/a the JDS XPC Trust); (v) the Trust under agreement dated June 16, 1980 f/b/o Jonathan D. Sackler (a/k/a the JDS FPC Trust); (vi) the Trust dated August 29, 2003 f/b/o the Issue of Jonathan Sackler; and (vii) the Trust under Declaration of Trust dated December 17, 1991 f/b/o Jonathan D. Sackler and the Issue of Jonathan D. Sackler (which has now received all assets and liabilities of the Trust under Declaration of Trust dated August 23, 1988 f/b/o Jonathan D. Sackler and the Issue of Jonathan D. Sackler).

“Kokino” means Kokino LLC, a Delaware limited liability company (together with its successors and permitted assigns).

“Liquidity Covenant” as defined in Section 5.11.

“Listed Transaction” means (x) a “listed transaction” identified as such by the IRS under Section 6707A(c)(2) of the Internal Revenue Code and Treasury Regulation Section 1.6011-4(b)(2) as of the date of this Agreement or (y) a “listed transaction” identified as such by the IRS under such provisions after the date of this Agreement that is substantially comparable to the type of abusive tax shelter transactions that the IRS has previously identified as “listed transactions” as of the date of this Agreement, in each case unless the IRS has delisted the transaction.

“Material Adverse Effect” means a material adverse effect on (a) the assets or financial condition, in each case, of (i) the Pledgors, taken as a whole or (ii) the Holding Company Pledgors, taken as a whole, (b) the rights and remedies (taken as a whole) of the Secured Party under the Master Settlement Agreement or the Security Documents with respect to the Applicable Payment Group (taken as a whole), or (c) the ability of the Pledgors (taken as a whole) to perform their Payment Obligations under the Master Settlement Agreement or the Security Documents.

“New Holding Company Pledgor” as defined in Section 3.03(b).

“Non-ICSP Payment Parties” means every Payment Party in the Applicable Payment Group that is not a Trust Pledgor or a Subsidiary thereof.

“North Bay” means North Bay Associates, a Delaware general partnership (together with its Subsidiaries, successors and assigns).

“Partial Release Date” means a date on which the combined Value of all Cash Collateral Accounts attributable to the Applicable Payment Group collectively exceeds the Full Outstanding Settlement Amount for ten (10) consecutive days.

“Permitted Encumbrances” means (a) Liens for Taxes (i) that are not yet delinquent or that are being contested or (ii) with respect to which the failure to make payment would not reasonably be expected to have a Material Adverse Effect; (b) statutory Liens of landlords and carriers’, warehousemen’s, mechanics’, materialmen’s, repairmen’s, storage or other similar like Liens arising in the ordinary course of business and securing obligations that are not yet due or which do not in the aggregate have a material adverse effect on the value or use of property encumbered thereby; (c) Liens incurred or pledges and deposits made in the ordinary course of business in compliance with workers’ compensation, unemployment insurance and other social security laws or regulations; (d) deposits Liens to secure the performance, or payment in respect of, bids, insurance premiums, deductibles or co-insured amounts, tenders, government or utility contracts (other than for the repayment of borrowed money) trade contracts (other than for obligations for the payment of borrowed money), leases, statutory obligations, surety, stay, customs and appeal bonds, performance bonds and other obligations of a like similar nature incurred in the ordinary course of business; (e) zoning restrictions, easements, rights-of-way, encroachments, protrusions, licenses or other restrictions on, and other minor defects or irregularities affecting, the use of any real property estate (including leasehold title) and other similar encumbrances incurred in the ordinary course of business which, in the aggregate, do not materially interfere with the ordinary conduct of the business of the Pledgors, and ground leases in respect of real property on which facilities owned or leased by the Pledgors are located; (f) Liens (i) of a collection bank arising under Section 4-210 of the Uniform Commercial Code on the items in the course of collection, (ii) attaching to trading accounts or other brokerage accounts incurred in the ordinary course of business, (iii) in favor of a banking or other financial institution arising as a matter of law encumbering deposits or other funds maintained with a financial institution (including the right of set-off) and which are within the general parameters customary in the banking industry and (iv) for the fees and expenses of a bank or securities intermediary in maintaining

deposit accounts or securities accounts; (g) any Lien on any property or asset of the Trust Pledgors existing on the Settlement Effective Date; provided that (i) all of the Indebtedness for Borrowed Money secured by such Liens [are listed on [_____] attached hereto] and indicating the amount of such Indebtedness for Borrowed Money, and (ii) any such Lien shall secure only those obligations which it secures on the Settlement Effective Date and extensions, refinancings, renewals and replacements thereof that do not increase the outstanding principal amount thereof other than for accrued interest, fees and premiums (if any) thereon and reasonable fees and expenses associated with the extension, refinancing, renewal or replacement, and such Lien shall not extend to any other property or asset other than the property or assets securing such obligations on the Settlement Effective Date and the proceeds or products thereof; (h) Liens in favor of clearing agencies, broker-dealers and similar Liens incurred in the ordinary course of business; (i) Liens arising solely from precautionary filings of financing statements under the Uniform Commercial Code of the applicable jurisdictions; (j) [reserved]; (k) Liens consisting of any (i) interest or title of a lessor or sub-lessor under any lease of real estate not prohibited hereunder, (ii) landlord lien permitted by the terms of any lease, (iii) restriction or encumbrance to which the interest or title of such lessor or sub-lessor may be subject or (iv) subordination of the interest of the lessee or sub-lessee under such lease to any restriction or encumbrance referred to in the preceding clause (iii); (l) Liens (i) on any cash earnest money deposits made by the Pledgors in connection with any letter of intent or purchase agreement with respect to any investment permitted hereunder or (ii) consisting of an agreement to dispose of any property; (m) Liens securing obligations under operating, reciprocal easement or similar agreements entered into in the ordinary course of business of the Pledgors; (n) leases, licenses, subleases or sublicenses granted to others in the ordinary course of business which do not (i) interfere in any material respect with the business of the Pledgors or (ii) secure any Indebtedness for Borrowed Money; (o) Liens arising (i) out of conditional sale, title retention, consignment or similar arrangements for the sale of any assets or property in the ordinary course of business or (ii) by operation of law under Article 2 of the UCC (or similar law of any jurisdiction); (p) Liens in favor of any Holding Company Pledgor or any Subsidiary thereof; (q) Liens (other than on Equity Interests in the Holding Company Pledgors) securing obligations under Hedging Agreements entered in the ordinary course; (r) (i) Liens on Equity Interests of joint ventures or non-Pledgors securing capital contributions to, or obligations of, such Persons and (ii) customary rights of first refusal and tag, drag and similar rights in joint venture agreements and agreements with respect to non-Pledgors; and (t) any encumbrance or restriction assumed in connection with an acquisition of the property or Equity Interests of any Person, so long as such encumbrance or restriction relates solely to the property so acquired (or to the Person or Persons (and its or their subsidiaries) bound thereby) and was not created in connection with or in anticipation of such acquisition; provided that, notwithstanding anything to the contrary herein, in no event shall any Lien of the types described in clauses (b) through (h), (k) through (o), (p) (other than customary restrictions on assignment set forth in the organizational documents of a Pledgor provided that none of such restrictions shall restrict any Pledgor from granting any Liens or security interests hereunder or under the Security Documents), (r) or (t) on the Equity Interests of any Holding Company Pledgor or Investment Holding Vehicle, the IAC Pledged Shares, or any Cash Collateral Account (other than Liens of the type described in clause (f)), IAC Account (other than Liens of the type described in clause (f)), or Designated Assets Proceeds Account (other than Liens of the type described in clauses (f) or (h)) constitute a "Permitted Encumbrance."

"Permitted Exchange" means any exchange of assets owned and held by Investment Holding Vehicles of the type constituting Specified Assets for other assets of the Trust Pledgors constituting Specified Assets of a substantially equivalent value (including with respect to liquidity) so long as, in the case of Specified Assets consisting of investments in private equity funds or hedge funds, the applicable Pledgor delivers a certificate to the Secured Party certifying the exchanged asset is of substantially equivalent value (including with respect to liquidity) to the original asset.

"Permitted Trust Restructuring" means, any of the following transactions, pursuant to which each resulting trust shall be a Trust Pledgor that is a member of the Applicable Payment Group:

(i) 74A Trust and 74B Trust:

(A) in accordance with their governing documents, the 74A Trust and 74B Trust will be divided into two separate and equal trusts so that one trust exists for the exclusive benefit of the Richard Sackler family, and the other trust exists for the exclusive benefit of the Jonathan Sackler family and each part for the benefit of the Jonathan Sackler family shall be a Trust Pledgor in the Applicable Payment Group; and/or

(B) AJ Irrevocable Trust and/or the 2A Trust (or their respective successors) will acquire all or part of the Jonathan Sackler family's ownership of Rosebay Medical Company L.P. or any other entity that owns IACs for fair market value and/or 74A Trust and 74B Trust will terminate the Jonathan Sackler family "half" of the 74A Trust and 74B Trust, respectively, and distribute their assets to one or more of such recipient trusts;

All documents necessary to (i) effect the split of the 74A Trust and the 74B Trust and (ii) thereafter terminate each half of the 74A Trust, in each case as described immediately above, shall be executed no later than January 30, 2026. Such execution shall be sufficient to ensure that one-half of the assets of the 74A Trust and the 74B Trust are included in the Applicable Payment Group and that the 74A Trust and the 74B Trust cease to be Crossover Members as of the Settlement Effective Date, subject only to the receipt of any required third-party consents or approvals necessary to effect the transfer of such assets as described above.

(ii) in accordance with its governing documents, the AJ Irrevocable Trust may be divided into separate parts;

(iii) in accordance with its governing documents, Trust DTD 8/29/2003 FBO the Issue of Jonathan Sackler may distribute its assets to the JDS Revocable Pourover Trust;

(iv) in accordance with its governing documents, the JDS Revocable Pourover Trust may be divided into separate parts;

(v) the 2A Trust may be divided into separate parts; and

(vi) any Trust Pledgor may dissolve or liquidate following the Settlement Effective Date so long as the Trust Pledgor Collateral held by such Trust Pledgor is first transferred to another Trust Pledgor, or to a Holding Company Pledgor of another Trust Pledgor, and the Permitted Trust Restructuring Conditions are satisfied in connection with such transactions.

"Permitted Trust Restructuring Conditions" means, with respect to any Permitted Trust Restructuring, conditions that are satisfied if:

(a) in the case of a Permitted Trust Restructuring consummated on or prior to the Settlement Effective Date, each trust or other entity created, capitalized or otherwise receiving assets pursuant to such Permitted Trust Restructuring shall have delivered an acknowledgment to the MDT (which shall expressly survive any exercise of the Release Remedy) that such trust or entity shall remain liable, with respect to any assets received from the applicable funding trust in such restructuring (in such capacity, a "Funding Trust"), for the full amount of any damages from any fraudulent conveyance action that could have been brought against the Funding Trust with respect to such transferred assets; and

(b) in the case of a Permitted Trust Restructuring consummated after the Settlement Effective Date:

(i) except in the case of a Permitted Trust Restructuring under clause (vi) of the definition thereof, at the time of such Permitted Trust Restructuring, each relevant Holding Company Pledgor owned by such Trust Pledgor subject to such Permitted Trust Restructuring shall hold only equity interests in Investment Holding Vehicles (i.e., no other assets shall remain at the Holding Company Pledgor level) and no assets may be distributed by the Investment Holding Vehicle(s) in question until such Permitted Trust Restructuring is completed;

(ii) upon consummation of such Permitted Trust Restructuring of a Trust Pledgor, the resulting or transferee Trust Pledgor or Holding Company Pledgor, as applicable, shall grant a security interest in the applicable Trust Pledgor Collateral of the original Trust Pledgor subject to such Permitted Trust Restructuring; and

(iii) the Trust Pledgors and Holding Company Pledgors involved with the Permitted Trust Restructuring for the Applicable Payment Group shall represent and warrant that (A) none of the Permitted Trust Restructuring transactions they are involved with shall (i) have the effect of removing any assets from the Collateral, (ii) adversely affect the perfection or priority of the security interests of the Secured Party in the assets of the applicable Holding Company Pledgor or (iii) have the effect of avoiding, circumventing, frustrating or impairing the ability of the Secured Party to exercise or enforce remedies pursuant to the Master Settlement Agreement, the Security Documents, or applicable law with respect to any assets, or enforce any potential judgment of any court of competent jurisdiction and (B) after the consummation of the applicable Permitted Trust Restructuring transaction, the MDT shall have a first priority security interest in the equity interests in the applicable Holding Company Pledgors and Investment Holding Vehicles, in each case, with respect to such Applicable Payment Group.

“Pledge Agreement” means the Pledge and Security Agreement entered into on the Settlement Effective Date among the Pledgors, the Asset Manager and the Secured Party, as the same may be amended, restated, supplemented or otherwise modified from time to time.

“Pledgors” means, collectively, the Trust Pledgors and the Holding Company Pledgors.

“Qualifying Judgment” means a money judgment (a) that has not been satisfied using (i) assets that are not subject to the Security Documents or (ii) assets that have been released from the Collateral in accordance with the Security Documents; (b) with respect to which there is a period of five (5) consecutive Business Days during which no stay of enforcement is in effect, (c) that is not covered by (i) independent third-party insurance or (ii) an enforceable indemnity, and (d) for which a judgment creditor is taking steps to enforce a judgment lien.

“Reinstatement Date” as defined in Section 5.12(d).

“Related Party Transaction” as defined in Section 5.02(a).

“Restricted Payment” means:

(i) with respect to the Holding Company Pledgors, the Investment Holding Vehicles and their direct and indirect Subsidiaries:

- a. any distributions or loans to their respective equityholders or any beneficiary of a Trust Pledgor directly or indirectly holding the equity interests of such Holding Company Pledgor, Investment Holding Vehicle or Subsidiary;

- b. any payments of Litigation Costs; or
- c. any payments of management fees to the Asset Manager, North Bay and any other similar “family office”; and

(ii) with respect to the Trust Pledgors and their direct and indirect Subsidiaries, any withdrawals or transfers from any IAC Accounts.

Notwithstanding the foregoing, except for payments of Litigation Costs and management and similar fees to the Asset Manager, North Bay and any other similar “family office” by Holding Company Pledgors, Investment Holding Vehicles and their direct and indirect Subsidiaries (which shall be deemed Restricted Payments) but not ICSPs, Restricted Payments shall not include:

(A) Permitted Exchanges so long as the applicable Holding Company Pledgor receives the new Specified Asset from the Trust Pledgors and then contributes the same to the applicable Investment Holding Vehicle substantially concurrently with the distribution of the original Specified Asset to the Trust Pledgor;

(B) distributions by a non-wholly owned Subsidiary of a Holding Company Pledgor that are made either (x) on a pro rata basis on account of the equityholders’ respective interests in such Subsidiary, or (y) in accordance with the applicable organizational documents, shareholders’ agreement, subscription agreements, or other shareholder documents of such Subsidiary (to the extent the material terms of such document(s) are consistent with past practice or reasonably customary in the investment industry), so long as such distribution does not reduce the Adjusted Collateral Value after giving effect to such distribution;

(C) payments made by Holding Company Pledgors, Investment Holding Vehicles, their Subsidiaries and from IAC Accounts to third parties (directly or indirectly) to satisfy their own bona fide obligations (e.g., funding expenses and costs related to their investments and activities, to the extent such obligations are incurred primarily for a bona fide purpose and not for the purpose of avoiding Section 5.01);

(D) any transfer from an IAC Account of a Trust Pledgor or a Subsidiary of a Trust Pledgor pursuant to Section 3.06 of the Master Settlement Agreement or that would not constitute a Restricted Payment if such transfer was made by a Holding Company Pledgor; and

(E) any distribution by any wholly-owned direct or indirect Subsidiary of a Holding Company Pledgor to its equityholders.

“**Section 5.01(ii) Amount**” as defined in Section 4.06(a).

“**Secured Obligations**” as defined in Section 3.01(a).

“**Secured Party**” means each of (i) the MDT and each of its successors and permitted assigns and (ii) any agent, trustee or other representative or designee (including one or more Subsidiaries or other entities of the MDT formed to carry out its duties and obligations under the Definitive Documents) authorized or appointed to hold any security interest in or Lien on, or take possession or control of, any Collateral on behalf of and for the benefit of itself and any person described in clause (i) above.

“**Securities Account**” as defined in the UCC.

“**Security Documents**” means the Pledge Agreement, each Control Agreement, each uncertificated securities control agreement and any other Collateral Document and each of the other security agreements, pledge agreements and other instruments and documents, and each of the supplements thereto, executed

and/or delivered pursuant to this Credit Support Annex or the Security Documents in order to grant or purport to grant a Lien on any assets to secure the Secured Obligations and/or under which rights or remedies with respect to such Liens are governed.

“Shared Trust Pledgors” means each of (i) Trust U/A 11/5/74 FBO Beverly Sackler (**“74A Trust”**) and (ii) Trust B U/A 11/5/74 FBO Beverly Sackler (**“74B Trust”**). If the 74A Trust and 74B Trust are split pursuant to the Permitted Trust Restructuring, then the resulting 50% portions for the benefit of descendants of Jonathan Sackler shall be a Trust Pledgor in the Applicable Payment Group (and not a “Crossover Member” under the Master Settlement Agreement).³

“Specified Assets” means cash, cash equivalents, marketable securities or investments in private equity funds or hedge funds.

“Target Value” as defined in Section 3.01(b).

“Tax Distributions” as defined in Section 5.01(ii).

“Tax Refund” as defined in Section 4.06(a).

“Trust Pledgors” means collectively: (i) each Jon Sackler ICSP; (ii) each Beverly Sackler ICSP; (iii) the AJ Irrevocable Trust; (iv) Raymond R. Sackler Trust 2 dated December 23, 1989 (a/k/a the 2A Trust); (v) the 1974 Irrevocable Trust f/b/o BS and JDS; (vi) Raymond R. Sackler Trust 2B dated December 23, 1989; (vii) the Jonathan D. Sackler Life Insurance Trust; and (viii) 50% of the Shared Trust Pledgors, each as may be altered by the Permitted Trust Restructuring. Each of the foregoing is an **“Trust Pledgor.”**

“Trust Pledgor Collateral” as defined in Section 3.01(a).

“UCC” shall mean the Uniform Commercial Code or any successor provision thereof (or similar code or statute) as in effect from time to time in any applicable state or jurisdiction, to the extent it may be required to apply to any item or items of Collateral.

“Valuation Date” as defined in Section 6.01(d).

“Value” means, as of any date of determination, with respect to the Collateral or assets of the Pledgors, the value thereof determined in accordance with Section 1.04.

Section 1.03 Interpretative Provisions. The rules of construction set forth in Section [1.02] of the Master Settlement Agreement shall apply *mutatis mutandis* to this Credit Support Annex. The use herein of the word “include” or “including”, when following any general statement, term or matter, shall not be construed to limit such statement, term or matter to the specific items or matters set forth immediately following such word or to similar items or matters, whether or not non-limiting language (such as “without limitation” or “but not limited to” or words of similar import) is used with reference thereto, but rather shall be deemed to refer to all other items or matters that fall within the broadest possible scope of such general statement, term or matter. References herein to any Section, Schedule, Appendix or Exhibit shall be to a Section, a Schedule, an Appendix or an Exhibit, as the case may be, of this Credit Support Annex unless otherwise specifically provided. In addition, (i) the term “descendants” shall include all issue, including

³ [Note: Inclusion of listed Shared Trust Pledgors and Beverly Sackler ICSPs assumes the cooperation of the relevant Sackler Parties pursuant to the Confirmation Order, including the shareholder undertakings.]

grandchildren, stepchildren and adoptive relationships, and current and former spouses and (ii) the term “spouse” shall include qualified domestic partners.

Section 1.04 Valuation Methodology.

(a) It is understood and agreed that for purposes of preparing the quarterly and annual financial reports described in this Credit Support Annex and calculating compliance with any covenant contained in this Credit Support Annex (including with respect to the Value of the initial Collateral as of the Settlement Effective Date, the Adjusted Collateral Value, the Collateral Coverage Ratio, the Individual Trust Pledgor Collateral Coverage Ratio and the Distribution Incurrence Test), net asset valuations shall be determined in all material respects in a manner that is reasonably consistent with the valuation methodologies used by Huron Consulting Services LLC to prepare the previous net asset reports delivered in the chapter 11 cases pursuant to the Amended and Restated Case Stipulation Among the Debtors, the Official Committee of Unsecured Creditors, and Certain Related Parties [D.I. No. 518] and in accordance with this Section 1.04. Notwithstanding the foregoing or anything to the contrary herein, (i) all asset valuations (including with respect to the initial Collateral as of the Settlement Effective Date, the Adjusted Collateral Value, the Collateral Coverage Ratio, the Individual Trust Pledgor Collateral Coverage Ratio and the Distribution Incurrence Test) shall exclude (A) any contingent liabilities (including tax liabilities and inchoate claims but, for the avoidance of doubt, guarantees of Indebtedness for Borrowed Money shall be counted in the determination of asset values) and (B) for the avoidance of doubt, any claims for refunds of estimated taxes that might be payable to a Trust Pledgor but for an election under section 643(g) of the Internal Revenue Code to treat the payment of such estimated taxes made by the Trust Pledgor as a payment of estimated taxes made by the Trust Pledgor’s beneficiary or beneficiaries, (ii) the Pledgors may exclude any asset or reduce any asset’s Value in their sole discretion when calculating compliance with the Collateral Coverage Ratio, the Individual Trust Pledgor Collateral Coverage Ratio or the Distribution Incurrence Test, as applicable, (iii) with respect to the valuation of assets consisting of Equity Interests that are listed or quoted for trading on the New York Stock Exchange, the NYSE MKT, the NASDAQ Global Select Market, the NASDAQ Global Market, the NASDAQ Capital Market, OTC Bulletin Board or any other national securities exchange, the “Value” thereof shall be based on the closing price of a share of such Equity Interests for the most recent trading date in proximity to the date of determination (which may be the date of determination itself), and (iv) all asset valuations shall exclude any Obligations under the Master Settlement Agreement. In determining asset valuation as of any date of determination, other than in the case of cash, cash equivalents or other assets for which market quotations are readily available and may be determined on such date of determination, the Pledgors and any Independent Financial Advisor shall use the asset valuation for the applicable assets as of the end of the most recently ended fiscal quarter for which financial statements are available as of such date of determination or, if no such quarterly valuation exists or if a more recent valuation exists, then the most recent valuation used by North Bay and/or the Asset Manager to maintain the Pledgors’ books and records.

(b) For the avoidance of doubt, no asset, liability or transaction shall be counted more than once or otherwise incorrectly attributed under this Credit Support Annex. For example, the computation of “Value” and the application of the other provisions of this Credit Support Annex shall take into account only a Pledgor’s proportionate ownership of any asset or liability (e.g., if an Investment Holding Vehicle owns [X]% of an underlying investment vehicle (regardless of whether that vehicle is a Subsidiary), then in all cases only [X]% of the Value of that vehicle’s equity, and only [X]% of any transactions attributable to that vehicle if it is a Subsidiary of the Investment Holding Vehicle, shall be attributed to such Investment Holding Vehicle, so as to avoid double counting or other improper attributions under the requirements and limitations of this Credit Support Annex).

Section 1.05 Division. For all purposes under this Credit Support Annex, in connection with any division or plan of division under Delaware Law or any comparable event under a different jurisdiction's Laws, as applicable: (a) if any asset, right, obligation or liability of any Person becomes the asset, right, obligation or liability of a different Person, then it shall be deemed to have been transferred from the original Person to the subsequent Person, and (b) if any new Person comes into existence, such new person shall be deemed to have been organized on the first date of its existence by the holders of its Equity Interests.

Section 1.06 Family Offices. Kokino and any Pledgor or Investment Holding Vehicle may transfer such asset management authority to one or more other "family offices" that are exclusively controlled by one or more other members of the Jonathan Sackler family or trusts for their benefit, so long as such assignee agrees to requirements, obligations and pledges that are equivalent to those concerning Kokino as set forth in this Credit Support Annex.

ARTICLE II. SETTLEMENT PAYMENT OBLIGATIONS

Section 2.01 Payment of Applicable Payment Group Settlement Payment Obligations.

(a) Notwithstanding Section 2.01(c) of the Master Settlement Agreement, with respect to each Payment Party in the Applicable Payment Group, on each Payment Date: ⁴

(i) the Jon Sackler ICSPs [and the Beverly Sackler ICSPs] shall pay, or cause to be paid (on a joint and several basis with each other and among themselves), the Settlement Payment Obligation of the Applicable Payment Group by the applicable Payment Date (other than SOR and RCR "top-off payments");

(ii) the Trust Pledgors (other than the Jon Sackler ICSPs [and the Beverly Sackler ICSPs]) shall pay, or cause to be paid (on a joint and several basis with the other Trust Pledgors who are not Jon Sackler ICSPs [and Beverly Sackler ICSPs]), to the MDT the Applicable Payment Group's Settlement Payment Obligation by the applicable Payment Date, but solely to the extent such obligation is not paid pursuant to clause (i) above; and

(iii) the Non-ICSP Payment Parties shall pay, or cause to be paid (on a joint and several basis with the other Non-ICSP Payment Parties), to the MDT the Applicable Payment Group's Settlement Payment Obligation by the applicable Payment Date, but solely to the extent such obligation is not paid pursuant to clause (i) or (ii) above;

provided, that:

(A) No Jon Sackler ICSP [or Beverly Sackler ICSP] shall have any obligation to make any payment (and shall not be in breach or otherwise liable to the MDT for failure to make any such payment) if and to the extent (i) it does not have sufficient liquid assets to do so (excluding any liquid assets reserved in good faith for the payment of Taxes or administrative expenses (including

⁴ NTD: References to Beverly Sackler ICSPs (and requirements that apply Beverly Sackler ICSPs) still to be confirmed.

professional fees)) and (ii) such payment is made by another member of the Applicable Payment Group,⁵

(B) Payments by the Beverly Sackler ICSPs shall be subject to the Beverly Sackler ICSPs becoming Payment Parties pursuant to [Exhibit D to the Master Settlement Agreement]⁶;

(C) Payments by the Jon Sackler ICSPs shall be subject to receiving all governmental, regulatory, or court approvals that the fiduciaries of the Jon Sackler ICSPs deem to be necessary or appropriate; and

(D) Neither the Jon Sackler ICSPs nor the Beverly Sackler ICSPs shall be entitled to seek contribution, reimbursement, or indemnification from any other Payment Party or from any Shareholder Released Party with respect to any amounts so paid.

(b) For purposes of the Master Settlement Agreement, references to “joint and several” with respect to the Payment Parties within the Applicable Payment Group shall have the meaning set forth above. For the avoidance of doubt, nothing herein shall be construed to relieve any Payment Party from its Obligations under the Master Settlement Agreement and the Security Documents or to limit or otherwise modify the Secured Party’s rights if it elects the Payment Remedy following a Payment Group-wide Specified Breach with respect to Applicable Payment Group.

ARTICLE III. COLLATERAL MATTERS

Section 3.01 Security; Security Documents.

(a) As credit support for, and to secure the prompt payment and performance of the Payment Obligations of the Applicable Payment Group under the Master Settlement Agreement to the Secured Party (the “**Secured Obligations**”) (it being understood and agreed that all security interests granted under the Security Documents shall terminate as provided in Section 8.01)

(i) each Trust Pledgor shall, on or before the Settlement Effective Date, grant a perfected First Priority security interest in and Lien on all of its right, title and interest in the following property, wherever located, and whether now owned or hereafter acquired (the “**Trust Pledgor Collateral**”):

(A) 100% of the equity interests owned by each Trust Pledgor in the Holding Company Pledgors formed by such Trust Pledgor;

(B) the Designated Assets Proceeds Accounts, all amounts held therein or credited thereto, and all other proceeds, products, dividends or other property received, receivable, distributed, or distributable in respect of the Designated Assets;

⁵ NTD: Term “administrative expenses” to conform to CT probate statute definition. If there is a Specified Breach following a missed payment, that breach would apply to all members of the Payment Group, including the probate estates.

⁶ NTD: Precise language to be addressed in connection with finalizing Exhibit D.

(C) 100% of the IAC Pledged Shares owned by the Trust Pledgors, each IAC Account owned by the Trust Pledgors and all amounts held therein or credited thereto; and

(D) all proceeds and products of the foregoing (including, for the avoidance of doubt, all dividends, cash, options, warrants, instruments, certificates and other property and proceeds from time to time received, receivable or otherwise distributed in respect of, in exchange for or upon the conversion of, such Equity Interests);

(ii) each Holding Company Pledgor shall, on or before the Settlement Effective Date, grant a perfected First Priority security interest in and Lien on all of its right, title and interest in the following property, wherever located, and whether now owned or hereafter acquired (the **“Holding Company Pledgor Collateral”**):

(A) substantially all assets of such Holding Company Pledgor (including (i) 100% of the Equity Interests in all underlying Investment Holding Vehicles owned by such Holding Company Pledgor, (ii) its rights under Asset Management Agreements between such Holding Company Pledgor and the Asset Manager with respect to voting rights to liquidate assets and (iii) all Cash Collateral Accounts and all amounts held therein or credited thereto) as described in the Pledge Agreement; and

(B) all proceeds and products of the foregoing (including, for the avoidance of doubt, all dividends, cash, options, warrants, instruments, certificates and other property and proceeds from time to time received, receivable or otherwise distributed or distributable in respect of, in exchange for or upon the conversion of, the foregoing); and

(iii) the Asset Manager shall, on or before the Settlement Effective Date, grant a perfected First Priority security interest in and Lien on all of its right, title and interest in the Asset Management Agreements between any Holding Company Pledgor and the Asset Manager with respect to voting rights to liquidate assets and any proceeds and products thereof (together with the Trust Pledgor Collateral and the Holding Company Pledgor Collateral, collectively, the **“Collateral”**).⁷

Notwithstanding the foregoing, in no event shall the Collateral include (I) investments held by an Investment Holding Vehicle that are distributed to a Holding Company Pledgor for the sole purpose of transferring such investment to another Investment Holding Vehicle, (II) any assets being contributed to any Holding Company Pledgor on a “post-closing” basis, so long as, in each case, such assets are contributed to an Investment Holding Vehicle within five (5) Business Days of their receipt by, or contribution to, a Holding Company Pledgor, (III) any property the pledge of which or security interest therein is prohibited by applicable Law (including any legally effective requirement to obtain the consent of any Governmental Authority), contract and any governmental licenses or state or local franchises, charters or authorizations, to the extent a security interest therein would be prohibited or restricted thereby (including any legally effective prohibition or restriction), in each case (x) except to the extent such prohibition or restriction is unenforceable after giving effect to applicable anti-assignment provisions of the UCC or any other applicable Law (other than proceeds thereof, the assignment of which is expressly deemed effective under the UCC notwithstanding such prohibition or restriction) and (y) provided that, at such time as the prohibition or restriction in this clause (III) shall be remedied, whether by contract, change of Law or otherwise, such property shall immediately cease to be Excluded Property, and any security interest that would otherwise be granted herein or under the Security Documents shall attach immediately

⁷ In addition, Trust Pledgor and Non-Trust Pledgor Payment Party Equity Interests in IACs will be pledged pursuant to the Master Settlement Agreement.

to such property, or to the extent severable, to any portion thereof that does not result in the prohibition or restriction in this clause (III), (IV) any lease, license or other agreements (other than organizational documents of the Pledgors or any Investment Holding Vehicle) to the extent that a security interest therein would violate or invalidate such lease, license or agreement or create a right of termination in favor of any other party thereto or a default thereunder, in each case except to the extent such violation, invalidation or termination right is unenforceable after giving effect to applicable anti-assignment provisions of the UCC or any other applicable Law, and provided that any such provision in any lease, license or other agreement was not entered into after the date hereof with the purpose of excluding such asset from the Collateral and (V) ownership interests in any non-wholly-owned Subsidiaries but only to the extent the organizational documents or other agreements with non-Related Party equity holders of such non-wholly-owned Subsidiaries do not permit the pledge of such ownership interests for so long as such prohibition exists, in each case after giving effect to the anti-assignment provisions in the UCC or applicable Law (the assets and property referred to in the foregoing clauses (I) through (V) are collectively referred to herein as the **“Excluded Property”**); provided that, in the case of clauses (III) through (V), (i) the Collateral shall include the replacements, substitutions and proceeds of any of the foregoing property in clauses (III) through (V) unless such replacements, substitutions or proceeds also constitute Excluded Property in accordance with clauses (III) through (V) above and (ii) clauses (III) through (V) above shall not apply to property or assets (that would otherwise constitute Collateral but for the above exclusions) valued at more than \$25,000 in the aggregate.

(i) Without limiting the generality of clause (a) of this Section 3.01, on the Settlement Effective Date the Secured Party shall have a perfected First Priority security interest in and Lien on (A) 100% of the Equity Interests of the Holding Company Pledgors and (B) substantially all assets of the Holding Company Pledgors pursuant to Section 3.01(a)(ii); and

(ii) After giving effect to contributions and pledges specified above, and applying solely the Values determined as of the Valuation Date (as defined below) pursuant to Section 6.01, as of the target Settlement Effective Date described in Section 6.01, the collective Value of the assets and equity interests held by Holding Company Pledgors in Investment Holding Vehicles and assets that are subject to Designated Assets Proceeds Accounts shall be not less than 90% of the Trust Pledgors’ aggregate Value (in each case, valued as of the Valuation Date pursuant to Section 6.01); provided that, in connection therewith, the Trust Pledgors shall use commercially reasonable efforts to cause the collective Value of the assets and equity interests held by Holding Company Pledgors in Investment Holding Vehicles (valued as of the Valuation Date) to be not less than 80% of the Trust Pledgors’ aggregate Value as of the Valuation Date (collectively, the **“Target Value”**). The Target Value and the percentages referenced in this paragraph will (i) exclude any Excluded Property and (ii) assume that the Equity Interests of the IACs and all loan receivables from IACs are valued at zero. For the avoidance of doubt, the Target Value and thresholds are measured based on the assets and equity interests actually held by Holding Company Pledgors, Investment Holding Vehicles, Designated Asset Proceeds Accounts and IAC Accounts as of the target Settlement Effective Date (after giving effect to any payment of the Payment Obligations made on the Settlement Effective Date), with the Value of each determined as of the Valuation Date, all in accordance with Section 6.01.

(c) The Pledgors shall not be required, nor shall the Secured Party be authorized, to perfect any pledge or security interest hereunder by any means other than by (i) filing financing statements (including continuation statements) pursuant to the UCC in the office of the secretary of state (or similar central filing office) of the relevant state or jurisdiction for each Pledgor, (ii) in the case of Collateral consisting of Equity Interests in any Holding Company Pledgor or Investment Holding Vehicle organized in jurisdictions outside the U.S., the entry into non-US law share pledge agreements and the filing of financing statements or local law equivalents and other perfection actions in relevant non-US jurisdictions, (iii) the delivery to the Secured Party of certificates or other instruments (if any) representing pledged Equity Interests, together with stock transfer powers or other instruments of transfer (if any) with respect

thereto endorsed in blank, (iv) in the case of the pledge of Equity Interests in any Holding Company Pledgor or Investment Holding Vehicle in the form of uncertificated securities, the execution of uncertificated securities control agreements and (v) solely in the case of the Designated Asset Proceeds Accounts (subject to Section 4.07) and Cash Collateral Account, the delivery of executed Control Agreements with respect to such Designated Asset Proceeds Accounts or Cash Collateral Account.

(d) Each Pledgor shall promptly and duly take, execute, acknowledge and deliver such further acts, documents and assurances as may from time to time be necessary or as the Secured Party may from time to time reasonably request in order to carry out the intent and purposes of the Security Documents and consistent with this Credit Support Annex (including making non-U.S. filings, the entry into non-U.S. security agreements and the entry, by the applicable Pledgor and any Holding Company Pledgor or Investment Holding Vehicle that is the issuer of pledged Equity Interests that are uncertificated securities, into an uncertificated securities control agreement) to establish, create, preserve, protect, perfect, and maintain perfection of a First Priority lien on the Collateral in favor of and for the benefit of the Secured Party (including Collateral acquired after the date hereof) and to exercise any and all remedies in respect thereof.

(e) The Security Documents shall contain customary release provisions providing for the release of the security interests in the Collateral upon a Disposition of Collateral not prohibited by this Credit Support Annex (for the avoidance of doubt, the security interest of the Secured Party shall not be released from Collateral when it is disposed of from one Pledgor to another).

(f) Notwithstanding anything to the contrary herein:

(1) Assets or property held in a Designated Asset Proceeds Account may be transferred to any part of the Collateral (e.g., to an Investment Holding Vehicle).

(2) Unless an Enforcement Event or Breach Trigger in respect of a Specified Breach shall have occurred and be continuing with respect to the applicable Trust Pledgor or the Applicable Payment Group, (i) assets in a Designated Assets Proceeds Account may be withdrawn by such Trust Pledgor at any time, and the liens granted in favor of the MDT on such assets shall be released automatically upon such withdrawal, and (ii) upon notice to the MDT, the liens granted in favor of the MDT on proceeds of the Designated Assets and/or the Designated Assets Proceeds Account shall be released automatically.

(3) Nothing in this Credit Support Annexes modifies Section 2.06 of the Master Settlement Agreement, including the requirement that the MDT's rights to any IAC Payment Party's IAC Sale Bonus Payment are limited to the IAC Payment Party's IAC Collateral, and the MDT's sole recourse with respect to each IAC Payment Party's failure to timely pay its IAC Sale Bonus Payment in full shall be to exercise remedies only with respect to that IAC Payment Party's IAC Collateral.

Section 3.02 Tax Forms.

(a) Each Pledgor shall provide to the Secured Party and keep up to date a duly completed and executed IRS Form W-9 (or any successor form) and shall provide any other tax forms or certifications that the Secured Party may reasonably request to permit the Secured Party to comply with any applicable tax withholding or reporting requirements.

(b) Each Pledgor shall provide to the purchaser of any Collateral, or such purchaser's designated agent(s), a duly completed and executed IRS Form W-9 (or any successor form) and shall

provide any other tax forms or certifications that such purchaser or such purchaser's agent(s) may reasonably request to minimize amounts required to be withheld, set off or otherwise deducted for any Taxes in connection with any sale of the Collateral.

Section 3.03 New Pledgor; Additional Collateral.

(a) In the event a Trust Pledgor is subject to a consolidation, merger, division, dissolution or liquidation or similar reorganization (other than pursuant to a Permitted Trust Restructuring (which shall be governed by Section 5.06) or Section 5.08), the resulting, surviving or transferee trust(s) (a "**New Trust Pledgor**") (x) the applicable Trust Pledgors party to such transaction shall deliver notice to the MDT and (y) within sixty (60) days of such event (or such longer period as may be agreed to in writing by the MDT (acting reasonably)), such Trust Pledgors shall (and shall cause the New Trust Pledgor to) (I) execute and deliver to the MDT such amendments or supplements to the Security Documents as required thereby or such other documents, instruments or agreements required by this Credit Support Annex or the Security Documents to grant to the Secured Party a perfected First Priority security interest in and a Lien on the Equity Interests in any Holding Company Pledgor owned by such New Trust Pledgor in accordance with Section 3.01(a)(i) and (II) take all actions to cause such security interest and Lien to be duly perfected as required by Section 3.01(c).

(b) In the event a Holding Company Pledgor is subject to a consolidation, merger, division, dissolution or liquidation or similar reorganization, or a new Holding Company Pledgor is formed or acquired by a Trust Pledgor following the Settlement Effective Date (such newly formed, acquired, resulting, surviving or transferee entit(ies) (a "**New Holding Company Pledgor**"), (x) the applicable Holding Company Pledgor party to such transaction shall deliver notice to the MDT and (y) within sixty (60) days of such event (or such longer period as may be agreed to in writing by the MDT (acting reasonably)), such New Holding Company Pledgor shall (and shall cause the New Holding Company Pledgor to) (I) execute and deliver to the MDT such amendments or supplements to the Security Documents as required thereby or such other documents, instruments or agreements required by this Credit Support Annex or the Security Documents to grant to the Secured Party a perfected First Priority security interest in and a Lien on those assets of such New Holding Company Pledgor that constitute or are intended to constitute Holding Company Pledgor Collateral and (II) take all actions to cause such security interest and Lien to be duly perfected as required by Section 3.01(c).

(c) Following the acquisition or formation of any Investment Holding Vehicle, or any other acquisition of additional Equity Interests or other assets that constitute Collateral and that are not automatically secured and perfected pursuant to the Security Documents (including filed UCC financing statements), (x) the applicable Pledgor shall deliver notice to the MDT and (y) within sixty (60) days of such acquisition, the applicable Pledgor shall (I) execute and deliver to the MDT such amendments or supplements to the relevant Security Documents as required thereby or such other documents or agreements required by this Credit Support Annex or the Security Documents to grant to the Secured Party a perfected First Priority security interest in and a Lien on such Equity Interests or other Collateral and (II) take such other actions to cause such security interest and Lien to be duly perfected as required by Section 3.01(c).

(d) Following the joinder of a new Pledgor, or with respect to the acquisition of additional Equity Interests that constitute Collateral and that are not automatically secured and perfected pursuant to the Pledge Agreement or other Security Documents (including filed UCC financing statements), at the reasonable request of the Secured Party, the applicable Pledgor shall deliver a customary opinion of counsel with respect to the new Collateral and the applicable Security Documents covering the execution and delivery of such Security Documents, the corporate and/or trustee authority, as applicable, of the Pledgors to enter into such Security Documents and perform the obligations thereunder and the creation, perfection and enforceability of the relevant security interest with respect to the Collateral.

ARTICLE IV.
AFFIRMATIVE COVENANTS

Section 4.01 Reports.

(a) *Quarterly Reports.*

(i) Each Trust Pledgor (a “**Reporting Party**”) shall deliver to the Secured Party within sixty (60) days following the end of each fiscal quarter, quarterly financial reports in the form attached hereto as Exhibit A (each, an “**Exhibit A Report**”) with respect to such Trust Pledgor, which Exhibit A Report shall (A) to the reasonable knowledge of the Asset Manager, specify the amounts held in bank and brokerage accounts located outside the United States, (B) be accompanied by a schedule of any Restricted Payments made by the Trust Pledgor’s Holding Company Pledgors and their Subsidiaries during such period; provided that no such schedule of Restricted Payments shall be required if the Collateral Coverage Ratio reflected in such Exhibit A Report is greater than 1.30:1.00, provided that if such ratio is not met in any subsequent calendar quarter, such schedule shall reflect any Restricted Payments made in the immediately preceding 6-month period (or, if shorter, the period following the close of the last calendar quarter for which such schedule was previously delivered through the last day of the immediately preceding calendar quarter for which the applicable Exhibit A Report is being delivered), and (C) be accompanied by a compliance certificate from the Asset Manager substantially in the form attached hereto as Exhibit B, which will be based on the aggregated Exhibit A Reports provided by the Trust Pledgors for the relevant period; and

(ii) no later than April 30 of each fiscal year, the Pledgors shall have delivered to the Secured Party a certification from an Independent Financial Advisor confirming that, to such advisor’s knowledge and after due investigation, the Values presented in the Exhibit A Reports delivered under Section 3.01(a)(i) for the immediately preceding fiscal quarter ended December 31 fairly represent the Trust Pledgors’ Value as of such date in all material respects.

(b) *Conference Calls.* At the request of the MDT, and subject to confidentiality arrangements reasonably satisfactory to the Pledgors, the Pledgors shall use commercially reasonable efforts to cause one representative from their Independent Financial Advisor and one representative from the Asset Manager to attend a semi-annual telephonic conference call with advisors of the MDT at a reasonable time to be mutually agreed, which conference call shall address matters shown on the Exhibit A Reports; provided that the MDT shall not request more than one conference call in any six (6) month period.

(c) *Pledge Agreement Supplements.* Within thirty (30) days after each calendar year, the Pledgors shall deliver to the Secured Party a supplement to the Pledge Agreement schedules to reflect any changes to the information set forth thereon necessary to ensure the attachment and perfection of First Priority Liens, as required under Section 3.01(d) on assets that constitute or are required to constitute Collateral and a certification that the Secured Party’s liens in the Collateral remain perfected in accordance with the Pledge Agreement as of the date of such certificate, all of which will be in a form substantially similar to the form attached hereto as Exhibit D. Each Pledgor shall only be responsible for supplementing its own information.

(d) *Other Developments.* The Pledgors shall promptly (in any event within thirty (30) days) notify the Secured Party of (i) the formation of, or acquisition or issuance of Equity Interests of, any Holding Company Pledgor or Investment Holding Vehicle, (ii) any change to the entity name, entity type, jurisdiction of organization, tax or organizational ID, or location of the chief executive office or principal place of business of any Pledgor or (iii) the opening of any new or substitute Designated Assets Proceeds

Account, Cash Collateral Account or IAC Account. Each Pledgor shall only be responsible for providing notice of its own information.

(e) *Pre-Settlement Effective Date Reporting.* As a condition precedent to the Settlement Effective Date, the Applicable Payment Group will provide a pre-Settlement Effective Date collateral report in accordance with the terms of, and within the time period set forth in, in Exhibit C hereto.⁸

Section 4.02 Preservation of Existence. Each Pledgor shall, except as permitted under Section 5.06 (including pursuant to a Permitted Trust Restructuring), (a) preserve, renew and maintain in full force and effect its legal existence under the laws of the jurisdiction of its organization; and (b) take all reasonable action to maintain all material rights and privileges (including its good standing, if such concept is applicable in its jurisdiction of organization) necessary or desirable in the normal conduct of its business, in each case to the extent that the failure to do so could reasonably be expected to result in a Material Adverse Effect.

Section 4.03 Compliance with Laws. Each Pledgor shall comply with the requirements of all applicable Laws and all material orders, writs, injunctions and decrees of any Governmental Authority applicable to it or its business or property in each case to the extent that the failure to do so could reasonably be expected to result in a Material Adverse Effect.

Section 4.04 Books and Records. Each Pledgor shall maintain proper books of record and account in a manner consistent with past practice.

Section 4.05 Reinvestment. The Holding Company Pledgors shall reinvest returns on, and returns of, and any other proceeds of, investments in additional investments made by them and/or their respective Investment Holding Vehicles, and cash proceeds received by the Holding Company Pledgors shall be promptly contributed to their respective Investment Holding Vehicles, or to make payments or to make distributions to the applicable Trust Pledgor in each case, to the extent not prohibited by this Credit Support Annex and the Pledge Agreement.

Section 4.06 Tax Matters and Trust Pledgor Tax Refunds.

(a) Beginning with the tax year in which the Settlement Effective Date occurs, and for each tax year thereafter until (and for so long as) the Full Outstanding Settlement Amount has been reduced to zero, upon each occasion that a Trust Pledgor actually receives a cash tax refund relating to a tax payment made after the Settlement Effective Date (a “**Tax Refund**”), such Trust Pledgor shall determine the aggregate Restricted Payments received by it pursuant to Section 5.01(ii) less any prior contributions of Tax Refunds made pursuant to this paragraph (the “**Section 5.01(ii) Amount**”). If the Section 5.01(ii) Amount is greater than zero, the Trust Pledgor shall, as soon as reasonably practicable after receiving such Tax Refund, contribute cash to its Holding Company Pledgor in an amount equal to the lesser of (x) such Tax Refund then received and (y) the Section 5.01(ii) Amount. For the avoidance of doubt, a Trust Pledgor may elect to apply any tax overpayment to future tax liabilities in lieu of requesting a refund, and any such election shall not give rise to any obligation to make a contribution to the Collateral, but the amount of such credits shall be taken into account in determining the amount of Tax Distributions permitted pursuant to Section 5.01(ii).

⁸ Note to Kramer: Both B-1 Pod and B-2 Pod aim to deliver its Pre-Settlement Effective Date Report by February 28, 2026. Also, B-1 Pod and B-2 Pod reps will provide overview of Permitted Trust Restructurings during call that can be scheduled whenever works.

(b) Each Trust Pledgor shall pay and discharge promptly all Taxes that it reasonably and in good faith determines must be paid before becoming delinquent or in default; provided that such payment and discharge shall not be required with respect to:

(i) Taxes being contested in good faith by appropriate proceedings as long as any such contested Taxes determined to be due shall be paid no later than the earlier of (A) 60 days following the date on which such determination (within the meaning of Section 1313(a) of the IRC for U.S. federal income taxes and by analogy for other Taxes) becomes final and non-appealable and (B) the date on which the relevant taxing authority has the legal right to seize, or force a sale of, the property of the Trust Pledgor or Holding Company Pledgor in full or partial satisfaction of such contested Taxes, provided that the existence of such legal right is known, or reasonably should have been known to, the Trust Pledgor or Holding Company Pledgor, or

(ii) Taxes the non-payment of which, individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect.

(c) Except as would not reasonably be expected to result in a Material Adverse Effect, each Trust Pledgor shall timely (after taking into account any applicable extensions) file all federal, state, foreign and other tax returns and reports that it reasonably and in good faith determines are required to be filed.

Section 4.07 Control Agreements. Within sixty (60) days after the Settlement Effective Date, the Trust Pledgors shall take reasonable steps to provide to the MDT (or its counsel) duly executed copies of the Control Agreement(s) in respect of such Designated Assets Proceeds Accounts. If the MDT determines that the Trust Pledgors are not taking steps reasonably necessary to open such Designated Assets Proceeds Accounts or to provide duly executed copies of Control Agreement(s) in respect of such accounts, the MDT shall provide notice to the applicable Trust Pledgors. If, upon ten (10) Business Days prior written notice, the Trust Pledgors do not take steps reasonably necessary to open such Designated Assets Proceeds Accounts or to provide duly executed copies of Control Agreement(s) in respect of such accounts, the MDT shall be permitted to seek relief in the Bankruptcy Court to compel specific performance.

ARTICLE V. NEGATIVE COVENANTS

Section 5.01 Restricted Payments. The Holding Company Pledgors shall not, directly or indirectly (including through any Investment Holding Vehicle or any Subsidiary thereof) make any Restricted Payments and the Trust Pledgors shall not make any Restricted Payments consisting of withdrawals or transfers from any IAC Accounts in each case, except:

(i) Restricted Payments in an unlimited amount, so long as each of the following conditions is satisfied:

(A) no Enforcement Event or Breach Trigger in respect of a Specified Breach shall have occurred and be continuing with respect to the applicable payor or any Trust Pledgor, Holding Company Pledgor or Subsidiary that is a parent of such payor;

(B) after giving effect to such Restricted Payment on a pro forma basis, the Collateral Coverage Ratio (as defined below) shall not be less than 1.10 to 1.00 (the condition set forth in this clause (B), the “**Distribution Incurrence Test**”); and

(C) the Pledgors are in compliance with the Liquidity Covenant;

(ii) Restricted Payments, as reasonably determined in good faith by the relevant Trust Pledgor (and after taking into consideration all available tax credits, tax deductions and losses), to pay tax obligations (including estimated tax payments) of or on behalf of any Payment Party in the Applicable Payment Group, so long as such Restricted Payments are paid to the appropriate tax authority (“**Tax Distributions**”);

(iii) Restricted Payments to pay management fees to the Asset Manager (and any other similar “family office”) in an aggregate amount in any calendar year not to exceed 1.00% per annum of the Value of the Collateral (excluding the Value of IAC equity interests) as of the start of such calendar year; provided, however, that Restricted Payments to pay management fees to North Bay (or its successors) shall not be subject to such cap so long as (1) North Bay is not operated as a profit center and (2) no Sackler family members receive remuneration from North Bay. It is understood and agreed that if either of the foregoing conditions is not satisfied, then the aggregate management fees payable to North Bay in any calendar year pursuant to this clause (iii) shall not exceed 0.25% per annum of the Value of the Collateral (excluding the Value of IAC equity interests,) as of the start of such calendar year (it being understood and agreed that if the Settlement Effective Date does not fall on the first day of a calendar year, the cap on family office overhead for the year in which the Settlement Effective Date occurs will equal (A) the Target Value multiplied by (B) the annual rate cap prorated for the number of days remaining in that calendar year from and after the Settlement Effective Date. For example, if the Settlement Effective Date is March 31, 2026, the Asset Manager management fee rate for 2026 would be $(275/365) \times 1.00\%$;

(iv) Restricted Payments to pay Payment Obligations and any other prepayment or defeasance of a Settlement Payment Obligation of the Applicable Payment Group or other amounts owed under any Settlement Agreement under the Master Settlement Agreement or the Plan;

(v) In the event a Trust Pledgor is subject to a Qualifying Judgment, Restricted Payments to pay such judgment in an amount such that the Individual Trust Pledgor Collateral Coverage Ratio of that Trust Pledgor is not less than 1.10 to 1.00 after giving effect to such transaction;

(vi) Restricted Payments to pay Litigation Costs of the Applicable Payment Group (A) to the extent such Litigation Costs, when applied against the Available Retained Payment Amount of such Applicable Payment Group (determined immediately prior to giving effect to such Litigation Costs), does not reduce such Available Retained Payment Amount below zero, or (B) if, as of any date of determination, Litigation Costs of the Applicable Payment Group exceed the amount permitted to paid under Section 5.01(vi)(A) as of such date (if any), Restricted Payments may be made to pay Litigation Costs in an aggregate amount not to exceed the aggregate RCR Litigation Cost Advances and SOR Litigation Cost Advances actually received by the Holding Company Pledgors and their wholly owned Subsidiaries from PRA L.P. in respect of the Applicable Payment Group;

(vii) (A) Restricted Payments by an Investment Holding Vehicle to a Holding Company Pledgor and (B) Restricted Payments by a Subsidiary of a Holding Company Pledgor or Investment Holding Vehicle to its equityholders; provided that, to the extent such Subsidiary is not directly or indirectly wholly owned by one or more Holding Company Pledgors or Investment Holding Vehicles, such Restricted Payment shall be made to the equityholders of such Subsidiary either (x) on a pro rata basis or (y) in accordance with the applicable organizational documents, shareholders’ agreement, subscription agreements, or other shareholder documents of such

Subsidiary (to the extent the material terms of such document(s) are consistent with past practice or reasonably customary in the investment industry), so long as such Restricted Payment does not reduce the Adjusted Collateral Value after giving effect to such Restricted Payment;

(viii) Other Restricted Payments in an aggregate amount not to exceed \$100,000,000 by the Applicable Payment Group; provided that (A) the aggregate amount of Restricted Payments made pursuant to this clause (viii) in the first 12-month period following the Settlement Effective Date shall not exceed \$50,000,000 and (B) no Enforcement Event or Breach Trigger in respect of a Specified Breach by the applicable Trust Pledgor or the Applicable Payment Group shall have occurred and be continuing.

In addition, it is understood and agreed that:

(A) (1) Unless an Enforcement Event or Breach Trigger in respect of a Specified Breach shall have occurred and be continuing with respect to the applicable Trust Pledgor, as set forth in sub-clause (A)(2) below, or the Applicable Payment Group, as set forth in clause (A)(3) below, assets in a Designated Assets Proceeds Account may be withdrawn by the applicable Trust Pledgor at any time.

(2) Upon the occurrence and during the continuance of an Enforcement Event or Breach Trigger in respect of a Specified Breach with respect to a Trust Pledgor, such Trust Pledgor shall not be permitted to withdraw assets from its Designated Asset Proceeds Accounts.

(3) Upon the occurrence and during the continuance of an Enforcement Event or Breach Trigger in respect of a Specified Breach with respect to the Applicable Payment Group, no Trust Pledgor shall be permitted to withdraw assets from a Designated Asset Proceeds Account.

(B) Cash in an IAC Account attributable to the Applicable Payment Group shall be deemed held by a Holding Company Pledgor for purposes of this Credit Support Annex. Any withdrawal from such an IAC Account shall be treated as a "Permitted Withdrawal" for purposes of the Master Settlement Agreement to the extent it either (i) does not constitute a Restricted Payment or (ii) constitutes a Restricted Payment made in compliance with the Restricted Payment covenant in this Credit Support Annex, in each case, assuming for the purposes hereof that such withdrawal is being made by a Holding Company Pledgor. However, if an IAC Payment Party is not a Trust Pledgor or a Subsidiary of a Trust Pledgor, such IAC Payment Party may make "Permitted Withdrawals" from its IAC Account only in the following circumstances:

(1) to pay Payment Obligations;

(2) to make payments permitted under Section 3.06 of the Master Settlement Agreement (including transfers to another IAC Account);

(3) to make payments to a Holding Company Pledgor or an Investment Holding Vehicle, along with any other entity whose equity interests are 100% pledged (directly or indirectly) to the Secured Party; and

(4) for any other purpose if the Collateral Coverage Ratio is at least 1.10 to 1.00 on a pro forma basis after giving effect to such transactions; provided, however, that

if the IAC Payment Party is an entity ultimately owned by persons who are not members of the Jonathan Sackler family (including Trust Pledgors and any other trusts established for the benefit of Jonathan Sackler's spouse and/or descendants), then any Permitted Withdrawal under this clause (4) may only be made and distributed to the owners who are part of the Jonathan Sackler family group, pro rata in proportion to their respective ownership interests in the IAC Payment Party (e.g., if the IAC Payment Party is 50% owned by Trust Pledgors, then only 50% of its IAC Account balance may be withdrawn and transferred to those Trust Pledgors pursuant to this clause (4)).

In addition, it is understood and agreed that transactions permitted under this Section 5.01 may also be effected by way of a loan to the applicable Trust Pledgor or other Person.

Section 5.02 Related Party Transactions. Each Holding Company Pledgor shall not, and shall not permit its Investment Holding Vehicles or any of their other direct or indirect Subsidiaries to, enter into any transaction with any Related Party (each a "**Related Party Transaction**") unless such transactions are on terms no less favorable to the Holding Company Pledgor or Investment Holding Vehicle (or Subsidiary) than would reasonably have been obtained in a comparable, arm's length transaction with a Person who is not a Related Party; provided that, for any Related Party Transaction or series of related Related Party Transactions with an aggregate value in excess of \$50,000,000, the relevant Pledgors shall deliver to the Secured Party a written opinion, in form reasonably acceptable to the Secured Party, by any Independent Financial Advisor stating that such transaction or series of related transactions complies with this Section 5.02.

The foregoing restrictions in this Section shall not apply to the following:

(i) (A) any beneficiaries or other Related Party shall be permitted to use residential real estate, art and collectibles and other tangible personal property (but, for the avoidance of doubt, excluding cash, cash equivalents, securities and other financial assets), in the ordinary course, to the extent such use does not result in a Material Adverse Effect and the primary purpose of which is not to circumvent the provisions of this Credit Support Annex, (B) retaining family offices, including the Asset Manager and North Bay, for services, and (C) sharing professional expenses by the Trust Pledgors and Holding Company Pledgors with other Shareholder Released Parties (including by transferring funds to one or more Payment Parties who are designated payors of such expenses under the Master Settlement Agreement);

(ii) (A) the hiring and retention of "family offices" for investment management and related (e.g., book keeping, tax preparation) services and the payment, subject to Section 5.01(iii), of management fees and budgeted expenses, (B) Kokino's (or any successor or replacement family office) management of the assets and investment activities of the Trust Pledgors and the Holding Company Pledgors (e.g., Kokino may move assets within the Holding Company Pledgors structure and make investment decisions in its discretion), and (C) in the case of the foregoing, activities incidental thereto (e.g., setting the budget for Kokino), other than activities that have an adverse impact on the Secured Party's security interest in the Collateral;

(iii) (A) Contributions from any Designated Asset Proceeds Account to a Holding Company Pledgor or an Investment Holding Vehicle and (B) transactions between and among any IAC Account, Holding Company Pledgor, Investment Holding Vehicle, and any of their respective Subsidiaries (as applicable), in each case of (A) and (B), solely to the extent among Persons that are within the Applicable Payment Group. For clarity, this includes (i) transfers directly between any Holding Company Pledgor and any Investment Holding Vehicle and (ii) transfers from any Subsidiary of a Holding Company Pledgor or Investment Holding Vehicle to its parent entity;

(iv) transactions required or expressly permitted by the Master Settlement Agreement (including any Settlement) to be entered into with a Related Party, including (A) transfers of Sale Proceeds and IAC Distributions to IAC Accounts, (B) Permitted Withdrawals from IAC Accounts and (C) transactions the purpose of which is to facilitate the transfer of assets to make payments under the Master Settlement Agreement and the remittance of cash and “funds flow” to effect the same (e.g., pursuant to [Sections 2.01(k) and 2.02(d)] of the Master Settlement Agreement), so long as, in each case, the intent, purpose and primary effect of such transaction shall not be to circumvent the provisions of this Credit Support Annex;

(v) unsecured loans using the Applicable Federal Rate as the interest rate, along with extensions of such loans;

(vi) transactions permitted under Section 5.01;

(vii) the appointment of bona fide third party professionals as trustees and the retention of such professionals respective firms; provided that the payment of professional fees to such professionals from the Collateral shall be otherwise permitted under this Credit Support Annex;

(viii) transactions certified as arm’s length in an opinion by an Independent Financial Advisor; provided that, in the case of any Related Party Transaction or series of related Related Party Transactions with an aggregate value in excess of \$50,000,000 such opinion shall be in form reasonably satisfactory to the Secured Party;

(ix) transactions that are required by the Security Documents;

(x) indemnification arrangements that are consistent with past practice, entered into by the Pledgors or any of Investment Holding Vehicle with the former, current and future trustees, managers, officers, employees, agents, and consultants and professional advisors of any Pledgor, any Investment Holding Vehicle, any family office (e.g., Kokino and North Bay), the Sackler Parties’ Representative, and any other entity owned in whole or in part by any member of the Applicable Payment Group;

(xi) the repayment (including prepayment) and extension of loans made prior to the Settlement Effective Date;

(xii) the Asset Management Agreements (and transactions arising pursuant to the terms thereof) as in effect on the Settlement Effective Date, and as may be amended, modified, supplemented or replaced thereafter; provided that any such amendment, modification, supplement or replacement, taken as a whole, is not materially less favorable to the Secured Party;

(xiii) each Holding Company Pledgor, Investment Holding Vehicle and any Subsidiary thereof may form and capitalize (i.e., contribute capital from time to time) one or more investment vehicles with a Related Party, and may make transfers to, and receive transfers from, any such investment vehicle, Holding Company Pledgor, Investment Holding Vehicle, Subsidiary or Related Party, in each case, in a manner consistent with past practice or standard practice for the investment industry, so long as (A) such investment vehicle(s) ultimately makes similar investments in persons other than Related Parties consistent with the investment criteria of the Asset Manager, (B) any Disposition of the equity interests of such investment vehicle is for reasonably equivalent value, and (C) any capitalization of such investment vehicle, or distribution by such investment vehicle, is made either (x) on a pro rata basis on account of the equityholders’ respective interests in such investment vehicle, or (y) in accordance with the applicable

organizational documents, shareholders' agreement, subscription agreements, or other shareholder documents of such investment vehicle (to the extent the material terms of such document(s) are consistent with past practice or reasonably customary in the investment industry), so long as (1) in the case of capitalization or contributions, such capitalization or contribution does not reduce the Value of the Collateral after giving effect to such transaction, and (ii) in the case of distributions, such distribution does not reduce the Adjusted Collateral Value after giving effect to such transaction; and

(xiv) transfers of funds by a Holding Company Pledgor or Investment Holding Vehicle to PRA L.P. (or any direct or indirect owner of PRA L.P., which owner shall promptly contribute the funds to PRA L.P., if such owner is a direct owner of PRA L.P., or, if such owner is an indirect owner of PRA L.P., to such owner's Subsidiaries until such funds are received by PRA L.P.) or any Trust Pledgor which funds are applied to pay Payment Obligations or third-party legal, settlement, professional and related costs and expenses incurred by (x) PRA L.P. or (y) any Trust Pledgor or any one or more beneficiaries of any Trust Pledgor, in each case, in respect of any settlement or litigation whether such fees and related expenses were incurred prior to, on or after the Settlement Effective Date (but not, for the avoidance of doubt, the costs of any judgment against any such party) and which payments would otherwise be permitted to be made by such Holding Company Pledgor or Investment Holding Vehicle hereunder.

For the avoidance of doubt, to the extent a transaction subject to this Section 5.02 constitutes a Restricted Payment or is otherwise restricted by this Article V, such transaction shall also be subject to the applicable limitations on Restricted Payments or as otherwise set forth in this Article V.

Section 5.03 Indebtedness. The Holding Company Pledgors and their Subsidiaries shall not, and shall not permit any direct or indirect Subsidiary or Investment Holding Vehicle to, incur or guaranty Indebtedness for Borrowed Money, except:

(a) Indebtedness for Borrowed Money to finance payments under any Settlement Agreement under the Master Settlement Agreement; provided that (A) as of any date of determination, the aggregate principal amount of Indebtedness for Borrowed Money incurred under this clause (a) at any time outstanding shall not exceed the amount of the Applicable Payment Group's next scheduled Settlement Payment Obligation, (B) Indebtedness for Borrowed Money incurred under this clause (a) shall have a maturity date less than 12 months from the applicable borrowing date, and (C) the net proceeds of such Indebtedness for Borrowed Money are promptly applied to fund such payments;

(b) Indebtedness for Borrowed Money incurred for the purpose of financing investments that are incurred in the ordinary course of business and consistent with past practices or standard practices for the investment management and/or financial services industries; provided that such investment is acquired either by:

(i) a Holding Company Pledgor, an Investment Holding Vehicle, any of their respective Subsidiaries, any other entity in which any Holding Company Pledgor, an Investment Holding Vehicle or any of their respective Subsidiaries owns any equity interests, or any combination of the foregoing, or

(ii) any other Person so long as, solely in the case of this clause (ii), the payment for such investment with proceeds of such Indebtedness for Borrowed Money shall be deemed a Restricted Payment, and such Indebtedness for Borrowed Money shall be permitted only if such Restricted Payment is made in compliance with Section 5.01;

it being understood and agreed that the foregoing proviso to Section 5.03(b) shall in no event restrict any subsequent transfer of such investment to any other person, so long as (x) if such transfer is to person that would result in a Restricted Payment, such Restricted Payment shall be permitted under Section 5.01, and (y) if such transfer is to Related Party, such Related Party transaction shall be permitted under Section 5.02;

(c) Indebtedness for Borrowed Money that constitutes purchase money indebtedness incurred in connection with the acquisition of assets (including real estate), so long as (x) any Liens securing such Indebtedness for Borrowed Money are limited solely to the assets being acquired, (y) such assets being acquired are acquired and remain owned by the Holding Company Pledgor or Subsidiary incurring such purchase money indebtedness and (z) such assets are acquired within ninety (90) days of the incurrence of such indebtedness, and any extensions, refinancings, renewals and replacements thereof, so long as such extension, refinancing, renewal or replacement does not exceed in a principal amount the Indebtedness for Borrowed Money being renewed, extended, replaced or refinanced plus accrued interest, fees and premiums (if any) thereon and reasonable fees and expenses associated with the extension, refinancing, renewal or replacement;

(d) Indebtedness for Borrowed Money (i) pursuant to tenders, statutory obligations, bids, leases, governmental contracts, trade contracts, surety, stay, customs, appeal, performance and/or return of money bonds or other similar obligations incurred in the ordinary course of business, consistent with past practice or consistent with the investment management and/or financial services industries and (ii) in respect of letters of credit, bank guaranties, surety bonds, performance bonds or similar instruments to support any of the foregoing items;

(e) (i) Indebtedness for Borrowed Money incurred in the ordinary course of business, consistent with past practice or consistent with the investment management and/or financial services industries in respect of obligations of the Holding Company Pledgors and their Subsidiaries to pay the deferred purchase price of goods or services or progress payments in connection with such goods and services, in each case, for the benefit of the applicable Pledgor and its Subsidiaries and (ii) Indebtedness for Borrowed Money in respect of letters of credit, bankers' acceptances, bank guaranties, surety bonds, performance bonds or similar instruments with respect to such Indebtedness for Borrowed Money entered into in the ordinary course of business, consistent with past practice or consistent with the investment management and/or financial services industries;

(f) Indebtedness for Borrowed Money existing, or pursuant to commitments existing, on the Settlement Effective Date and any extensions, refinancings, renewals and replacements thereof, so long as such extension, refinancing, renewal or replacement does not exceed in a principal amount the Indebtedness for Borrowed Money being renewed, extended, replaced or refinanced plus accrued interest, fees and premiums (if any) thereon and reasonable fees and expenses associated with the extension, refinancing, renewal or replacement;

(g) Indebtedness for Borrowed Money consisting of the financing of insurance premiums;

(h) Indebtedness for Borrowed Money representing deferred compensation to current or former directors, trustees, beneficiaries, officers, employees, members of management, managers, members, partners, independent contractors and consultants in the ordinary course of business, consistent with past practice or consistent with the investment management and/or financial services industries; and

(i) Indebtedness for Borrowed Money in an aggregate principal amount not to exceed \$5,000,000 at any time outstanding with respect to the Applicable Payment Group.

Section 5.04 Liens. The Holding Company Pledgors and their Subsidiaries shall not, and shall not permit any direct or indirect Subsidiary or Investment Holding Vehicle to, incur, create, assume or grant or (in the case of any consolidations, mergers or divisions otherwise permitted hereunder) cause or suffer to exist, any Lien on any of its property or assets, except:

- (i) Liens created by the Security Documents;
- (ii) Permitted Encumbrances;
- (iii) Liens on assets and property of the Holding Company Pledgors and their Subsidiaries (other than Equity Interests in a Holding Company Pledgor or Investment Holding Vehicle, the IAC Pledged Shares, or any Cash Collateral Account, IAC Account or Designated Assets Proceeds Account) securing Indebtedness for Borrowed Money permitted under Sections 5.03(a) and (b);
- (iv) Liens on assets and property of the Holding Company Pledgors and their Subsidiaries (other than Equity Interests in a Holding Company Pledgor or Investment Holding Vehicle, the IAC Pledged Shares, or any Cash Collateral Account, IAC Account or Designated Assets Proceeds Account) securing Indebtedness for Borrowed Money permitted under Section 5.03(c); provided that such Liens are solely on (a) the assets or property so acquired with the proceeds of such Indebtedness for Borrowed Money and any permitted extensions, refinancings, renewals and replacements thereof, (b) any after-acquired property that is affixed or incorporated into the assets covered by such Lien and (c) proceeds and products thereof, accessions, replacements or additions thereto or replacements thereon (it being understood that individual financings of the type permitted by Section 5.03(c) provided by any lender may be cross-collateralized to other financings of the type provided by such lender or its affiliates); and
- (v) Liens (other than Equity Interests in a Holding Company Pledgor or Investment Holding Vehicle, the IAC Pledged Shares, or any Cash Collateral Account, IAC Account or Designated Assets Proceeds Account) securing obligations or Indebtedness for Borrowed Money permitted hereunder in an aggregate principal amount not to exceed \$5,000,000 at any time outstanding with respect to the Applicable Payment Group.

Section 5.05 Passive Holding Company Activity. The Holding Company Pledgors shall not engage in any material operating or business activities; provided that the following and any activities incidental thereto shall be permitted in any event:

- (a) ownership of the Equity Interests in Investment Holding Vehicles and the receipt and payment of Restricted Payments and other amounts in respect of Equity Interests and making contributions to the capital of the Investment Holding Vehicles;
- (b) the maintenance of its legal existence and privilege of doing business (including the ability to incur and pay, as applicable, fees, costs and expenses and taxes relating to such maintenance and the payment of any tax distributions pursuant to Section 5.01);
- (c) the performance of its Obligations with respect to the Master Settlement Agreement and the Security Documents and, in each case, any related documents and agreements;
- (d) if applicable, participating in Tax, accounting and other administrative matters, including as a member of any consolidated, combined, unitary or similar tax group and the provision of

administrative and advisory services (including treasury and insurance services) to its Subsidiaries of a type customarily provided by a holding company to its Subsidiaries;

- (e) holding cash or cash equivalents;
- (f) providing indemnification to its officers and directors (or other equivalent Persons), and
- (g) any transaction expressly permitted to be entered into by such Holding Company Pledgor under this Credit Support Annex, the Master Settlement Agreement and any Settlement Agreement.

Section 5.06 Fundamental Changes. The Pledgors shall not consolidate, merge, divide, dissolve or liquidate unless (i) either (A) the applicable Pledgor is the surviving entity or (B) the resulting, surviving or transferee Person is a “domestic trust” for U.S. Federal tax purposes or a Person (solely in the case of a Holding Company Pledgor) organized or existing under the laws of the United States that assumes the Obligations of the applicable Pledgor under the Security Documents pursuant to Section 2.05 (and, if applicable, the Obligations of the Pledgor under the Master Settlement Agreement), (ii) such consolidation, merger, division, dissolution or liquidation, after giving effect to clause (i) above, shall not have a material adverse impact on the value of, and the Secured Party’s interest in, and/or the rights and remedies of the Secured Party with respect to the Collateral (after giving effect to any liabilities with respect thereto), (iii) the Secured Party’s security interest in the Collateral shall remain perfected (without change in or loss of priority) and (iv) in the case of clause (i)(B) above, if reasonably requested by the Secured Party, the applicable Trust Pledgor or Holding Company Pledgor shall deliver to the Secured Party an opinion of counsel, regarding the enforceability and perfection of the relevant security interest with respect to the Collateral and such other matters consistent with Section 2.05(d).

Notwithstanding the foregoing,

(A) any Trust Pledgor may undergo a division or similar reorganization into one or more other continuing trusts in accordance with the terms of its governing instrument (which for the avoidance of doubt, does not include giving effect to the exercise of a power of appointment, which shall for purposes of the Definitive Documents be treated in the same manner as a distribution to be made upon a termination of a trust) to the extent (i) the resulting trust(s) deliver a Trust Certification to the MDT and take any and all steps that are necessary to maintain the perfection of the Secured Party’s Lien on the Collateral (without change in priority), (ii) Exhibit K of the Master Settlement Agreement is updated as may be needed to include the Assuring Parties with respect to the resulting trust(s) (to the extent not already listed) and (iii) each Assuring Party who is a Power Holder with respect to the resulting trust(s) has delivered a Further Assurances Undertaking to MDT to the extent they have not already provided such Further Assurances Undertaking; provided that, for the avoidance of doubt, clauses (i) through (iii) of this sentence shall not apply to appointments or distributions from one trust to another that are otherwise permitted hereunder or under the Master Settlement Agreement; and

(B) a Permitted Trust Restructuring may be consummated so long as the Permitted Trust Restructuring Conditions shall have been satisfied in connection therewith.

Section 5.07 Listed Transactions. Each Trust Pledgor shall not (and shall not cause or permit any Holding Company Pledgor owned by it to) be a party to any transaction that it knew, or reasonably should have known, is a Listed Transaction as of the time it entered into the transaction (or, if earlier, the time it entered into a binding commitment to enter into the transaction, provided that, for purposes of this covenant, (i) the Plan and Master Settlement Agreement and the payments and transactions contemplated thereby shall not be taken into account and (ii) no Trust Pledgor shall be treated as a party to a Listed Transaction that is entered into by any collective investment vehicle or other entity if (A) such entity is

managed by a professional investment advisor that is unaffiliated with the Trust Pledgor (or any of its Related Parties); provided that, for purposes of this subclause (A), the Asset Manager and any other Sackler “family office” shall not be considered unaffiliated with the Trust Pledgor; and (B) the Trust Pledgor (together with any of its Related Parties) does not have dominion and control over the entity’s investment decisions.

Section 5.08 Amendments or Waivers of Organizational Documents. The Trust Pledgors, Holding Company Pledgors and Investment Holding Vehicles shall not make or permit any amendment, restatement, supplement or other modification to, or waiver of, any such Person’s organizational documents (including trust documentation) after the Settlement Effective Date, in each case, to the extent the same (a) would materially adversely affect the perfection or priority of the Secured Parties’ Lien on the Collateral, (b) adds to the beneficiaries of a Trust Pledgor other than by adding a charity, former beneficiary, the spouse of a current or former beneficiary or by reason of the exercise of a power of appointment by a Person other than the trustee of such Trust Pledgor acting in such Person’s capacity as trustee (and not in their own individual or personal capacity), or (c) would reasonably be expected to be otherwise materially adverse to the interests of the MDT (or any other Secured Party) or the ability of the Payment Parties under the Master Settlement Agreement relating the Applicable Payment Group, taken as a whole, to perform their Obligations and otherwise pay the Full Outstanding Settlement Amount under the Master Settlement Agreement, other than as permitted under the Master Settlement Agreement, without obtaining the prior consent of MDT to such amendment, restatement, supplement or other modification or waiver (such consent not to be unreasonably withheld or delayed) or thereafter taking such steps as are necessary to maintain the perfection and priority of the Secured Party’s Lien on the Collateral; provided that, for purposes of clarity, it is understood and agreed that the Trust Pledgors and the Holding Company Pledgors may effect a change to its organizational form and/or consummate any other transaction that is not prohibited under this Credit Support Annex.

Section 5.09 Restrictive Agreements. The Pledgors shall not, nor permit their respective Subsidiaries to, enter into any transaction or series of related transactions that would restrict or impair in any material respect the ability of the Pledgors to sell, Dispose of or otherwise liquidate all or substantially all of the assets and properties of such Pledgor or Subsidiary, except:

- (a) as required under the Master Settlement Agreement and the Security Documents;
- (b) transfer restrictions contained in documentation governing individual investments which have been entered into in the ordinary course of business or pursuant to standard industry practices;
- (c) restrictions with respect to the assets and properties of the Trust Pledgor in effect on the Settlement Effective Date (and any replacements thereof);
- (d) customary provisions restricting assignments contained in agreements entered into in the ordinary course of business or pursuant to standard industry practices so long as such restrictions relate to such agreement which do not restrict the sale, Disposition or liquidation of all or substantially all of the assets and properties of such Pledgors; and
- (e) restrictions in agreements governing Indebtedness for Borrowed Money permitted under Section 5.03 and Section 5.04; provided that such restrictions do not materially interfere with or otherwise prohibit (i) such Trust Pledgor from performing and satisfying its Obligations under the Master Settlement Agreement or (ii) such Holding Company Pledgor or Investment Vehicle from performing and satisfying the Obligations under this Credit Support Annex.

Section 5.10 Change in Trustees. Each Trust Pledgor shall not permit or otherwise recognize the appointment of (including by granting control over any trust asset to) any additional or replacement trustee of such Trust Pledgor, unless and until such additional or replacement trustee (A) becomes a party to the Master Settlement Agreement, the Pledge Agreement, and any other applicable Security Documents in its capacity as such trustee of the applicable Trust Pledgor, (B) the trustees of such Trust Pledgor deliver an updated Trust Certification and (C) takes any and all steps that are necessary to maintain the perfection and priority of the Secured Party's lien on the Collateral.

Section 5.11 Asset Composition. Each Holding Company Pledgor shall use commercially reasonable efforts to ensure that, in the aggregate across all Holding Company Pledgors and their Investment Holding Vehicles, at least twenty percent (20%) of the Full Outstanding Settlement Amount at any given time is held in the form of cash, cash equivalents, marketable securities and/or hedge funds (the "**Liquidity Covenant**"), based on all information known at such time and, in the case, of hedge funds limiting such qualifying investments to those investments whose governing documents provide for quarterly (or more frequent) liquidity. Notwithstanding anything to the contrary herein, there shall be no other limitations on the composition of the Applicable Payment Group's assets.

Section 5.12 Cash Collateral Accounts.

(a) Any Holding Company Pledgor may establish and fund a cash collateral account (a "**Cash Collateral Account**") with a commercial bank or other financial institution in the United States (it being understood that any U.S. financial institution that is not a U.S. commercial bank shall be reasonably satisfactory to the MDT) after the Settlement Effective Date in its sole discretion; provided that (i) after such account is designated by such Holding Company Pledgor as a "Cash Collateral Account" for purposes of this Credit Support Annex, such Cash Collateral Account shall at all times be subject to a Control Agreement in favor of the Secured Party, (ii) no assets shall be maintained in a Cash Collateral Account other than cash or cash equivalents, (iii) such Cash Collateral Account shall be held by a Holding Company Pledgor and granted as Collateral in favor of the Secured Party to secure the Applicable Payment Group's Obligations under the Master Settlement Agreement pursuant to the Security Documents, and (iv) no withdrawals, payments or transfers of any assets maintained in a Cash Collateral Account shall be permitted except to the extent set forth below.

(b) Prior to a Partial Release Date, the Cash Collateral Accounts shall be like any other account of a Holding Company Pledgor for purposes of this Credit Support Annex (except with respect to the requirement to maintain such account subject to a Control Agreement).

(c) Following a Partial Release Date, then, notwithstanding anything to the contrary in this Credit Support Annex:

(i) All Liens on Collateral (other than the Cash Collateral Accounts, which will remain subject to the terms hereof) shall terminate, and funds may be withdrawn from the Collateral that does not constitute Cash Collateral Accounts (including IAC Accounts as "Permitted Withdrawals") without restriction at the relevant Payment Party's discretion, in each case subject to this Section 5.12;

(ii) All affirmative covenants and negative covenants under this Credit Support Annex shall terminate, except (A) obligations to maintain the Cash Collateral Accounts (which will remain subject to the terms hereof), (B) reporting obligations consistent with Section 4.01 (which shall apply only to the Cash Collateral Accounts following a Partial Release Date and prior to the occurrence of a Reinstatement Date) and (C) restrictions on transfers from the Cash Collateral Accounts set forth in this Section 5.12; and

(iii) Each Holding Company Pledgor holding a Cash Collateral Account shall not transfer (or direct the transfer of) any assets from its Cash Collateral Account, or make any withdrawals, payments or other transfers of any assets or amounts held therein or credited thereto (or direct any such transfers), except:

(a) to make investments in cash equivalents that are held in such Cash Collateral Account;

(b) to pay account bank fees and other reasonable and customary expenses of maintaining such Cash Collateral Account;

(c) to pay taxes on income from and gains on investments held in such Cash Collateral Account;

(d) to pay Payment Obligations and any other prepayment or defeasance of a Settlement Payment Obligation of the Applicable Payment Group or other amounts owed under any Settlement Agreement under the Master Settlement Agreement; or

(e) for any other purpose, but only to the extent the aggregate Value of the Cash Collateral Accounts after giving effect to such withdrawal, payment or transfer will not be less than the Full Outstanding Settlement Amount at such time.

(d) If, at any time after a Partial Release Date, the aggregate Value of the Cash Collateral Accounts attributable to the Applicable Payment Group falls below the Full Outstanding Settlement Amount (a “**Reinstatement Date**”), all terms, conditions, covenants and restrictions of this Credit Support Annex will automatically reapply and remain in effect. However, if another Partial Release Date subsequently occurs, the above provisions will again apply until another Reinstatement Date occurs thereafter.

ARTICLE VI. ADDITIONAL CONDITIONS PRECEDENT

Section 6.01 In addition to the conditions set forth in Section 10.01 of the Master Settlement Agreement, the occurrence of the Settlement Effective Date shall be subject to the satisfaction or waiver by the MDT with the consent of the Ad Hoc Committee and the Creditors’ Committee (which consent shall not be unreasonably withheld or delayed) of the following conditions:

(a) The MDT (or its counsel) shall have received duly executed copies of the Pledge Agreement and the Control Agreement(s) in respect of the Designated Assets Proceeds Account; provided that if a Control Agreement for any Designated Asset Proceed Account cannot be obtained prior to the Settlement Effective Date after using commercially reasonable efforts to do so, such Control Agreement shall be delivered within 60 days after the Settlement Effective Date (as such time period may be extended by the MDT in its reasonable discretion);

(b) The MDT (or its counsel) shall have received a UCC-1 financing statement in a form prepared for filing in the jurisdiction of organization of each Pledgor and otherwise in form and substance reasonably satisfactory to the MDT (or its counsel);

(c) All Equity Interests of the Holding Company Pledgors and the Investment Holding Vehicles shall have been pledged pursuant to the Security Documents and/or the provisions hereof and the MDT (or its counsel) shall have received all (i) certificates or instruments, if any, representing such

Equity Interests pledged under the Security Documents, accompanied stock transfer powers or other instruments of transfer (if any) with respect thereto endorsed in blank and (ii) uncertificated securities control agreements, substantially in the form exhibited to the Pledge Agreement, with respect to any uncertificated securities of the Holding Company Pledgors and/or the Investment Holding Vehicles; and

(d) The Pledgors shall have delivered to the MDT (or its counsel) no later than [five (5)]⁹ Business Days before the target Settlement Effective Date a valuation showing that the Target Value has been met in compliance with Section 3.01(b)(ii).

(i) The Secured Party shall provide the Asset Manager with not less than sixty (60) days advance written notice of the target Settlement Effective Date. Based on that notice, such valuation shall:

(1) be presented as of a recent date chosen by the Asset Manager within the windows described below (the “**Valuation Date**”):

(aa) if the target Settlement Effective Date occurs before the 15th day of any given month, then the Valuation Date shall be the last day of the month that immediately precedes the date that is 90 days prior to the target Settlement Effective Date or a more recent date, if such information has been received from third parties. For example, if the target Settlement Effective Date is March 3, 2026, then the Valuation Date shall be November 30, 2025 or a more recent date.

(bb) if the target Settlement Effective Date occurs on or after 15th day of any given month, then the Valuation Date shall be not more than 90 days prior to the target Settlement Effective Date or a more recent date, if such information has been received from third parties. For example, if the target Settlement Effective Date is March 21, 2026, then the Valuation Date shall be December 22, 2025, or a more recent date (e.g., December 31, 2025); and

(2) be certified by an Independent Financial Advisor.

(ii) If the Secured Party postpones the target Settlement Effective Date, it shall provide the Asset Manager with no less than thirty (30) days’ prior written notice of the revised target Settlement Effective Date, which shall supersede the previously designated target Settlement Effective Date. Any previously delivered certified valuation shall remain valid; provided that, if as a result of such postponement the Valuation Date would fall outside the permitted 90-day window described above by more than thirty (30) days, the Pledgors shall deliver an updated valuation certified by an Independent Financial Advisor in accordance with this Section 6.01(d).

(iii) In addition, on the actual Settlement Effective Date, the Pledgors (or, based on their information, the Asset Manager) shall certify to the Secured Party that no assets have been

⁹ To be confirmed with Huron as to practicality, but to help manage closing our understanding is that you would not want the certified valuation delivered to MDT on the Settlement Effective Date.

transferred from the Collateral since the Valuation Date (other than in the ordinary course) that would reasonably be expected to reduce the Value of the Collateral below the Target Value.

(iv) The Target Value shall reflect the most recent Value of each asset and liability recorded in the Pledgor's books and records as of the Valuation Date, which such books and records shall reflect the most recently available information from third party sources. However, with respect to cash, cash equivalents and marketable securities, the Target Value shall reflect the most current Values reasonably required by the Independent Financial Advisor to complete its certification in a timely manner in advance of the Settlement Effective Date. No Pledgor shall be required to engage third parties to obtain new valuations not already reflected in its records.

Section 6.02 Notwithstanding anything herein or in the Master Settlement Agreement or any Pledge Agreement to the contrary, if the MDT waives any of the conditions specified in this Section 6.01 without the consent of the Pledgors, then in no event may the MDT or any other Secured Party subsequently claim or assert that a Breach has occurred due to the failure of the Pledgors or any other member of the Applicable Payment Group to satisfy any of the conditions specified in this Section 6.01 or any matter related thereto.

ARTICLE VII. ENFORCEMENT EVENT; REMEDIES

Section 7.01 Occurrence of an Enforcement Event; Priority of Payments. Upon the occurrence and during the continuance of an Enforcement Event with respect to any Trust Pledgor or the Applicable Payment Group, the Secured Party shall have the right to exercise all rights and remedies against the Collateral of the applicable Trust Pledgor or the Applicable Payment Group, as applicable, as provided in this Credit Support Annex and the Security Documents, including all rights and remedies available under the UCC (and any similar local laws applicable to the relevant party). If the Enforcement Event relates to a Trust Pledgor (including an Enforcement Event relating to the Applicable Payment Group), the Secured Party shall have the right to foreclose upon the Collateral of such Trust Pledgor, to direct the liquidation of any Holding Company Pledgors and Investment Holding Vehicles or other respective direct or indirect Subsidiaries (provided that the Secured Party's rights to liquidate any assets or property of, or interests in, non-wholly owned entities shall be subject to any applicable transfer restrictions imposed by law or contract) owned by such Trust Pledgor, and to exercise exclusive control over the Designated Asset Proceeds Accounts and IAC Accounts of such Trust Pledgor.

The Secured Party shall apply the proceeds of any such enforcement in the manner set forth in Section 9.02(d) (Priorities) of the Master Settlement Agreement, and shall remit any remaining proceeds to the applicable party (in the case of Trust Pledgors, to the relevant Pledgor(s); and in the case of Non-ICSP Payment Parties, to such Non-ICSP Payment Party). For the avoidance of doubt, (i) the Secured Party shall have no rights to enforce remedies under any account control agreement (including, without limitation, any right to submit a notice of exclusive control (or equivalent notice) thereunder) unless and until an Enforcement Event has occurred and is continuing and (ii) the Secured Party shall have no claim to, or rights in, any Equity Interests (or related assets) in a non-wholly owned Subsidiary that are held by the minority investor(s) therein, to the extent such minority investors are not members of the Applicable Payment Group.

Section 7.02 Breaches.

(a) If any Trust Pledgor or any Holding Company Pledgor owned by such Trust Pledgor fails to comply with any of the following provisions of this Credit Support Annex and the Secured Party provides notice to the Sackler Parties' Representative pursuant to Section 11.01 of the Master Settlement

Agreement, such failure shall constitute a Breach Trigger with respect to the Persons in Breach described below, and if the Breach Trigger continues for thirty (30) days or more, it shall be deemed a Specified Breach with respect to the Persons in Breach to the extent set forth below (provided that, if the Pledgors have taken steps during such period to cure such Breach Trigger and are diligently prosecuting such cure, the Persons in Breach shall have an additional thirty (30) days to cure (to the extent capable of being cured during such period) before a Specified Breach shall be deemed to have occurred):

(i) Any Breach caused by an action or omission within a Trust Pledgor's (or a Subsidiary of such Trust Pledgor's) control (and not, for the avoidance of doubt, any Breach as the result of an action or failure to act on the part of the Secured Party) that materially adversely affects the perfection or priority of the Secured Parties' Lien on a material portion of the Collateral of (i) such Trust Pledgor and (ii) each Trust Pledgor that is an Affiliate of such Trust Pledgor, when taken as whole, shall be a Specified Breach of such Trust Pledgor, its Holding Company Pledgors, each Trust Pledgor that is an Affiliate of such Trust Pledgor and such affiliated Trust Pledgors' Holding Company Pledgors (it being understood that an "Affiliate" of a Trust Pledgor for purposes of this Section 7.02(a)(i) and Article VIII means (A) any revocable trust having the same grantor as such Trust Pledgor, (B) any trust of which a majority of the Power Holders also comprise a majority of the Power Holders of such Trust Pledgor, or (C) any trust for which all of the trustees are the same as those of such Trust Pledgor, in each case provided that a Crossover Member shall not be an Affiliate of a non-Crossover Member);

(ii) Any Breach of Section 5.01 shall be a Specified Breach of the Applicable Payment Group if the Collateral Coverage Ratio of the Applicable Payment Group is less than 1.10 to 1.00 (after giving pro forma effect to the applicable Restricted Payment giving rise to such Breach Trigger (or if such Collateral Coverage Ratio is less than 1.10 to 1.00 at the time of such Breach Trigger)); and

(iii) Following a Partial Release Date and prior to a Reinstatement Date, any Breach of the Cash Collateral Accounts covenant set forth in Section 5.12(c)(iii) shall be a Specified Breach of the Applicable Payment Group.

(b) Without limitation of the provisions set forth in Section 7.02(a) above, if any Trust Pledgor or any Holding Company Pledgor owned by such Trust Pledgor commits any Breach set forth in this Section 7.02(b) and the Secured Party provides notice to the Sackler Parties' Representative pursuant to Section 11.01 of the Master Settlement Agreement, such failure shall constitute a Breach Trigger with respect to such Trust Pledgor and its Holding Company Pledgors, and if the Breach Trigger continues for thirty (30) days or more, it shall be deemed a Specified Breach with respect to such Trust Pledgor and its Holding Company Pledgors to the extent set forth below (provided that, if the Pledgors have taken steps during such period to cure such Breach Trigger, and are diligently prosecuting such cure, the Applicable Payment Group shall have an additional thirty (30) days to cure such Breach Trigger (to the extent capable of being cured during such additional period) before a Specified Breach shall be deemed to have occurred:

(i) Any Breach caused by an action or omission within a Trust Pledgor's (or a Subsidiary of such Trust Pledgor's) control (and not, for the avoidance of doubt, any Breach as the result of an action or failure to act on the part of the Secured Party) that materially adversely affects the perfection or priority of the Secured Party's Lien on a material portion of such Trust Pledgor's Collateral;

(ii) Any Breach of Section 5.01;

(iii) Any Breach of Section 5.02 involving any transaction or series of transactions exceeding \$25,000,000 in the aggregate with respect to the Applicable Payment Group shall be a Specified Breach of each Trust Pledgor in Breach (and each Trust Pledgor with a Holding Company Pledgor in Breach) of such covenant;

(iv) Any Breach of Section 5.03; and

(v) Any Breach of Section 5.04.

(c) Any other breach by any Trust Pledgor or Holding Company Pledgor owned by such Trust Pledgor, as applicable, of any term, covenant or agreement contained in this Credit Support Annex that is not set forth above or in the event any representation or warranty made or deemed made by a Pledgor in any Definitive Document or any certificate, notice, or document delivered in connection therewith shall prove to have been incorrect or misleading in any material respect at the time made or deemed to have been made shall constitute a Non-Specified Breach with respect to such Trust Pledgor if not cured within thirty (30) days following notice by the MDT to the Sackler Parties' Representative of such Breach pursuant to Section 11.01 of the Master Settlement Agreement.

ARTICLE VIII. TERMINATION

The obligations described in this Credit Support Annex shall terminate, and all security interests granted in this Credit Support Annex shall be automatically released, on the first to occur of the following:

(i) the date on which the Master Settlement Agreement terminates following the Settlement Effective Date pursuant to its terms (e.g., pursuant to Section 2.04 of the Master Settlement Agreement); and

(ii) the date on which the Full Outstanding Settlement Amount and any other accrued and outstanding Payment Obligations of each Payment Party in the Applicable Payment Group under the Master Settlement Agreement (including any Payment Obligation owed by the Applicable Payment Group as a whole, but excluding Payment Obligations resulting from Breaches attributable only to individual Payment Parties that are not Trust Pledgors or Subsidiaries thereof) have been paid in full in cash and reduced to \$0 (including by way of prepayment or other advanced payments), other than (A) any contingent obligations for which no claim or demand for payment, whether oral or written, has been made at such time, and (B) Payment Obligations that are several obligations of a given Payment Party and its Affiliates and for which neither the Applicable Payment Group as a whole nor any other Trust Pledgor or Subsidiary thereof is responsible for paying or otherwise liable under the Master Settlement Agreement.

Notwithstanding the foregoing:

(i) obligations of the Pledgors under the applicable collateral documents, and all security interests thereunder, shall be automatically reinstated if and to the extent that, for any reason, the MDT is required to disgorge, turn over, or otherwise pay to the Applicable Payment Group any amount paid to the MDT or any creditor trust by or on behalf of the Applicable Payment Group, whether as a result of any proceeding in bankruptcy or reorganization or otherwise; and

(ii) to the extent the only remaining Payment Obligations of the Payment Parties in the Applicable Payment Group outstanding at any given time consist solely of Payment Obligations described in clause (ii)(B) immediately above, this Credit Support Annex shall

continue in effect solely with respect to each Trust Pledgor that is obligated in respect of such Payment Obligations, any Subsidiaries of such Trust Pledgors, each Affiliate of such Trust Pledgors, and any Subsidiaries of such Affiliates, and shall otherwise terminate as provided above (it being understood that the term “Affiliate” for purposes of this Article VIII shall have the same meaning therefor as set forth in Section 7.01(a)(i) of Article VII of this Credit Support Annex).

ARTICLE IX. MISCELLANEOUS

Section 9.01 Escrow Accounts.

(a) Consistent with the Master Settlement Agreement’s definition of “Retained Payment Amount,” all amounts paid by or on behalf of the Applicable Payment Group into an escrow account on or following the Settlement Effective Date, whether pursuant to this Agreement or any other Settlement Agreement (including direct settlements, such as opt-out class action settlements that have not become effective as of the Settlement Effective Date), shall be deemed to have been actually paid by the Applicable Payment Group on such Payment Date and shall reduce the Applicable Payment Group’s Full Outstanding Settlement Amount as of that date.

(b) If any portion of such escrowed amounts is subsequently returned to the Applicable Payment Group pursuant to the Master Settlement Agreement or the applicable Settlement Agreement, then:

(i) such returned amounts shall no longer be deemed to have been paid as of the original Payment Date (and the Full Outstanding Settlement Amount shall be adjusted accordingly); and

(ii) such amounts received by Trust Pledgors (directly or indirectly) shall be promptly deposited into the Collateral and become subject to this Credit Support Annex.

(c) The Trust Pledgors’ share of any escrowed amounts held in escrow accounts required by the Master Settlement Agreements (including Grantor Trust Escrow Accounts described in Exhibit Z), the “Project Apollo IAC escrow accounts” and any other escrow account holding funds to be applied towards Payment Obligations shall be deemed to be held in Holding Company Pledgors (including for purposes of the thresholds set forth in Section 3.01 and determining the Target Value).

Section 9.02 Certain Representations. Each of the Trust Pledgors represents and warrants to the MDT on the Settlement Effective Date that:

(a) Related Party Loan Transactions. The aggregate principal amount of Indebtedness for Borrowed Money owing by (i) any Holding Company Pledgor or any of its Subsidiaries, on the one hand, to (ii) Related Parties (other than Holding Company Pledgors and their respective Subsidiaries), on the other hand, and outstanding as of the Settlement Effective Date does not exceed \$25,000,000 in the aggregate.

(b) Existing Indebtedness. The aggregate principal amount of debt for borrowed money of the Holding Company Pledgors and their respective Subsidiaries outstanding as of the Settlement Effective Date, that is not otherwise permitted under Section 5.03 (other than Section 5.03(f)), does not exceed \$25,000,000 in the aggregate.

EXHIBIT A to ANNEX F

FINANCIAL STATEMENT TEMPLATE

[For each Trust Pledgor of the Applicable Payment Group]
As of [March, June, September, December 20XX]

	A	B	C	D = C x (A+B)	
	Value in Holding Company Pledgor Collateral	Value in IAC Accounts	Asset Class Advance Rates	Adjusted Collateral Value	Value in Designated Assets
<u>Assets</u>					
Accounts Receivable			1.00		
Artwork & Jewelry			0.80		
Cash and Cash Equivalents			1.00		
Hedge Funds			0.85		
Life Insurance – Surrender Value			0.80		
Marketable Securities			1.00		
Notes and Loans Receivable			0.80		
Other Investments			0.80		
Private Capital Investments			0.80		
Real Estate Investments			0.80		
Residential Real Estate			0.80		
Retirement Accounts & Government Pensions			0.80		
Total Assets					
<u>Liabilities</u>					
Accounts Payable			1.00		
Debt			1.00		
Other Balance Sheet Liabilities			1.00		
Total Liabilities					
Assets less Liabilities					

Restricted Payment Made During the Calendar Quarter

Type of Restricted Payment	Amount of Restricted Payments
Distribution Incurrence Test Exception	
Tax Distributions Exception	
Family Office Management Fees	
Settlement Obligations Exception	
Judgments Exception	
\$100 MM “Distribution Basket” Exception	
Litigation Costs Exception	
<u>Total Restricted Payments</u>	

Value Held in Brokerage Accounts Outside the U.S.

Type of Account	Amount
Holding Company Pledgors Collateral	
IAC Accounts	

EXHIBIT B to ANNEX F

FORM OF COMPLIANCE CERTIFICATE

[____], 20[__]

Reference is made to Annex F (the “**JS Family B-Side Credit Support Annex**”) to the Settlement Agreement, dated as of [____], among the Pledgors referred to in the JS Family B-Side Credit Support Annex, the other Payment Parties party thereto and The Master Disbursement Trust (as amended, restated, supplemented or otherwise modified from time to time). This Compliance Certificate is delivered by the undersigned Asset Manager pursuant to Section 3.01(b) of the JS Family B-Side Credit Support Annex for the calendar quarter ended [March, June, September, December 20__]. Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the JS Family B-Side Credit Support Annex.

To the knowledge of the Asset Manager, the financial statements provided to the MDT together with this Compliance Certificate presents fairly in all material respects the financial position of, and the amounts and classifications of Restricted Payments by, the Pledgors and their Subsidiaries as specified therein for such period presented.

To the knowledge of the Asset Manager, all Restricted Payments made by Holding Company Pledgors and their Subsidiaries in the Applicable Payment Group complied with the JS Family B-Side Credit Support Annex.

To the knowledge of the Asset Manager, as of the date hereof, no Breach or Breach Trigger has occurred with respect to any Trust Pledgor or the Applicable Payment Group since the previously delivered Compliance Certificate, except as has already been communicated to the Secured Party or as set forth in Schedule I hereto.

A calculation of the Collateral Coverage Ratio and Liquidity Covenant as of the end of the calendar quarter for which this Compliance Certificate is delivered is set forth on Schedule II hereto.

The undersigned, in his/her capacity on behalf of the Asset Manager, and not in any individual capacity, hereby represents that the statements set forth in this Compliance Certificate are accurate to his/her knowledge, information and belief based on information provided by or on behalf of the Trust Pledgors.

[ASSET MANAGER]

By: _____
Title:

[SCHEDULE I TO COMPLIANCE CERTIFICATE]

Applicable Payment Group Breaches:

[•]

Applicable Payment Group Breach Triggers:

[•]

SCHEDULE II TO COMPLIANCE CERTIFICATE

Collateral Coverage Ratio

Adjusted Collateral Value	E	
Available Retained Payment Amount	F	
Adjusted Collateral Value less Available Retained Payment Amount	$G = E - F$	
Full Outstanding Settlement Amount	H	
Collateral Coverage Ratio	$I = G / H$	

Liquidity Covenant

Value of Cash, Cash Equivalents, Marketable Securities & Hedge Funds	J	
Full Outstanding Settlement Amount	F	
Liquidity %	$K = J / F$	

EXHIBIT C to ANNEX F

PRE-SETTLEMENT EFFECTIVE DATE ASSET REPORT

[See attached]

EXHIBIT D to ANNEX F

FORM OF COLLATERAL CERTIFICATE

[____], 20[____]¹

Reference is made to (i) Annex F (the “**B-Side Payment Group 2 Credit Support Annex**”) to the Master Settlement Agreement dated as of [____], 2021 among the Pledgors referred to in the B-Side Payment Group 2 Credit Support Annex, the other Payment Parties party thereto and The Master Disbursement Trust (the “**MDT**”) (as amended, restated, supplemented or otherwise modified from time to time) and (ii) the Pledge Agreement dated as of [____], 2021 (the “**Pledge Agreement**”) among the Pledgors referred to in the B-Side Payment Group 2 Credit Support Annex, Kokino LLC and the MDT (as amended, restated, supplemented or otherwise modified from time to time). Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the B-Side Payment Group 2 Credit Support Annex.

Reference is made to the calendar year ending [____], 20[____]. Pursuant to Section [____] of the B-Side Payment Group 2 Credit Support Annex, the undersigned, in his/her capacity as an authorized officer of the Pledgors (or, in the case of a Trust Pledgors, an authorized officer of its trustee), and not in any individual capacity, certifies to his or her knowledge as follows:

1. All liens granted to the Secured Party pursuant to the Security Documents remain effective and are perfected in accordance with the Credit Support Annex as of the date hereof, [except with respect to the assets described below].
2. There have been no changes to the information required to be included in the Annexes to the Pledge Agreement [, except for the following items:]

[APPLICABLE PLEDGOR]²

By: _____
Name:
Title:

¹ Certificate to be delivered within 30 days after calendar year end.

² Certificate may be delivered by a single authorized representative of one or more identified Pledgors.

EXHIBIT E to ANNEX F

HOLDING COMPANY PLEDGORS

Trust Pledgor	Holding Company Pledgor
AJ Irrevocable Trust	AJIT Holding Company LLC, a Delaware limited liability company
Raymond R. Sackler Trust 2 dtd 12/23/89 (a/k/a the 2A Trust)	2A Trust Holding Company LLC, a Delaware limited liability company
[_____]	[_____] LLC, a Delaware limited liability company
<i>[To be completed.]</i>	<i>[To be completed.]</i>

EXHIBIT F to ANNEX F

ASSET MANAGEMENT AGREEMENT

[See attached]