

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

**FORM 8-K**

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

March 30, 2022  
Date of Report (Date of the earliest event reported)

**Bausch Health Companies Inc.**  
(Exact Name of Registrant as Specified in Its Charter)

British Columbia, Canada  
(State or Other Jurisdiction of  
Incorporation or Organization)

001-14956  
(Commission  
File Number)

98-0448205  
(I.R.S. Employer  
Identification Number)

2150 St. Elzéar Blvd. West  
Laval, Quebec  
Canada H7L 4A8  
(Address of Principal Executive Offices)(Zip Code)

(514) 744-6792  
(Registrant's telephone number, including area code)

N/A  
(Former name or former address, if changed since last report)

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

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Shares, No Par Value	BHC	New York Stock Exchange, Toronto Stock Exchange

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

Emerging growth company

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

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

In connection with Bausch Health Companies Inc.'s ("BHC", "we", "us", "our" or the "Company") previously announced intention to separate its eye health business (the "Separation"), and to effect the contemplated initial public offering ("IPO") of Bausch + Lomb Corporation ("Bausch + Lomb" or "B+L"), BHC and Bausch + Lomb have entered into certain agreements for the purpose of accomplishing the Separation, which provide a framework for B+L's relationship with BHC after the Separation (collectively, the "Separation Agreements"). The Separation Agreements, among other things, allocate among BHC and Bausch + Lomb the assets, employees, liabilities and obligations of BHC and its subsidiaries attributable to periods prior to, at and after the Separation. Each of the Separation Agreements is described in detail below.

The IPO is subject to numerous conditions, including market conditions and to receipt of regulatory, stock exchange and other approvals, and there can be no assurance as to whether or when the IPO may be successfully completed, or as to the actual size or terms of the IPO.

**Master Separation Agreement**

We have entered into a Master Separation Agreement with Bausch + Lomb (the "Master Separation Agreement") that, together with the other agreements summarized herein, governs the relationship between Bausch + Lomb and us following the completion of the IPO.

*Separation of Assets and Liabilities.* The Master Separation Agreement generally allocates assets and liabilities to us and Bausch + Lomb according to the business to which such assets or liabilities relate. In particular, the Master Separation Agreement provides, among other things, that, subject to the terms and conditions contained therein:

- substantially all of the assets primarily related to the businesses and operations of our Bausch + Lomb business, which we refer to as the "Bausch + Lomb Assets," will be transferred to Bausch + Lomb or one of its subsidiaries;
- certain liabilities (whether accrued or matured, contingent or otherwise and regardless of whether arising or accruing before, on or after the completion of the IPO) related to or arising out of the Bausch + Lomb Assets, and other liabilities related to the businesses and operations of the Bausch + Lomb business, which we refer to as the "Bausch + Lomb Liabilities," will be retained by or transferred to Bausch + Lomb or one of its subsidiaries;
- all of the assets and liabilities (whether accrued, contingent or otherwise and regardless of whether arising or accruing before, on or after the completion of the IPO) other than the Bausch + Lomb Assets and the Bausch + Lomb Liabilities (such assets and liabilities, other than the Bausch + Lomb Assets and the Bausch + Lomb Liabilities, are referred to as the "Parent Assets" and the "Parent Liabilities," respectively) will be retained by or transferred to BHC or its subsidiaries; and
- certain shared contracts may need to be transferred or assigned, in part, to Bausch + Lomb or its subsidiaries or may need to be amended.

*Claims.* In general, subject to certain identified exceptions, pursuant to the Master Separation Agreement Bausch + Lomb has assumed liability for all pending, threatened and unasserted legal matters exclusively related to its business or its assumed or retained liabilities (as identified in the Master Separation Agreement). For certain legal matters that are not related exclusively to our business or Bausch + Lomb's business, we intend to cooperate and consult with each other to maintain a joint defense with respect to such legal matters.

*Intercompany Accounts.* The Master Separation Agreement provides that, subject to any provisions in the Master Separation Agreement or any other ancillary agreement described therein to the contrary, immediately prior to or as promptly as practicable after the IPO, all intercompany accounts between Bausch + Lomb and its subsidiaries, on the one hand, and the Company and its subsidiaries, on the other hand, will be repaid or settled.

*Internal Transactions.* The Master Separation Agreement provides for certain internal transactions related to our separation from Bausch + Lomb that will occur prior to the completion of the IPO.

*Delayed Transfers and Further Assurances.* To the extent transfers of assets and assumptions of liabilities related to the Bausch + Lomb business have not been completed (for example, because of a necessary governmental or third party approval or notification), the parties will use commercially reasonable efforts to obtain or make applicable approvals or notifications with respect thereto as soon as reasonably practicable. In the event that any such transfer has not been consummated prior to the closing of the IPO, the party retaining any asset that otherwise would have been transferred shall hold such asset in trust for the use and benefit of the party entitled thereto and retain such liability for the account of the party by whom such liability is to be assumed, in each case to the extent reasonably possible and permitted by applicable law, and take such actions reasonably requested by the other party in order to place such party, in a substantially similar position as would have existed had such asset or liability been transferred prior to the closing of the IPO.

*Representations and Warranties.* In general, neither we nor Bausch + Lomb has made any representations or warranties regarding any assets or liabilities transferred or assumed. Except as expressly set forth in the Master Separation Agreement, all assets will be transferred on an "as is," "where is" basis, and the respective transferees will bear the economic and legal risks that conveyed assets are not sufficient to operate the applicable business or that the title to any of the conveyed assets shall be other than good and marketable title, free and clear of any lien.

*The Initial Public Offering and Cooperation with the Exchange.* The Master Separation Agreement governs our and Bausch + Lomb's respective rights and obligations regarding the IPO. Pursuant to the Master Separation Agreement, we and Bausch + Lomb will each use commercially reasonable efforts to take all actions necessary to consummate the IPO. Subject to the terms and conditions of the Master Separation Agreement, we may determine the terms of, and whether to proceed with, the IPO or other distribution of Bausch + Lomb shares by BHC.

*Conditions.* The Master Separation Agreement also provides that the following conditions, among others, must be satisfied or waived by BHC, in its sole and absolute discretion, before either the IPO and the separation transactions can occur or any subsequent distribution by means of plan of arrangement, a spin-off, split-off or other distribution of Bausch + Lomb's shares by BHC (the "Distribution") can occur:

- approval has been given by Bausch + Lomb's and our Board of Directors;
- with respect to the Distribution, receipt of applicable shareholder approvals;
- with respect to the Distribution, the interim and final orders of the British Columbia Supreme Court providing for, among other things, the approval of the plan of arrangement shall have been obtained;
- all necessary actions or filings under applicable U.S. federal, U.S. state, Canadian or other securities law and rules and regulations thereunder in connection with the IPO and the Distribution, as applicable, shall have been taken or made, and, where applicable, become effective or been accepted by the applicable governmental authority;
- the portion of Bausch + Lomb's common shares to be issued and new common shares of BHC to be distributed to BHC's shareholders pursuant to an arrangement agreement (the "Arrangement Agreement") by and among BHC and Bausch + Lomb, among other parties, which will set out the terms and conditions of the arrangement (the "Arrangement") by which the Distribution is currently expected to be implemented, as applicable, that have been accepted for listing on the New York Stock Exchange and the Toronto Stock Exchange;
- with respect to the Distribution, BHC has received a tax opinion from counsel with respect to certain U.S. federal income tax consequences of the Distribution;
- with respect to the Distribution, BHC has received an opinion from an independent appraisal firm confirming the solvency and financial viability of BHC prior to the Distribution and of Bausch + Lomb and BHC after completion of the Distribution, and such opinions shall be acceptable to BHC in form and substance in the BHC Board of Directors (the "BHC Board") sole discretion and shall not have been withdrawn or rescinded;

- no order, injunction or decree issued by any governmental authority of competent jurisdiction or other legal restraint or prohibition preventing completion of the Distribution, the Separation or any of the transactions related thereto, as applicable, shall be in effect, and no other event outside the control of BHC shall have occurred or failed to occur that prevents the completion of the Distribution, the Separation or any transactions related thereto, as applicable; and
- with respect to the Distribution, all governmental approvals necessary to consummate the Distribution have been received and shall be in full force and effect.

BHC has the right to not complete the Distribution at any time for any reason, including if, at any time, the BHC Board determines, in its sole and absolute discretion, that such transaction is not in the best interests of BHC or its shareholders or is otherwise not advisable.

*D&O Insurance.* Bausch + Lomb's directors and officers will obtain coverage under a directors' and officers' insurance program to be established by Bausch + Lomb at its expense. In addition, for a period of six years after Bausch + Lomb's directors and officers are removed from the prior BHC policies, we have agreed to use commercially reasonable efforts to provide directors' and officers' insurance in respect of the Separation, the IPO and acts or omissions occurring at or prior to the time they are removed from the prior BHC policies to current and former directors and officers of BHC and the Bausch + Lomb, 67% of the cost of which shall be borne by us and 33% of the cost of which shall be borne by Bausch + Lomb. Otherwise, Bausch + Lomb expects that such insurance policies will become effective prior to the completion of the IPO, but in any event prior to the completion of the Distribution. Bausch + Lomb will not benefit from any of our or our affiliates' insurance policies following the effective date of these new insurance policies.

*Mutual Releases.* Except for specific liabilities associated with the Master Separation Agreement or the other ancillary agreements described therein or rights to indemnification under such arrangements, we and Bausch + Lomb have agreed to release and forever discharge the other party and its respective subsidiaries and affiliates from any and all liabilities, claims or conditions existing or alleged to have existed on or prior to the closing of the IPO. The liabilities to be released include liabilities arising under any contract or agreement, existing or arising from any acts or events occurring or failing to occur or any conditions existing before the completion of the IPO. The releases will not extend to obligations or liabilities under any agreements between BHC and B+L that remain in effect following the Separation, which agreements include, but are not limited to, the Master Separation Agreement, the Transition Services Agreement, the Tax Matters Agreement, the Registration Rights Agreement, the Intellectual Property Matters Agreement, and the transfer documents in connection with the Separation.

*Indemnification.* Generally, the Master Separation Agreement provides that each party will indemnify, defend and hold harmless the other party and its subsidiaries (and each of their affiliates) and their respective officers, employees and agents from and against any and all losses relating to, arising out of or resulting from: (i) liabilities assumed by the indemnifying party, (ii) any guarantee, indemnifications or contribution obligation, surety bond or other credit support agreement, arrangement, commitment or understanding for the benefit of the indemnifying party by the indemnified party that survives following the Separation, (iii) any breach by the indemnifying party or its subsidiaries of the Master Separation Agreement and the other agreements described in this section (unless such agreement provides for separate indemnification) or (iv) any untrue statement of a material fact, or omission to state a material fact, with respect to information provided by the indemnifying party for use in, and contained in, any document disclosed to the SEC with respect to the IPO or otherwise (provided, that certain indemnification rights, obligations and procedures with respect to the Distribution will be set forth in the Arrangement Agreement). The Master Separation Agreement also specifies procedures with respect to claims subject to indemnification and related matters.

*Covenants.* The Master Separation Agreement also governs other matters related to the completion of the IPO and the Distribution, the provision and retention of records, access to information, confidentiality, cooperation with respect to governmental filings and third party consents, coordination with respect to financial statements and accounting matters. In addition, the Master Separation Agreement provides that, as long as BHC beneficially owns at least 50% of the total voting power of Bausch + Lomb's outstanding share capital entitled to vote in the election of Bausch + Lomb's Board of Directors, Bausch + Lomb will not (without BHC's prior written consent or, in certain circumstances, the approval of the our Board of Directors) take certain actions. In addition, to preserve the tax-free treatment of the Separation and the Distribution, the Master Separation Agreement includes certain covenants and

restrictions to ensure that, until the completion of the Distribution, we will retain beneficial ownership of at least 80.1% of Bausch + Lomb's combined voting power and 80.1% of each class of nonvoting share capital, if any is outstanding.

**Director Elections.** The Master Separation Agreement also provides that from the date of the Separation until the earlier of December 31, 2024, completion of the Distribution and BHC ceasing to beneficially own at least 50% of the total voting power of B+L's outstanding share capital entitled to vote in the election of B+L's Board of Directors, B+L will not (without the prior written consent of the BHC Board) propose any nominee for election to the B+L Board of Directors other than the directors named in B+L's prospectus included in the registration statement that it filed with the SEC on January 13, 2022, subject to certain specified exceptions. BHC has agreed that, during such period, all voting decisions made by or on behalf of BHC with respect to any of B+L's voting securities beneficially owned by BHC will be approved by the BHC Board.

**Termination.** The Master Separation Agreement may be terminated and the Distribution may be amended, modified or abandoned at any time by mutual consent or subject to the terms and conditions set forth in the Master Separation Agreement at any time prior to the closing of the IPO. The obligations of the parties under the Master Separation Agreement to pursue or effect the Distribution may be terminated by BHC at any time for any reason. The Master Separation Agreement provides that, in the event of a termination of the Master Separation Agreement on or after the completion of the IPO, (1) only the provisions of the Master Separation Agreement that obligate the parties to pursue the Distribution will terminate and (2) the other provisions of the Master Separation Agreement and the other transaction agreements that we and Bausch + Lomb enter into will remain in full force and effect.

#### **Transition Services Agreement**

We have entered into a Transition Services Agreement with Bausch + Lomb (the "Transition Services Agreement") to provide each other, on a transitional basis following the IPO, certain administrative, human resources, treasury and support services and other assistance, for a limited time to help ensure an orderly transition. The Transition Services Agreement specifies the calculation of our costs for these services. The cost of these services will be negotiated between us and Bausch + Lomb.

Under the Transition Services Agreement, Bausch + Lomb will receive certain services, including information technology services, technical and engineering support, application support for operations, legal, payroll, finance, tax and accounting, general administrative services and other support services. As costs for these services historically were included in Bausch + Lomb's operating results through expense allocations from BHC, Bausch + Lomb does not expect the costs associated with the Transition Services Agreement to be materially different and, therefore, B+L does not expect such costs to materially affect B+L's results of operations or cash flows after becoming a standalone company.

Services under the Transition Services Agreement begin on the date of the closing of the IPO and will cover a period generally not expected to exceed 24 months following the IPO.

#### **Tax Matters Agreement**

We have entered into a Tax Matters Agreement with Bausch + Lomb (the "Tax Matters Agreement") that governs the parties' respective rights, responsibilities and obligations with respect to tax liabilities and benefits, tax attributes, the preparation and filing of tax returns, the control of audits and other tax proceedings and other matters regarding taxes following the IPO. In general, under the Tax Matters Agreement:

- BHC will be responsible for any U.S. federal, state, local or non-U.S. income and non-income taxes (and any related interest, penalties or audit adjustments and including those taxes attributable to Bausch + Lomb's business) reportable on a consolidated, combined or unitary return that includes BHC or any of its subsidiaries (including Bausch + Lomb and/or any of its subsidiaries), and on any other tax return of BHC or any of its subsidiaries (including Bausch + Lomb and/or any of its subsidiaries) that includes tax items relating to Parent Assets and Parent Liabilities (whether or not such tax return also includes items relating to the Business), for any periods or portions thereof ending prior to the IPO.

- BHC will be responsible for taxes (other than Canadian taxes with respect to the Distribution, which are subject to the Arrangement Agreement) incurred as a result of the Separation and Distribution, except to the extent such taxes are attributable to certain actions taken by Bausch + Lomb or breaches of representations or covenants made by Bausch + Lomb in the Tax Matters Agreement.
- Bausch + Lomb will be responsible for any U.S. federal, state, local or non-U.S. income and non-income taxes (and any related interest, penalties or audit adjustments) that are reportable on returns that include only Bausch + Lomb and/or any of its subsidiaries (and do not include any tax items related to Parent Assets and Parent Liabilities) for all tax periods or portions thereof ending prior to the IPO.

Bausch + Lomb will generally be responsible for all of the taxes imposed on it and its subsidiaries for taxable periods (or portions thereof) that begin after the date of the IPO.

Bausch + Lomb will not generally be entitled to receive payment from BHC in respect of any of its tax attributes or tax benefits or any reduction of taxes of BHC. Neither party's obligations under the Tax Matters Agreement is limited in amount or subject to any cap. The Tax Matters Agreement also assigns responsibilities for administrative matters, such as the filing of returns, payment of taxes due, retention of records and conduct of audits, examinations or similar proceedings. In addition, the Tax Matters Agreement provides for cooperation and information sharing with respect to tax matters.

BHC will be primarily responsible for preparing and filing any tax return with respect to any BHC affiliated, consolidated, combined, unitary or similar group for U.S. federal, state, or local or non-U.S. income or non-income tax purposes that includes BHC or any of its subsidiaries, including those tax returns that also include Bausch + Lomb and/or any of its subsidiaries, and any other tax return of BHC or its subsidiaries (including Bausch + Lomb and/or any of its subsidiaries) that includes tax items relating to Parent Assets and Liabilities (whether or not such tax return also includes items relating to the Business). Bausch + Lomb will generally be responsible for preparing and filing any tax returns that include only Bausch + Lomb and/or any of its subsidiaries (and do not include any tax items related to Parent Assets and Parent Liabilities).

The party responsible for preparing and filing a given tax return will generally have exclusive authority to control tax contests related to any such tax return. Bausch + Lomb will generally have exclusive authority to control tax contests with respect to tax returns that include only Bausch + Lomb and/or any of its subsidiaries.

In addition, in order to preserve the tax-free treatment of the Distribution as currently anticipated, if effected in the manner currently anticipated, for U.S. federal income tax purposes, under the Tax Matters Agreement, Bausch + Lomb will be restricted from taking certain actions, including, during the two-year period after the Distribution, discontinuing the active conduct of its trade or business, merging or amalgamating with any other person (other than in connection with the Distribution), redeeming or otherwise acquiring its shares (other than pursuant to certain open-market repurchases of less than 20% of its common shares, in the aggregate), soliciting, participating or supporting any acquisition of its shares by any person or business combination having a similar effect, or otherwise taking any action that could reasonably be expected to adversely affect the tax-free treatment of the Distribution for U.S. federal income tax purposes. Notwithstanding the foregoing, Bausch + Lomb may be permitted to take certain of these actions if Bausch + Lomb receives a tax ruling or opinion of counsel, acceptable to BHC, to the effect that the action will not adversely affect the tax-free treatment of the Distribution for U.S. federal income tax purposes. Regardless of whether Bausch + Lomb is so permitted to take such action, under the Tax Matters Agreement Bausch + Lomb will be required to indemnify BHC for any tax-related losses that result from the taking of any such action.

#### ***Employee Matters Agreement***

We have entered into an Employee Matters Agreement with Bausch + Lomb (the "Employee Matters Agreement"), which governs our relationship with Bausch + Lomb with respect to employment, compensation and benefits matters following the IPO. The Employee Matters Agreement governs, among other things, the allocation of employee-related liabilities, the mechanics for the transfer of Bausch + Lomb employees, the treatment of outstanding equity awards and the treatment of Bausch + Lomb employees' participation in BHC's retirement and health and welfare plans.

*Employee-related liabilities.* In connection with the Separation, Bausch + Lomb will generally assume responsibility for all employment, compensation and benefits-related liabilities relating to current employees of the Bausch + Lomb business (whether active or on certain specified leaves of absences) and former employees who were last actively employed primarily with respect to the Bausch + Lomb business, whom we collectively refer to as "B+L Employees," regardless of whether such liabilities arise before, on or after the closing of the IPO. BHC will retain all employment, compensation and benefits-related liabilities relating to each current or former employee of BHC who is not a B+L Employee, whom we refer to as a "BHC Employee."

*Transfers of B+L Employees.* Effective on or prior to the closing of the IPO, to the extent not already employed by Bausch + Lomb or one of its subsidiaries, the employment of each B+L Employee will generally be transferred to Bausch + Lomb or one of its subsidiaries. The transfer of the employment of B+L Employees who are employed in certain non-U.S. jurisdictions may occur following the closing of the IPO (the "Post-Separation Transfer Employees"). Prior to their transfer date, BHC will make available to us the services of the Post-Separation Transfer Employees, to the extent employed by BHC at such time. Bausch + Lomb or one of its subsidiaries will generally assume responsibility for any individual employment or similar agreements between any B+L Employee and BHC or any of its subsidiaries. Bausch + Lomb will bear the cost of compensation, benefit and other employment related liabilities incurred for Post-Separation Transfer Employees prior to their applicable transfer date.

*Compensation and benefit plans generally.* Effective as of January 1, 2022 (or, in the case of Post-Separation Transfer Employees, the date such employees transfer to Bausch + Lomb), which we refer to as the "Benefits Commencement Date," as a general matter, B+L Employees will be eligible to participate in compensation and benefit plans established by Bausch + Lomb or one of its subsidiaries, and such plans will generally recognize all of such employee's service with BHC and its affiliates prior to the applicable Benefits Commencement Date for purposes of eligibility, vesting and benefit accruals. However, such service will not be recognized to the extent that such recognition would result in a duplication of benefits. BHC will bear the cost of designing or establishing any of Bausch + Lomb's or its subsidiaries' compensation or benefit plans; however, Bausch + Lomb will reimburse BHC for any costs and expenses incurred by BHC to administer such plans.

*401(k) plan.* As a general matter, effective as of a date mutually identified by the parties (but not later than six months after the closing of the IPO), each B+L Employee who participates in the BHC 401(k) plan will cease active participation in the BHC 401(k) plan and will be eligible to participate in a 401(k) plan maintained by Bausch + Lomb or one of its subsidiaries. Following such effective date of participation, the account balance of each B+L Employee who is an active participant in the BHC 401(k) plan will be transferred to, and assumed by, the B+L 401(k) plan.

*B+L Retirement Benefits Pension Plan.* Effective as of the closing of the IPO, the Bausch + Lomb Retirement Benefits Plan (the "Legacy U.S. Pension Plan"), including The Bausch + Lomb Retirement Benefits Trust, will be retained by Bausch + Lomb in accordance with its terms. Following such date, each BHC Employee who participates in the Legacy U.S. Pension Plan will cease active participation in the Legacy U.S. Pension Plan (including the accrual of any additional benefits, if any, under the Legacy U.S. Pension Plan). Any liabilities arising from or relating to the Legacy U.S. Pension Plan and The Bausch + Lomb Retirement Benefits Trust will be retained by B+L and its subsidiaries.

*Biovail Americas Corp. Executive Deferred Compensation Plan.* Effective as of the closing of the IPO, the Biovail Americas Corp. Executive Deferred Compensation Plan will be retained by BHC in accordance with its terms, and any liabilities arising from or relating to the such plan will be retained by BHC and its subsidiaries.

*B+L Supplemental Retirement Income Plan.* Effective as of the closing of the IPO, the B+L Supplemental Retirement Income Plan, including each of the secular trusts established thereunder, will be retained by Bausch + Lomb in accordance with its terms, and any liabilities arising from or relating to such plan will be retained by Bausch + Lomb and its subsidiaries.

*Health and welfare benefit plans.* Effective as of the closing of the IPO, Bausch + Lomb will generally assume all costs, expenses or liabilities relating to health and welfare coverage or claims incurred on or after the closing of the IPO by each B+L Employee under any of our or Bausch + Lomb's health and welfare benefit plans. However,

following the closing of the IPO and prior to the applicable Benefits Commencement Date, B+L Employees will generally continue to participate in BHC's health and welfare benefit plans, and any claims incurred by B+L Employees prior to the applicable Benefits Commencement Date will continue to be covered under BHC's health and welfare benefit plans; provided that, any costs relating to such participation in BHC's health and welfare plans will be borne by Bausch + Lomb.

*Treatment of annual cash incentive awards.* Each B+L Employee participating in any cash incentive plan or program for the 2021 performance year (including any annual bonus program or sales incentive program) will remain eligible to receive such cash bonus award, subject to the terms of the applicable bonus plan and actual achievement of applicable performance goals determined as of the end of the performance period. The actual 2021 cash bonuses payable to B+L Employees will be paid by Bausch + Lomb in accordance with the terms of the applicable cash bonus plan, and BHC will generally bear the cost of the aggregate actual amount (or an estimated amount, depending on the timing of the offering) of such 2021 cash bonuses. For the 2022 performance year, all B+L Employees will participate in a B+L cash bonus or incentive plan, the cost of which will be borne entirely by Bausch + Lomb.

*B+L Separation Bonuses.* Each B+L Employee who is eligible to receive a cash bonus award under the Bausch + Lomb Separation Bonus Opportunity program, regardless of when payable, will remain eligible to receive his or her cash bonus award based on continued employment with Bausch + Lomb, subject to the terms of the applicable agreement or program. The actual cash bonus awards under the Bausch + Lomb Separation Bonus Opportunity program will be paid by Bausch + Lomb in accordance with the terms of the applicable agreement or program (including terms relating to the timing of payment) and BHC will bear the cost of the aggregate amount of such cash bonus award.

*Treatment of Outstanding Equity Awards.* Effective as of immediately prior to the Distribution, each outstanding BHC equity award will be treated as set forth below.

#### *Stock Options*

Each outstanding BHC stock option award (each, a "BHC Option") held by a current B+L Employee will be converted into an option to acquire B+L common shares (each, a "B+L Option"). The number of B+L common shares subject to such B+L Option will be determined by *multiplying* (i) the number of BHC common shares subject to the corresponding BHC Option *by* (ii) a fraction, (A) the numerator of which is the fair market value of a BHC common share before the Distribution (as determined by the BHC Board (or an applicable committee thereof)) and (B) the denominator of which is the fair market value of a B+L common share after the Distribution (as determined by the BHC Board (or an applicable committee thereof)) (such fraction, the "B+L Concentration Ratio"), rounded down to the nearest whole share. The exercise price per B+L common share applicable to such B+L Option will be determined by *dividing* (i) the exercise price per BHC common share applicable to the corresponding BHC Option *by* (ii) the B+L Concentration Ratio, rounded up to the nearest whole cent.

Each outstanding BHC Option held by a current or former BHC Employee or a former B+L Employee will be converted into an adjusted BHC Option (each, an "Adjusted BHC Option"). The number of BHC common shares subject to such Adjusted BHC Option will be determined by *multiplying* (i) the number of BHC common shares subject to the corresponding BHC Option *by* (ii) a fraction, (A) the numerator of which is the fair market value of a BHC common share before the Distribution (as determined by the BHC Board (or an applicable committee thereof)) and (B) the denominator of which is the fair market value of a BHC common share after the Distribution (as determined by the BHC Board (or an applicable committee thereof)) (such fraction, the "BHC Concentration Ratio"), rounded down to the nearest whole share. The exercise price per BHC common share applicable to such Adjusted BHC Option will be determined by *dividing* (i) the exercise price per BHC common share applicable to the corresponding BHC Option *by* (ii) the BHC Concentration Ratio, rounded up to the nearest whole cent.

The B+L Options and Adjusted BHC Options will be subject to the same terms and conditions (including vesting and expiration schedules) as applicable to the corresponding BHC Option immediately prior to the above described conversions.



*Restricted Stock Units ("RSUs") and Performance Share Units ("PSUs")*

Each outstanding BHC RSU and BHC PSU that (1) was granted prior to January 1, 2022, or in the case of any BHC matching share restricted stock units ("MRSUs"), was granted at any time, (2) is not a New Hire Grant (as defined below), (3) is not the CEO Grants (as defined below) and (4) is held by either (x) a current BHC Employee or (y) a current B+L Employee, in each case, will be adjusted as follows (such adjustment, the "Basketing Adjustment"):

- the holder will continue to hold the same number of BHC RSUs or BHC PSUs, as applicable; and
- the holder will receive a number of B+L RSUs (i.e., not subject to performance conditions), determined by *multiplying* (i) the number of BHC RSUs or BHC PSUs by (ii) the "basket ratio" (i.e., a conversion ratio that will be determined by the BHC Board (or an applicable committee thereof) prior to the Distribution in a manner intended to preserve the aggregate value of the applicable outstanding equity awards), rounded down to the nearest whole share.

Each outstanding BHC RSU (other than a Deferred BHC RSU, as defined below) and BHC PSU that (1) is held by a current BHC Employee and (x) was granted on or following January 1, 2022 (other than any BHC MRSUs), (y) was an "initial" or "sign-on" BHC RSU or BHC PSU granted to any current B+L Employee or BHC Employee on or following September 1, 2021 in connection with such applicable employee's external new hire into an executive role with Bausch + Lomb or BHC (a "New Hire Grant") or (z) was granted on September 1, 2021 to the BHC Employee who is intended to become the CEO of BHC effective as of the closing of the IPO (including the awards of both BHC RSUs and BHC PSUs granted to such BHC Employee on September 1, 2021) (the "CEO Grants"), (2) is held by (i) a former BHC Employee, (ii) a former B+L Employee, (iii) an employee of Solta or its subsidiaries or business, (iv) a non-employee director of BHC (who does not also serve on Bausch + Lomb's Board of Directors) (a "BHC Director"), (v) a "Dual Director" (i.e., a non-employee director serving on the Board of Directors of both Bausch + Lomb and BHC at and immediately following the time of the Distribution) or (vi) a non-employee director of Solta (who does not also serve on Bausch + Lomb's Board of Directors) (in each case, regardless of when granted) or (3) is held by a BHC service provider that is employed in a jurisdiction where the "basketing" treatment set forth above is not permitted, in each case, will be converted into an adjusted award of BHC RSUs or BHC PSUs, as applicable, determined by multiplying (a) the number of such BHC RSUs or BHC PSUs by (b) the "BHC Concentration Ratio", rounded down to the nearest whole share.

Each outstanding BHC RSU and BHC PSU that (1) is held by a current B+L Employee and (x) was granted on or following January 1, 2022 (other than any BHC MRSUs) or (y) is a New Hire Grant or (2) is held by a Bausch + Lomb service provider that is employed in a jurisdiction where the "basketing" treatment set forth above is not permitted, in each case, will be converted into an award of B+L RSUs determined by *multiplying* (i) the number of such BHC RSUs or BHC PSUs by (ii) the B+L Concentration Ratio, rounded down to the nearest whole share.

Each outstanding BHC RSU (other than a Deferred BHC RSU) that is granted to a non-employee director of the Bausch + Lomb (who does not also serve on the Board of Directors of BHC at and immediately following the time of Distribution) (a "B+L Director") in 2022 (if any) will not be converted into an award of B+L RSUs, and will instead vest on a pro rata basis and be settled prior to the Distribution in accordance with, and subject to the terms of the applicable award agreement governing such BHC RSUs.

In addition, and notwithstanding the above described adjustments, each deferred BHC RSU that is held by a Dual Director or a BHC Director or a B+L Director at the time of the Distribution (a "Deferred BHC RSU") will be adjusted pursuant to the Basketing Adjustments described above.

The adjusted BHC RSUs and BHC PSUs and B+L RSUs will generally have the same terms and conditions (including vesting schedule) as the corresponding BHC awards prior to the adjustments, except that, in the case of any BHC PSUs, the corresponding B+L RSUs will not be subject to any performance-based vesting conditions following the adjustments.

Effective as of the Distribution, Bausch + Lomb will assume the obligation to settle and deliver the shares of Bausch + Lomb underlying all BHC equity awards converted into Bausch + Lomb equity awards. For purposes of vesting for all equity awards, continued employment with or service to BHC or Bausch + Lomb, as applicable, will be treated as continued employment with or service to both BHC and Bausch + Lomb.

Bausch + Lomb will be responsible for the settlement of cash dividend equivalents on any adjusted BHC awards and any B+L equity awards held by a B+L Employee or a B+L Director, and BHC will be responsible for the settlement of cash dividend equivalents on any adjusted BHC awards and any B+L equity awards held by current or former BHC Employees. However, with respect to (i) B+L equity awards held by BHC Employees or a BHC Director, prior to the date any such settlement is due, Bausch + Lomb will pay BHC in cash amounts required to settle any dividend equivalents accrued following the Distribution and (ii) adjusted BHC equity awards held by B+L Employees, prior to the date any such settlement is due, BHC will pay Bausch + Lomb in cash amounts required to settle any dividend equivalents accrued following the Distribution. With respect to a Dual Director, Bausch + Lomb will be responsible for the settlement of cash dividend equivalents on any B+L equity awards and BHC will be responsible for the settlement of cash dividend equivalents on any adjusted BHC equity awards.

Notwithstanding the Basketing Adjustments set forth above, with respect to BHC RSUs and BHC PSUs held by certain employees resident in Canada or by certain employees not resident in Canada that received BHC RSUs and BHC PSUs in respect of, in the course of, or by virtue of duties of any office or employment performed in Canada, in the event the "in the money amount" of the equity awards provided to such employee as a result of such adjustments (determined on an award-by-award basis) immediately following such Basketing Adjustments exceeds the "in-the-money amount" of the corresponding award of BHC RSUs or BHC PSUs, as applicable, immediately prior to such Basketing Adjustments, then the number of BHC common shares underlying the applicable BHC RSU or BHC PSU and/or the number of B+L common shares underlying the applicable B+L RSU (or any combination thereof) will be further adjusted in order to ensure that any such excess in the "in-the-money amount" is reduced to nil in a manner intended to ensure that such adjustments will be completed on a tax-neutral basis under the provisions of the Income Tax Act (Canada) for such employees.

#### ***Intellectual Property Matters Agreement***

We have entered into an Intellectual Property Matters Agreement with Bausch + Lomb (the "Intellectual Property Matters Agreement") pursuant to which Bausch + Lomb has granted to BHC a non-exclusive, worldwide, royalty free license to use the "BAUSCH" name and marks, and certain other marks (which we refer to as the "Licensed Trademarks") for a transitional period from the IPO and extending for a transitional period after the date of the Distribution to allow for the renaming and rebranding of BHC. The Intellectual Property Matters Agreement includes certain customary quality control provisions which impose obligations and restrictions on BHC's use of the Licensed Trademarks.

The Intellectual Property Matters Agreement also includes certain provisions whereby Bausch + Lomb has made arrangements to provide BHC certain rights to continue to control certain domain names containing the word "BAUSCH HEALTH" during the term of the applicable trademark license and we mutually agree with Bausch + Lomb to any additional arrangements that may be reasonably required to transition BHC away from use of the domains.

The Intellectual Property Matters Agreement also includes an intellectual property cross-license which provides BHC and Bausch + Lomb with reciprocal, non-exclusive cross-licenses under certain intellectual property rights transferred to Bausch + Lomb and certain intellectual property rights retained by BHC in order to provide each of BHC and Bausch + Lomb freedom to operate their respective businesses.

#### ***Real Estate Matters Agreement***

We have entered into a Real Estate Matters Agreement with Bausch + Lomb (the "Real Estate Matters Agreement"), pursuant to which certain leased and owned property will be shared between us and Bausch + Lomb following the IPO. The Real Estate Matters Agreement describes the manner in which the specified leased and owned properties are shared, including the following types of transactions: (i) if mutually agreed, leases to either party of portions of specified properties that the other party owns; and (ii) if mutually agreed, subleases to either party of portions of specified properties leased by the other party. The Real Estate Matters Agreement also

contemplates that we and Bausch + Lomb will share certain properties for a limited period until a formal arrangement is entered into or one of the parties exits the property and that we may provide each other with certain services with respect to specified leased and owned properties for a limited time to help ensure an orderly transition.

**Registration Rights Agreement**

We have entered into a Registration Rights Agreement with Bausch + Lomb (the "Registration Rights Agreement") pursuant to which Bausch + Lomb has agreed that following the IPO, upon the request of BHC, Bausch + Lomb will use its commercially reasonable efforts to effect the registration under applicable U.S. federal and state securities laws of any of Bausch + Lomb's common shares retained by BHC and certain of its subsidiaries following the completion of the IPO, and to file any required Canadian prospectuses relating to such registration.

*Demand registration.* BHC will be able to request registration under the Securities Act of 1933, as amended (the "Securities Act") or qualification by a Canadian prospectus under applicable Canadian securities laws of all or any portion of our common shares that are not freely sellable under Rule 144 under the Securities Act and Bausch + Lomb will be obligated, subject to certain customary exceptions, to register or qualify such shares. BHC may make up to four demand registrations in any twelve month period.

*Piggy-back registration.* If Bausch + Lomb at any time intends to file a registration statement and/or Canadian prospectus in connection with a public offering of any of its securities on a form and in a manner that would permit the registration or qualification for offer and sale of its common shares held by BHC, BHC will have the right to include common shares it owns in that offering, subject to certain customary limitations.

*Registration expenses.* Bausch + Lomb will be generally responsible for all registration expenses in connection with the performance of its obligations under the registration rights provisions in the Registration Rights Agreement. BHC will generally be responsible for any applicable underwriting discounts, commissions and transfer taxes.

*Indemnification.* The agreement contains customary indemnification and contribution provisions by Bausch + Lomb for the benefit of BHC and, in limited situations, by BHC for the benefit of Bausch + Lomb with respect to the information provided by BHC included in any registration statement, prospectus, Canadian prospectus or related document.

*Term.* The registration rights remain in effect with respect to any shares held by BHC until:

- such shares have been sold pursuant to an effective registration statement under the Securities Act;
- such shares have been sold to the public pursuant to Rule 144 under the Securities Act;
- such shares have ceased to be outstanding; or
- such shares may be sold to the public pursuant to Rule 144 under the Securities Act without any limitations on volume or manner of sale pursuant to such rule.

\*\*\*

The foregoing summaries of each of the Separation Agreements is not complete and is qualified in its entirety by reference to the full and complete text of the applicable Separation Agreements, copies of which are attached as exhibits to this Current Report on Form 8-K and incorporated herein by reference.

**Item 9.01 Financial Statements and Exhibits**

(d) Exhibits

<u>Exhibit Number</u>	<u>Description</u>
99.1†#	<a href="#">Master Separation Agreement by and between Bausch Health Companies Inc. and Bausch + Lomb Corporation, dated as of March 30, 2022</a>
99.2†#	<a href="#">Transition Services Agreement by and between Bausch Health Companies Inc. and Bausch + Lomb Corporation, dated as of March 30, 2022</a>
99.3†#	<a href="#">Tax Matters Agreement by and between Bausch Health Companies Inc. and Bausch + Lomb Corporation, dated as of March 30, 2022</a>
99.4†#	<a href="#">Employee Matters Agreement by and between Bausch Health Companies Inc. and Bausch + Lomb Corporation, dated as of March 30, 2022</a>
99.5†#	<a href="#">Intellectual Property Matters Agreement by and between Bausch Health Companies Inc. and Bausch + Lomb Corporation, dated as of March 30, 2022</a>
99.6†#	<a href="#">Real Estate Matters Agreement by and between Bausch Health Companies Inc. and Bausch + Lomb Corporation, dated as of March 30, 2022</a>
99.7#	<a href="#">Registration Rights Agreement by and between Bausch Health Companies Inc. and Bausch + Lomb Corporation, dated as of March 30, 2022</a>
104	The cover page from this Current Report on Form 8-K, formatted in Inline XBRL.

† Certain exhibits and schedules have been omitted pursuant to Item 601(a)(5) of Regulation S-K. The registrant hereby undertakes to furnish supplementally a copy of any omitted exhibit or schedule upon request by the Securities and Exchange Commission.

# Portions of this exhibit have been omitted because they are both (i) not material and (ii) would likely cause competitive harm to Bausch + Lomb corporation if publicly disclosed.

**Signatures**

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

**BAUSCH HEALTH COMPANIES INC.**

By: /s/ Sam Eldessouky \_\_\_\_\_

Name: Sam Eldessouky

Title: Executive Vice President, Chief Financial  
Officer

Date: March 30, 2022

REDACTED

Certain identified information, indicated by [\*\*\*\*], has been excluded from the exhibit because it is both (i) not material and (ii) would likely cause competitive harm if publicly disclosed.

MASTER SEPARATION AGREEMENT

BY AND BETWEEN

BAUSCH HEALTH COMPANIES INC.

AND

BAUSCH + LOMB CORPORATION

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Dated as of March 30, 2022

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**MASTER SEPARATION AGREEMENT**

This MASTER SEPARATION AGREEMENT, dated as of March 30, 2022 (this "Agreement"), is by and between Bausch Health Companies Inc., a corporation continued under the laws of the Province of British Columbia, Canada ("Parent"), and Bausch + Lomb Corporation, a company incorporated under the laws of Canada ("SpinCo"). Capitalized terms used herein and not otherwise defined shall have the respective meanings assigned to them in Article I.

R E C I T A L S

WHEREAS, the board of directors of Parent (the "Parent Board") has determined that it is advisable and in the best interests of Parent and its stakeholders, including its shareholders and creditors, to create a new publicly traded company that shall operate the SpinCo Business;

WHEREAS, in furtherance of the foregoing, the Parent Board and the board of directors of SpinCo (the "SpinCo Board") have determined that it is appropriate and desirable for Parent and its applicable Subsidiaries to transfer the SpinCo Assets to SpinCo and its applicable Subsidiaries, and for SpinCo and its applicable Subsidiaries to assume the SpinCo Liabilities, in each case, as more fully described in this Agreement and the Ancillary Agreements (the "Separation");

WHEREAS, the Parent Board and the SpinCo Board have further determined that it is appropriate and desirable, on the terms and conditions contemplated hereby, for Parent to make an offer and sale of Initial Common Shares pursuant to a registration statement on Form S-1 and the Canadian Prospectus, as more fully described in this Agreement and the Ancillary Agreements (the "IPO"), immediately following which offering and sale Parent will own 80.1% or more of the outstanding Initial Common Shares;

WHEREAS, Parent currently intends to, after the IPO, transfer all or a portion of the equity interest in SpinCo to its shareholders by way of a plan of arrangement under applicable corporate law (the "Arrangement") to be implemented in accordance with the terms and subject to the conditions set out in the plan of arrangement to be appended to the Arrangement Agreement (as it may be amended from time to time, the "Plan of Arrangement") (such transactions, collectively, the "Distribution");

WHEREAS, it is intended that, for U.S. federal income tax purposes, (a) if effected, certain of the transactions described in the Plan of Arrangement preceding the Amalgamations, taken together, shall be treated as an integrated series of steps constituting a distribution by Parent of stock of a corporation (constituting "control" of such corporation, within the meaning of Section 368(c) of the Code) that, together with the other members of its "separate affiliated group" (within the meaning of Section 355(b)(3) of the Code), conducts the SpinCo Business, to which Section 355(a) of the Code applies, and (b) if effected, the amalgamations resulting in the formation of Amalco and the Resulting Entity (together, the "Amalgamations"), separately or taken together, shall be treated as one or more reorganizations within the meaning of Section 368 of the Code, and that this Agreement, the Arrangement Agreement and the Plan of Arrangement, together with the documents effecting the Amalgamations, are intended to be, and are hereby adopted as, a "plan of reorganization" with respect to the Amalgamations within the meaning of Treasury Regulations Section 1.368-2(g) (collectively, the "Intended U.S. Tax Treatment"); and

WHEREAS, each of Parent and SpinCo has determined that it is appropriate and desirable to set forth the principal corporate transactions required to effect the Separation, the Contribution, the IPO, the Plan of Reorganization and the Distribution (the "Transactions") and certain other agreements that will govern certain matters relating to the Transactions and the relationship of Parent, SpinCo and the members of their respective Groups following the consummation of the Transactions.

NOW, THEREFORE, in consideration of the mutual agreements, provisions and covenants contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound, hereby agree as follows:

ARTICLE I  
DEFINITIONS

For the purpose of this Agreement, the following terms shall have the following meanings:

"Accounts Payable" shall mean any and all trade and non-trade accounts payable of either Party or member of its Group.

"Accounts Receivable" shall mean any and all trade and non-trade accounts receivable of either Party or member of its Group.

"Action" shall mean any demand, action, claim, dispute, suit, countersuit, arbitration, inquiry, subpoena, proceeding or investigation of any nature (whether criminal, civil, legislative, administrative, regulatory, prosecutorial or otherwise) by or before any federal, state, local, foreign or international Governmental Authority or any arbitration or mediation tribunal.

"Affiliate" shall mean, when used with respect to a specified Person, a Person that, directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with such specified Person as of the date on which, or at any time during the period for which, the determination of affiliation is being made. For the purpose of this definition, "control" (including, with correlative meanings, "controlled by" and "under common control with"), when used with respect to any specified Person, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities or other interests, by contract, agreement, obligation, indenture, instrument, lease, promise, arrangement, release, warranty, commitment, undertaking or otherwise. It is expressly agreed that, prior to, at and after the Separation Time, solely for purposes of this Agreement and the Ancillary Agreements, (a) no member of the SpinCo Group shall be deemed to be an Affiliate of any member of the Parent Group and (b) no member of the Parent Group shall be deemed to be an Affiliate of any member of the SpinCo Group.

"Agent" shall mean the trust company or bank to be duly appointed by Parent to act as distribution agent in connection with the Distribution.

"Amalco" shall mean the corporation resulting from the amalgamation of TC and Numberco pursuant to the Plan of Arrangement.

"Ancillary Agreements" shall mean all agreements (other than this Agreement) entered into by the Parties or the members of their respective Groups (but as to which no Third Party is a party) in connection with the Separation, the Contribution, the IPO, the Plan of Reorganization, the Distribution or the other transactions contemplated by this Agreement, including the Transition Services Agreement, the Real Estate Matters Agreement, the Tax Matters Agreement, the Employee Matters Agreement, the IP Matters Agreement, the Registration Rights Agreement, the Arrangement Agreement, the Plan of Arrangement and the Transfer Documents.

"Approvals or Notifications" shall mean any consents, waivers, approvals, permits or authorizations to be obtained from, notices, registrations or reports to be submitted to, or other filings to be made with, any third Person, including any Governmental Authority.

"Arrangement" shall have the meaning set forth in the Arrangement Agreement.

"Arrangement Agreement" shall mean the Arrangement Agreement, to be made between Parent, SpinCo, TC, TC Sub and Numberco in connection with the Arrangement, as it may be amended from time to time.

"Assets" shall mean, with respect to any Person, the assets, properties, claims and rights (including goodwill) of such Person, wherever located (including in the possession of vendors or other third Persons or elsewhere), of every kind, character and description, whether real, personal or mixed, tangible, intangible or contingent, in each case whether or not recorded or reflected or required to be recorded or reflected on the books and records or financial statements of such Person, including rights and benefits pursuant to any contract, license, permit, indenture, note, bond, mortgage, agreement, concession, franchise, instrument, undertaking, commitment, understanding or other arrangement.

"Bausch Marks" shall mean SpinCo's and/or Parent's corporate names, corporate Trademarks, or corporate logos of either Party or any member of its Group at any time prior to the Separation Time, including the Trademarks containing the terms "Bausch," "Bausch Health," "Bausch & Lomb," "Bausch + Lomb," "B&L" or "B+L," as set forth in [Schedule 1.1](#).

"BCBCA" shall mean the British Columbia Business Corporations Act, as amended.

"Business Day" shall mean a day other than a Saturday, a Sunday or a day on which banking institutions located in Montreal, Québec, Toronto, Ontario or New York, New York are authorized or obligated by Law or executive order to close.

"Canadian Prospectus" shall mean, as applicable, the preliminary base PREP prospectus, the amended and restated base PREP prospectus, the final base PREP prospectus and the supplemented base PREP prospectus containing the information that has been omitted from the final base PREP prospectus in accordance with National Instrument 44-103 – *Post Receipt Pricing*, including any applicable amendments thereto, in the English and French languages.

"Canadian Securities Authorities" shall mean the Canadian securities authorities in each of the provinces or territories of Canada, and any of their successors.

"CBCA" shall mean the Canada Business Corporations Act, as amended.

"Change of Control" shall mean, with respect to a Party: (a) a transaction whereby any Person or group (within the meaning of Section 13(d)(3) of the Securities Exchange Act of 1934, as amended) would acquire, directly or indirectly, voting securities representing more than fifty percent (50%) of the total voting power of such Party; (b) a merger, consolidation, recapitalization or reorganization of such Party, unless securities representing more than fifty percent (50%) of the total voting power of the legal successor to such Party as a result of such merger, consolidation, recapitalization or reorganization are immediately thereafter beneficially owned, directly or indirectly, by the Persons who beneficially owned such Party's outstanding voting securities immediately prior to such transaction; or (c) the sale of all or substantially all of the consolidated assets of such Party's Group. For the avoidance of doubt, no transaction contemplated by this Agreement or the Ancillary Agreements shall be considered a Change of Control.

"Code" shall mean the Internal Revenue Code of 1986, as amended.

"Effective Date" shall have the meaning set forth in the Arrangement Agreement.

"Employee Matters Agreement" shall mean the Employee Matters Agreement to be entered into by and between Parent and SpinCo or the members of their respective Groups in connection with the Transactions and the other transactions contemplated by this Agreement, as it may be amended from time to time.

"Environmental Law" shall mean any Law relating to pollution, protection or restoration of or prevention of harm to the environment or natural resources, including the use, handling, transportation, treatment, storage, disposal, Release or discharge of Hazardous Materials or the protection of or prevention of harm to human health and safety.

"Environmental Liabilities" shall mean all Liabilities relating to, arising out of or resulting from any Hazardous Materials, Environmental Law or contract or agreement relating to environmental, health or safety matters (including all removal, remediation or cleanup costs, investigatory costs, response costs, natural resources damages, property damages, personal injury damages, costs of compliance with any product take back requirements or with any settlement, judgment or other determination of Liability and indemnity, contribution or similar obligations) and all costs and expenses, interest, fines, penalties or other monetary sanctions in connection therewith.

"Exchange Act" shall mean the U.S. Securities Exchange Act of 1934, as amended, together with the rules and regulations promulgated thereunder.

"Final Order" shall have the meaning set forth in the Arrangement Agreement.

"Force Majeure" shall mean, with respect to a Party, an event beyond the reasonable control of such Party (or any Person acting on its behalf), which event (a) does not arise or result from the fault or negligence of such Party (or any Person acting on its behalf) and (b) by its nature would not reasonably have been foreseen by such Party (or such Person), or, if it would reasonably have been foreseen, was unavoidable, and includes acts of God, acts of civil or military authority, acts of terrorism, cyberattacks, embargoes, epidemics, pandemics or diseases (including COVID-19) or other health crises or public health events, or any worsening of any of the foregoing, quarantine or government health alert that prohibits or restricts travel or prevents any individual from reporting to a work location, war, riots, insurrections, fires, explosions, earthquakes, floods, unusually severe weather conditions, labor problems or unavailability of parts, or, in the case of computer systems, any significant and prolonged failure in electrical or air conditioning equipment. Notwithstanding the foregoing, for the avoidance of doubt, the receipt by a Party of an unsolicited takeover offer or other acquisition proposal, even if unforeseen or unavoidable, and such Party's response thereto shall not be deemed an event of Force Majeure.

"GAAP" shall mean United States generally accepted accounting principles, consistently applied.

"Governmental Approvals" shall mean any Approvals or Notifications to be made to, or obtained from, any Governmental Authority.

"Governmental Authority" shall mean any nation or government, any state, municipality or other political subdivision thereof, and any entity, body, agency, commission, department, board, bureau, court, tribunal or other instrumentality, whether federal, state, local, domestic, foreign, multinational, supranational, territorial, or provincial, exercising executive, legislative, judicial, regulatory, administrative or other similar functions of, or pertaining to, a government and any executive official thereof.

"Group" shall mean either the Parent Group or the SpinCo Group, as the context requires.

"Hazardous Materials" shall mean any chemical, material, substance, waste, pollutant, emission, discharge, release or contaminant that could result in Liability under, or that is prohibited, limited or regulated by or pursuant to, any Environmental Law, and any natural or artificial substance (whether solid, liquid or gas, noise, ion, vapor or electromagnetic) that could cause harm to human health or the environment, including petroleum, petroleum products and byproducts, asbestos and asbestos-containing materials, urea formaldehyde foam insulation, electronic, medical or infectious wastes, per- and polyfluoroalkyl substances, polychlorinated biphenyls, radon gas, radioactive substances, chlorofluorocarbons and all other ozone-depleting substances.

"Information Technology" shall mean all computer systems (including computers, screens, servers, middleware, workstations, routers, hubs, switches, networks, data communication lines and hardware), network and telecommunications systems hardware, and other information technology equipment, and all associated documentation.

"Initial Common Shares" shall mean the common shares of SpinCo (it being understood that, if the Initial Common Shares, as a class, shall be reclassified, exchanged or converted into another security (including as a result of a merger, consolidation or otherwise) or the right to receive such security, each reference to Initial Common Share in this Agreement shall refer to such other security into which the Initial Common Share was reclassified, exchanged or converted).

"Insurance Proceeds" shall mean those monies (a) received by an insured from an insurance carrier or (b) paid by an insurance carrier on behalf of the insured, in any such case, net of any applicable premium adjustments (including reserves and retrospectively rated premium adjustments) and net of any costs or expenses incurred in the collection thereof.

"Intellectual Property Rights" shall mean any and all common law and statutory rights anywhere in the world arising under or associated with: (a) patents, statutory invention registrations, certificates of invention, registered designs, utility models and similar or equivalent rights in inventions and designs, and all rights therein provided by international treaties and conventions, and including any applications for any of the foregoing ("Patents"); (b) trademarks, service marks, slogans, trade dress, trade names, logos, and other designations of origin, and including any applications for any of the foregoing ("Trademarks"); (c) rights associated with domain names, uniform resource locators, Internet Protocol addresses, social media handles, and other names, identifiers, and locators associated with Internet addresses, sites, and services, and including any applications for any of the foregoing ("Internet Properties"); (d) trade secret and industrial secret rights and rights in know-how, inventions, data, and any other confidential or proprietary business or technical information, that derive independent economic value, whether actual or potential, from not being known to other persons ("Trade Secrets"); (e) copyrights and any other equivalent rights in works of authorship or copyrightable subject matter (including rights in Software as a work of authorship) and any other related rights of authors, and including any applications for any of the foregoing ("Copyrights"); and (f) all other similar or equivalent intellectual property or proprietary rights anywhere in the world.

"Interim Order" shall have the meaning set forth in the Arrangement Agreement.

"IP Matters Agreement" shall mean the Intellectual Property Matters Agreement to be entered into by and between Parent and SpinCo or the members of their respective Groups in connection with the Transactions and the other transactions contemplated by this Agreement, as it may be amended from time to time.



"IPO Closing Date" shall mean the date of the Closing Time (as defined in the Underwriting Agreement).

"IPO Registration Statement" shall mean the effective registration statement on Form S-1 filed under the Securities Act, pursuant to which the Initial Common Shares to be issued in the IPO will be registered under the Securities Act, together with all amendments thereto.

"Law" shall mean any domestic, foreign, multinational, national, supranational, federal, state, territorial, provincial, local or similar law (including common law), statute, code, order, ordinance, rule, regulation, treaty (including any Tax treaty), license, permit, authorization, approval, consent, decree, injunction, binding judicial or administrative interpretation or other requirement, in each case, enacted, promulgated, issued or entered by a Governmental Authority.

"Liabilities" shall mean any and all debts, guarantees, assurances, commitments, liabilities, responsibilities, Losses, remediation, deficiencies, damages, fines, penalties, settlements, sanctions, costs, expenses, attorneys' fees, interest and obligations of any nature or kind, whether accrued or fixed, absolute or contingent, matured or unmatured, accrued or not accrued, asserted or unasserted, liquidated or unliquidated, foreseen or unforeseen, known or unknown, reserved or unreserved, or determined or determinable, including those arising under any Law, claim (including any Third-Party Claim), demand, Action or order, writ, judgment, injunction, decree, stipulation, determination or award entered by or with any Governmental Authority or arbitration tribunal, and those arising under any contract, agreement, obligation, indenture, instrument, lease, promise, arrangement, release, warranty, commitment or undertaking, or any fines, damages or equitable relief that is imposed, in each case, including all costs and expenses relating thereto.

"Losses" shall mean actual losses (including any diminution in value), costs, damages, penalties and expenses (including legal and accounting fees and expenses and costs of investigation and litigation), whether or not involving a Third-Party Claim.

"Meeting Materials" shall have the meaning set forth in the Arrangement Agreement.

"NumberCo" shall mean 1261229 B.C. Ltd. (for clarity, including any successor entity following any continuation of such company under the CBCA or otherwise).

"NYSE" shall mean the New York Stock Exchange.

"Parent Business" shall mean all businesses, operations and activities conducted at any time prior to the Separation Time by either Party or any member of its Group, other than the SpinCo Business.

"Parent Common Shares" shall mean the common shares, no par value, in the capital of Parent.

"Parent Designees" shall mean any and all entities (including corporations, general or limited partnerships, trusts, joint ventures, unincorporated organizations, limited liability entities or other entities) designated by Parent that will be members of the Parent Group as of immediately prior to the Separation Time.

"Parent Group" shall mean Parent and each Person that is a Subsidiary of Parent (other than SpinCo and any other member of the SpinCo Group).

"Parent Information Technology" shall mean all Information Technology, other than SpinCo Information Technology, owned by either Party or any member of its Group as of immediately prior to the Separation Time.

"Parent Intellectual Property Rights" shall mean (a) the Registered IP set forth on Schedule 1.2, and (b) all other Intellectual Property Rights, other than SpinCo Intellectual Property Rights, owned by either Party or any member of its Group as of immediately prior to the Separation Time.

"Parent Inventory" shall mean all Inventory, other than SpinCo Inventory, owned by either Party or any member of its Group as of immediately prior to the Separation Time.

"Parent New Common Shares" shall mean the "BHC Class A Shares" as defined in the Arrangement Agreement.

"Parent Products" shall mean products and services manufactured, sold, provided or distributed, as the case may be, by Parent or members of Parent Group, including the products and products in development set out in Schedule 1.10, but excluding the SpinCo Products.

"Parent Resolutions" shall mean the special resolutions of the shareholders of Parent as are necessary to approve the Arrangement as set out in the Plan of Arrangement.

"Parent Retained Marks" shall mean the names, Trademarks or logos of Parent or any of its Affiliates at any time prior to the Separation Time in connection with the Parent Business or the Parent Products, including the Trademarks set forth on Schedule 1.3(a); provided, that Parent Retained Marks shall not include the Bausch Marks or the SpinCo Product Marks.

"Parent Shareholder Approval" shall mean the approval of the Arrangement Resolution by the BHC Shareholders at the BHC Shareholder Meeting (each, as defined in the Arrangement Agreement) in accordance with the Interim Order.

"Parent Shareholders Meeting" shall mean the "BHC Meeting" as defined in the Arrangement Agreement.

"Parent Special Shares" shall mean the "BHC Special Shares" as defined in the Arrangement Agreement.

"Parties" shall mean the parties to this Agreement.

"Permits" shall mean permits, approvals, authorizations, consents, licenses or certificates issued by any Governmental Authority.

"Person" shall mean an individual, a general or limited partnership, a corporation, a trust, a joint venture, an unincorporated organization, a limited liability entity, any other entity and any Governmental Authority.

"Plan of Arrangement" shall mean the Plan of Arrangement in substantially the form set out as Appendix I to the Arrangement Agreement, as amended, modified or supplemented from time to time in accordance with the terms thereof.

"Policies" shall mean insurance policies and insurance contracts of any kind, including global property, excess and umbrella liability, domestic and foreign commercial general liability, local foreign placements, directors and officers liability, fiduciary liability, cyber, media and technology errors and omissions liability, employment practices liability, domestic and foreign automobile, cargo stock throughput, customer cargo, global cargo terrorism, workers' compensation and employers' liability, employee dishonesty/crime/fidelity, special contingency (K&R), bonds and self-insurance, together with the rights, benefits, privileges and obligations thereunder.

"Prime Rate" shall mean the rate of interest last quoted by *The Wall Street Journal* as the "Prime Rate" in the U.S. or, if *The Wall Street Journal* ceases to quote such rate, the highest per annum interest rate published by the U.S. Federal Reserve Board in Federal Reserve Statistical Release H.15 (519) (Selected Interest Rates) as the "bank prime loan" rate or, if such rate is no longer quoted therein, any similar rate quoted therein (as determined by Parent and SpinCo cooperating together in good faith) or any similar release by the U.S. Federal Reserve Board (as determined by Parent and SpinCo cooperating together in good faith).

"Privileged Information" shall mean any information, in written, oral, electronic or any other tangible or intangible forms, including without limitation any communications by or to attorneys (including attorney-client privileged communications), memoranda and other materials prepared by attorneys or under their direction (including attorney work product), as to which a Party or any member of its Group would be entitled to assert or have asserted a privilege or other protection, including the attorney-client and attorney work product privileges.

"Prospectus" shall mean each preliminary, final or supplemental prospectus forming a part of the IPO Registration Statement.

"Real Estate Matters Agreement" shall mean the Real Estate Matters Agreement to be entered into by and between Parent and SpinCo in connection with the Transactions and the other transactions contemplated by this Agreement, as it may be amended from time to time.

"Real Property" shall mean land together with all easements, rights and interests arising out of the ownership thereof or appurtenant thereto and all buildings, structures, improvements and fixtures located thereon.

"Real Property Leases" shall mean all leases to Real Property and, to the extent covered by such leases, any and all buildings, structures, improvements and fixtures located thereon.

"Record Date" shall mean the close of business on the date to be determined by the Parent Board in its sole and absolute discretion as the record date for determining holders of Parent Common Shares entitled to receive Parent Common Shares and Resulting Entity Common Shares pursuant to the Distribution.

"Registered IP" shall mean all United States, international or foreign: (a) Patents and Patent applications; (b) registered Trademarks and applications to register Trademarks; (c) registered Copyrights and applications for Copyright registration; and (d) registered Internet Properties.

"Registration Rights Agreement" shall mean the Registration Rights Agreement to be entered into by and between Parent and SpinCo in connection with the Transactions and the other transactions contemplated by this Agreement, as it may be amended from time to time.

"Release" shall mean any release, spill, emission, discharge, leaking, pumping, pouring, dumping, injection, deposit, disposal, dispersal, leaching or migration of Hazardous Materials into the environment (including, ambient air, surface water, groundwater and surface or subsurface strata).

"Representatives" shall mean, with respect to any Person, any of such Person's directors, officers, employees, agents, consultants, advisors, accountants, attorneys or other representatives.

"Resulting Entity" shall mean the corporation resulting from the amalgamation of Amalco and SpinCo pursuant to the Plan of Arrangement.

"Resulting Entity Common Shares" shall have the meaning set forth in the Arrangement Agreement.

"SEC" shall mean the U.S. Securities and Exchange Commission.

"Securities Act" shall mean the U.S. Securities Act of 1933, as amended, together with the rules and regulations promulgated thereunder.

"Security Interest" shall mean any mortgage, security interest, pledge, lien, charge, claim, option, right to acquire, voting or other restriction, right-of-way, covenant, condition, easement, encroachment, restriction on transfer or other encumbrance of any nature whatsoever.

"Separation Time" shall mean 12:01 a.m. Eastern Time on the Separation Date.

"Software" shall mean any and all (a) computer programs, including any and all software implementation of algorithms, models and methodologies, whether in source code, object code, human readable form or other form, (b) databases and compilations, including any and all data and collections of data, whether machine readable or otherwise, (c) descriptions, flow charts and other work products used to design, plan, organize and develop any of the foregoing, (d) screens, user interfaces, report formats, firmware, development tools, templates, menus, buttons and icons, and (e) documentation, including user manuals and other training documentation, relating to any of the foregoing.

"Specified Corporation" has the meaning assigned by subsection 55(1) of the Tax Act.

"SpinCo Accounts Payable" shall mean any and all trade and non-trade accounts payable of either Party or member of its Group outstanding as of immediately prior to the Separation Time, in each case, to the extent related to the SpinCo Business or arising out of any SpinCo Contract.

"SpinCo Accounts Receivable" shall mean any and all trade and non-trade accounts receivable of either Party or member of its Group outstanding as of immediately prior to the Separation Time, in each case, to the extent related to the SpinCo Business or arising out of any SpinCo Contract.

"SpinCo Articles" shall mean the articles of incorporation of SpinCo, as amended, substantially in the form of Exhibit A hereto.

"SpinCo Balance Sheet" shall mean the pro forma combined balance sheet of the SpinCo Business, including any notes and subledgers thereto, as presented in the IPO Registration Statement at the time it is declared effective under the Securities Act.

"SpinCo Books and Records" shall mean: (a) all books and records used in or necessary, as of immediately prior to the Separation Time, for the general financial and administrative operation of the SpinCo Business, including financial, tax, employee, and general business operating documents, instruments, papers, books, books of account, records and files and data related thereto (including copies of all SpinCo Product Approvals (and pending applications therefor and applications that are in the process of being prepared as of the Separation Time), together with all regulatory dossiers, related correspondence between either Party or any member of its Group and the applicable Governmental Entity and any other related documentation, files or dossiers relating to the SpinCo Products or the SpinCo Product Approvals and/or to the underlying data or information used to support, maintain or obtain marketing authorization of the underlying SpinCo Products); (b) all books and records related to the SpinCo Business or used by either Party or a member of its Group as of immediately prior to the Separation Time in connection with the development, registration, sourcing, supply chain management, marketing, promotion, sale, distribution, maintenance and warranty of SpinCo Products, including vendor and supplier information and records, customer lists, sales records, e-commerce records and data, customer registration and account information, billing and subscription information, advertising marketing market research, sales and promotional materials, compliance materials including policies and training, customer contracts, terms of use and privacy policies, sales literature catalogs, brochures, sales, warranty and other product information and materials, Web Site content, data, reports, clinical study reports, audit reports, certificates, laboratory notebooks, written notes, standard operating procedures, logs, master label copy, studies, databases, raw or experimental data, records, research records, assay protocols, meeting minutes, charters, meeting plans, preclinical and clinical trial data and documentation (including protocols and any amendments thereto, investigations, brochures, publications, interim and final reports, safety reports, toxicology reports, safety data, raw data, batch records, certificates of analysis, data tables, derived data sets, notes, source documents, files and summaries), investigator lists, distribution lists, files, documents and correspondence, manuals, product drawings, blueprints and schematics; and (c) any books and records related to the SpinCo Business that is required to be preserved pursuant to a Litigation Hold as of the Separation Time, provided, that SpinCo Books and Records shall not include material that Parent is not permitted by applicable Law or agreement to disclose or transfer to SpinCo.

"SpinCo Business" shall mean the business, operations and activities (whether or not such businesses, operations or activities are or have been terminated, divested, discontinued or paused) of Parent's eye health business and of those consumer products included in the SpinCo Products, in each case, as conducted immediately prior to the Separation Time by either Party or any member of its Group, including the business, operations and activities in respect of the research, development, manufacturing, production, logistics and commercialization of the SpinCo Products.

"SpinCo Contracts" shall mean the following contracts and agreements to which either Party or any member of its Group is a party or by which it or any member of its Group or any of their respective Assets is bound, whether or not in writing; provided, that SpinCo Contracts shall not include any contract or agreement that shall be retained by Parent or any member of the Parent Group from and after the Separation Time pursuant to any provision of this Agreement or any Ancillary Agreement:

(a) any customer, reseller, distributor or development contract or agreement entered into prior to the Separation Time primarily related to the SpinCo Business;

(b) any supply or vendor contract or agreement entered into prior to the Separation Time primarily related to the SpinCo Business;

(c) any contract or agreement entered into prior to the Separation Time which grants a Third Party rights or licenses to Intellectual Property Rights that are SpinCo Intellectual Property Rights;

(d) any license agreement entered into prior to the Separation Time pursuant to which a Third Party grants either Party or any member of its Group rights or licenses to Intellectual Property Rights primarily related to the SpinCo Business;

(e) any joint venture or partnership contract or agreement entered into prior to the Separation Time that primarily relates to the SpinCo Business;

(f) any guarantee, indemnity, representation, covenant, warranty or other liability of either Party or any member of its Group in each case entered into prior to the Separation Time in respect of any other SpinCo Contract, any SpinCo Liability or the SpinCo Business;

(g) any proprietary information and inventions agreement or similar agreement assigning or licensing Intellectual Property Rights with any current or former Parent Group employee, SpinCo Group employee, consultant of the Parent Group or consultant of the SpinCo Group, in each case entered into prior to the Separation Time that is primarily related to the SpinCo Business;

(h) any contract or agreement that is expressly contemplated pursuant to this Agreement or any of the Ancillary Agreements to be assigned to, or to be a contract or agreement in the name of, SpinCo or any member of the SpinCo Group;

(i) any interest rate, currency, commodity or other swap, collar, cap or other hedging or similar agreements or arrangements entered into prior to the Separation Time that is primarily related to the SpinCo Business;

(j) any other contract or agreement entered into prior to the Separation Time primarily related to the SpinCo Business or SpinCo Assets;

(k) SpinCo Leases; and

(l) any contracts, agreements or settlements set forth on Schedule 1.4(f), including the right to recover any amounts under such contracts, agreements, leases or settlements.

"SpinCo Designees" shall mean any and all entities (including corporations, general or limited partnerships, trusts, joint ventures, unincorporated organizations, limited liability entities or other entities) designated by Parent that will be members of the SpinCo Group as of immediately prior to the Separation Time.

"SpinCo Group" shall mean (a) prior to the Separation Time, SpinCo and each Person that will be a Subsidiary of SpinCo immediately after the Separation Time, including the Transferred Entities and their respective Subsidiaries, even if, prior to the Separation Time, such Person is not a Subsidiary of SpinCo, and (b) on and after the Separation Time, SpinCo and each Person that is a Subsidiary of SpinCo.

"SpinCo Indebtedness" shall mean the aggregate principal amount of total liabilities (whether long-term or short-term) for borrowed money (including finance leases) of the members of the SpinCo Group collectively, as determined for purposes of its annual and quarterly financial statements and prepared in accordance with GAAP.

"SpinCo Information Technology" shall mean all Information Technology owned by either Party or any member of its Group as of immediately prior to the Separation Time that is primarily used or primarily held for use in the SpinCo Business.

"SpinCo Intellectual Property Rights" shall mean (a) the SpinCo Registered IP, and (b) all Intellectual Property Rights (other than Registered IP) owned by either Party or any of the members of its Group as of immediately prior to the Separation Time that is primarily used or primarily held for use in the SpinCo Business.

"SpinCo Leases" shall have the meaning set forth in the definition of SpinCo Real Property.

"SpinCo Permits" shall mean all Permits owned or licensed by either Party or any member of its Group primarily used or primarily held for use in the SpinCo Business as of immediately prior to the Separation Time, for the avoidance of doubt, excluding the SpinCo Product Approvals.

"SpinCo Product Approvals" shall mean registrations, approvals, authorizations, clearances, consents, licenses or certificates issued by any Governmental Entity (and all pending applications therefor) for the research, development, manufacturing, production, logistics, marketing, importation, distribution, sale and/or commercialization of the SpinCo Products (and services ancillary thereto).

"SpinCo Product Marks" shall mean the Trademarks used in connection with SpinCo Products at any time prior to the Separation Time, including the Trademarks set forth on Schedule 1.3(b); provided, that SpinCo Product Marks shall not include the Bausch Marks or the Trademarks set forth on Schedule 1.3(a).

"SpinCo Products" shall mean the products and products in development set forth on Schedule 1.5.

"SpinCo Purchase Debt" means the purchase debt issued by SpinCo to Parent in partial consideration for the transfer of SpinCo Assets to SpinCo, which debt is intended to be repaid by SpinCo using the proceeds of the SpinCo Financing Arrangements.

"SpinCo Real Property" shall mean (a) all of the Real Property owned by either Party or member of its Group as of immediately prior to the Separation Time listed or described on Schedule 1.6(a), (b) the Real Property Leases to which either Party or member of its Group is party as of immediately prior to the Separation Time set forth on Schedule 1.6(b) ("SpinCo Leases") and (c) all recorded Real Property notices, easements, and obligations with respect to the Real Property and/or Real Property leases described in clauses (a) and (b) of this definition.

"SpinCo Registered IP" shall mean the Registered IP set forth on Schedule 1.7.

"SpinCo Share Capital" shall mean all classes or series of share capital of SpinCo, including the Initial Common Shares or the Resulting Entity Common Shares, as applicable, and all options, warrants and other rights to acquire such share capital.

"SpinCo Technology" shall mean any Technology with respect to which the Intellectual Property Rights therein are owned by either Party or any member of its Group to the extent that such Technology is (a) used in or necessary to the operation of the SpinCo Business as of immediately prior to the Separation Time and capable of being copied (for example, Software), and (b) the know-how of the SpinCo Group Employees to the extent related to the SpinCo Business, but in each case, excluding any Information Technology and any SpinCo Books and Records.

"Subsidiary" shall mean, with respect to any Person, any corporation, limited liability company, joint venture, partnership or other entity of which such Person (a) beneficially owns, either directly or indirectly, more than fifty percent (50%) of (i) the total combined voting power of all classes of voting securities, (ii) the total combined equity interests or (iii) the capital or profit interests, in the case of a partnership, or (b) otherwise has the power to vote, either directly or indirectly, sufficient securities to elect a majority of the board of directors or similar governing body.



"Tangible Information" shall mean information that is contained in written, electronic or other tangible forms.

"Tangible Personal Property" shall mean machinery, equipment, hardware, furniture, fixtures, tools, motor vehicles and other transportation equipment, special and general tangible tools, prototypes, models and other tangible personal property, it being understood that Tangible Personal Property shall not include (a) any Information Technology and (b) any Technology.

"Tax" shall have the meaning set forth in the Tax Matters Agreement.

"Tax Act" shall mean the *Income Tax Act* (Canada), as amended.

"Tax Matters Agreement" shall mean the Tax Matters Agreement to be entered into by and between Parent and SpinCo in connection with the Transactions and the other transactions contemplated by this Agreement, as it may be amended from time to time.

"Tax Return" shall have the meaning set forth in the Tax Matters Agreement.

"Tax Ruling" shall mean the advance income tax rulings and opinions from the Canada Revenue Agency confirming the Canadian federal income tax consequences of certain aspects of the Distribution and related transactions, including that such transactions will be treated for purposes of the Tax Act as a tax-deferred "butterfly" reorganization pursuant to paragraph 55(3)(b) of the Tax Act.

"TC" shall mean 12279967 Canada Ltd.

"TC Common Shares" shall mean the outstanding common shares in the capital of TC.

"TC Sub" shall mean 12283778 Canada Ltd.

"TC Sub Common Shares" shall mean the outstanding common shares in the capital of TC Sub.

"Technology" shall mean embodiments of Intellectual Property Rights, including blueprints, designs, design protocols, documentation, specifications for materials, specifications for parts and devices, and design tools, materials, manuals, data, databases, Software and know-how or knowledge of employees, relating to, embodying, or describing products, articles, apparatus, devices, processes, methods, formulae, recipes or other technical information.

"Third Party" shall mean any Person other than the Parties or any members of their respective Groups.

"Transferred Entities" shall mean the entities set forth on Schedule 1.9.

"Transition Services Agreement" shall mean the Transition Services Agreement to be entered into by and between Parent and SpinCo or any members of their respective Groups in connection with the Transactions and the other transactions contemplated by this Agreement, as it may be amended from time to time.

"TSX" shall mean the Toronto Stock Exchange.

"Underwriters" shall mean the managing underwriters for the IPO.

"Underwriting Agreement" shall mean the underwriting agreement to be entered into among Parent, SpinCo and the Underwriters as representatives of the several underwriters named therein with respect to the IPO.

"Untransferred Parent Product Codes" shall mean the product identifier codes associated with the Parent Products, including any National Drug Codes (NDC), Universal Product Codes and equivalent codes in territories outside of the United States, that, as of the Separation Time, are held by SpinCo or a member of the SpinCo Group and that cannot be transferred to Parent or a member of the Parent Group, as Parent or a member of the Parent Group is required to obtain its own product identifier codes for such Parent Product in connection with the Separation.

"Untransferred SpinCo Product Codes" shall mean the product identifier codes associated with the SpinCo Products, including any National Drug Codes (NDC), Universal Product Codes and equivalent codes in territories outside of the United States, that, as of the Separation Time, are held by Parent or a member of the Parent Group and that cannot be transferred to SpinCo or a member of the SpinCo Group, as SpinCo or a member of the SpinCo Group is required to obtain its own product identifier codes for such SpinCo Product in connection with the Separation.

"U.S. Tax Opinion" shall mean an opinion of Davis Polk & Wardwell LLP, or such other law or accounting firm as determined by Parent, to be dated at or prior to the Effective Date, addressed to Parent and otherwise in a form acceptable to Parent, regarding the Intended U.S. Tax Treatment.

<u>Terms</u>	<u>Sections</u>
Agreement	Preamble
Amalgamations	Recitals
Arbitration Request	8.3
Arrangement	Recitals
Assumption and Allocation Agreement	2.3(a)(viii)
CEO Negotiation Request	8.2
Copyrights	Article I
Delayed Parent Asset	2.5(b)
Delayed Parent Liability	2.5(b)
Delayed SpinCo Asset	2.5(c)
Delayed SpinCo Liability	2.5(c)
Director Negotiation Request	8.2
Dispute	8.1
Distribution	Recitals
Distribution Date	4.1(a)
Indemnifying Party	5.4(a)
Indemnitee	5.4(a)
Indemnity Payment	5.4(a)
Insurance Termination Time	6.7(b)
Intended U.S. Tax Treatment	Recitals
Internet Properties	Article I
Inventory	2.2(a)(vii)
IPO	Recitals
JAMS Rules	8.3(a)
Joint Legal Materials	7.5
Legal Materials	7.5
Linked	2.10(a)

Litigation Hold	7.4(a)
Officer Negotiation Request	8.1
Parent	Preamble
Parent Accounts	2.10(a)
Parent Annual Statements	6.2(b)
Parent Assets	2.2(b)
Parent Auditors	6.2(c)
Parent Board	Recitals
Parent Indemnitees	5.2
Parent Liabilities	2.3(b)
Parent Public Filings	6.1(i)
Patents	Article I
Plan of Arrangement	Recitals
Plan of Reorganization	2.1(a)
Separation	Recitals
Separation Date	2.4
Shared Contract	2.9(a)
Specified Ancillary Agreement	11.19
SpinCo	Preamble
SpinCo Accounts	2.10(a)
SpinCo Assets	2.2(a)
SpinCo Auditors	6.1(i)
SpinCo Board	Recitals
SpinCo Financing Arrangements	2.14(a)
SpinCo Indemnitees	5.3
SpinCo Inventory	2.2(a)(vii)
SpinCo Leases	Article I
SpinCo Liabilities	2.3(a)
SpinCo Policies	6.7(c)
SpinCo Tangible Personal Property	2.2(a)(xvi)
Straddle Period	6.3
Third-Party Claim	5.5(a)
Trade Secrets	Article I
Trademarks	Article I
Transactions	Recitals
Transfer Documents	2.1(b)
Transition Committee	2.12
Unreleased Parent Liability	2.6(b)(ii)
Unreleased SpinCo Liability	2.6(a)(ii)

ARTICLE II  
THE SEPARATION

2.1 Transfer of Assets and Assumption of Liabilities

(a) At or prior to the Separation Time, but in any case prior to the closing of the IPO, in accordance with the plan and structure mutually agreed by Parent and SpinCo prior to the entry into this Agreement (as it may be amended, supplemented or otherwise modified in accordance with this Agreement, the "Plan of Reorganization") (provided that, Parent shall be entitled to modify the Plan of Reorganization from time to time (x) prior to the Separation Time in its sole discretion and (y) following the Separation Time with the prior written consent of SpinCo, which consent shall not be unreasonably withheld, delayed or conditioned, provided that such consent shall not be required to the extent that any such modification is either (A) necessary or appropriate (1) in light of any SpinCo Asset or SpinCo Liability being or becoming a Delayed SpinCo Asset or a Delayed SpinCo Liability, respectively, or (2) in light of any Parent Asset or Parent Liability becoming a Delayed Parent Asset or a Delayed Parent Liability, respectively, or (B) not reasonably expected to have an adverse effect on SpinCo or any of its Affiliates that is material):

(i) *Transfer and Assignment of SpinCo Assets.* Parent shall, and shall cause the applicable members of its Group to, contribute, assign, transfer, convey and deliver to SpinCo, or the applicable SpinCo Designees, and SpinCo or such SpinCo Designees shall accept from Parent and the applicable members of the Parent Group, all of Parent's and such Parent Group member's respective direct or indirect right, title and interest in and to all of the SpinCo Assets (it being understood that if any SpinCo Asset shall be held by a Transferred Entity or a wholly owned Subsidiary of a Transferred Entity, such SpinCo Asset may be assigned, transferred, conveyed and delivered to SpinCo as a result of the transfer of all of the equity interests in such Transferred Entity from Parent or the applicable members of the Parent Group to SpinCo or the applicable SpinCo Designee);

(ii) *Acceptance and Assumption of SpinCo Liabilities.* SpinCo and the applicable SpinCo Designees shall accept, assume and agree faithfully to perform, discharge and fulfill all the SpinCo Liabilities in accordance with their respective terms (it being understood that if any SpinCo Liability is a liability of a Transferred Entity or a wholly owned Subsidiary of a Transferred Entity, such SpinCo Liability may be assumed by SpinCo as a result of the transfer of all of the equity interests in such Transferred Entity from Parent or the applicable members of the Parent Group to SpinCo or the applicable SpinCo Designee). SpinCo and such SpinCo Designees shall be responsible for all SpinCo Liabilities, regardless of when or where such SpinCo Liabilities arose or arise, or whether the facts on which they are based occurred prior to or subsequent to the Separation Time, regardless of where or against whom such SpinCo Liabilities are asserted or determined (including any SpinCo Liabilities arising out of claims made by Parent's or SpinCo's respective directors, officers, employees, agents, Subsidiaries or Affiliates against any member of the Parent Group or the SpinCo Group) or whether asserted or determined prior to the date hereof, and regardless of whether arising from or alleged to arise from negligence, recklessness, violation of Law, fraud or misrepresentation by any member of the Parent Group or the SpinCo Group, or any of their respective directors, officers, employees, agents, Subsidiaries or Affiliates;

(iii) *Transfer and Assignment of Parent Assets.* Parent and SpinCo shall cause SpinCo and the SpinCo Designees to contribute, assign, transfer, convey and deliver to Parent or certain members of the Parent Group designated by Parent, and Parent or such other members of the Parent Group shall accept from SpinCo and the SpinCo Designees, all of SpinCo's and such SpinCo Designees' respective direct or indirect right, title and interest in and to all Parent Assets held by SpinCo or a SpinCo Designee; and

(iv) *Acceptance and Assumption of Parent Liabilities.* Parent and certain of members of the Parent Group designated by Parent shall accept and assume and agree faithfully to perform, discharge and fulfill all of the Parent Liabilities held by SpinCo or any SpinCo Designee and Parent and the applicable members of the Parent Group shall be responsible for all Parent Liabilities in accordance with their respective terms, regardless of when or where such Parent Liabilities arose or arise, whether the facts on which they are based occurred prior to or subsequent to the Separation Time, where or against whom such Parent Liabilities are asserted or determined (including any such Parent Liabilities arising out of claims made by Parent's or SpinCo's respective directors, officers, employees, agents, Subsidiaries or Affiliates against any member of the Parent Group or the SpinCo Group) or whether asserted or determined prior to the date hereof, and regardless of whether arising from or alleged to arise from negligence, recklessness, violation of Law, fraud or misrepresentation by any member of the Parent Group or the SpinCo Group, or any of their respective directors, officers, employees, agents, Subsidiaries or Affiliates.

(b) *Transfer Documents.* In furtherance of the contribution, assignment, transfer, conveyance and delivery of the Assets and the assumption of the Liabilities in accordance with Section 2.1(a), (i) each Party shall execute and deliver, and shall cause the applicable members of its Group to execute and deliver, to the other Party, such bills of sale, quitclaim deeds, stock powers, certificates of title, assignments of contracts and other instruments of transfer, conveyance and assignment as and to the extent necessary to evidence the transfer, conveyance and assignment of all of such Party's and the applicable members of its Group's right, title and interest in and to such Assets to the other Party and the applicable members of its Group in accordance with Section 2.1(a), and (ii) each Party shall execute and deliver, and shall cause the applicable members of its Group to execute and deliver, to the other Party, such assumptions of contracts and other instruments of assumption as and to the extent necessary to evidence the valid and effective assumption of the Liabilities by such Party and the applicable members of its Group in accordance with Section 2.1(a). All of the foregoing documents contemplated by this Section 2.1(b) shall be referred to collectively herein as the "Transfer Documents." The Transfer Documents shall effect certain of the transactions contemplated by this Agreement and, notwithstanding anything in this Agreement to the contrary, shall not expand or limit any of the obligations, covenants or agreements in this Agreement. It is expressly agreed that in the event of any conflict between the terms of the Transfer Documents and the terms of this Agreement or the Tax Matters Agreement, the terms of this Agreement or the Tax Matters Agreement, as applicable, shall control.

(c) *Misallocations.* In the event that at any time or from time to time (whether prior to, at or after the Separation Time), one Party (or any member of such Party's Group) shall receive or otherwise possess any Asset that is allocated to the other Party (or any member of such Party's Group) pursuant to this Agreement or any Ancillary Agreement, such Party shall promptly transfer, or cause to be transferred, such Asset to the Party so entitled thereto (or to any member of such Party's Group), and such Party (or member of such Party's Group) shall accept such Asset.

Prior to any such transfer, the Person receiving or possessing such Asset shall hold such Asset in trust for such other Person. In the event that at any time or from time to time (whether prior to, at or after the Separation Time), one Party (or any member of such Party's Group) shall be liable for or otherwise assume any Liability that is allocated to the other Party (or any member of such Party's Group) pursuant to this Agreement or any Ancillary Agreement, such other Party shall promptly assume, or cause to be assumed, such Liability and agree to faithfully perform such Liability.

(d) *Waiver of Bulk-Sale and Bulk-Transfer Laws.* SpinCo hereby waives compliance by each and every member of the Parent Group with the requirements and provisions of any "bulk-sale" or "bulk-transfer" Laws of any jurisdiction that may otherwise be applicable with respect to the transfer or sale of any or all of the SpinCo Assets to any member of the SpinCo Group. Parent hereby waives compliance by each and every member of the SpinCo Group with the requirements and provisions of any "bulk-sale" or "bulk-transfer" Laws of any jurisdiction that may otherwise be applicable with respect to the transfer or sale of any or all of the Parent Assets to any member of the Parent Group.

(e) *Electronic Transfer.* All transferred SpinCo Assets and Parent Assets, including transferred Technology, that can be delivered by electronic transmission will be so delivered or made available to SpinCo, Parent or their respective designees (as applicable), at a designated FTP site or in another electronic form to be determined by the Parties.

## 2.2 SpinCo Assets: Parent Assets.

(a) *SpinCo Assets.* For purposes of this Agreement, "SpinCo Assets" shall mean (without duplication):

(i) all issued and outstanding share capital or other equity interests of the Transferred Entities that are owned by either Party or any members of its Group as of immediately prior to the Separation Time;

(ii) except as otherwise set forth in this Section 2.2(a), all Assets of either Party or any members of its Group included or reflected as assets of the SpinCo Group on the SpinCo Balance Sheet, subject to any dispositions of such Assets subsequent to the date of the SpinCo Balance Sheet, provided, that the amounts set forth on the SpinCo Balance Sheet with respect to any Assets shall not be treated as minimum amounts or limitations on the amount of such Assets that are included in the definition of SpinCo Assets pursuant to this clause (ii);

(iii) except as otherwise set forth in this Section 2.2(a), all Assets of either Party or any of the members of its Group as of immediately prior to the Separation Time that are of a nature or type that would have resulted in such Assets being included as Assets of SpinCo or members of the SpinCo Group on a pro forma combined balance sheet of the SpinCo Group or any notes or subledgers thereto as of immediately prior to the Separation Time (were such balance sheet, notes and subledgers to be prepared on a basis consistent with the determination of the Assets included on the SpinCo Balance Sheet), it being understood that (x) the SpinCo Balance Sheet shall be used to determine the types of, and methodologies used to determine, those Assets that are included in the definition of SpinCo Assets pursuant to this clause (iii); and (y) the amounts set forth on the SpinCo Balance Sheet with respect to any Assets shall not be treated as minimum amounts or limitations on the amount of such Assets that are included in the definition of SpinCo Assets pursuant to this clause (iii);

(iv) all Assets of either Party or any of the members of its Group as of immediately prior to the Separation Time that are expressly provided by any provision of this Agreement or any Ancillary Agreement as Assets to be transferred to or owned by SpinCo or any other member of the SpinCo Group;

(v) all SpinCo Contracts as of immediately prior to the Separation Time and all rights, interests or claims of either Party or any of the members of its Group thereunder as of immediately prior to the Separation Time;

(vi) any and all SpinCo Accounts Receivable;

(vii) any and all finished goods inventory, supplies, components, packaging materials and other inventories, including any inventory in-transit and other inventories being held by third parties pursuant to consignment and used inventory, and all valuation-related adjustments relating thereto (including those relating to warranty, prompt pay discounts, royalties and other items) ("Inventory"), in each case, with respect to the SpinCo Products or otherwise primarily related to the SpinCo Business ("SpinCo Inventory") as of immediately prior to the Separation Time;

(viii) copies of any and all SpinCo Books and Records; provided, that, (x) any and all SpinCo Books and Records in the possession, custody or control of any member of the Parent Group as of the Separation Time shall remain in the possession, custody or control of the Parent Group, and access by SpinCo and the SpinCo Group to such SpinCo Books and Records from and after the Separation Time shall be in accordance with Article VII and (y) Parent shall be permitted to continue to use and, if applicable, retain copies of, (A) any SpinCo Books and Records that as of the Separation Time are used in or necessary for the operation or conduct of the Parent Business, (B) any SpinCo Books and Records that Parent is required by Law to retain (and if copies are not provided to SpinCo, then, to the extent permitted by Law, such copies will be made available to SpinCo upon SpinCo's reasonable request), (C) one (1) copy of any SpinCo Books and Records to the extent required to demonstrate compliance with applicable Law or pursuant to internal compliance procedures or related to any Parent Assets or Parent's and/or its Affiliates' obligations under this Agreement or any of the Ancillary Agreements and (D) "back-up" electronic tapes of such SpinCo Books and Records maintained by Parent in the ordinary course of business, and such copies shall be considered "Parent Assets";

(ix) all SpinCo Intellectual Property Rights as of immediately prior to the Separation Time, including any goodwill appurtenant to any Trademarks included in the SpinCo Intellectual Property Rights and the right to seek, recover and retain damages for infringement of any SpinCo Intellectual Property Rights following the Separation Time;

- (x) without limiting clause (ix) above, the Bausch Marks, and all goodwill of the SpinCo Business appurtenant thereto;
- (xi) all SpinCo Technology as of immediately prior to the Separation Time;
- (xii) all SpinCo Information Technology as of immediately prior to the Separation Time;
- (xiii) all SpinCo Permits as of immediately prior to the Separation Time and all rights, interests or claims of either Party or any of the members of its Group thereunder as of immediately prior to the Separation Time;
- (xiv) all SpinCo Product Approvals as of immediately prior to the Separation Time and all rights, interests or claims of either Party or any of the members of their respective Group thereunder as of immediately prior to the Separation Time;
- (xv) all SpinCo Real Property as of immediately prior to the Separation Time;
- (xvi) all Tangible Personal Property primarily related to the SpinCo Business (collectively, the "SpinCo Tangible Personal Property"); and
- (xvii) any and all Assets set forth on Schedule 2.2(a)(xvii).

Notwithstanding the foregoing, the Parties hereby acknowledge and agree that (A) while a single asset may fall within more than one of the clauses (i) through (xvii) in this Section 2.2(a), such fact does not imply that (x) such asset shall be transferred more than once or (y) any duplication of such asset is required, (B) the SpinCo Assets shall not in any event include any Asset referred to in clauses (i) through (xi) of Section 2.2(b) or any Assets set forth in Schedule 2.2(a)(xvii), and (C) the SpinCo Assets shall not include any Tax assets, which shall be governed as provided in the Tax Matters Agreement.

(b) *Parent Assets.* For the purposes of this Agreement, "Parent Assets" shall mean all Assets of either Party or the members of its Group as of immediately prior to the Separation Time, other than the SpinCo Assets. Notwithstanding anything herein to the contrary, the Parent Assets shall include:

- (i) all Assets that are expressly contemplated by this Agreement or any Ancillary Agreement (or the Schedules hereto or thereto) as Assets to be retained by Parent or any other member of the Parent Group;
- (ii) all contracts and agreements of either Party or any of the members of its Group as of immediately prior to the Separation Time other than the SpinCo Contracts;



(iii) any and all books and records other than the SpinCo Books and Records (collectively, "Parent Books and Records"); provided, that, (x) any and all Parent Books and Records in the possession, custody, or control of any member of the SpinCo Group as of the Separation Time shall remain in the possession, custody, or control of the SpinCo Group, and access by Parent and the Parent Group to such Parent Books and Records from and after the Separation Time shall be in accordance with Article VII and (y) SpinCo shall be permitted to continue to use and if applicable, retain copies of, (A) any Parent Books and Records that as of the Separation Time are used in or necessary for the operation or conduct of the SpinCo Business, (B) any Parent Books and Records that SpinCo is required by Law to retain (and if copies are not provided to Parent, then, to the extent permitted by Law, such copies will be made available to Parent upon Parent's reasonable request), (C) one (1) copy of any Parent Books and Records to the extent required to demonstrate compliance with applicable Law or pursuant to internal compliance procedures or related to any SpinCo Assets or SpinCo's and/or its Affiliates' obligations under this Agreement or any of the Ancillary Agreements and (D) "back-up" electronic tapes of such Parent Books and Records maintained by SpinCo in the ordinary course of business, and such copies shall be considered "SpinCo Assets";

(iv) all Parent Intellectual Property Rights;

(v) (A) all Technology of either Party or any of the members of its Group as of the Separation Time and (B) copies of all SpinCo Technology, other than the copies of such Technology that are SpinCo Technology;

(vi) all Parent Information Technology;

(vii) all Accounts Receivable, other than the SpinCo Accounts Receivable;

(viii) all Parent Inventory;

(ix) all Permits of either Party or any of the members of its Group as of immediately prior to the Separation Time (other than the SpinCo Permits or the SpinCo Product Approvals) and all rights, interests or claims of either Party or any of the members of its Group thereunder as of immediately prior to the Separation Time;

(x) all Real Property of either Party or any of the members of its Group as of immediately prior to the Separation Time (other than the SpinCo Real Property);

(xi) all cash and cash equivalents of either Party or any of the members of its Group as of immediately prior to the Separation Time (other than cash and cash equivalents of SpinCo or any other member of the SpinCo Group as of immediately prior to the Separation Time, except for any cash or cash equivalents withdrawn from SpinCo Accounts in accordance with Section 2.10(d)); and

(xii) any and all Assets set forth on Schedule 2.2(b)(xi).

*provided* that, notwithstanding the foregoing, the Parent Assets shall not include any Tax assets, which shall be governed as provided in the Tax Matters Agreement.

2.3 SpinCo Liabilities-Parent Liabilities

(a) *SpinCo Liabilities*. For the purposes of this Agreement, "SpinCo Liabilities" shall mean the following Liabilities of either Party or any of the members of its Group:

(i) any and all Liabilities included or reflected as liabilities or obligations of SpinCo or the members of the SpinCo Group on the SpinCo Balance Sheet, subject to any discharge of such Liabilities subsequent to the date of the SpinCo Balance Sheet; provided, that the amounts set forth on the SpinCo Balance Sheet with respect to any Liabilities shall not be treated as minimum amounts or limitations on the amount of such Liabilities that are included in the definition of SpinCo Liabilities pursuant to this clause (i);

(ii) any and all Liabilities as of immediately prior to the Separation Time that are of a nature or type that would have resulted in such Liabilities being included or reflected as liabilities or obligations of SpinCo or the members of the SpinCo Group on a pro forma combined balance sheet of the SpinCo Group or any notes or subledgers thereto as of immediately prior to the Separation Time (were such balance sheet, notes and subledgers to be prepared on a basis consistent with the determination of the Liabilities included on the SpinCo Balance Sheet), it being understood that (x) the SpinCo Balance Sheet shall be used to determine the types of, and methodologies used to determine, those Liabilities that are included in the definition of SpinCo Liabilities pursuant to this clause (ii), and (y) the amounts set forth on the SpinCo Balance Sheet with respect to any Liabilities shall not be treated as minimum amounts or limitations on the amount of such Liabilities that are included in the definition of SpinCo Liabilities pursuant to this clause (ii);

(iii) any and all SpinCo Accounts Payable;

(iv) any and all Liabilities that are expressly provided by this Agreement (including Section 5.11 herein) or any Ancillary Agreement (or the Schedules hereto or thereto) as Liabilities to be assumed by SpinCo or any other member of the SpinCo Group, and all agreements, obligations and Liabilities of any member of the SpinCo Group under this Agreement or any of the Ancillary Agreements;

(v) except as otherwise set forth in this Section 2.3(a), (a) any and all Liabilities (other than any Environmental Liabilities), relating to, arising out of or resulting from the actions, inactions, events, omissions, conditions, facts or circumstances occurring or existing prior to, at or after the Separation Time (whether or not such Liabilities cease being contingent, mature, become known, are asserted or foreseen, or accrue, in each case before, at or after the Separation Time), in each case to the extent that such Liabilities relate to, arise out of or result from the SpinCo Business or a SpinCo Asset and (b) any and all Environmental Liabilities, relating to, arising out of or resulting from the actions, inactions, events, omissions, conditions, facts or circumstances occurring or existing prior to, at or after the Separation Time (whether or not such Liabilities cease being contingent, mature, become known, are asserted or foreseen, or accrue, in each case before, at or after the Separation Time), in each case that exclusively relate to, arise out of or result from the SpinCo Business or a SpinCo Asset;

(vi) except as otherwise set forth in this Section 2.3(a), any and all Liabilities to the extent relating to, arising out of or resulting from the SpinCo Contracts, the SpinCo Intellectual Property Rights, the SpinCo Technology, SpinCo Information Technology, the SpinCo Permits, the SpinCo Product Approvals, the SpinCo Real Property, the SpinCo Tangible Personal Property or any SpinCo Product, whether occurring or existing prior to, at or after the Separation Time (whether or not such Liabilities cease being contingent, mature, become known, are asserted or foreseen, or accrue, in each case before, at or after the Separation Time), including, for the avoidance of doubt, any and all Liabilities relating to, arising out of or resulting from the manufacture or sale by any member of the Parent Group prior to the Separation Time of SpinCo Products;

(vii) any and all Liabilities arising out of any matter set forth on Schedule 2.3(a)(vii) or arising out of any claims made by any Third Party (including Parent's or SpinCo's respective directors, officers, shareholders, employees and agents) against any member of the Parent Group or the SpinCo Group to the extent relating to, arising out of or resulting from the SpinCo Business, the SpinCo Products or the SpinCo Assets, or the other business, operations, activities or Liabilities referred to in clauses (i) through (vi) above, including for the avoidance of doubt the claims set forth on Schedule 2.3(a)(vii) and excluding for the avoidance of doubt the Liabilities set forth on Schedule 2.3(b)(v); and

(viii) any and all liabilities arising out of, incurred under, or relating to the Assumption and Allocation Agreement among ACE American Insurance Company, a member of the Parent Group and a member of the SpinCo Group dated on or about the Separation Date (the "Assumption and Allocation Agreement"), together with the Policies, Program Agreements, Payment and Collateral Agreements incorporated or addressed therein.

Notwithstanding the foregoing, the Parties hereby acknowledge and agree that (A) while a single Liability may fall within more than one of the clauses (i) through (vii) in this Section 2.3(a), such fact does not imply that (x) such Liability shall be transferred more than once or (y) any duplication of such Liability is required, (B) the SpinCo Liabilities shall not in any event include any Liability referred to in clauses (i) through (iv) of Section 2.3(b) or any Liabilities set forth in Schedule 2.3(a)(ix), and (C) the SpinCo Liabilities shall not include any Liabilities related to Taxes, which shall be governed as provided in the Tax Matters Agreement.

(b) *Parent Liabilities*. For the purposes of this Agreement, "Parent Liabilities" shall mean the following Liabilities of either Party or any of the members of its Group:

(i) any and all Accounts Payable, other than the SpinCo Accounts Payable;

(ii) any and all Liabilities, including any Environmental Liabilities, relating to, arising out of or resulting from actions, inactions, events, omissions, conditions, facts or circumstances occurring or existing prior to, at or after the Separation Time (whether or not such Liabilities cease being contingent, mature, become known, are asserted or foreseen, or accrue, in each case before, at or after the Separation Time) of any member of the Parent Group, and, prior to the Separation Time, any member of the SpinCo Group, in each case, to the extent that such Liabilities are not SpinCo Liabilities, and including, for the avoidance of doubt, any and all Liabilities relating to, arising out of or resulting from the manufacture or sale by any member of the Parent Group prior to the Separation Time of Parent Products;

(iii) any and all Liabilities that are expressly provided by this Agreement (including Section 5.11 herein) or any Ancillary Agreement (or the Schedules hereto or thereto) as Liabilities to be assumed by Parent or any other member of the Parent Group, and all agreements, obligations and Liabilities of any member of the Parent Group under this Agreement or any of the Ancillary Agreements; and

(iv) any and all Liabilities arising out of any matter set forth on Schedule 2.3(b)(ix), or arising out of any claims made by any Third Party (including Parent's or SpinCo's respective directors, officers, shareholders, employees and agents) against any member of the Parent Group or the SpinCo Group to the extent relating to, arising out of or resulting from the Parent Business or the Parent Assets, or the other business, operations, activities or Liabilities referred to in clauses (i) through (iii) above, including for the avoidance of doubt the claims set forth on Schedule 2.3(b)(ix), in each case, to the extent that such Liabilities are not SpinCo Liabilities; and

(v) any and all Liabilities set forth on Schedule 2.3(b)(y).

provided that, notwithstanding the foregoing, the Parent Liabilities shall not include any Liabilities for Taxes, which shall be governed as provided in Tax Matters Agreement.

2.4 Separation Date. Subject to the terms and conditions of this Agreement, the Separation shall be consummated at a closing to be held at the offices of Wachtell, Lipton, Rosen & Katz, 51 West 52nd Street, New York, New York 10019 on the IPO Closing Date or at such other place or on such other date as Parent and SpinCo may mutually agree upon in writing (the day on which such closing takes place, the "Separation Date"). To the extent that documents and signatures are required to be executed or provided at the Closing such matters shall be dealt with by way of a virtual closing through electronic exchange of documents and signatures.

#### 2.5 Approvals and Notifications.

(a) Approvals and Notifications for SpinCo Assets. To the extent that the transfer or assignment of any SpinCo Asset, the assumption of any SpinCo Liability or the Transactions requires any Approvals or Notifications, the Parties shall use their commercially reasonable efforts to obtain or make such Approvals or Notifications as soon as reasonably practicable and within any time periods required by such Approvals or Notifications; provided, however, that, except to the extent expressly provided in this Agreement or any of the Ancillary Agreements or as otherwise agreed between Parent and SpinCo, neither Parent nor SpinCo shall be obligated to contribute capital or pay any consideration in any form (including providing any letter of credit, guaranty or other financial accommodation or agreeing to any amended contract terms) to any Person in order to obtain or make such Approvals or Notifications.

(b) *Delayed SpinCo Transfers.* If and to the extent that the valid, complete and perfected transfer or assignment to the SpinCo Group of legal title to any SpinCo Asset or assumption by the SpinCo Group of legal title to any SpinCo Liability in connection with the Transactions would be a violation of applicable Law or require any Approvals or Notifications that have not been obtained or made by the Separation Time, then, unless the Parties mutually shall otherwise determine, the transfer or assignment to the SpinCo Group of legal title to such SpinCo Assets or the assumption by the SpinCo Group of legal title to such SpinCo Liabilities, as the case may be, shall be automatically deemed deferred and any such purported transfer, assignment or assumption shall be null and void until such time as all legal impediments are removed or such Approvals or Notifications have been obtained or made. For the avoidance of doubt, to the extent permitted by applicable Law, the transfer or assignment to the SpinCo Group of beneficial title to such SpinCo Assets or the assumption by the SpinCo Group of beneficial title to such SpinCo Liabilities shall occur on or prior to the Separation Time. Notwithstanding the foregoing, any such SpinCo Assets or SpinCo Liabilities shall continue to constitute SpinCo Assets and SpinCo Liabilities for all other purposes of this Agreement.

(c) *Treatment of Delayed SpinCo Assets and Delayed SpinCo Liabilities.* If any transfer or assignment of any SpinCo Asset (or a portion thereof) or any assumption of any SpinCo Liability (or a portion thereof) intended to be transferred, assigned or assumed hereunder, as the case may be, is not consummated at or prior to the Separation Time, whether as a result of the provisions of Section 2.5(b) or for any other reason (any such SpinCo Asset (or a portion thereof), a "Delayed SpinCo Asset" and any such SpinCo Liability (or a portion thereof), a "Delayed SpinCo Liability"), then, insofar as reasonably possible and subject to applicable Law, the member of the Parent Group retaining such Delayed SpinCo Asset or such Delayed SpinCo Liability, as the case may be, shall thereafter hold such Delayed SpinCo Asset or Delayed SpinCo Liability, as the case may be, for the use and benefit (or the performance and obligation, in the case of a Liability) of the member of the SpinCo Group entitled thereto (at the expense of the member of the SpinCo Group entitled thereto), and such member of the SpinCo Group shall be afforded all the benefits and burdens of such Delayed SpinCo Asset or Delayed SpinCo Liability, as applicable. In addition, the member of the Parent Group retaining such Delayed SpinCo Asset or such Delayed SpinCo Liability shall, insofar as reasonably possible and to the extent permitted by applicable Law, treat such Delayed SpinCo Asset or Delayed SpinCo Liability in the ordinary course of business and take such other actions as may be reasonably requested by the member of the SpinCo Group to whom such Delayed SpinCo Asset is to be transferred or assigned, or which will assume such Delayed SpinCo Liability, as the case may be, in order to place such member of the SpinCo Group in a substantially similar position as if such Delayed SpinCo Asset or Delayed SpinCo Liability had been contributed, transferred, assigned or assumed as contemplated hereby and so that all the benefits and burdens relating to such Delayed SpinCo Asset or Delayed SpinCo Liability, as the case may be, including use, risk of loss, potential for gain and dominion, control and command over such Delayed SpinCo Asset or Delayed SpinCo Liability, as the case may be, and all costs and expenses related thereto, shall inure from and after the Separation Time to the SpinCo Group. Each of Parent and SpinCo shall, and shall cause the members of its Group to,

(i) treat for all Tax purposes any Delayed SpinCo Asset or Delayed SpinCo Liability as an Asset owned by, and/or a Liability of, as applicable, SpinCo or the applicable member(s) of the SpinCo Group, not later than the Separation Time, and (ii) neither report nor take any Tax position (on a Tax Return or otherwise) inconsistent with such treatment (unless required by applicable Law). For the avoidance of doubt, Parent shall not dispose of, pledge, sell or otherwise transfer any Delayed SpinCo Asset without the prior written consent of SpinCo.

(d) *Transfer of Delayed SpinCo Assets and Delayed SpinCo Liabilities.* If and when the Approvals or Notifications, the absence of which caused the deferral of transfer or assignment of any Delayed SpinCo Asset or the deferral of assumption of any Delayed SpinCo Liability pursuant to Section 2.5(b), are obtained or made, and, if and when any other legal impediments for the transfer or assignment of any Delayed SpinCo Asset or the assumption of any Delayed SpinCo Liability have been removed, the transfer or assignment of the applicable Delayed SpinCo Asset or the assumption of the applicable Delayed SpinCo Liability, as the case may be, shall be effected in accordance with the terms of this Agreement and/or the applicable Ancillary Agreement.

(e) *Costs for Delayed SpinCo Assets and Delayed SpinCo Liabilities.* Except as otherwise agreed in writing between the Parties, any member of the Parent Group retaining a Delayed SpinCo Asset or Delayed SpinCo Liability due to the deferral of the transfer or assignment of such Delayed SpinCo Asset or the deferral of the assumption of such Delayed SpinCo Liability, as the case may be, shall not be obligated, in connection with the foregoing, to expend any money unless the necessary funds are advanced (or otherwise made available) by SpinCo or the member of the SpinCo Group entitled to the Delayed SpinCo Asset or Delayed SpinCo Liability, other than reasonable out-of-pocket expenses, attorneys' fees and recording or similar fees, all of which shall be promptly reimbursed by SpinCo or the member of the SpinCo Group entitled to such Delayed SpinCo Asset or Delayed SpinCo Liability.

(f) *Approvals and Notifications for Parent Assets.* To the extent that the transfer or assignment of any Parent Asset, the assumption of any Parent Liability or the Transactions requires any Approvals or Notifications, the Parties shall use their commercially reasonable efforts to obtain or make such Approvals or Notifications as soon as reasonably practicable and within any time periods required by such Approvals or Notifications; provided, however, that, except to the extent expressly provided in this Agreement or any of the Ancillary Agreements or as otherwise agreed between Parent and SpinCo, neither Parent nor SpinCo shall be obligated to contribute capital or pay any consideration in any form (including providing any letter of credit, guaranty or other financial accommodation or agreeing to any amended contract terms) to any Person in order to obtain or make such Approvals or Notifications.

(g) *Delayed Parent Transfers.* If and to the extent that the valid, complete and perfected transfer or assignment to the Parent Group of legal title to any Parent Asset or assumption by the Parent Group of legal title to any Parent Liability in connection with the Transactions would be a violation of applicable Law or require any Approvals or Notifications that have not been obtained or made by the Separation Time then, unless the Parties mutually shall otherwise determine, the transfer or assignment to the Parent Group of legal title to such Parent Assets or the assumption by the Parent Group of legal title to such Parent Liabilities, as the case may be, shall be automatically deemed deferred and any such purported transfer, assignment or assumption shall

be null and void until such time as all legal impediments are removed or such Approvals or Notifications have been obtained or made. For the avoidance of doubt, to the extent permitted by applicable Law, the transfer or assignment to the Parent Group of beneficial title to such Parent Assets or the assumption by the Parent Group of beneficial title to such Parent Liabilities shall occur on or prior to the Separation Time. Notwithstanding the foregoing, any such Parent Assets or Parent Liabilities shall continue to constitute Parent Assets and Parent Liabilities for all other purposes of this Agreement.

(h) *Treatment of Delayed Parent Assets and Delayed Parent Liabilities.* If any transfer or assignment of any Parent Asset (or a portion thereof) or any assumption of any Parent Liability (or a portion thereof) intended to be transferred, assigned or assumed hereunder, as the case may be, is not consummated at or prior to the Separation Time whether as a result of the provisions of [Section 2.5\(g\)](#) or for any other reason (any such Parent Asset (or a portion thereof), a "Delayed Parent Asset" and any such Parent Liability (or a portion thereof), a "Delayed Parent Liability"), then, insofar as reasonably possible and subject to applicable Law, the member of the SpinCo Group retaining such Delayed Parent Asset or such Delayed Parent Liability, as the case may be, shall thereafter hold such Delayed Parent Asset or Delayed Parent Liability, as the case may be, for the use and benefit (or the performance or obligation, in the case of a Liability) of the member of the Parent Group entitled thereto (at the expense of the member of the Parent Group entitled thereto), and such member of the SpinCo Group shall be afforded all the benefits and burdens of such Delayed SpinCo Asset or Delayed SpinCo Liability, as applicable. In addition, the member of the SpinCo Group retaining such Delayed Parent Asset or such Delayed Parent Liability shall, insofar as reasonably possible and to the extent permitted by applicable Law, treat such Delayed Parent Asset or Delayed Parent Liability in the ordinary course of business. Such member of the SpinCo Group shall also take such other actions as may be reasonably requested by the member of the Parent Group to which such Delayed Parent Asset is to be transferred or assigned, or which will assume such Delayed Parent Liability, as the case may be, in order to place such member of the Parent Group in a substantially similar position as if such Delayed Parent Asset or Delayed Parent Liability had been contributed, transferred, assigned or assumed and so that all the benefits and burdens relating to such Delayed Parent Asset or Delayed Parent Liability, as the case may be, including use, risk of loss, potential for gain, and dominion, control and command over such Delayed Parent Asset or Delayed Parent Liability, as the case may be, and all costs and expenses related thereto, shall inure from and after the Separation Time to the Parent Group. Each of Parent and SpinCo shall, and shall cause the members of its Group to, (i) treat for all Tax purposes any Delayed Parent Asset or Delayed Parent Liability as an Asset owned by, and/or a Liability of, as applicable, Parent or the applicable member(s) of the Parent Group, not later than the Separation Time, and (ii) neither report nor take any Tax position (on a Tax Return or otherwise) inconsistent with such treatment (unless required by applicable Law).

(i) *Transfer of Delayed Parent Assets and Delayed Parent Liabilities.* If and when the Approvals or Notifications, the absence of which caused the deferral of transfer or assignment of any Delayed Parent Asset or the deferral of assumption of any Delayed Parent Liability pursuant to [Section 2.5\(g\)](#), are obtained or made, and, if and when any other legal impediments for the transfer or assignment of any Delayed Parent Asset or the assumption of any Delayed Parent Liability have been removed, the transfer or assignment of the applicable Delayed Parent Asset or the assumption of the applicable Delayed Parent Liability, as the case may be, shall be effected in accordance with the terms of this Agreement and/or the applicable Ancillary Agreement.

(j) *Costs for Delayed Parent Assets and Delayed Parent Liabilities.* Except as otherwise agreed in writing between the Parties, any member of the SpinCo Group retaining a Delayed Parent Asset or Delayed Parent Liability due to the deferral of the transfer or assignment of such Delayed Parent Asset or the deferral of the assumption of such Delayed Parent Liability, as the case may be, shall not be obligated, in connection with the foregoing, to expend any money unless the necessary funds are advanced (or otherwise made available) by Parent or the member of the Parent Group entitled to the Delayed Parent Asset or Delayed Parent Liability, other than reasonable out-of-pocket expenses, attorneys' fees and recording or similar fees, all of which shall be promptly reimbursed by Parent or the member of the Parent Group entitled to such Delayed Parent Asset or Delayed Parent Liability.

**2.6 Assignment and Novation of Liabilities**

**(a) Assignment and Novation of SpinCo Liabilities.**

(i) Prior to the Separation Time, SpinCo, at the request of Parent, shall use its commercially reasonable efforts to obtain, or to cause to be obtained, as soon as reasonably practicable, any consent, substitution, approval or amendment required to novate or assign all SpinCo Liabilities and obtain in writing the unconditional release of each member of the Parent Group that is a party to or otherwise obligated under any such arrangements, to the extent permitted by applicable Law and effective as of the Separation Time, so that, in any such case, the members of the SpinCo Group shall be solely responsible for such SpinCo Liabilities; provided, however, that, except as otherwise expressly provided in this Agreement or any of the Ancillary Agreements, neither Parent nor SpinCo shall be obligated to contribute any capital or pay any consideration in any form (including providing any letter of credit, guaranty or other financial accommodation or agreeing to any amended contract terms) to any third (3rd) Person from whom any such consent, substitution, approval, amendment or release is requested. To the extent such substitution contemplated by the first sentence of this Section 2.6(a)(i) has been effected, the members of the Parent Group shall, from and after the Separation Time, cease to have any obligation whatsoever arising from or in connection with such SpinCo Liabilities.

(ii) If SpinCo is unable to obtain, or to cause to be obtained, any such required consent, substitution, approval, amendment or release, and the applicable member of the Parent Group continues to be bound by such agreement, lease, license or other obligation or Liability (each, an "Unreleased SpinCo Liability"), SpinCo shall, to the extent not prohibited by Law, (A) use its commercially reasonable efforts to effect such consent, substitution, approval, amendment or release as soon as practicable following the Separation Time, and (B) as indemnitor, guarantor, agent or subcontractor for such member of the Parent Group, as the case may be, (1) pay, perform and discharge fully all the obligations or other Liabilities of such member of the Parent Group that constitute Unreleased SpinCo Liabilities from and after the Separation Time and (2) use its commercially reasonable efforts to effect such payment, performance or discharge prior to any demand for such payment, performance or discharge is permitted to be made by the



obligee thereunder on any member of the Parent Group. If and when any such consent, substitution, approval, amendment or release shall be obtained or the Unreleased SpinCo Liabilities shall otherwise become assignable or able to be novated, Parent shall promptly assign, or cause to be assigned, and SpinCo or the applicable member of the SpinCo Group shall assume, such Unreleased SpinCo Liabilities without exchange of further consideration.

(iii) If SpinCo is unable to obtain, or to cause to be obtained, any such required consent, substitution, approval, amendment or release as set forth in clause (ii) of this Section 2.6(a), SpinCo and any relevant member of its Group that has assumed the applicable Unreleased SpinCo Liability shall indemnify, defend and hold harmless Parent against or from such Unreleased SpinCo Liability in accordance with the provisions of Article V and shall, as agent or subcontractor for Parent, pay, perform and discharge fully all the obligations or other Liabilities of Parent thereunder.

*(b) Assignment and Novation of Parent Liabilities.*

(i) Prior to the Separation Time, Parent, at the request of SpinCo, shall use its commercially reasonable efforts to obtain, or to cause to be obtained, as soon as reasonably practicable, any consent, substitution, approval or amendment required to novate or assign all Parent Liabilities and obtain in writing the unconditional release of each member of the SpinCo Group that is a party to any such arrangements, so that, in any such case, the members of the Parent Group shall be solely responsible for such Parent Liabilities; provided, however, that, except as otherwise expressly provided in this Agreement or any of the Ancillary Agreements, neither Parent nor SpinCo shall be obligated to contribute any capital or pay any consideration in any form (including providing any letter of credit, guaranty or other financial accommodation or agreeing to any amended contract terms) to any third (3rd) Person from whom any such consent, substitution, approval, amendment or release is requested. To the extent such substitution contemplated by the first sentence of this Section 2.6(b)(i) has been effected, the members of the SpinCo Group shall, from and after the Separation Time, cease to have any obligation whatsoever arising from or in connection with such Parent Liabilities.

(ii) If Parent or SpinCo is unable to obtain, or to cause to be obtained, any such required consent, substitution, approval, amendment or release and the applicable member of the SpinCo Group continues to be bound by such agreement, lease, license or other obligation or Liability (each, an "Unreleased Parent Liability"), Parent shall, to the extent not prohibited by Law, (A) use its commercially reasonable effort to effect such consent, substitution, approval, amendment or release as soon as practicable following the Separation Time, and (B) as indemnitor, guarantor, agent or subcontractor for such member of the SpinCo Group, as the case may be, (1) pay, perform and discharge fully all the obligations or other Liabilities of such member of the SpinCo Group that constitute Unreleased Parent Liabilities from and after the Separation Time and (2) use its commercially reasonable efforts to effect such payment, performance or discharge prior to any demand for such payment, performance or discharge is permitted to be made by the obligee thereunder on any member of the SpinCo Group. If and when any such consent, substitution, approval, amendment or release shall be obtained or the Unreleased Parent Liabilities shall otherwise become assignable or able to be novated, SpinCo shall promptly assign, or cause to be assigned, and Parent or the applicable member of the Parent Group shall assume, such Unreleased Parent Liabilities without exchange of further consideration.

(iii) If Parent is unable to obtain, or to cause to be obtained, any such required consent, substitution, approval, amendment or release as set forth in clause (i) of this [Section 2.6\(b\)](#), Parent and any relevant member of its Group (except for members of the SpinCo Group) that has assumed the applicable Unreleased Parent Liability shall indemnify, defend and hold harmless SpinCo against or from such Unreleased Parent Liability in accordance with the provisions of [Article V](#) and shall, as agent or subcontractor for SpinCo, pay, perform and discharge fully all the obligations or other Liabilities of SpinCo thereunder.

2.7 [Release of Guarantees](#). In furtherance of, and not in limitation of, the obligations set forth in [Section 2.6](#):

(a) At or prior to the Distribution Date or as soon as practicable thereafter, each of Parent and SpinCo shall, at the request of the other Party and with the reasonable cooperation of such other Party and the applicable member(s) of such other Party's Group, use commercially reasonable efforts to (i) have any member(s) of the Parent Group removed as guarantor of or obligor for any SpinCo Liability, including the removal of any Security Interest on or in any Parent Asset that may serve as collateral or security for any such SpinCo Liability; and (ii) have any member(s) of the SpinCo Group removed as guarantor of or obligor for any Parent Liability, including the removal of any Security Interest on or in any SpinCo Asset that may serve as collateral or security for any such Parent Liability.

(b) To the extent required to obtain a release from a guarantee of:

(i) any member of the Parent Group, SpinCo shall execute a guarantee agreement in the form of the existing guarantee or such other form as is agreed to by the relevant parties to such guarantee agreement, which agreement shall include the removal of any Security Interest on or in any Parent Asset that may serve as collateral or security for any such SpinCo Liability, except to the extent that such existing guarantee contains representations, covenants or other terms or provisions either (x) with which SpinCo would be reasonably unable to comply or (y) with which SpinCo would not reasonably be able to avoid breaching; and

(ii) any member of the SpinCo Group, Parent shall execute a guarantee agreement in the form of the existing guarantee or such other form as is agreed to by the relevant parties to such guarantee agreement, which agreement shall include the removal of any Security Interest on or in any SpinCo Asset that may serve as collateral or security for any such Parent Liability, except to the extent that such existing guarantee contains representations, covenants or other terms or provisions either (x) with which Parent would be reasonably unable to comply or (y) with which Parent would not reasonably be able to avoid breaching.

(c) If Parent or SpinCo is unable to obtain, or to cause to be obtained, any such required removal or release, or is expressly not required to do so, in each case as set forth in clauses (a) and (b) of this Section 2.7, (i) the Party or the relevant member of its Group that is responsible pursuant to this Agreement for the Liability associated with such guarantee shall indemnify, defend and hold harmless the guarantor or obligor, as applicable, against or from any Liability arising from or relating thereto in accordance with the provisions of Article V and shall, as agent or subcontractor for such guarantor or obligor, pay, perform and discharge fully all the obligations or other Liabilities of such guarantor or obligor thereunder; and (ii) each of Parent and SpinCo, on behalf of itself and the other members of their respective Group, agree not to renew or extend the term of, increase any obligations under, or transfer to a Third Party, any loan, guarantee, lease, contract or other obligation for which the other Party or a member of its Group is or may be liable unless all obligations of such other Party and the members of such other Party's Group with respect thereto are thereupon terminated by documentation satisfactory in form and substance to such other Party.

#### 2.8 Termination of Agreements

(a) Except as set forth in Section 2.8(b), in furtherance of the releases and other provisions of Section 5.1, SpinCo and each member of the SpinCo Group, on the one hand, and Parent and each member of the Parent Group, on the other hand, hereby terminate any and all agreements, arrangements, commitments or understandings, whether or not in writing, between or among SpinCo and/or any member of the SpinCo Group, on the one hand, and Parent and/or any member of the Parent Group, on the other hand, effective as of the Separation Time. No such terminated agreement, arrangement, commitment or understanding (including any provision thereof which purports to survive termination) shall be of any further force or effect after the Separation Time. Each Party shall, at the reasonable request of the other Party, take, or cause to be taken, such other actions as may be necessary to effect the foregoing.

(b) The provisions of Section 2.8(a) shall not apply to any of the following agreements, arrangements, commitments or understandings (or to any of the provisions thereof):

(i) this Agreement and the Ancillary Agreements (and each other agreement or instrument expressly contemplated by this Agreement or any Ancillary Agreement to be entered into by any of the Parties or any of the members of their respective Groups or to be continued from and after the Separation Time);

(ii) any agreements, arrangements, commitments or intercompany accounts receivable, accounts payable or other intercompany accounts listed or described on Schedule 2.8(b)(ii), which shall be treated as described therein;

(iii) any agreements, arrangements, commitments or understandings to which any Third Party is a party thereto, including any Shared Contracts; and

(iv) any agreements, arrangements, commitments or understandings to which any non-wholly owned Subsidiary of Parent or SpinCo, as the case may be, is a party (it being understood that directors' qualifying shares or similar interests will be disregarded for purposes of determining whether a Subsidiary is wholly owned).

(c) All of the intercompany accounts receivable and accounts payable between any member of the Parent Group, on the one hand, and any member of the SpinCo Group, on the other hand, outstanding as of the Separation Time and arising out of the contracts or agreements described in [Section 2.8\(b\)](#) or out of the provision, prior to the Separation Time, of the services to be provided following the Separation Time pursuant to the Ancillary Agreements shall be repaid or settled following the Separation Time in the ordinary course of business or, if otherwise mutually agreed prior to the Separation Time by duly authorized representatives of Parent and SpinCo, cancelled. All other intercompany accounts receivable and accounts payable between any member of the Parent Group, on the one hand, and any member of the SpinCo Group, on the other hand, outstanding as of the Separation Time shall be repaid or settled immediately prior to or as promptly as practicable after the Separation Time.

#### 2.9 Treatment of Shared Contracts

(a) Subject to applicable Law and without limiting the generality of the obligations set forth in [Section 2.1](#), unless the Parties otherwise agree or the benefits of any contract, agreement, arrangement, commitment or understanding described in this [Section 2.9](#) are expressly conveyed to the applicable Party pursuant to this Agreement or an Ancillary Agreement, any contract or agreement, a portion of which relates to matters that would be the subject of a SpinCo Contract, but the remainder of which relates to matters that would be the subject of a Parent Asset (any such contract or agreement, a "Shared Contract"), shall be assigned in relevant part to the applicable member(s) of the applicable Group, if so assignable, or appropriately amended prior to, on or after the Separation Time, so that each Party or the member of its Group shall, as of the Separation Time, be entitled to the rights and benefits, and shall assume the related portion of any Liabilities, inuring to its respective businesses; provided, however, that (i) in no event shall any member of any Group be required to assign (or amend) any Shared Contract in its entirety or to assign a portion of any Shared Contract which is not assignable (or cannot be amended) by its terms (including any terms imposing consents or conditions on an assignment where such consents or conditions have not been obtained or fulfilled) and (ii) if any Shared Contract cannot be so partially assigned by its terms or otherwise, or cannot be amended or if such assignment or amendment would impair the benefit the parties thereto derive from such Shared Contract, then the Parties shall, and shall cause each of the members of their respective Groups to, take such other reasonable and permissible actions (including by providing prompt notice to the other Party with respect to any relevant claim of Liability or other relevant matters arising in connection with a Shared Contract so as to allow such other Party the ability to exercise any applicable rights under such Shared Contract) to cause a member of the SpinCo Group or the Parent Group, as the case may be, to receive the rights and benefits of that portion of each Shared Contract that relates to the SpinCo Business or the Parent Business, as the case may be (in each case, to the extent so related), as if such Shared Contract had been assigned to a member of the applicable Group (or amended to allow a member of the applicable Group to exercise applicable rights under such Shared Contract) pursuant to this [Section 2.9](#), and to bear the burden of the corresponding Liabilities (including any Liabilities that may arise by reason of such arrangement), as if such Liabilities had been assumed by a member of the applicable Group pursuant to this [Section 2.9](#).

(b) Each of Parent and SpinCo shall, and shall cause the members of its Group to, (i) treat for all Tax purposes the portion of each Shared Contract inuring to its respective businesses as an Asset owned by, and/or a Liability of, as applicable, such Party, or the members of its Group, as applicable, not later than the Separation Time, and (ii) neither report nor take any Tax position (on a Tax Return or otherwise) inconsistent with such treatment (unless required by applicable Law).

(c) Nothing in this Section 2.9 shall require any member of any Group to make any non-de-minimis payment (except to the extent advanced, assumed or agreed in advance to be reimbursed by any member of the other Group), incur any non-de-minimis obligation or grant any non-de-minimis concession for the benefit of any member of any other Group in order to effect any transaction contemplated by this Section 2.9.

2.10 Bank Accounts; Cash Balances.

(a) Each Party agrees to take, or cause the members of its Group to take, at the Separation Time (or such earlier time as the Parties may agree), all actions necessary to amend all contracts or agreements governing each bank and brokerage account owned by SpinCo or any other member of the SpinCo Group (collectively, the "SpinCo Accounts") and all contracts or agreements governing each bank or brokerage account owned by Parent or any other member of the Parent Group (collectively, the "Parent Accounts") so that each such SpinCo Account and Parent Account, if currently linked (whether by automatic withdrawal, automatic deposit or any other authorization to transfer funds from or to, hereinafter "Linked") to any Parent Account or SpinCo Account, respectively, is de-Linked from such Parent Account or SpinCo Account, respectively.

(b) It is intended that, following consummation of the actions contemplated by Section 2.10(a), there will be in place a cash management process pursuant to which the SpinCo Accounts will be managed and funds collected will be transferred into one (1) or more accounts maintained by SpinCo or a member of the SpinCo Group.

(c) It is intended that, following consummation of the actions contemplated by Section 2.10(a), there will continue to be in place a cash management process pursuant to which the Parent Accounts will be managed and funds collected will be transferred into one (1) or more accounts maintained by Parent or a member of the Parent Group.

(d) With respect to any outstanding checks issued or payments initiated by Parent, SpinCo, or any of the members of their respective Groups prior to the Separation Time, such outstanding checks and payments shall be honored following the Separation Time by the Person or Group owning the account on which the check is drawn or from which the payment was initiated, respectively.

(e) As between Parent and SpinCo, and the members of their respective Groups, all payments made and reimbursements received after the Separation Time by either Party (or member of its Group) that relate to a business, Asset or Liability of the other Party (or member of its Group), shall be held by such Party in trust for the use and benefit of the Party entitled thereto and, promptly following receipt by such Party of any such payment or reimbursement, such Party shall pay over, or shall cause the applicable member of its Group to pay over to the other Party the amount of such payment or reimbursement without right of set-off.

2.11 Ancillary Agreements. Effective at or prior to the Separation Time, each of Parent and SpinCo will, or will cause the applicable members of their Groups to, execute and deliver all Ancillary Agreements to which it is a party.

2.12 Transition Committee. Upon or prior to the Separation Time, the Parties shall establish a transition committee (the "Transition Committee") that shall consist of two members from each of Parent and SpinCo. From and after the Separation Time, the Transition Committee shall be responsible for monitoring and managing all matters related to any of the transactions contemplated by this Agreement or any Ancillary Agreements. From and after the Separation Time, the Transition Committee shall have the authority to (a) establish one or more subcommittees from time to time as it deems appropriate or as may be described in any Ancillary Agreements, with each such subcommittee comprised of one or more members of the Transition Committee or one or more employees of any of the Parties or any members of their respective Groups, and each such subcommittee having such scope of responsibility as may be determined by the Transition Committee from time to time; (b) delegate to any such committee any of the monitoring and managing authority of the Transition Committee; and (c) combine, modify the scope of responsibility of, and disband any such subcommittees, and to modify or reverse any such delegations. The Transition Committee shall establish general procedures for managing the responsibilities delegated to it under this Section 2.12, which may include oversight of the "SMO" or any successor committee, and may modify such procedures from time to time. All decisions by the Transition Committee or any subcommittee thereof shall be effective only if mutually agreed by each of the applicable Parties. The Parties shall utilize the procedures set forth in Article VIII to resolve any matters as to which the Transition Committee is not able to reach a decision.

2.13 Disclaimer of Representations and Warranties. EACH OF PARENT (ON BEHALF OF ITSELF AND EACH MEMBER OF THE PARENT GROUP) AND SPINCO (ON BEHALF OF ITSELF AND EACH MEMBER OF THE SPINCO GROUP) UNDERSTANDS AND AGREES THAT, EXCEPT AS EXPRESSLY SET FORTH HEREIN OR IN ANY ANCILLARY AGREEMENT, NO PARTY TO THIS AGREEMENT, ANY ANCILLARY AGREEMENT OR ANY OTHER AGREEMENT OR DOCUMENT CONTEMPLATED BY THIS AGREEMENT, ANY ANCILLARY AGREEMENT OR OTHERWISE, IS REPRESENTING OR WARRANTING IN ANY WAY AS TO THE ASSETS, BUSINESSES OR LIABILITIES TRANSFERRED OR ASSUMED AS CONTEMPLATED HEREBY OR THEREBY, AS TO ANY CONSENTS OR APPROVALS REQUIRED IN CONNECTION THEREWITH (INCLUDING WITHOUT LIMITATION GOVERNMENTAL APPROVALS OR PERMITS OF ANY KIND), AS TO THE VALUE OR FREEDOM FROM ANY SECURITY INTERESTS OF, OR ANY OTHER MATTER CONCERNING, ANY ASSETS OF SUCH PARTY, OR AS TO THE ABSENCE OF ANY DEFENSES OR RIGHT OF SETOFF OR FREEDOM FROM COUNTERCLAIM WITH RESPECT TO ANY CLAIM OR OTHER ASSET, INCLUDING ANY ACCOUNTS RECEIVABLE, OF ANY PARTY, OR AS TO THE LEGAL SUFFICIENCY OF ANY ASSIGNMENT, DOCUMENT OR INSTRUMENT DELIVERED HEREUNDER TO CONVEY TITLE TO ANY ASSET OR THING OF VALUE UPON THE EXECUTION, DELIVERY AND FILING HEREOF OR THEREOF. EXCEPT AS MAY EXPRESSLY BE SET FORTH HEREIN OR IN ANY ANCILLARY AGREEMENT, ALL SUCH ASSETS ARE BEING TRANSFERRED ON AN "AS IS," "WHERE IS" BASIS (AND, IN THE CASE OF ANY REAL PROPERTY, BY MEANS OF A QUITCLAIM OR SIMILAR FORM OF DEED OR CONVEYANCE) AND THE RESPECTIVE TRANSFERREES SHALL

BEAR, WITHOUT LIMITATION, THE ECONOMIC AND LEGAL RISKS THAT (I) ANY CONVEYANCE WILL PROVE TO BE INSUFFICIENT TO VEST IN THE TRANSFEREE GOOD AND MARKETABLE TITLE, FREE AND CLEAR OF ANY SECURITY INTEREST, AND (II) ANY NECESSARY APPROVALS OR NOTIFICATIONS ARE NOT OBTAINED OR MADE OR THAT ANY REQUIREMENTS OF LAWS OR JUDGMENTS ARE NOT COMPLIED WITH.

2.14 SpinCo Financing Arrangements

(a) At or prior to the Separation Time, (i) SpinCo shall enter into one or more financing arrangements and agreements with unaffiliated third-party lenders (the "SpinCo Financing Arrangements"), and (ii) SpinCo shall use a portion of the proceeds from the SpinCo Financing Arrangements in an amount to be mutually agreed to repay the SpinCo Purchase Debt.

(b) Parent and SpinCo agree to take all necessary actions to assure the full release and discharge of Parent and the other members of the Parent Group from all obligations pursuant to the SpinCo Financing Arrangements as of no later than the Separation Time. The Parties agree that SpinCo, and not Parent or any member of the Parent Group, is and shall be responsible for all costs and expenses incurred in connection with the SpinCo Financing Arrangements.

(c) Prior to the Separation Time, Parent and SpinCo shall cooperate in the preparation of all materials as may be necessary or advisable to execute the SpinCo Financing Arrangements.

ARTICLE III  
THE IPO

3.1 Sole and Absolute Discretion: Cooperation Subject to the terms of the Underwriting Agreement, Parent may, in its sole and absolute discretion, determine the terms of the IPO, including the form, structure and terms of any transaction(s) and/or offering(s) to effect the IPO and the timing and conditions to the consummation of the IPO. In addition, subject to the terms of the Underwriting Agreement, Parent may, at any time and from time to time until the consummation of the IPO, modify or change the terms of the IPO, including by accelerating or delaying the timing of the consummation of all or part of the IPO. SpinCo shall cooperate with Parent to accomplish the IPO and shall, at Parent's direction, promptly take any and all actions necessary or desirable to effect the IPO, including, without limitation, the registration under the Securities Act of Initial Common Shares on an appropriate registration form or forms to be designated by Parent and the filing of the Canadian Prospectus with the Canadian Securities Authorities for purposes of effecting a distribution of the Initial Common Shares in the provinces and territories of Canada.

3.2 Actions Prior to the IPO

(a) Subject to the conditions specified in Section 3.3, Parent and SpinCo shall use their reasonable best efforts to consummate the IPO. Such actions shall include, but not necessarily be limited to, those specified in this Section 3.2.

(b) *Registration Statements and Canadian Prospectus.* SpinCo shall prepare and file the IPO Registration Statement and the Canadian Prospectus, and such amendments or supplements thereto, and use its reasonable best efforts to cause the same to become and remain effective and to obtain the applicable receipt from the Canadian Securities Authorities, respectively, as required by Law or by the Underwriting Agreement, including, but not limited to, filing such amendments to the IPO Registration Statement and the Canadian Prospectus as may be required by the Underwriting Agreement, the SEC, the Canadian Securities Authorities or federal, state, provincial or foreign securities Laws. Parent and SpinCo shall also cooperate in preparing, filing with the SEC and causing to become effective a registration statement registering the Initial Common Shares under the Exchange Act, and any registration statements or amendments thereof which are required to reflect the establishment of, or amendments to, any employee benefit and other plans necessary or appropriate in connection with the Transactions or the other transactions contemplated by this Agreement and the Ancillary Agreements, as well as take all necessary steps with the Canadian Securities Authorities and the TSX in regards to such employee benefit and other plans necessary or appropriate in connection with the Transactions or the other transactions contemplated by this Agreement and the Ancillary Agreements.

(c) *Underwriting Activities.* Parent and SpinCo shall enter into the Underwriting Agreement, in form and substance reasonably satisfactory to Parent and shall comply with their respective obligations thereunder.

(d) *IPO Consultation.* Parent and SpinCo shall consult with each other and the Underwriters regarding the timing, pricing and other material matters with respect to the IPO.

(e) *Securities Law Matters.* To the extent required under applicable Law, Parent and SpinCo shall prepare, and SpinCo shall file, as applicable, with the SEC and the Canadian Securities Authorities any such documentation and any requisite no-action letters which Parent determines are necessary or desirable to effectuate the IPO, and Parent and SpinCo shall each use its reasonable best efforts to obtain all necessary approvals from the SEC and the Canadian Securities Authorities with respect thereto as soon as practicable. Each of Parent and SpinCo shall use its reasonable best efforts to take all such action as may be necessary or appropriate under state, federal and provincial securities and blue sky laws of the United States and Canada (and any comparable Laws under any foreign jurisdictions) in connection with the IPO.

(f) *Exchange Listings.* SpinCo shall prepare, file and use reasonable best efforts to seek to make effective, an application for listing of the Initial Common Shares to be issued in the IPO on each of NYSE and TSX, in each case subject to official notice of issuance and, in the case of the TSX, shall file all documents required by the TSX in connection with such listing application for purposes of obtaining the conditional and final approvals of the TSX in connection with the IPO.

(g) *Preparation of Materials.* SpinCo shall participate in the preparation of materials and presentations.



(h) *IPO Costs.* Other than the SEC registration fee, the FINRA fee and the Underwriters' commission as provided in the Underwriting Agreement, which were or will be, as applicable, paid by Parent, SpinCo shall pay all third-party costs, fees and expenses relating to the IPO, including, without limitation, all fees related to the listing of the Initial Common Shares to be issued in the IPO on each of NYSE and TSX, all of the reimbursable expenses of the Underwriters pursuant to the Underwriting Agreement and all of the costs of producing, printing, mailing and otherwise distributing the Prospectus and the Canadian Prospectus.

(i) *SpinCo Directors and Officers.* On or prior to the IPO Closing Date, Parent and SpinCo shall take all necessary actions so that, as of the IPO Closing Date, the directors and executive officers of SpinCo shall be those set forth in the IPO Registration Statement and Canadian Prospectus, unless otherwise agreed by the Parties.

(j) *SpinCo Articles.* On or prior to the IPO Closing Date, Parent and SpinCo shall each take all actions that may be required to provide for the adoption by SpinCo of the Amended Articles of SpinCo substantially in the form attached as Exhibit A.

### 3.3 Conditions Precedent to Consummation of the IPO.

(a) Subject to Section 3.1, as soon as practicable after the date of this Agreement, the Parties hereto shall use their reasonable best efforts to satisfy the conditions to the consummation of the IPO set forth in this Section 3.3. The obligations of the Parties to consummate the IPO shall be conditioned on the satisfaction, or waiver by Parent in its sole discretion, of the following conditions:

(i) The transfer of the SpinCo Assets (other than any Delayed SpinCo Asset) and SpinCo Liabilities (other than any Delayed SpinCo Liability) contemplated to be transferred from Parent to SpinCo at or prior to the Separation Time shall have occurred as contemplated by Section 2.1, and the transfer of the Parent Assets (other than any Delayed Parent Asset) and Parent Liabilities (other than any Delayed Parent Liability) contemplated to be transferred from SpinCo to Parent at or prior to the Separation Time shall have occurred as contemplated by Section 2.1, in each case, pursuant to the Plan of Reorganization in a manner reasonably satisfactory to the Parties.

(ii) The IPO Registration Statement shall have been filed and declared effective by the SEC, and there shall be no stop-order in effect with respect thereto, and no proceeding for that purpose shall have been instituted by the SEC.

(iii) The applicable Canadian Prospectus shall have been filed and a receipt obtained from the applicable Canadian Securities Authorities in connection therewith and there shall be no order preventing or suspending the use of the Canadian Prospectus having been issued by the Canadian Securities Authorities.

(iv) The actions and filings with regard to state, federal and provincial securities and blue sky laws of the United States and Canada (and any comparable Laws under any foreign jurisdictions) referenced in Section 3.2(e), if any, shall have been taken and, where applicable, have become effective or been accepted.

(v) The Initial Common Shares to be issued in the IPO shall have been accepted for listing on each of NYSE and TSX, in each case subject to official notice of issuance.

(vi) The Specified Ancillary Agreements and the Arrangement Agreement shall have been duly executed and delivered by the parties thereto.

(vii) SpinCo and Parent shall have entered into the Underwriting Agreement, and all conditions to the obligations of Parent, SpinCo and the Underwriters shall have been satisfied or waived.

(viii) Parent shall be satisfied that it will own at least 80.1% of the total voting power with respect to the election and removal of directors of the outstanding Initial Common Shares following the IPO, and Parent shall be satisfied in its sole discretion that all other conditions to permit the Distribution to qualify as generally tax-free to Parent, SpinCo and Parent's shareholders shall, to the extent applicable as of the time of the IPO, be satisfied, and there shall be no event or condition that is likely to cause any of such conditions not to be satisfied as of the time of the Distribution or thereafter.

(ix) No order, injunction or decree issued by any court or agency of competent jurisdiction or other legal restraint or prohibition preventing the consummation of the Separation or the IPO or any of the other transactions contemplated by this Agreement or any other Ancillary Agreement shall be in effect.

(x) The Separation and related transactions having been approved by the Parent Board.

(xi) The Arrangement shall have been approved by Parent, as sole shareholder of SpinCo.

(xii) Such other actions as the parties hereto may, based upon the advice of counsel, reasonably request to be taken prior to the Separation and the IPO in order to assure the successful completion of the Separation and the IPO and the other transactions contemplated by this Agreement shall have been taken.

(xiii) This Agreement shall not have been terminated.

(xiv) Subject to the terms of the Underwriting Agreement, no event or development shall have occurred or exist or be expected to occur that, in the judgment of the Parent Board, in its sole discretion, makes it inadvisable to effect the Separation or the IPO.

(b) The foregoing conditions are for the sole benefit of Parent and shall not give rise to or create any duty on the part of Parent or the Parent Board to waive or not waive such conditions or in any way limit Parent's right to terminate this Agreement as set forth in Article X or alter the consequences of any such termination from those specified in such Article. Any determination made by the Parent Board prior to the IPO concerning the satisfaction or waiver of any or all of the conditions set forth in this Section 3.3 shall be conclusive.

ARTICLE IV  
THE DISTRIBUTION

4.1 Sole and Absolute Discretion; Cooperation(a) .

(a) Parent currently intends to effect the Distribution following the consummation of the IPO pursuant to the Arrangement; provided, however, that the Parent Board may, in its sole and absolute discretion, determine whether to proceed with, and the terms of the Distribution, including the form (including whether to effect the transaction as a *pro rata* spin-off, a split-off, an amended plan of arrangement, one or more distributions effected as a dividend to all Parent shareholders, one or more distributions in exchange for Parent Common Shares or other securities, or a combination of one or more of such transactions), structure and terms of any transaction(s) and/or offering(s) to effect the Distribution. Subject to any restrictions contained in the Underwriting Agreement and any lock-up agreement with the Underwriters and any lock-up agreement with the Underwriters, the Parent Board shall have the sole discretion to determine the date of consummation of the Distribution at any time after the IPO Closing Date, and such date as so determined by Parent is referred to herein as the "Distribution Date".

(b) SpinCo shall cooperate with Parent to accomplish the Distribution and shall, at Parent's direction, promptly take any and all actions necessary or desirable to effect the Distribution. Parent shall select any investment bank or manager in connection with the Distribution, as well as any Agent, financial printer, solicitation and/or exchange agent and financial, legal, accounting and other advisors for Parent. SpinCo and Parent, as the case may be, will provide to the Agent all share certificates and any information required in order to complete the Distribution.

4.2 Actions Prior to the Distribution. Prior to the Distribution Date and subject to the terms and conditions set forth herein and in the Arrangement Agreement, the Parties shall take, or cause to be taken, the following actions in connection with the Distribution:

(a) Meeting Materials. Parent and SpinCo shall prepare and Parent shall file with the SEC and, if applicable, with the Canadian Securities Authorities and/or TSX a preliminary proxy statement/management circular, and Parent and SpinCo shall subsequently prepare, file and mail (as applicable) the Meeting Materials to the holders of Parent Common Shares, and such amendments, supplements or response letters thereto, in each case, in accordance with applicable Law and the Arrangement Agreement (for clarity, including the use of "notice and access").

(b) Securities Law Matters. Parent and SpinCo shall prepare and mail, prior to any Distribution Date, to the holders of Parent Common Shares, such information concerning SpinCo, its business, operations and management, the Distribution and such other matters as Parent shall reasonably determine and as may be required by Law. Parent and SpinCo will prepare, and SpinCo will, to the extent required under applicable Law, file with the SEC and the Canadian Securities Authorities any such documentation and any requisite no-action letters which Parent determines are necessary or desirable to effectuate the Distribution, and Parent and SpinCo shall each use its reasonable best efforts to obtain all necessary approvals from the SEC and the Canadian Securities Authorities with respect thereto as soon as practicable. Each of Parent and SpinCo shall use its reasonable best efforts to take all such action as may be necessary or appropriate under state, federal and provincial securities and blue sky laws of the United States and Canada (and any comparable Laws under any foreign jurisdictions) in connection with the Distribution.

(c) *Exchange Listing*. SpinCo, in respect of the Resulting Entity Common Shares, and Parent, in respect of the Parent New Common Shares, shall prepare, file and use reasonable best efforts to seek to make effective, an application for listing of the Resulting Entity Common Shares or the Parent New Common Shares, as applicable, to be issued in the Distribution on each of NYSE and TSX, in each case subject to official notice of issuance and, in the case of the TSX, shall file all documents required by the TSX in connection with such listing application for purposes of obtaining the conditional and final approvals of the TSX in connection with the foregoing.

(d) *The Distribution Agent*. Parent shall enter into a distribution agent agreement with the Agent or otherwise provide instructions to the Agent regarding the Distribution.

(e) *Stock-Based Employee Benefit Plan*. Parent and SpinCo shall take all actions as may be necessary to approve the grants of adjusted equity awards by Parent (in respect of Parent Common Shares) and SpinCo (in respect of Resulting Entity Common Shares) in connection with the Distribution in order to satisfy the requirements of Rule 16b-3 under the Exchange Act and applicable Canadian securities laws and the requirements of the TSX and applicable Canadian securities laws and the requirements of the TSX.

(f) *Interim Order*. Parent and SpinCo shall take all action necessary in accordance with applicable Law and the Arrangement Agreement to obtain the Interim Order.

(g) *Shareholders Meetings; Other Approvals*. Parent and SpinCo shall take all action necessary in accordance with applicable Law, the Interim Order and the applicable constating documents to set a record date for, duly give notice of, convene and, following the mailing of the applicable meeting materials to shareholders, hold each applicable meeting of shareholders necessary to obtain the approvals required by the Interim Order, including the Parent Shareholders Meeting. Parent and SpinCo shall cooperate in accordance with the Arrangement Agreement to obtain or make, as applicable, any other Approvals or Notifications that may be required in connection with the Arrangement Agreement.

(h) *Final Order*. Parent and SpinCo shall take the actions set forth in the Arrangement Agreement with respect to obtaining the Final Order.

(i) *Shareholders Meetings, Interim Order and Final Order Costs*. Parent shall pay all third-party costs, fees and expenses relating to the Parent Shareholders Meeting, the Interim Order and the Final Order, including all of the costs of producing, printing, mailing and otherwise distributing the Meeting Materials in respect of the Parent Shareholders Meeting. Except as provided in the preceding sentence, SpinCo shall pay all third-party costs, fees and expenses relating to any meeting of the SpinCo shareholders that may be required pursuant to the Interim Order, if any (including all of the costs of producing, printing, mailing and otherwise distributing the applicable meeting materials in respect of any such meeting). In order for Parent and SpinCo to fulfill their obligations in this [Section 4.2](#), SpinCo shall provide services to Parent as set forth in the Transition Services Agreement at Parent's sole cost and expense, including legal and administrative services whereby SpinCo

will provide certain services to Parent in order to effect the Distribution; provided, for clarity, that such services shall not provide SpinCo with any executive management or business decisionmaking functions in respect of determinations to be made by Parent with respect to the Distribution, including as to the timing, nature or terms of such Distribution, or in respect of Parent's exercise of any of its rights under or in respect of this Agreement, the Arrangement Agreement or the Distribution.

4.3 Conditions to the Distribution.

(a) The consummation of the Distribution will be subject to the satisfaction, or waiver by Parent in its sole and absolute discretion, of the following conditions:

- (i) Parent shall have received the Tax Ruling on terms consistent with the Arrangement Agreement, and such Tax Ruling shall not have been withdrawn or rescinded.
- (ii) Parent shall have received the U.S. Tax Opinion on terms consistent with the Arrangement Agreement, and such U.S. Tax Opinion shall not have been withdrawn or rescinded.
- (iii) All Governmental Approvals necessary to consummate the Distribution shall have been obtained and be in full force and effect.
- (iv) The Parent Shareholder Approval shall have been obtained.
- (v) The Interim Order and the Final Order shall have been obtained on terms consistent with the Arrangement Agreement and shall not have been set aside or modified in a manner acceptable to Parent and SpinCo, acting reasonably, on appeal or otherwise.
- (vi) The Distribution and related transactions shall have been approved by the Parent Board.
- (vii) The Distribution and related transactions shall have been approved by the SpinCo Board.
- (viii) An independent appraisal firm acceptable to Parent shall have delivered one or more opinions to the Parent Board confirming the solvency and financial viability of Parent prior to the Distribution and of Parent and the Resulting Entity after consummation of the Distribution, and such opinions shall be acceptable to the Parent Board in form and substance in the Parent Board's sole discretion and such opinion(s) shall not have been withdrawn or rescinded.
- (ix) The actions and filings necessary or appropriate under applicable U.S. federal, U.S. state or other securities Laws or blue sky laws and the rules and regulations thereunder in connection with the Distribution shall have been taken or made, and, where applicable, have become effective or been accepted by the applicable Governmental Authority.

(x) No order, injunction or decree issued by any Governmental Authority of competent jurisdiction or other legal restraint or prohibition preventing the consummation of the Distribution or any of the transactions related thereto shall be in effect, and no other event outside the control of Parent shall have occurred or failed to occur that prevents the consummation of the Distribution or any related transactions.

(xi) The Parent New Common Shares and the Resulting Entity Common Shares to be distributed to the Parent shareholders in the Distribution shall have been accepted for listing on each of NYSE and TSX, in each case subject to official notice of distribution.

(xii) The other conditions set forth in Article IV of the Arrangement Agreement shall have been satisfied or waived.

(xiii) No other events or developments shall exist or shall have occurred subsequent to the completion of the IPO that, in the judgment of the Parent Board, in its sole and absolute discretion, makes it inadvisable to effect the Distribution.

(b) The foregoing conditions are for the sole benefit of Parent and shall not give rise to or create any duty on the part of Parent or the Parent Board to waive or not waive any such condition or in any way limit Parent's right to terminate this Agreement as set forth in Article X or alter the consequences of any such termination from those specified in such Article. Any determination made by the Parent Board prior to the Distribution concerning the satisfaction or waiver of any or all of the conditions set forth in Section 4.3(g) shall be conclusive and binding on the Parties.

#### 4.4 The Distribution.

(a) Subject to Section 4.3, on the Effective Date (as defined in the Plan of Arrangement), Parent and SpinCo shall procure that the Plan of Arrangement occur on the terms set forth therein.

(b) Any Resulting Entity Common Shares, together with any fractional interests (if any), that remain unclaimed by any former registered shareholder of Parent or SpinCo, as the case may be, one hundred and eighty (180) days after the Distribution Date shall be delivered to the Resulting Entity, and the Resulting Entity or its transfer agent on its behalf shall hold such Resulting Entity Common Shares and cash (if any) for the account of such former registered shareholders, and the Parties agree that all obligations to hold and deliver such Resulting Entity Common Shares and cash (if any) shall be obligations of the Resulting Entity, subject in each case to applicable escheat or other abandoned property Laws, and Parent shall have no Liability with respect to such holding and delivery.

(c) Subject to [Section 4.4\(b\)](#), until the Resulting Entity Common Shares are issued to a former registered holder of Parent Special Shares or SpinCo Common Shares, as the case may be, in accordance with the Arrangement Agreement, Plan of Arrangement (including any necessary letters of transmittal or other similar document in respect of such transfer) and applicable Law, from and after the Distribution Date, the Resulting Entity will, to the greatest extent practicable and permitted by applicable Law, regard the Persons entitled to receive such Resulting Entity Common Shares as record holders of Resulting Entity Common Shares in accordance with the terms of the Distribution without requiring any action on the part of such Persons, including providing for the payment of all dividends or other distributions, if any, payable on the Resulting Entity Shares to which such holder is entitled (provided that such payment may be made at the time such dividends or other distributions are paid to other holders of Resulting Entity Shares or at the time the applicable Resulting Entity Common Shares are issued to such holder), and to take commercially reasonable steps to permit the exercise of voting rights and all other rights and privileges with respect to the Resulting Entity Common Shares to which such holder is entitled; provided, in each case, that, subject to applicable Law, Parent will provide reasonable access to the address and other information in respect of any such holder as may reasonably be required to permit the Resulting Entity to comply with its obligations under this [Section 4.4](#).

ARTICLE V  
MUTUAL RELEASES; INDEMNIFICATION

5.1 Release of Pre-Separation Claims

(a) *SpinCo Release of Parent*. Except as provided in [Section 5.1\(c\)](#) and [Section 5.1\(d\)](#), effective as of the Separation Time, SpinCo does hereby, for itself and each other member of the SpinCo Group, and their respective successors and assigns, and, to the extent permitted by Law, all Persons who at any time prior to the Separation Time have been shareholders, directors, officers, agents or employees of any member of the SpinCo Group or have served as directors, officers, agents or employees of another Person at the request of any member of the SpinCo Group (in each case, in their respective capacities as such), remise, release and forever discharge (i) Parent and the members of the Parent Group, and their respective successors and assigns, (ii) all Persons who at any time prior to the Separation Time have been shareholders, directors, officers, agents or employees of any member of the Parent Group or have served as directors, officers, agents or employees of another Person at the request of any member of the Parent Group (in each case, in their respective capacities as such), and their respective heirs, executors, administrators, successors and assigns, and (iii) all Persons who at any time prior to the Separation Time are or have been shareholders, directors, officers, agents or employees of a Transferred Entity or a wholly owned Subsidiary of a Transferred Entity and who are not, as of immediately following the Separation Time, directors, officers or employees of SpinCo or a member of the SpinCo Group (in each case, in their respective capacities as such), in each case from: (A) all SpinCo Liabilities, (B) all Liabilities arising from or in connection with the transactions and all other activities to implement the Transactions (for the avoidance of doubt this clause (B) shall not limit or affect indemnification obligations of the Parties set forth in this Agreement or any Ancillary Agreement) and (C) all Liabilities arising from or in connection with actions, inactions, events, omissions, conditions, facts or circumstances (including, for the avoidance of doubt, the presence of Hazardous Materials on the SpinCo Real Property) occurring or existing prior to the Separation Time (whether or not such Liabilities cease being contingent, mature, become known, are asserted or foreseen, or accrue, in each case before, at or after the Separation Time), in each case to the extent relating to, arising out of or resulting from the SpinCo Business, the SpinCo Assets, the SpinCo Liabilities or any member of the Parent Group's direct or indirect beneficial ownership of the capital stock of any member of the SpinCo Group or any member of Parent Group's management, oversight, supervision or operation of the SpinCo Business, the SpinCo Assets, the SpinCo Liabilities.

(b) *Parent Release of SpinCo.* Except as provided in [Section 5.1\(c\)](#) and [Section 5.1\(d\)](#), effective as of the Separation Time, Parent does hereby, for itself and each other member of the Parent Group and their respective successors and assigns, and, to the extent permitted by Law, all Persons who at any time prior to the Separation Time have been shareholders, directors, officers, agents or employees of any member of the Parent Group or have served as directors, officers, agents or employees of another Person at the request of any member of the Parent Group (in each case, in their respective capacities as such), remise, release and forever discharge (i) SpinCo and the members of the SpinCo Group and their respective successors and assigns, and (ii) all Persons who at any time prior to the Separation Time have been shareholders, directors, officers, agents or employees of any member of the SpinCo Group or have served as directors, officers, agents or employees of another Person at the request of any member of the Parent Group (in each case, in their respective capacities as such), and their respective heirs, executors, administrators, successors and assigns, from (A) all Parent Liabilities, (B) all Liabilities arising from or in connection with the transactions and all other activities to implement the Transactions (for the avoidance of doubt this clause (B) shall not limit or affect indemnification obligations of the Parties set forth in this Agreement or any Ancillary Agreement) and (C) all Liabilities arising from or in connection with actions, inactions, events, omissions, conditions, facts or circumstances occurring or existing prior to the Separation Time (whether or not such Liabilities cease being contingent, mature, become known, are asserted or foreseen, or accrue, in each case before, at or after the Separation Time), in each case to the extent relating to, arising out of or resulting from the Parent Business, the Parent Assets or the Parent Liabilities.

(c) *Obligations Not Affected.* Nothing contained in [Section 5.1\(a\)](#) or [5.1\(b\)](#) shall impair any right of any Person to enforce this Agreement, any Ancillary Agreement or any agreements, arrangements, commitments or understandings that are specified in [Section 2.8\(b\)](#) or the applicable Schedules to this Agreement or any Ancillary Agreement as not to terminate as of the Separation Time, in each case in accordance with its terms. Nothing contained in [Section 5.1\(a\)](#) or [5.1\(b\)](#) shall release any Person from:

(i) any Liability provided in or resulting from any agreement among any members of the Parent Group or any members of the SpinCo Group that is specified in [Section 2.8\(b\)](#) or the applicable Schedules to this Agreement or any Ancillary Agreement as not to terminate as of the Separation Time, or any other Liability specified in [Section 2.8\(b\)](#) as not to terminate as of the Separation Time;

(ii) any Liability, contingent or otherwise, assumed, transferred, assigned or allocated to the Group of which such Person is a member in accordance with, or any other Liability of any member of any Group, including with respect to indemnification or contribution, under, this Agreement or any Ancillary Agreement;

(iii) any Liability for the sale, lease, construction or receipt of goods, property or services purchased, obtained or used in the ordinary course of business by a member of one Group from a member of the other Group prior to the Separation Time;



(iv) any Liability for unpaid amounts for products or services or refunds owing on products or services due on a value received basis for work done by a member of one Group at the request or on behalf of a member of the other Group;

(v) any Liability provided in or resulting from any Contract or understanding that is entered into after the Separation Time between any Party (and/or a member of such Party's Group), on the one hand, and any other Party (and/or a member of the other Party's Group), on the other hand;

(vi) any Liability provided in or resulting from any agreement between any Person, who after the Separation Time is an employee of the SpinCo Group, on the one hand, and any member of the Parent Group, on the other hand, including any Liability resulting from any obligation of any such Person in respect of confidentiality, non-competition, non-disparagement or assignment of rights;

(vii) any Liability provided in or resulting from any agreement between any Person, who after the Separation Time is an employee of the Parent Group, on the one hand, and any member of the SpinCo Group, on the other hand, including any Liability resulting from any obligation of any such Person in respect of confidentiality, non-competition, non-disparagement or assignment of rights;

(viii) any Liability that the Parties may have with respect to any indemnification or contribution or other obligation pursuant to this Agreement, any Ancillary Agreement or otherwise for claims brought against the Parties by third Persons, which Liability shall be governed by the provisions of this [Article V](#) and [Article VI](#) and, if applicable, the appropriate provisions of the Ancillary Agreements; or

(ix) any Liability the release of which would result in the release of any Person other than a Person expressly contemplated to be released pursuant to this [Section 5.1](#).

In addition, nothing contained in [Section 5.1\(a\)](#) shall release any member of the Parent Group from honoring its existing obligations to indemnify any director, officer or employee of SpinCo who was a director, officer or employee of any member of the Parent Group at or prior to the Separation Time, to the extent such director, officer or employee becomes a named defendant in any Action with respect to which such director, officer or employee was entitled to such indemnification pursuant to such existing obligations; it being understood that, if the underlying obligation giving rise to such Action is SpinCo Liability, SpinCo shall indemnify Parent for such Liability (including Parent's costs to indemnify the director, officer or employee) in accordance with the provisions set forth in this [Article V](#).

(d) *No Claims.* SpinCo shall not make, and shall not permit any other member of the SpinCo Group to make, any claim or demand, or commence any Action asserting any claim or demand, including any claim of contribution or any indemnification, against Parent or any other member of the Parent Group, or any other Person released pursuant to [Section 5.1\(a\)](#), with respect to any Liabilities released pursuant to [Section 5.1\(a\)](#). Parent shall not make, and shall not permit any other member of the Parent Group to make, any claim or demand, or commence any Action asserting any claim or demand, including any claim of contribution or any indemnification, against SpinCo or any other member of the SpinCo Group, or any other Person released pursuant to [Section 5.1\(b\)](#), with respect to any Liabilities released pursuant to [Section 5.1\(b\)](#).

(e) *Execution of Further Releases.* At any time at or after the Separation Time, at the request of either Party, the other Party shall cause each member of its Group to execute and deliver releases reflecting the provisions of this Section 5.1.

5.2 Indemnification by SpinCo. Except as otherwise specifically set forth in this Agreement (including Section 5.11 herein) or in any Ancillary Agreement, to the fullest extent permitted by Law, SpinCo shall, and shall cause the other members of the SpinCo Group to, indemnify, defend and hold harmless Parent, each member of the Parent Group and each of their respective past, present and future directors, officers, employees and agents, in each case in their respective capacities as such, and each of the heirs, executors, successors and assigns of any of the foregoing (collectively, the "Parent Indemnitees"), from and against any and all Liabilities of the Parent Indemnitees relating to, arising out of or resulting from, directly or indirectly, any of the following items (without duplication):

- (a) any SpinCo Liability;
- (b) any failure of SpinCo, any other member of the SpinCo Group or any other Person to pay, perform or otherwise promptly discharge any SpinCo Liabilities in accordance with their terms, whether prior to, on or after the Separation Time;
- (c) any breach by SpinCo or any other member of the SpinCo Group of this Agreement or any of the Ancillary Agreements (other than the IP Matters Agreement, Transition Services Agreement and Arrangement Agreement, of which indemnification obligations of the Parties are specified thereunder);
- (d) except to the extent it relates to a Parent Liability, any guarantee, indemnification or contribution obligation, surety bond or other credit support agreement, arrangement, commitment or understanding for the benefit of any member of the SpinCo Group by any member of the Parent Group that survives following the Separation; and
- (e) any untrue statement or alleged untrue statement of a material fact or omission or alleged omission to state a material fact required to be stated therein or necessary to make the statements therein not misleading, with respect to all information (i) contained in the IPO Registration Statement, any Prospectus or any Canadian Prospectus (including in any amendments or supplements thereto) (other than in each case information provided by Parent to SpinCo specifically for inclusion in the IPO Registration Statement, any Prospectus or any Canadian Prospectus), (ii) contained in any public filings made by SpinCo with the SEC or the Canadian Securities Authorities following the date of the IPO, or (iii) provided by SpinCo to Parent specifically for inclusion in Parent's annual or quarterly or current reports following the date of the IPO to the extent (A) such information pertains to (x) a member of the SpinCo Group or (y) the SpinCo Business or (B) Parent has provided prior written notice to SpinCo that such information will be included in one or more annual or quarterly or current reports, specifying how such information will be presented, and the information is included in such annual or quarterly or

current reports; provided, that this subclause (B) shall not apply to the extent that any such Liability arises out of or results from, or in connection with, any action or inaction of any member of the Parent Group, including as a result of any misstatement or omission of any information by any member of the Parent Group to SpinCo; provided, further, that this clause (e) shall not apply to any indemnifiable matters set forth in Section 5.1 of the Arrangement Agreement, which shall be governed by the terms of the Arrangement Agreement.

5.3 Indemnification by Parent. Except as otherwise specifically set forth in this Agreement (including Section 5.11 herein) or in any Ancillary Agreement, to the fullest extent permitted by Law, Parent shall, and shall cause the other members of the Parent Group to, indemnify, defend and hold harmless SpinCo, each member of the SpinCo Group and each of their respective past, present and future directors, officers, employees or agents, in each case in their respective capacities as such, and each of the heirs, executors, successors and assigns of any of the foregoing (collectively, the "SpinCo Indemnitees"), from and against any and all Liabilities of the SpinCo Indemnitees relating to, arising out of or resulting from, directly or indirectly, any of the following items (without duplication):

- (a) any Parent Liability;
- (b) any failure of Parent, any other member of the Parent Group or any other Person to pay, perform or otherwise promptly discharge any Parent Liabilities in accordance with their terms, whether prior to, on or after the Separation Time;
- (c) any breach by Parent or any other member of the Parent Group of this Agreement or any of the Ancillary Agreements (other than the IP Matters Agreement, Transition Services Agreement and Arrangement Agreement, of which indemnification obligations of the Parties are specified thereunder);
- (d) except to the extent it relates to a SpinCo Liability, any guarantee, indemnification or contribution obligation, surety bond or other credit support agreement, arrangement, commitment or understanding for the benefit of any member of the Parent Group by any member of the SpinCo Group that survives following the Separation; and
- (e) any untrue statement or alleged untrue statement of a material fact or omission or alleged omission to state a material fact required to be stated therein or necessary to make the statements therein not misleading, with respect to all information (i) contained in the IPO Registration Statement or any Prospectus or any Canadian Prospectus (including in any amendments or supplements thereto) provided by Parent specifically for inclusion therein to the extent such information pertains to (x) any member of the Parent Group or (y) the Parent Business or (ii) provided by Parent to SpinCo specifically for inclusion in SpinCo's annual or quarterly or current reports following the date of the IPO to the extent (A) such information pertains to (x) a member of the Parent Group or (y) the Parent Business or (B) SpinCo has provided written notice to Parent that such information will be included in one or more annual or quarterly or current reports, specifying how such information will be presented, and the information is included in such annual or quarterly or current reports; provided, that this subclause (B) shall not apply to the extent that any such Liability arises out of or results from, or in connection with, any action or inaction of any member of the SpinCo Group, including as a result of any misstatement or omission of any information by any member of the SpinCo Group to Parent; provided, further, that this clause (e) shall not apply to any indemnifiable matters set forth in Section 5.2 of the Arrangement Agreement, which shall be governed by the terms of the Arrangement Agreement.

5.4 Indemnification Obligations Net of Insurance Proceeds and Other Amounts

(a) The Parties intend that any Liability subject to indemnification, contribution or reimbursement pursuant to this Article V or Article VI (i) will be net of Insurance Proceeds or other amounts in each case actually recovered (net of any out-of-pocket costs or expenses incurred in the collection thereof) from any Person by or on behalf of the Indemnitee in respect of any indemnifiable Liability, and (ii) shall take into account any Tax benefit realized by the Person entitled to indemnification or contribution hereunder (an "Indemnitee") (using the methodology set forth in the Tax Matters Agreement to determine the amount of any such Tax benefit) and any Tax cost incurred by the Indemnitee arising from the incurrence or payment of the indemnifiable Liabilities. Accordingly, the amount which either Party (an "Indemnifying Party") is required to pay to any Person entitled to indemnification or contribution hereunder (an "Indemnitee") will be reduced by any Insurance Proceeds or other amounts in each case actually recovered (net of any out-of-pocket costs or expenses incurred in the collection thereof) from any Person by or on behalf of the Indemnitee in respect of the related Liability. If an Indemnitee receives a payment (an "Indemnity Payment") required by this Agreement from an Indemnifying Party in respect of any Liability and subsequently receives Insurance Proceeds or any other amounts in respect of such Liability, then within ten (10) calendar days of receipt of such Insurance Proceeds, the Indemnitee will pay to the Indemnifying Party an amount equal to the excess of the Indemnity Payment received over the amount of the Indemnity Payment that would have been due if the Insurance Proceeds or such other amounts (net of any out-of-pocket costs or expenses incurred in the collection thereof) had been received, realized or recovered before the Indemnity Payment was made.

(b) The Parties agree that an insurer that would otherwise be obligated to pay any claim shall not be relieved of the responsibility with respect thereto or, solely by virtue of any provision contained in this Agreement or any Ancillary Agreement, have any subrogation rights with respect thereto, it being understood that no insurer or any other Third Party shall be entitled to a "windfall" (*i.e.*, a benefit they would not be entitled to receive in the absence of the indemnification provisions) by virtue of the indemnification and contribution provisions hereof. Each Party shall, and shall cause the members of its Group to, use commercially reasonable efforts (taking into account the probability of success on the merits and the cost of expending such efforts, including attorneys' fees and expenses) to collect or recover any Insurance Proceeds that may be collectible or recoverable respecting the Liabilities for which indemnification or contribution may be available under this Article V. Notwithstanding the foregoing, an Indemnifying Party may not delay making any indemnification payment required under the terms of this Agreement, or otherwise satisfying any indemnification obligation, pending the outcome of any Action to collect or recover Insurance Proceeds, and an Indemnitee need not attempt to collect any Insurance Proceeds prior to making a claim for indemnification or contribution or receiving any Indemnity Payment otherwise owed to it under this Agreement or any Ancillary Agreement.

5.5 Procedures for Indemnification of Third-Party Claims.

(a) *Notice of Claims.* If, at or following the Separation Time, an Indemnitee shall receive notice or otherwise learn of the assertion by a Person (including any Governmental Authority) who is not a member of the Parent Group or the SpinCo Group of any claim or of the commencement by any such Person of any Action (collectively, excluding, for the avoidance of doubt, any Action governed by [Section 5.11](#) a "Third-Party Claim") with respect to which an Indemnifying Party may be obligated to provide indemnification to such Indemnitee pursuant to [Section 5.2](#) or [5.3](#), or any other Section of this Agreement or any Ancillary Agreement, such Indemnitee shall give such Indemnifying Party written notice thereof as soon as practicable, but in any event within fourteen (14) days (or sooner if the nature of the Third-Party Claim so requires) after becoming aware of such Third-Party Claim. Any such notice shall describe the Third-Party Claim in reasonable detail, including the facts and circumstances giving rise to such claim for indemnification, and include copies of all material notices and documents (including court papers) received by the Indemnitee relating to the Third-Party Claim. Notwithstanding the foregoing, the failure of an Indemnitee to provide timely notice in accordance with this [Section 5.5\(a\)](#) shall not relieve an Indemnifying Party of its indemnification obligations under this Agreement, except to the extent to which the Indemnifying Party is actually prejudiced by the Indemnitee's failure to provide notice in accordance with this [Section 5.5\(a\)](#).

(b) *Control of Defense.* Subject to any insurer's rights pursuant to any Policies of either Party, an Indemnifying Party may elect to defend (and seek to settle or compromise), at its own expense and with its own counsel, any Third-Party Claim, provided, that, prior to the Indemnifying Party assuming and controlling defense of such Third-Party Claim, it shall first confirm to the Indemnitee in writing that, assuming the facts presented to the Indemnifying Party by the Indemnitee are true, the Indemnifying Party shall indemnify the Indemnitee for any such damages to the extent resulting from, or arising out of, such Third-Party Claim. Notwithstanding the foregoing, if the Indemnifying Party assumes such defense and, in the course of defending such Third-Party Claim, (i) the Indemnifying Party discovers that the facts presented at the time the Indemnifying Party acknowledged its indemnification obligation in respect of such Third-Party Claim were not true in all material respects and (ii) such untruth provides a reasonable basis for asserting that the Indemnifying Party does not have an indemnification obligation in respect of such Third-Party Claim, then (A) the Indemnifying Party shall not be bound by such acknowledgment, (B) the Indemnifying Party shall promptly thereafter provide the Indemnitee written notice of its assertion that it does not have an indemnification obligation in respect of such Third-Party Claim and (C) the Indemnitee shall have the right to assume the defense of such Third-Party Claim. Within thirty (30) days after the receipt of a notice from an Indemnitee in accordance with [Section 5.5\(a\)](#) (or sooner, if the nature of the Third-Party Claim so requires), the Indemnifying Party shall provide written notice to the Indemnitee indicating whether the Indemnifying Party shall assume responsibility for defending the Third-Party Claim and specifying any reservations or exceptions to its defense. If an Indemnifying Party elects not to assume responsibility for defending any Third-Party Claim as provided in this [Section 5.5\(b\)](#) or fails to notify an Indemnitee of its election within thirty (30) days after receipt of the notice from an Indemnitee as provided in [Section 5.5\(a\)](#), then the Indemnitee that is the subject of such Third-Party Claim shall be entitled to continue to conduct and control the defense of such Third-Party Claim.

(c) *Allocation of Defense Costs.* If an Indemnifying Party has elected to assume the defense of a Third-Party Claim, whether with or without any reservations or exceptions with respect to such defense, then such Indemnifying Party shall be solely liable for all fees and expenses incurred by it in connection with the defense of such Third-Party Claim and shall not be entitled to seek any indemnification or reimbursement from the Indemnitee for any such fees or expenses incurred by the Indemnifying Party during the course of the defense of such Third-Party Claim by such Indemnifying Party, regardless of any subsequent decision by the Indemnifying Party to reject or otherwise abandon its assumption of such defense. If an Indemnifying Party elects not to assume responsibility for defending any Third-Party Claim or fails to notify an Indemnitee of its election within thirty (30) days after receipt of a notice from an Indemnitee as provided in [Section 5.5\(a\)](#), and the Indemnitee conducts and controls the defense of such Third-Party Claim and the Indemnifying Party has an indemnification obligation with respect to such Third-Party Claim, then the Indemnifying Party shall be liable for all reasonable fees and expenses incurred by the Indemnitee in connection with the defense of such Third-Party Claim.

(d) *Right to Monitor and Participate.* An Indemnitee that does not conduct and control the defense of any Third-Party Claim, or an Indemnifying Party that does not elect or is not entitled to defend any Third-Party Claim as contemplated hereby, nevertheless shall have the right to employ separate counsel (including local counsel as reasonably necessary) of its own choosing to monitor and participate in (but not control) the defense of any Third-Party Claim for which it is a potential Indemnitee or Indemnifying Party, but the fees and expenses of such counsel shall be at the expense of such Indemnitee or Indemnifying Party, as the case may be, and the provisions of [Section 5.5\(c\)](#) shall not apply to such fees and expenses. Notwithstanding the foregoing, but subject to [Sections 7.8](#) and [7.9](#), such Party shall cooperate with the Party entitled to conduct and control the defense of such Third-Party Claim in such defense and make available to the controlling Party, at the non-controlling Party's expense, all witnesses, information and materials in such Party's possession or under such Party's custody or control relating thereto as are reasonably required by the controlling Party. In addition to the foregoing, if any Indemnitee reasonably determines in good faith that such Indemnitee and the Indemnifying Party have actual or potential differing defenses or conflicts of interest between them that make joint representation inappropriate, then the Indemnitee shall have the right to employ separate counsel (including local counsel as reasonably necessary) and to participate in (but not control) the defense, compromise, or settlement thereof, and in such case the Indemnifying Party shall bear the reasonable fees and expenses of such counsel for all Indemnitees.

(e) *No Settlement.* Neither Party may settle or compromise any Third-Party Claim for which such Party is seeking to be indemnified hereunder without the prior written consent of the other Party. No Party may settle or compromise any Third-Party Claim for which the other Party is seeking to be indemnified hereunder without the prior written consent of the other Party, which consent may not be unreasonably withheld, conditioned or delayed, unless such settlement or compromise is solely for monetary damages that are fully payable by the settling or compromising Party and does not involve any admission, finding or determination of wrongdoing or violation of Law by the other Party or another member of its Group or the Indemnitee. The Parties hereby agree that if a Party presents the other Party with a written notice containing a proposal to settle or compromise a Third-Party Claim for which either Party is seeking to be indemnified hereunder and the Party receiving such proposal does not respond in any manner to the Party presenting such proposal within forty five (45) days (or within any such shorter time period that may be required by applicable Law or court order) of receipt of such proposal, then the Party receiving such proposal shall be deemed to have consented to the terms of such proposal.

(f) *Tax Matters Agreement Coordination.* The provisions of Section 5.2 through Section 5.10 hereof other than Section 5.4(a)(ii) in respect of certain Tax benefits to the extent provided therein) do not apply with respect to Taxes or Tax matters (it being understood and agreed that claims with respect to Taxes and Tax matters, including the control of Tax-related proceedings, shall be governed by the Tax Matters Agreement to the extent provided therein). In the case of any conflict between this Agreement and the Tax Matters Agreement in relation to any matters addressed by the Tax Matters Agreement, the Tax Matters Agreement shall prevail.

5.6 Additional Matters.

(a) *Timing of Payments.* Indemnification or contribution payments in respect of any Liabilities for which an Indemnitee is entitled to indemnification or contribution under this Article V shall be paid reasonably promptly (but in any event within sixty (60) days of the final determination of the amount that the Indemnitee is entitled to indemnification or contribution under this Article V) by the Indemnifying Party to the Indemnitee as such Liabilities are incurred upon demand by the Indemnitee, including reasonably satisfactory documentation setting forth the basis for the amount of such indemnification or contribution payment, including documentation with respect to calculations made and consideration of any Insurance Proceeds that actually reduce the amount of such Liabilities. The indemnity and contribution provisions contained in this Article V shall remain operative and in full force and effect, regardless of (i) any investigation made by or on behalf of any Indemnitee, and (ii) the knowledge by the Indemnitee of Liabilities for which it might be entitled to indemnification hereunder.

(b) *Notice of Direct Claims.* Any claim for indemnification or contribution under this Agreement or any Ancillary Agreement that does not result from a Third-Party Claim shall be asserted by written notice given by the Indemnitee to the applicable Indemnifying Party; provided, that the failure by an Indemnitee to so assert any such claim shall not prejudice the ability of the Indemnitee to do so at a later time except to the extent (if any) that the Indemnifying Party is prejudiced thereby. Such Indemnifying Party shall have a period of thirty (30) days after the receipt of such notice within which to respond thereto. If such Indemnifying Party does not respond within such thirty (30)-day period, such specified claim shall be conclusively deemed a Liability of the Indemnifying Party under this Section 5.6(b) or, in the case of any written notice in which the amount of the claim (or any portion thereof) is estimated, on such later date when the amount of the claim (or such portion thereof) becomes finally determined. If such Indemnifying Party does not respond within such thirty (30)-day period or rejects such claim in whole or in part, such Indemnitee shall, subject to the provisions of Article VIII, be free to pursue such remedies as may be available to such party as contemplated by this Agreement and the Ancillary Agreements, as applicable, without prejudice to its continuing rights to pursue indemnification or contribution hereunder.

(c) *Pursuit of Claims Against Third Parties.* If (i) a Party incurs any Liability arising out of this Agreement or any Ancillary Agreement; (ii) an adequate legal or equitable remedy is not available for any reason against the other Party to satisfy the Liability incurred by the incurring Party; and (iii) a legal or equitable remedy may be available to the other Party against a Third Party for such Liability, then the other Party shall use its commercially reasonable efforts to cooperate with the incurring Party, at the incurring Party's expense, to permit the incurring Party to obtain the benefits of such legal or equitable remedy against the Third Party.

(d) *Subrogation.* In the event of payment by or on behalf of any Indemnifying Party to any Indemnitee in connection with any Third-Party Claim, such Indemnifying Party shall be subrogated to and shall stand in the place of such Indemnitee as to any events or circumstances in respect of which such Indemnitee may have any right, defense or claim relating to such Third-Party Claim against any claimant or plaintiff asserting such Third-Party Claim or against any other Person. Such Indemnitee shall cooperate with such Indemnifying Party in a reasonable manner, and at the cost and expense of such Indemnifying Party, in prosecuting any subrogated right, defense or claim.

(e) *Substitution.* In the event of an Action in which the Indemnifying Party is not a named defendant, if either the Indemnitee or Indemnifying Party shall so request, the Parties shall endeavor to substitute the Indemnifying Party for the named defendant. If such substitution or addition cannot be achieved for any reason or is not requested, the named defendant shall allow the Indemnifying Party to manage the Action as set forth in [Section 5.5](#) and this [Section 5.6](#).

#### 5.7 Right of Contribution

(a) *Contribution.* If any right of indemnification contained in [Section 5.2](#) or [Section 5.3](#) is held unenforceable or is unavailable for any reason, or is insufficient to hold harmless an Indemnitee in respect of any Liability for which such Indemnitee is entitled to indemnification hereunder, then the Indemnifying Party shall contribute to the amounts paid or payable by the Indemnitees as a result of such Liability (or actions in respect thereof) in such proportion as is appropriate to reflect the relative fault of the Indemnifying Party and the members of its Group, on the one hand, and the Indemnitees entitled to contribution, on the other hand, as well as any other relevant equitable considerations.

(b) *Allocation of Relative Fault.* Solely for purposes of determining relative fault pursuant to this [Section 5.7](#): (i) any fault associated with the business conducted with the Delayed SpinCo Assets or Delayed SpinCo Liabilities (except for the gross negligence or intentional misconduct of a member of the Parent Group) or with the ownership, operation or activities of the SpinCo Business prior to the Separation Time shall be deemed to be the fault of SpinCo and the other members of the SpinCo Group, and no such fault shall be deemed to be the fault of Parent or any other member of the Parent Group; (ii) any fault associated with the business conducted with Delayed Parent Assets or Delayed Parent Liabilities (except for the gross negligence or intentional misconduct of a member of the SpinCo Group) shall be deemed to be the fault of Parent and the other members of the Parent Group, and no such fault shall be deemed to be the fault of SpinCo or any other member of the SpinCo Group; and (iii) any fault associated with the ownership, operation or activities of the Parent Business prior to the Separation Time shall be deemed to be the fault of Parent and the other members of the Parent Group, and no such fault shall be deemed to be the fault of SpinCo or any other member of the SpinCo Group.



5.8 Covenant Not to Sue. Each Party hereby covenants and agrees that none of it, the members of such Party's Group or any Person claiming through it shall bring suit or otherwise assert any claim against any Indemnitee, or assert a defense against any claim asserted by any Indemnitee, before any court, arbitrator, mediator or administrative agency anywhere in the world, alleging that: (a) the assumption of any SpinCo Liabilities by SpinCo or a member of the SpinCo Group on the terms and conditions set forth in this Agreement and the Ancillary Agreements is void or unenforceable for any reason; (b) the retention of any Parent Liabilities by Parent or a member of the Parent Group on the terms and conditions set forth in this Agreement and the Ancillary Agreements is void or unenforceable for any reason; or (c) the provisions of this Article V are void or unenforceable for any reason.

5.9 Remedies Cumulative. The remedies provided in this Article V shall be cumulative and, subject to the provisions of Section 5.11 and Article VIII, shall not preclude assertion by any Indemnitee of any other rights or the seeking of any and all other remedies against any Indemnifying Party.

5.10 Survival of Indemnities. The rights and obligations of each of Parent and SpinCo and their respective Indemnitees under this Article V shall survive (a) the sale or other transfer by either Party or any member of its Group of any Assets or businesses or the assignment by it of any Liabilities; or (b) any merger, consolidation, business combination, sale of all or substantially all of its Assets, restructuring, recapitalization, reorganization or similar transaction involving either Party or any of the members of its Group.

5.11 Management of Actions. Notwithstanding anything to the contrary herein, Schedule 5.11 shall govern the direction of pending and future Actions in which members of the Parent Group or the SpinCo Group are named as parties, but shall not alter the allocation of Liabilities set forth in Article II unless expressly set forth in Schedule 5.11.

#### ARTICLE VI CERTAIN OTHER MATTERS

6.1 SpinCo Financial Covenants. SpinCo agrees that, for so long as Parent is required to consolidate the results of operations and financial position of SpinCo and any other members of the SpinCo Group or to account for its investment in SpinCo or any other member of the SpinCo Group under the equity method of accounting (determined in accordance with GAAP consistently applied and consistent with SEC reporting requirements):

(a) Disclosure of Financial Controls. SpinCo will, and will cause each other member of the SpinCo Group to, maintain, as of and after the IPO Closing Date, disclosure controls and procedures and internal control over financial reporting as defined in Exchange Act Rule 13a-15 promulgated under the Exchange Act. SpinCo will, and will cause each other member of the SpinCo Group to, maintain, as of and after the IPO Closing Date, internal systems and procedures that will provide reasonable assurance that (A) SpinCo's annual and quarterly financial statements are reliable and timely prepared in accordance with GAAP and applicable Law, (B) all transactions of members of the SpinCo Group are recorded as necessary to permit the preparation of SpinCo's annual and quarterly financial statements, (C) the receipts and expenditures of members of the SpinCo Group are authorized at the appropriate level within SpinCo, and (D) unauthorized use or disposition of the assets of any member of the SpinCo Group that could have a material effect on SpinCo's annual and quarterly financial statements is prevented or detected and communicated in a timely manner.

(b) *Fiscal Year.* SpinCo will, and will cause each member of the SpinCo Group organized in the United States or Canada to, (i) maintain a fiscal year that commences and ends on the same calendar days as Parent's fiscal year commences and ends, (ii) to maintain monthly accounting periods that commence and end on the same calendar days as Parent's monthly accounting periods commence and end and (iii) use the exchange rates (provided that such exchange rates are in accordance with GAAP) identified by Parent for purposes of preparing the financial information and data described in this Agreement, including SpinCo's annual and quarterly financial statements and other information filed with the SEC and the financial information and data described in this [Section 6.1](#). Neither Parent nor SpinCo will change its fiscal year without the prior written consent of the other Party.

(c) *Monthly Financial Reports.* SpinCo will deliver to Parent a preliminary consolidated income statement and balance sheet and statement of cash flows for SpinCo for such period, no later than twelve (12) Business Days after the end of each monthly accounting period of SpinCo (including the last monthly accounting period of SpinCo of each fiscal year). The income statements, balance sheets and statements of cash flows will be in a such format and detail as Parent may request, and the information supporting such statements shall be submitted electronically for inclusion in Parent's financial reporting systems by such date to permit timely preparation of Parent's consolidated financial statements. In addition, if SpinCo makes adjustments or other corrections to such financial information, adjustments or other corrections will be delivered by SpinCo to Parent as soon as practicable, and in any event within twenty four (24) hours thereafter.

(d) *Quarterly and Annual Financial Statements.* SpinCo shall establish an audit and risk committee for the purposes of review and approval of SpinCo's Forms 10-Q and Forms 10-K, earnings release and other significant filings with the SEC or the Canadian Securities Authorities prior to the filing of such documents. Parent's Chief Financial Officer (or his/her delegate) may attend all meetings of such committee, as an observer. Distribution of documents by SpinCo for review by Parent should be made at the time such documents are distributed to the SpinCo audit and risk committee (and other participants at such meeting) and should provide a reasonable period for review prior to the applicable meeting. The management of SpinCo shall be solely liable for the completeness and accuracy of any such filings, including any financial statements included therein. SpinCo will cause each of its principal executive and principal financial officers to sign and deliver to Parent the certifications required by Sections 302 and 906 of the Sarbanes-Oxley Act of 2002 and will include the certifications in SpinCo's periodic reports, as and when required pursuant to Exchange Act Rule 13a-14 and Item 601 of Regulation S-K.

(e) *Budgets and Financial Projections.* SpinCo will, at the time it delivers such materials to its Board of Directors, deliver to Parent copies of all annual budgets and financial projections relating to SpinCo on a consolidated basis and will provide Parent an opportunity to meet with management of SpinCo to discuss such budgets and projections. SpinCo will continue to provide to Parent projections on a quarterly basis consistent with past practices, including income, cash flow and operating indicators and capital expenditure detail. Such projections will be submitted electronically for inclusion in Parent's management reporting systems.

(f) *Conformance with Parent Financial Presentation.* All information provided by any member of the SpinCo Group to Parent or filed with the SEC or the Canadian Securities Authorities pursuant to Section 6.1(f) through (g) will be in accordance with GAAP, with such changes therein as may be required or permitted by GAAP.

(g) *Other Information.* With reasonable promptness, SpinCo will deliver to Parent such additional financial and other information and data with respect to the SpinCo Group and its business, properties, financial positions, results of operations and prospects as may be reasonably requested by Parent from time to time, including, without limitation, any required pro forma financial information. Upon request by Parent, SpinCo will participate in periodic meetings with Parent in order to review and discuss the financial and other information and data described in this Section 6.1 as well as financial results, accounting matters, internal controls and other similar matters identified by Parent.

(h) *Press Releases and Similar Information.* SpinCo and Parent will consult with each other as to the timing of SpinCo's and Parent's quarterly earnings releases and any interim financial guidance for a current or future period and each party will give the other the opportunity to review the information therein relating to the SpinCo Group and to comment thereon. Parent and SpinCo will make reasonable efforts to coordinate the issuance of their respective quarterly earnings releases. No later than seventy-two (72) hours prior to the time and date that SpinCo or Parent, as the case may be, intends to publish its regular quarterly earnings release or any financial guidance for a current or future period, SpinCo or Parent, as the case may be, will deliver to the other party copies of drafts of (i) all press releases, (ii) investor presentations and (iii) other statements to be made available to its employees or to the public, in each case, concerning any matters that could be reasonably likely to have a material financial impact on the earnings, results of operations, financial condition or prospects of any member of the SpinCo Group and/or the Parent Group. No later than twenty-four (24) hours prior to the time and date that SpinCo or Parent, as the case may be, intends to publish its regular quarterly earnings release or any financial guidance for a current or future period, SpinCo or Parent, as the case may be, will deliver to the other copies of substantially final drafts of all such materials. In addition, prior to the issuance of any such press release, investor presentation or public statement that meets the criteria set forth in the preceding two sentences, SpinCo or Parent, as the case may be, will consult with the other regarding any changes (other than typographical or other similar minor changes) to such substantially final drafts. Immediately following the issuance thereof, SpinCo or Parent, as the case may be, will deliver to the other copies of final drafts of all press releases, investor presentations and such other public statements.

(i) *Cooperation on Parent Filings.* SpinCo will cooperate fully, and cause SpinCo's independent certified public accountants (the "SpinCo Auditors") to cooperate fully, with Parent to the extent requested by Parent in the preparation of Parent's public earnings or other press releases, Quarterly Reports on Form 10-Q, Annual Reports to Shareholders, Annual Reports on Form 10-K, any Current Reports on Form 8-K and any other proxy, information and registration statements, reports, notices, prospectuses and any other filings made by Parent with the SEC, the Canadian Securities Authorities or any national securities exchange or otherwise made publicly available (collectively, the "Parent Public Filings"). SpinCo is responsible for the preparation of its financial statements in accordance with Parent's policies with respect to the application of GAAP and shall indemnify Parent for any Liabilities it shall incur with respect to the inaccuracy

of such statements. As long as Parent is required to consolidate the results of operations and financial position of SpinCo in its financial statements, SpinCo will continue to prepare the quarterly and annual financial reporting analysis and provide support for financial statement footnotes and other information included in the Parent Public Filings. Such information and the timing thereof will be consistent with the Parent financial statement processes in place prior to the Separation Time. SpinCo also agrees to provide to Parent all other information that Parent reasonably requests in connection with any Parent Public Filings or that, in the judgment of Parent's legal department, is required to be disclosed or incorporated by reference therein under any Law. SpinCo will provide such information in a timely manner on the dates requested by Parent (which may be earlier than the dates on which SpinCo otherwise would be required hereunder to have such information available) to enable Parent to prepare, print and release all Parent Public Filings on such dates as Parent will determine, but in no event later than as required by applicable Law. SpinCo will use its commercially reasonable efforts to cause the SpinCo Auditors to consent to any reference to them as experts in any Parent Public Filings required under any Law. If and to the extent requested by Parent, SpinCo will diligently and promptly review all drafts of such Parent Public Filings and prepare in a diligent and timely fashion any portion of such Parent Public Filing pertaining to SpinCo. SpinCo management's responsibility for reviewing such disclosures shall include a determination that such disclosures are complete and accurate and consistent with other public filings or other disclosures which have been made by SpinCo. Prior to any printing or public release of any Parent Public Filing, an appropriate executive officer of SpinCo will, if requested by Parent, certify that the information relating to any member of the SpinCo Group in such Parent Public Filing is accurate, true, complete and correct in all material respects. Unless required by applicable Law, SpinCo will not publicly release any financial or other information which conflicts with the information with respect to any member of the SpinCo Group that is included in any Parent Public Filing without Parent's prior written consent. Prior to the release or filing thereof (but in any event, to the extent reasonably practicable, no later than 24 hours before such release or filing), Parent will provide SpinCo with a draft of any portion of a Parent Public Filing containing information relating to the SpinCo Group and will give SpinCo an opportunity to review such information and comment thereon; provided, that Parent will determine in its sole discretion the final form and content of all Parent Public Filings.

(j) For the avoidance of doubt, SpinCo's requirements under this Section 6.1 will continue until the reporting for all interim and annual financial statement periods during which Parent was required to consolidate the results of operations and financial position of SpinCo and any other members of the SpinCo Group or to account for its investment in SpinCo or any other member of the SpinCo Group under the equity method of accounting (determined in accordance with GAAP consistently applied and consistent with SEC reporting requirements) has been completed. For example, if SpinCo ceases to be such consolidated subsidiary or such equity method affiliate of Parent on September 30, SpinCo's obligations with regard to information required for Parent's Form 10-K for the year ended December 31 will remain in effect until such Form 10-K has been filed. Notwithstanding the foregoing, Parent may, in its sole discretion by providing written notice to SpinCo in accordance with Section 11.5, suspend any of Parent's rights under this Section 6.1 or otherwise under this Agreement to receive any non-public information that could reasonably be expected to be material to SpinCo (provided, that Parent may revoke such notice at any time by delivering notice in writing, upon which point all such rights shall be reinstated as of the date of delivery of written notice of revocation to SpinCo and SpinCo shall resume complying with its suspended obligations).

6.2 Auditors and Audits; Annual Financial Statements and Accounting. SpinCo agrees that, for so long as Parent is required to consolidate the results of operations and financial position of SpinCo and any other members of the SpinCo Group or to account for its investment in SpinCo or any other member of the SpinCo Group under the equity method of accounting (determined in accordance with GAAP consistently applied and consistent with SEC reporting requirements):

(a) *Auditor.* No member of the SpinCo Group shall change its independent auditors without Parent's prior written consent (which should not be unreasonably withheld, conditioned or delayed).

(b) *Audit Timing.* SpinCo shall use its reasonable best efforts to enable Parent to meet its timetable for the printing, filing and public dissemination of Parent's audited annual financial statements (the "Parent Annual Statements"), all in accordance with Section 6.1 hereof and as required by applicable Law.

(c) *Information Needed by Parent.* SpinCo shall provide to Parent on a timely basis all information that Parent reasonably requires to meet its schedule for the preparation, printing, filing, and public dissemination of the Parent Annual Statements in accordance with Section 6.1 hereof and as required by applicable Law. Without limiting the generality of the foregoing, SpinCo will provide all required financial information with respect to the SpinCo Group to the SpinCo Auditors in a sufficient and reasonable time and in sufficient detail to permit the SpinCo Auditors to take all steps and perform all reviews necessary to provide sufficient assistance to the independent auditors of Parent ("Parent Auditors") with respect to information to be included or contained in the Parent Annual Statements.

(d) *Access to the SpinCo Auditors.* SpinCo shall authorize the SpinCo Auditors to make available to the Parent Auditors both the personnel who performed, or are performing, the annual audit of SpinCo and work papers related to the annual audit of SpinCo, in all cases within a reasonable time prior to the SpinCo Auditors' opinion date, so that the Parent Auditors are able to perform the procedures they consider necessary to take responsibility for the work of the SpinCo Auditors as it relates to the Parent Auditors' report on Parent's statements, all within sufficient time to enable Parent to meet its timetable for the printing, filing and public dissemination of the Parent Annual Statements.

(e) *Access to Records.* If Parent determines in good faith that there may be some inaccuracy in a SpinCo Group member's financial statements or deficiency in a SpinCo Group member's internal accounting controls or operations that could materially impact Parent's financial statements, at Parent's request, SpinCo will provide Parent's internal auditors with access to the SpinCo Group's books and records so that Parent may conduct reasonable audits relating to the financial statements provided by SpinCo under this Agreement as well as to the internal accounting controls and operations of the SpinCo Group.

(f) *Notice of Changes.* Subject to Section 6.1(f), SpinCo will give Parent as much prior notice as reasonably practicable of any proposed determination of, or any significant changes in, SpinCo's accounting estimates or accounting principles from those in effect on the IPO Closing Date. On request of Parent, SpinCo will discuss the determination or change with Parent and, if requested by Parent, with the Parent Auditors with respect thereto. Unless such determination or change is required by GAAP, SpinCo will not make any such determination or changes without Parent's prior written consent if either (1) such a determination or a change would be sufficiently material to be required to be disclosed in Parent's financial statements as filed with

the SEC or the Canadian Securities Authorities or otherwise publicly disclosed therein, or (2) such a determination or a change is not in accordance with GAAP and would be sufficiently material to be required to be disclosed in SpinCo's financial statements as filed with the SEC or the Canadian Securities Authorities or otherwise publicly disclosed therein. SpinCo will give Parent as much prior notice as reasonably practicable of any business combination, the acquisition of any variable interest entities or any other transaction, in each case, which could reasonably be expected to result in the consolidation by Parent of the results of operations and financial position of an entity that is not a member of the SpinCo Group.

(g) *Accounting Changes Requested by Parent.* Notwithstanding Section 6.2(f), Parent may request that SpinCo make changes in its accounting estimates or accounting principles in order for SpinCo's accounting practices and principles to be consistent with those of Parent, provided that SpinCo shall not be required to make any such changes if SpinCo's accounting estimates or accounting principles are in accordance with GAAP and consistent with SEC reporting requirements.

(h) *Special Reports of Deficiencies or Violations.* SpinCo will report in reasonable detail to Parent the following events or circumstances promptly after any executive officer of SpinCo or any member of the SpinCo Board becomes aware of such matter: (A) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect SpinCo's ability to record, process, summarize and report financial information; (B) any fraud, whether or not material, that involves management or other employees who have a significant role in SpinCo's internal control over financial reporting; (C) any illegal act within the meaning of Section 10A(b) and (f) of the Exchange Act; and (D) any report of a material violation of Law that an attorney representing any member of the SpinCo Group has formally made to any officers or directors of SpinCo pursuant to the SEC's attorney conduct rules (17 C.F.R. Part 205).

(i) For the avoidance of doubt, SpinCo's requirements under this Section 6.2 will continue until the reporting for all interim and annual financial statement periods during which Parent was required to consolidate the results of operations and financial position of SpinCo and any other members of the SpinCo Group or to account for its investment in SpinCo or any other member of the SpinCo Group under the equity method of accounting (determined in accordance with GAAP consistently applied and consistent with SEC reporting requirements) has been completed. For example, if SpinCo ceases to be such consolidated subsidiary or such equity method affiliate of Parent on September 30, SpinCo's obligations with regard to information required for Parent's Form 10-K for the year ended December 31 will remain in effect until such Form 10-K has been filed.

6.3 Parent Financial Information Certifications. Parent's disclosure controls and procedures and internal control over financial reporting (as each is contemplated by the Exchange Act) are currently applicable to SpinCo as its Subsidiary. In order to enable the principal executive officer and principal financial officer of SpinCo to make the certifications required

of them under Section 302 of the Sarbanes-Oxley Act of 2002 following the IPO Closing Date in respect of any quarterly or annual fiscal period of SpinCo that begins prior to the IPO Closing Date in respect of which financial statements are not included in the IPO Registration Statement (a "Straddle Period"). Parent, on or before the date that is ten (10) days prior to the latest date on which SpinCo may file the periodic report pursuant to Section 13 of the Exchange Act for any such Straddle Period (not taking into account any possible extensions), shall provide SpinCo with one or more certifications with respect to such disclosure controls and procedures and the effectiveness thereof and whether there were any changes in the internal controls over financial reporting that have materially affected or are reasonably likely to materially affect the internal control over financial reporting, which certification(s) shall be (a) with respect to the applicable Straddle Period (it being understood that no certification need be provided with respect to any period or portion of any period after the IPO Closing Date) and (b) in substantially the same form as those that had been provided by officers or employees of Parent in similar certifications delivered prior to the IPO Closing Date, with such changes thereto as Parent may reasonably determine. Such certification(s) shall be provided by Parent (and not by any officer or employee in their individual capacity).

6.4 Covenants Relating to the Incurrence of Indebtedness.

(a) For so long as Parent beneficially owns at least fifty percent (50%) of the total voting power of SpinCo's outstanding share capital entitled to vote in the election of the SpinCo Board, SpinCo will not, and SpinCo will not permit any other member of the SpinCo Group to, without the Parent Board's approval (which the Parent Board may withhold in its sole discretion), directly or indirectly: (i) incur any SpinCo Indebtedness (other than the SpinCo Financing Arrangements and any refinancing or other amendment or modification thereto (provided, that such refinancing or other amendment or modification does not result in an increase in the aggregate principal amount (or, if greater, committed amount) thereunder (taking into account all amounts incurred thereunder, as applicable), which incremental increase (other than to pay premiums (including tender premiums), accrued and unpaid interest, expenses, defeasance costs and fees in connection therewith) shall be taken into account for purposes of this clause (i)) in an aggregate amount of less than or equal to \$100 million in a manner inconsistent with Section 6.4(b), and (ii) incur any SpinCo Indebtedness (other than the SpinCo Financing Arrangements and any refinancing or other amendment or modification thereto (provided, that such refinancing or other amendment or modification does not result in an increase in the aggregate principal amount (or, if greater, committed amount) thereunder (taking into account all amounts incurred thereunder, as applicable), which incremental increase (other than to pay premiums (including tender premiums), accrued and unpaid interest, expenses, defeasance costs and fees in connection therewith) shall be taken into account for purposes of this clause (ii)) in excess of an aggregate amount of \$100 million.

(b) For so long as Parent beneficially owns at least fifty percent (50%) of the total voting power of SpinCo's outstanding share capital entitled to vote in the election of the SpinCo Board, SpinCo will not, and SpinCo will not permit any other member of the SpinCo Group to, without Parent's prior written consent (which Parent may withhold in its sole discretion), directly or indirectly, create, incur, assume or suffer to exist any SpinCo Indebtedness (other than the SpinCo Financing Arrangements and any refinancing or other amendment or modification thereto (provided, that such refinancing or other amendment or modification does not result in an

increase in the aggregate principal amount (or, if greater, committed amount) thereunder (taking into account all amounts incurred thereunder, as applicable), which incremental increase (other than to pay premiums (including tender premiums), accrued and unpaid interest, expenses, defeasance costs and fees in connection therewith) shall be taken into account for purposes of this clause (b)) if the incurrence of such SpinCo Indebtedness would cause Parent to be in breach of or in default under any contract the existence of which Parent has advised SpinCo, or if the incurrence of such SpinCo Indebtedness could be reasonably likely to adversely impact the credit rating of any commercial indebtedness of Parent.

(c) In order to implement this Section 6.4, SpinCo will notify Parent in writing at least thirty (30) Business Days (or such shorter period as mutually agreed upon in writing between Parent and SpinCo) prior to the time it or any other member of the SpinCo Group contemplates incurring any SpinCo Indebtedness (excluding the SpinCo Financing Arrangements (but including any refinancing or other amendment or modification thereto)) of its intention to do so and will either (x) demonstrate to Parent's satisfaction that this Section 6.4 will not be violated by such proposed additional SpinCo Indebtedness or (y) obtain Parent's prior written consent to the incurrence of such proposed additional SpinCo Indebtedness. Any such written notification from SpinCo to Parent will include documentation of any existing SpinCo Indebtedness and estimated SpinCo Indebtedness after giving effect to such proposed incurrence of additional SpinCo Indebtedness. Parent will have the right to verify the accuracy of such information and SpinCo will cooperate fully with Parent in such effort (including, without limitation, by providing Parent with access to the working papers and underlying documentation related to any calculations used in determining such information).

#### 6.5 Other Covenants.

(a) For so long as Parent beneficially owns at least fifty percent (50%) of the total voting power of SpinCo's outstanding share capital entitled to vote in the election of the SpinCo Board:

(i) SpinCo will not, without the prior written consent of Parent (which Parent may withhold in its sole discretion), take, or cause to be taken, directly or indirectly, any action, including making or failing to make any election under the Law of any state, which has the effect, directly or indirectly, of restricting or limiting the ability of Parent to freely sell, transfer, assign, pledge or otherwise dispose of Initial Common Shares or Resulting Entity Common Shares, as applicable, or would restrict or limit the rights of any transferee of Parent as a holder of Initial Common Shares or Resulting Entity Common Shares, as applicable. Without limiting the generality of the foregoing, SpinCo will not, without the prior written consent of Parent (which Parent may withhold in its sole discretion), take any action, or take any action to recommend to its shareholders any action, which would among other things, limit the legal rights of, or deny any benefit to, Parent as a SpinCo shareholder either (i) solely as a result of the amount of Initial Common Shares or Resulting Entity Common Shares, as applicable, owned by Parent or (ii) in a manner not applicable to SpinCo shareholders generally.



(ii) To the extent that Parent is a party to any contract that provides that certain actions or inactions of Affiliates of Parent (which for purposes of such contract includes any member of the SpinCo Group) may result in Parent being in breach of or in default under such contract and Parent has advised SpinCo of the existence, and has furnished SpinCo with copies, of such contracts (or the relevant portions thereof), SpinCo will not take or fail to take, as applicable, and SpinCo will cause the other members of the SpinCo Group not to take or fail to take, as applicable, any actions that reasonably could result in Parent being in breach of or in default under any such contract. The parties acknowledge and agree that from time to time Parent may in good faith (and not solely with the intention of imposing restrictions on SpinCo pursuant to this covenant) enter into additional contracts or amendments to existing contracts that provide that certain actions or inactions of members of the Parent Group (including, for purposes of this [Section 6.5\(a\)\(ii\)](#), members of the SpinCo Group) may result in Parent being in breach of or in default under such contracts. In such event, provided Parent has notified SpinCo of such additional contracts or amendments to existing contracts, SpinCo will not thereafter take or fail to take, as applicable, and SpinCo will cause the other members of the SpinCo Group not to take or fail to take, as applicable, any actions that reasonably could result in Parent being in breach of or in default under any such additional contracts or amendments to existing contracts. Parent acknowledges and agrees that SpinCo will not be deemed in breach of this [Section 6.5\(a\)\(ii\)](#) to the extent that, prior to being notified by Parent of an additional contract or an amendment to an existing contract pursuant to this [Section 6.5\(a\)\(ii\)](#), a member of the SpinCo Group already has taken or failed to take one or more actions that would otherwise constitute a breach of this [Section 6.5\(a\)\(ii\)](#) had such action(s) or inaction(s) occurred after such notification, provided, that SpinCo does not, after notification by Parent, take any further action or fail to take any action that contributes further to such breach or default. SpinCo agrees that any information provided to it pursuant to this [Section 6.5\(a\)\(ii\)](#) will constitute information that is subject to SpinCo's obligations under [Article VII](#).

(iii) SpinCo will not, and SpinCo will not permit any other member of the SpinCo Group to, without the Parent Board's approval (which the Parent Board may withhold in its sole discretion), directly or indirectly, (A) acquire any other businesses or assets or dispose of any of its own assets, in each case with an aggregate value for all such transactions in excess of \$200 million or (B) acquire or agree to acquire any share, shares or other interest in any company, partnership or other venture, whether by way of a purchase of stock or securities, contributions to capital, or otherwise, or the loaning of any funds to third parties, in each case, in excess of \$200 million in the aggregate.

(b) For so long as Parent beneficially owns at least 80.1% of the total voting power of the SpinCo Share Capital entitled to vote in the election of the SpinCo Board and at least 80.1% of the number of shares of each class of SpinCo Share Capital not entitled to vote in the election of SpinCo directors, SpinCo will not, without the prior written consent of Parent (which it may withhold in its sole discretion), issue, or enter into any agreement, commitment or understanding to issue (or that could result in the issuance of), any shares of SpinCo Share Capital or any rights, warrants or options to acquire SpinCo Share Capital (including, without limitation, securities convertible into or exchangeable for SpinCo Share Capital), if after giving effect to such issuances and considering all of the shares of SpinCo Share Capital acquirable pursuant to such rights, warrants and options to be outstanding on the date of such issuance (whether or not then exercisable), Parent could own (a) less than 80.1% of the total voting power of the outstanding shares of SpinCo Share Capital entitled to vote in the election of SpinCo directors, (b) less than 80.1% of the outstanding shares of any class of SpinCo Share Capital not entitled to vote in the election of SpinCo directors, or (c) less than 80.1% of the value of the outstanding shares of SpinCo Share Capital.

(c) SpinCo will not, and will not permit any other member of the SpinCo Group to, take any action or fail to take any action that could reasonably be expected to prevent the Separation and the Distribution from qualifying as a tax-free transaction to Parent, SpinCo and Parent's shareholders for U.S. federal or Canadian income tax purposes.

6.6 Product Names and Untransferred Product Codes Following the Separation.

(a) Except as set forth in Section 6.6(b) below, neither SpinCo nor any member of its Group shall use, or have the right to use, the Parent Retained Marks or the Untransferred SpinCo Product Codes.

(b) Following the Separation Time, SpinCo and members of its Group may continue temporarily to use the Parent Retained Marks and Untransferred SpinCo Product Codes after the Separation Time solely to the extent and in substantially the same manner as used immediately prior to Separation Time in connection with (i) the marketing and sale of any SpinCo Inventory that, as of the Separation Time, bears or incorporates the Parent Retained Marks and/or Untransferred SpinCo Product Codes, until such time as usable SpinCo Inventory existing as of the Separation Time has been exhausted; (ii) the manufacture of SpinCo Products that are made with the raw materials, work-in-process or components that constitute SpinCo Inventory, in each case, as of the Separation Time; and (iii) the use of any advertising, marketing, sales and promotional materials that bear the Parent Retained Marks and/or Untransferred SpinCo Product Codes, until such time as SpinCo can create new advertising, marketing, sales and promotional materials; provided, that SpinCo and members of its Group use reasonable best efforts to minimize and eliminate use of the Parent Retained Marks and Untransferred SpinCo Product Codes by the SpinCo Group as soon as practicable. All permitted use of the Parent Retained Marks and any goodwill established in connection therewith will inure to the exclusive benefit of Parent or a member of the Parent Group. The Parent Retained Marks and all of the goodwill associated therewith are and will remain the sole and exclusive property of Parent or a member of the Parent Group.

(c) Except as set forth in Section 6.6(d) below, neither Parent nor any member of its Group shall use, or have the right to use, the SpinCo Product Marks or the Untransferred Parent Product Codes.

(d) Following the Separation Time, Parent and members of its Group may continue temporarily to use the SpinCo Product Marks and the Untransferred Parent Product Codes after the Separation Time solely to the extent and in substantially the same manner as used immediately prior to Separation Time in connection with (i) the marketing and sale of any Parent Inventory that, as of the Separation Time, bears or incorporates the SpinCo Product Marks and/or the Untransferred Parent Product Codes, until such time as such usable Parent Inventory existing as of the Separation Time has been exhausted; (ii) the manufacture of Parent Products that are made with the raw materials, work-in-process or components that constitute Parent Inventory, in

each case, as of the Separation Time; and (iii) the use of any advertising, marketing, sales and promotional materials that bear the SpinCo Marks and/or Untransferred Parent Product Codes, until such time as SpinCo can create new advertising, marketing, sales and promotional materials; provided, that Parent and members of its Group use reasonable best efforts to minimize and eliminate use of the SpinCo Product Marks and the Untransferred Parent Product Codes by the Parent Group as soon as practicable. All permitted use of the SpinCo Marks and any goodwill established in connection therewith will inure to the exclusive benefit of SpinCo or a member of the SpinCo Group. The SpinCo Marks and all of the goodwill associated therewith are and will remain the sole and exclusive property of SpinCo or a member of the SpinCo Group.

(e) Notwithstanding anything to the contrary in this Section 6.6, nothing set forth in this Section 6.6 shall limit either Party's nominative use of the SpinCo Product Marks (in the case of Parent) or the Parent Retained Marks (in the case of SpinCo), respectively, including for the purposes of referring to the other Party's products and the transactions contemplated hereby.

(f) Nothing set forth in this Section 6.6 is intended to affect the Parties' rights and obligations with respect to the Bausch Marks or related Internet Properties, which rights and obligations are dealt with exclusively in the IP Matters Agreement.

#### 6.7 Insurance Matters.

(a) Parent and SpinCo agree to cooperate in good faith to provide for an orderly transition of insurance coverage from the date hereof through the Distribution Date. In no event shall Parent, any other member of the Parent Group or any Parent Indemnitee have Liability or obligation whatsoever to any member of the SpinCo Group arising from the fact that any insurance policy or insurance policy related contract shall be terminated or otherwise cease to be in effect for any reason, shall be unavailable or inadequate to cover any Liability of any member of the SpinCo Group for any reason whatsoever or shall not be renewed or extended beyond the current expiration date.

(b) Parent and SpinCo acknowledge that, prior to the Distribution Date, Parent intends to take such action, in its sole discretion as it may deem necessary or desirable, to remove the members of the SpinCo Group and their respective employees, officers and directors as insured parties, or limit the coverage provided to such parties, under some or all Policies issued to the Parent Group. The date(s) on which Parent removes the members of the SpinCo Group and their respective employees, officers and directors as insured parties, or limits the coverage provided to such parties, under a particular Policy or Policies shall constitute the "Insurance Termination Time" for such Policy or Policies. SpinCo further acknowledges and agrees that, from and after the applicable Insurance Termination Time for a particular Policy, neither SpinCo nor any member of the SpinCo Group shall have any rights to or under such Policy other than as expressly provided in Section 6.7(d), and Section 6.7(e).

(c) At the applicable Insurance Termination Time, SpinCo shall use commercially reasonable efforts to place in effect all insurance programs required to comply with SpinCo's contractual obligations and such other Policies required by Law or as reasonably necessary or appropriate for companies operating a business similar to SpinCo's. With respect to such provided policies, if any, procured by SpinCo for the sole benefit of the SpinCo Group ("SpinCo Policies"), SpinCo shall use commercially reasonable efforts to continue to maintain such insurance coverage through the Distribution Date in a manner no less favorable than currently provided.

(d) From and after the applicable Insurance Termination Time for a particular Policy, with respect to any losses, damages and Liability incurred by any member of the SpinCo Group prior to such Insurance Termination Time only, Parent will provide SpinCo with access to, and SpinCo may make claims under, such Parent Group Policy in place immediately prior to the applicable Insurance Termination Time (and any extended reporting periods for claims-made Policies) and the Parent Group's historical Policies, but solely to the extent that such Policies provided coverage for members of the SpinCo Group or the SpinCo Business prior to the applicable Insurance Termination Time; provided, that such access to, and the right to make claims under, such Policies shall be subject to the terms, conditions and exclusions of such Policies, including but not limited to any limits on coverage or scope, any deductibles, self-insured retentions and other fees and expenses, and shall be subject to the following additional conditions:

(i) SpinCo shall notify Parent, as promptly as practicable, of any claim made by the SpinCo Group pursuant to this Section 6.7(d);

(ii) SpinCo and the members of the SpinCo Group shall indemnify, hold harmless and reimburse Parent and the members of the Parent Group for any deductibles, self-insured retention, fees, indemnity payments, settlements, judgments, legal fees, allocated claims expenses and claim handling fees, retrospective premiums, captive reinsurance, matching deductibles, collateral obligations, indemnity agreements, and other expenses incurred by Parent or any members of the Parent Group to the extent resulting from any access to, or any claims made by SpinCo or any other members of the SpinCo Group under, any insurance (including any self-insured program) provided pursuant to this Section 6.7(d), whether such claims are made by SpinCo, its employees or third Persons;

(iii) SpinCo and the members of the SpinCo Group shall comply fully with the Assumption and Allocation Agreement; and

(iv) SpinCo shall exclusively bear (and neither Parent nor any members of the Parent Group shall have any obligation to repay or reimburse SpinCo or any member of the SpinCo Group for) and shall be liable for all excluded, uninsured, uncovered, unavailable or uncollectible amounts of all such claims made by SpinCo or any member of the SpinCo Group under the Policies as provided for in this Section 6.7(d). In the event an insurance policy aggregate is exhausted, or believed likely to be exhausted, due to noticed claims, the SpinCo Group, on the one hand, the Parent Group, on the other hand, shall be responsible for their pro rata portion of the reinstatement premium, if any, based upon the losses of such Group submitted to Parent's insurance carrier(s) (including any submissions prior to the applicable Insurance Termination Time). To the extent that the Parent Group or the SpinCo Group is allocated more than its pro rata portion of such premium due to the timing of losses submitted to Parent's insurance carrier(s), the other Party shall promptly pay the first Party an amount such that each Group has been properly allocated its pro rata portion of the reinstatement premium. Subject to the following sentence, a Party may elect not to reinstate the policy aggregate. In the event that a Party elects not to reinstate the policy aggregate, it shall provide prompt written notice to the other Party. A Party which elects to reinstate the policy aggregate shall be responsible for all reinstatement premiums and other costs associated with such reinstatement.

In the event that any member of the Parent Group incurs any losses, damages or Liability prior to or in respect of the period prior to the applicable Insurance Termination Time for which such member of the Parent Group is entitled to coverage under SpinCo's Policies, the same process pursuant to this [Section 6.7\(d\)](#) shall apply, substituting "Parent" for "SpinCo" and "SpinCo" for "Parent," including for purposes of the first sentence of [Section 6.7\(f\)](#).

(e) For six (6) years after the applicable Insurance Termination Time for officers' and directors' liability insurance, Parent shall use commercially reasonable efforts to provide officers' and directors' liability insurance in respect of (i) acts or omissions occurring at or prior to the applicable Insurance Termination Time for such Policies and (ii) the Separation and the IPO, covering each of the present and former officers and directors of Parent and SpinCo and each of their Subsidiaries currently covered by Parent's officers' and directors' liability insurance policies, on terms with respect to coverage and amount reasonably comparable to those of such policies as are in effect as of the applicable Insurance Termination Time with respect to Parent's then-current officers and directors, to the extent reasonably available in the commercial insurance market, with sixty-seven percent (67%) of the cost of such insurance deemed a Parent Liability and thirty-three percent (33%) of the cost of such insurance deemed a SpinCo Liability. Parent and SpinCo shall comply with all conditions in [Section 6.7\(d\)](#) with respect to claims made under the Policies referenced in this [Section 6.7\(e\)](#).

(f) Neither SpinCo nor any member of the SpinCo Group, in connection with making a claim under any insurance policy of Parent or any member of the Parent Group pursuant to this [Section 6.7](#), shall take any action that would be reasonably likely to (i) have a material and adverse impact on the then-current relationship between Parent or any member of the Parent Group, on the one hand, and the applicable insurance company, broker or third-party claims administrator, on the other hand; (ii) result in the applicable insurance company terminating or materially reducing coverage, or materially increasing the amount of any premium owed by Parent or any member of the Parent Group under the applicable insurance policy; or (iii) otherwise compromise, jeopardize or interfere in any material respect with the rights of Parent or any member of the Parent Group under the applicable insurance policy.

(g) All payments and reimbursements by SpinCo pursuant to this [Section 6.7](#) will be made within forty-five (45) days after SpinCo's receipt of an invoice therefor from Parent, unless otherwise agreed in writing by the Parties. If Parent incurs costs to enforce SpinCo's obligations herein, SpinCo agrees to indemnify and hold harmless Parent for such enforcement costs, including reasonable attorneys' fees, pursuant to [Section 5.6\(b\)](#). Parent shall retain the exclusive right to control its Policies and programs, including the right to exhaust, settle, release, commute, buy-back or otherwise resolve disputes with respect to any of its Policies and programs and to amend, modify or waive any rights under any such Policies and programs, notwithstanding whether any such Policies or programs apply to any SpinCo Liabilities and/or claims SpinCo has made or could make in the future, and no member of the SpinCo Group shall erode, exhaust, settle, release, commute, buyback or otherwise resolve disputes with Parent's insurers with respect to any

of Parent's Policies and programs, or amend, modify or waive any rights under any such Policies and programs. SpinCo shall cooperate with Parent and share such information as is reasonably necessary in order to permit Parent to manage and conduct its insurance matters as Parent deems appropriate. Neither Parent nor any member of the Parent Group shall have any obligation to secure extended reporting for any claims under any Policies of Parent or any member of the Parent Group for any acts or omissions by any member of the SpinCo Group incurred prior to the applicable Insurance Termination Time. For the avoidance of doubt, each Party and any member of its applicable Group has the sole right to settle or otherwise resolve third party claims made against it or any member of its applicable Group covered under an applicable insurance Policy.

(h) This Agreement shall not be considered as an attempted assignment of any policy of insurance or as a contract of insurance and shall not be construed to waive any right or remedy of any member of the Parent Group in respect of any insurance policy or any other contract or policy of insurance.

(i) SpinCo does hereby, for itself and each other member of the SpinCo Group, agree that no member of the Parent Group shall have any Liability whatsoever as a result of the Policies and practices of Parent and the members of the Parent Group as in effect at any time, including as a result of the level or scope of any such insurance, the creditworthiness of any insurance carrier, the terms and conditions of any policy, or the adequacy or timeliness of any notice to any insurance carrier with respect to any claim or potential claim or otherwise.

6.8 Late Payments. Except as expressly provided to the contrary in this Agreement or in any Ancillary Agreement, or as otherwise agreed in writing by the Parties, any amount not paid when due pursuant to this Agreement or any Ancillary Agreement (and any amounts billed or otherwise invoiced or demanded and properly payable that are not paid within sixty (60) days of such bill, invoice or other demand) shall accrue interest at a rate per annum equal to the Prime Rate plus two (2%) percent; provided, that with respect to any disputed payments, no interest payment shall be due until such dispute is resolved and the interest which shall be payable thereon shall be based on the finally-resolved amount of such payment, calculated from the original date on which the disputed payment was due through the date on which payment is actually made.

6.9 Inducement. SpinCo acknowledges and agrees that Parent's willingness to cause, effect and consummate the Transactions has been conditioned upon and induced by SpinCo's covenants and agreements in this Agreement and the Ancillary Agreements, including SpinCo's assumption of the SpinCo Liabilities pursuant to the Separation and the provisions of this Agreement and SpinCo's covenants and agreements contained in Article V and Article VI.

6.10 Post-Separation Time Conduct. The Parties acknowledge that, after the Separation Time, each Party shall be independent of the other Party, with responsibility for its own actions and inactions and its own Liabilities relating to, arising out of or resulting from the conduct of its business, operations and activities following the Separation Time, except as may otherwise be provided in any Ancillary Agreement, and each Party shall (except as otherwise provided in Article V) use commercially reasonable efforts to prevent such Liabilities from being inappropriately borne by the other Party.

6.11 Director Elections. At all times from the Separation Date until the earliest of (x) the Distribution Date, (y) December 31, 2024 and (z) the date on which Parent ceases to beneficially own at least fifty percent (50%) of the total voting power of SpinCo's outstanding share capital entitled to vote in the election of the SpinCo Board:

(a) SpinCo shall not, without the prior written consent of the Parent Board (which consent shall not be unreasonably withheld, conditioned or delayed) (i) propose or, subject only to applicable Law, name in any information circular, proxy or written consent of shareholders, any nominee for election to the SpinCo Board at any meeting of shareholders of SpinCo (including in any written consent of shareholders) other than a SpinCo director set forth in the Form S-1 Registration Statement filed by SpinCo on January 13, 2022, designated pursuant to, or otherwise to comply with, a contract or agreement entered into on or prior to the Separation Time or who has otherwise been appointed in accordance with clause (ii) of this Section 6.11(a) (including the proviso thereto); or (ii) appoint any person to the SpinCo Board (whether to fill a vacancy or otherwise) other than pursuant to, or otherwise to comply with, a contract or agreement entered into on or prior to the Separation Time; provided, however, that notwithstanding clause (ii) of this Section 6.11(a), SpinCo may appoint one additional director to the SpinCo Board without Parent's consent prior to the first annual meeting of shareholders of SpinCo following the Separation Time where such additional director qualifies as a medical expert, as determined by the SpinCo Board, acting reasonably; and

(b) all voting decisions made by or on behalf of Parent (including, for clarity, any such action taken by or on behalf of NumberCo, and the granting of any proxy) with respect to the SpinCo Common Shares beneficially owned by Parent and any other voting securities of SpinCo beneficially owned by Parent and entitled to vote at any annual or special meeting of shareholders of SpinCo (however noticed or called, and including any action by written consent) shall have previously been approved by the Parent Board.

ARTICLE VII  
EXCHANGE OF INFORMATION; CONFIDENTIALITY

7.1 Agreement for Exchange of Information. Subject to Section 7.10 and any other applicable confidentiality obligations, each of Parent and SpinCo, on behalf of itself and each member of its Group, agrees to use reasonable best efforts to provide or make available, or cause to be provided or made available, to the other Party and the members of such other Party's Group, at any time before, on or after the Separation Time, as soon as reasonably practicable after written request therefor is received by such Party's legal department from the requesting Party's legal department, any information (or a copy thereof) in the possession, custody or control of such Party or its Group which the requesting Party's legal department requests (including any SpinCo Books and Records or Parent Books and Records, as applicable, and any information held by a third-party on such Party's or a member of its Group's behalf) to the extent that (i) such information relates to the SpinCo Business, or any SpinCo Asset or SpinCo Liability, if SpinCo is the requesting Party, or to the Parent Business, or any Parent Asset or Parent Liability, if Parent is the requesting Party (including, for the avoidance of doubt, such information the requesting Party reasonably believes is relevant to the requesting Party's claim or defense in ongoing or anticipated litigation or other

legal proceeding and would be proportional to the needs of the matter); (ii) such information is required by the requesting Party to comply with its obligations under this Agreement or any Ancillary Agreement; (iii) such information is required by the requesting Party to comply with any obligation, audit, inspection, inquiry, or request from any Governmental Authority; or (iv) such information is required by the requesting Party to comply with any obligation imposed by a court order or any other compulsory legal process; provided, however, that, in the event that the Party to whom the request has been made determines that any such provision of information could be detrimental to the Party providing the information, violate any Law or agreement, or waive any privilege available under applicable Law, including any attorney-client privilege, then the Parties shall use commercially reasonable efforts to permit compliance with such obligations to the extent and in a manner that avoids any such harm or consequence (including by way of redaction). The Party providing information pursuant to this Section 7.1 shall only be obligated to provide such information in the form, condition and format in which it then exists; provided, however, that in the event (x) it is reasonably necessary for the purpose the requesting Party needs such information that such information be in a form, condition or format different from which it then exists and (y) the requesting Party is unable to modify the form, condition or format of such information without incurring costs and expenses materially in excess of the costs and expenses that would be incurred if the Party providing such information were to modify the form, condition or format of such information, then the Party providing such information will use commercially reasonable efforts at the requesting Party's sole cost and expense to provide such information in a form, condition and format requested by the requesting Party, consistent with the requesting Party's need for the information, including the requesting Party's legal obligation to retain, produce, or provide the information in a particular form, condition or format. Each Party shall cause its employees and the employees of any members of its Group to, and shall use commercially reasonable efforts to cause the employees of its Representatives to, when on the property of another Party or a member of another Party's Group, conform to the policies and procedures of such Party or any member of such Party's Group concerning health, safety, conduct and security that are made known or provided to the accessing Party from time to time. As soon as reasonably practicable after the Separation Time, Parent and SpinCo shall agree to a plan with respect to the maintenance and transfer of data that constitutes SpinCo Books and Records and discuss and negotiate such plan in good faith, including whether to further catalog or inventory any data sources that may contain entangled data of both the SpinCo Group and Parent Group or transfer any such material to the other Party or its Group. Each Party may retain copies of information delivered to the other hereunder, subject to holding such information in confidence in accordance with this Agreement.

7.2 Ownership of Information. The provision of any information pursuant to Section 7.1 or Section 7.8 shall not affect the ownership of such information (which shall be determined solely in accordance with the terms of this Agreement and the Ancillary Agreements), or constitute a grant of rights in or to any such information.

7.3 Compensation for Providing Information. The Party requesting information agrees to reimburse the other Party for the reasonable costs, if any, of creating, gathering, copying, transporting, redacting and otherwise complying with the request with respect to such information (including any reasonable costs and expenses incurred in any review of information for purposes of protecting the Privileged Information of the providing Party or in connection with the restoration of backup media for purposes of providing the requested information). Except as may be otherwise specifically provided elsewhere in this Agreement, any Ancillary Agreement or any other agreement between the Parties, such costs shall be computed in accordance with the providing Party's standard methodology and procedures.



7.4 Record Retention.

(a) To facilitate the possible exchange of information pursuant to this Article VII and other provisions of this Agreement after the Separation Time, from and after the Separation Time until the twelfth (12th) anniversary of the Separation Time (or such longer time as required by applicable Law), the Parties agree to use their commercially reasonable efforts, which shall be no less rigorous than those used for retention of such Party's own information, to retain all information related to the SpinCo Business, or any SpinCo Asset or SpinCo Liability (including, for the avoidance of doubt, the SpinCo Books and Records), in the case of Parent, or to the Parent Business, or any Parent Asset or Parent Liability (including, for the avoidance of doubt, the Parent Books and Records), in the case of SpinCo in their respective possession, custody or control as of the Separation Time (including any information that is subject to a "Legal Hold" or "Litigation Hold" issued by either Party prior to the Separation Time, or issued by a Party after the Separation Time to the extent the other Party has knowledge thereof (in either case, a "Litigation Hold") in accordance with their respective policies regarding retention of records (which policies, for the avoidance of doubt, shall not supersede the twelve-year term set forth in this Section 7.4(a)); provided, however, that (x) in the case of any such information relating to Taxes, such retention period shall be extended to the expiration of the applicable statute of limitations (giving effect to any extensions thereof), (y) in the case of any such information that is subject to a Litigation Hold, such information shall be retained until the release of the Litigation Hold by the issuing Party or Parties and (z) in the case of any such information required to be retained for a period longer than the twelfth (12th) anniversary of the Separation Time by applicable Law, such retention period shall be extended to the expiration of the period so required. No Party will knowingly destroy, or permit any of its Subsidiaries to destroy, any information which the other Party may have the right to obtain pursuant to this Agreement (including the SpinCo Books and Records and Parent Books and Records) prior to the end of the retention period set forth in this Section 7.4(a). Notwithstanding anything in this Article VII to the contrary, the Tax Matters Agreement exclusively governs the retention of Tax related records and the exchange of Tax-related information, and the Employee Matters Agreement governs the retention of employment and benefits related records; provided, that, for the avoidance of doubt, the Tax Matters Agreement and the Employee Matters Agreement shall not supersede either Party's obligation with respect to information subject to a Litigation Hold.

(b) Notwithstanding anything to the contrary herein, following the end of the retention period set forth in Section 7.4(a), neither Party may destroy, or permit any members of its Group to destroy, any information contemplated to be retained by Section 7.4(a) (including the SpinCo Books and Records and Parent Books and Records) without first providing written notice to the General Counsel or Chief Legal Officer of the other Party of the proposed destruction of information, including a reasonably detailed description of the information proposed for destruction, and providing the other Party the opportunity to take possession of such information prior to such destruction, at such other Party's sole cost and expense, provided that (i) in the case of any information relating to a pending or threatened Action that is known to a member of the applicable Party's Group in possession of such information, the Parties shall comply with the requirements of the applicable "Litigation Hold", and (ii) in no event shall a Party knowingly destroy, or permit any of the members of its Group to destroy, any information required to be retained by applicable Law.

7.5 Legal Materials. All legal files, documents and other information created prior to the Separation Time (the "Legal Materials") not separated as of the Separation Time shall be deemed "Joint Legal Materials". Both Parties' legal counsel will have the right, from and after the Separation Time, (a) to access, review and duplicate all Joint Legal Materials in the possession, custody, or control of the other that relate to their respective legal matters and (b) only with the consent of the other party, at the requesting party's sole cost and expense, to separate and take sole possession of Joint Legal Materials relating solely to either the Parent Business or the SpinCo Business, as applicable. Parent and SpinCo shall cause their respective legal counsel to maintain and continue their respective Group's compliance with all "Litigation Holds" applicable to any Legal Materials, Joint Legal Materials, or materials subject to Litigation Hold they possess or come to possess. Notwithstanding anything to the contrary herein, the party designated to direct the defense or prosecution of any Action pursuant to Section 5.11 shall be entitled to have and retain possession and own the Legal Materials related to such Action.

7.6 Limitations of Liability. Neither Party shall have any Liability to the other Party arising from the fact that any information exchanged or provided pursuant to this Agreement is found to be inaccurate in the absence of gross negligence, bad faith or willful misconduct by the Party providing such information. Neither Party shall have any Liability to any other Party if any information is destroyed after commercially reasonable efforts by such Party to comply with the provisions of Section 7.4.

7.7 Other Agreements Providing for Exchange of Information

(a) The rights and obligations granted under this Article VII are subject to any specific limitations, qualifications or additional provisions on the sharing, exchange, retention, destruction or confidential treatment of information set forth in any Ancillary Agreement.

(b) Any party that receives, pursuant to a request for information in accordance with this Article VII, Tangible Information that is not relevant to its request shall, at the request of the providing Party, (i) return it to the providing Party or, at the providing Party's request, destroy such Tangible Information, and (ii) deliver to the providing Party written confirmation that such Tangible Information was returned or destroyed, as the case may be, which confirmation shall be signed by an authorized representative of the requesting Party.

7.8 Production of Witnesses; Records; Cooperation

(a) After the Separation Time, except in the case of a Dispute between Parent and SpinCo, or any members of their respective Groups, each Party shall use its commercially reasonable efforts to make available to the other Party, upon written request, the former, current and future directors, officers, employees, other personnel and agents of the members of its Group as witnesses and any books, records or other documents within its possession, custody or control, to the extent that any such person (giving consideration to business demands of such directors, officers, employees, other personnel and agents) or books, records or other documents may reasonably be required in connection with any Action in which the requesting Party (or member of its Group) may from time to time be involved, regardless of whether such Action is a matter with respect to which indemnification may be sought hereunder. The requesting Party shall bear all costs and expenses in connection therewith.

(b) If an Indemnifying Party chooses to defend or to seek to compromise or settle any Third-Party Claim, the other Party shall make available to such Indemnifying Party, upon written request, the former, current and future directors, officers, employees, other personnel and agents of the members of its Group as witnesses and any books, records or other documents within its possession, custody or control, to the extent that any such person (giving consideration to business demands of such directors, officers, employees, other personnel and agents) or books, records or other documents may reasonably be required in connection with such defense, settlement or compromise, or such prosecution, evaluation or pursuit, as the case may be, and shall otherwise cooperate in such defense, settlement or compromise, or such prosecution, evaluation or pursuit, as the case may be.

(c) Without limiting the foregoing, the Parties shall cooperate and consult to the extent reasonably necessary with respect to any Actions.

(d) Without limiting any provision of this Section 7.8, each of the Parties agrees to cooperate, and to cause each member of its Group to cooperate, with each other in the defense of any infringement or similar claim with respect to any Intellectual Property Rights and shall not claim to acknowledge, or permit any member of its Group to claim to acknowledge, the validity or infringing use of any Intellectual Property Rights of a third Person in a manner that would hamper or undermine the defense of such infringement or similar claim.

(e) The obligation of the Parties to provide witnesses pursuant to this Section 7.8 is intended to be interpreted in a manner so as to facilitate cooperation and shall include the obligation to provide as witnesses directors, officers, employees, other personnel and agents without regard to whether such person could assert a possible business conflict (subject to the exception set forth in the first sentence of Section 7.8(a)).

7.9 Privileged Matters.

(a) The Parties recognize that legal and other professional services that have been and will be provided prior to the Separation Time have been and will be rendered for the collective benefit of each of the members of the Parent Group and the SpinCo Group, and that each of the members of the Parent Group and the SpinCo Group should be deemed to be the client with respect to such services for the purposes of asserting all privileges which may be asserted under applicable Law in connection therewith. The Parties recognize that legal and other professional services will be provided following the Separation Time, which services will be rendered solely for the benefit of the Parent Group or the SpinCo Group, as the case may be. In furtherance of the foregoing, each Party shall authorize the delivery to and/or retention by the other Party of materials existing as of the Separation Time that are necessary for such other Party to perform such services.

(b) The Parties agree as follows:

(i) Parent shall be entitled, in perpetuity, to control the assertion or waiver of all privileges and immunities in connection with any Privileged Information that relates solely to the Parent Business and not to the SpinCo Business, whether or not the Privileged Information is in the possession or under the control of any member of the Parent Group or any member of the SpinCo Group. Parent shall also be entitled, in perpetuity, to control the assertion or waiver of all privileges and immunities in connection with any Privileged Information that relates solely to any Parent Liabilities resulting from any Actions that are now pending or may be asserted in the future, whether or not the Privileged Information is in the possession or under the control of any member of the Parent Group or any member of the SpinCo Group;

(ii) SpinCo shall be entitled, in perpetuity, to control the assertion or waiver of all privileges and immunities in connection with any Privileged Information that relates solely to the SpinCo Business and not to the Parent Business, whether or not the Privileged Information is in the possession or under the control of any member of the SpinCo Group or any member of the Parent Group. SpinCo shall also be entitled, in perpetuity, to control the assertion or waiver of all privileges and immunities in connection with any Privileged Information that relates solely to any SpinCo Liabilities resulting from any Actions that are now pending or may be asserted in the future, whether or not the Privileged Information is in the possession or under the control of any member of the SpinCo Group or any member of the Parent Group; and

(iii) if the Parties do not agree as to whether certain information is Privileged Information, then such information shall be treated as Privileged Information, and the Party that believes that such information is Privileged Information shall be entitled to control the assertion or waiver of all privileges and immunities in connection with any such information unless the Parties otherwise agree. The Parties shall use the procedures set forth in Article VIII to resolve any disputes as to whether any information relates solely to the Parent Business, solely to the SpinCo Business, or to both the Parent Business and the SpinCo Business.

(c) Subject to the remaining provisions of this Section 7.9, the Parties agree that they shall have a shared privilege or immunity with respect to all privileges and immunities not allocated pursuant to Section 7.9(b) and all privileges and immunities relating to any Actions or other matters that involve both Parties (or one or more members of their respective Groups) and in respect of which both Parties have Liabilities under this Agreement, and that no such shared privilege or immunity may be waived by either Party without the consent of the other Party.

(d) If any Dispute arises between the Parties or any members of their respective Groups regarding whether a privilege or immunity should be waived to protect or advance the interests of either Party and/or any member of their respective Groups, each Party agrees that it shall (i) negotiate with the other Party in good faith, (ii) endeavor to minimize any prejudice to the rights of the other Party, and (iii) not unreasonably withhold consent to any request for waiver by the other Party. Further, each Party specifically agrees that it shall not withhold its consent to the waiver of a privilege or immunity for any purpose except in good faith to protect its own legitimate interests.

(e) In the event of any Dispute between Parent and SpinCo, or any members of their respective Groups, either Party may waive a privilege in which the other Party or member of such other Party's Group has a shared privilege, without obtaining consent pursuant to Section 7.9(c); provided, that the Parties intend such waiver of a shared privilege to be effective only as to the use of information with respect to the Action between the Parties and/or the applicable members of their respective Groups, and is not intended to operate as a waiver of the shared privilege with respect to any Third Party.

(f) Upon receipt by either Party, or by any member of its Group, of any subpoena, discovery or other request that may reasonably be expected to result in the production or disclosure of Privileged Information subject to a shared privilege or immunity or as to which another Party has the sole right hereunder to assert a privilege or immunity, or if either Party obtains knowledge that any of its, or any member of its Group's, current or former directors, officers, agents or employees have received any subpoena, discovery or other requests that may reasonably be expected to result in the production or disclosure of such Privileged Information, such Party shall promptly notify the other Party of the existence of the request (which notice shall be delivered to such other Party no later than five (5) Business Days following the receipt of any such subpoena, discovery or other request) and shall provide the other Party a reasonable opportunity to review the Privileged Information and to assert any rights it or they may have under this Section 7.9 or otherwise, to prevent the production or disclosure of such Privileged Information.

(g) Any furnishing of, or access or transfer of, any information pursuant to this Agreement is made in reliance on the agreement of Parent and SpinCo set forth in this Section 7.9 and in Section 7.10 to maintain the confidentiality of Privileged Information and to assert and maintain all applicable privileges and immunities. The Parties agree that their respective rights to any access to information, witnesses and other Persons, the furnishing of notices and documents and other cooperative efforts between the Parties contemplated by this Agreement, and the transfer of Privileged Information between the Parties and members of their respective Groups as needed pursuant to this Agreement, is not intended to be deemed a waiver of any privilege that has been or may be asserted under this Agreement or otherwise.

(h) In connection with any matter contemplated by Section 7.8 or this Section 7.9, the Parties agree to, and to cause the applicable members of their Group to, use commercially reasonable efforts to maintain their respective separate and joint privileges and immunities, including by executing joint defense and/or common interest agreements where necessary or useful for this purpose.

#### 7.10 Confidentiality.

(a) Confidentiality. Subject to Section 7.11, from and after the Separation Time each of Parent and SpinCo, on behalf of itself and each member of its Group, agrees to hold, and to cause its respective Representatives to hold, in strict confidence, with at least the same degree of care that applies to Parent's confidential and proprietary information pursuant to policies in effect as of the Separation Time, all confidential and proprietary information concerning the other Party or any member of the other Party's Group or their respective businesses (giving effect to the Separation) that is either in its possession (including confidential and proprietary information in its possession prior to the date hereof) or furnished by any such other Party or any member of such Party's Group or their respective Representatives at any time pursuant to this Agreement, any

Ancillary Agreement or otherwise, and shall not use any such confidential and proprietary information other than for such purposes as shall be expressly permitted hereunder or thereunder, except, in each case, to the extent that such confidential and proprietary information has been (i) in the public domain or generally available to the public, other than as a result of a disclosure by such Party or any member of such Party's Group or any of their respective Representatives in violation of this Agreement, (ii) later lawfully acquired from other sources by such Party (or any member of such Party's Group) which sources are not, to the best of such Party's knowledge, themselves bound by a confidentiality obligation or other contractual, legal or fiduciary obligation of confidentiality with respect to such confidential and proprietary information, or (iii) independently developed or generated without reference to or use of any proprietary or confidential information of the other Party or any member of such Party's Group. If any confidential and proprietary information of one Party or any member of its Group is disclosed to the other Party or any member of such other Party's Group in connection with providing services to such first Party or any member of such first Party's Group under this Agreement or any Ancillary Agreement, then such disclosed confidential and proprietary information shall be used only as required to perform such services.

(b) *No Release; Return or Destruction.* Each Party agrees not to release or disclose, or permit to be released or disclosed, any information addressed in Section 7.10(a) to any other Person, except its Representatives who need to know such information in their capacities as such (who shall be advised of their obligations hereunder with respect to such information), and except in compliance with Section 7.11. Without limiting the foregoing, when any such information is no longer needed for the purposes contemplated by this Agreement or any Ancillary Agreement, and is no longer subject to any legal hold or other document preservation obligation, each Party will promptly after request of the other Party either return to the other Party all such information in a tangible form (including all copies thereof and all notes, extracts or summaries based thereon) or notify the other Party in writing that it has destroyed such information (and such copies thereof and such notes, extracts or summaries based thereon); provided, that the Parties may retain electronic back-up versions of such information maintained on routine computer system backup tapes, disks or other backup storage devices; provided further, that any such information so retained shall remain subject to the confidentiality provisions of this Agreement or any Ancillary Agreement.

(c) *Third-Party Information; Privacy or Data Protection Laws.* Each Party acknowledges that it and members of its Group may presently have and, following the Separation Time, may gain access to or possession of confidential or proprietary information of, or legally protected personal information relating to, Third Parties (i) that was received under privacy policies and/or confidentiality or non-disclosure agreements entered into between such Third Parties, on the one hand, and the other Party or members of such other Party's Group, on the other hand, prior to the Separation Time, or (ii) that, as between the two Parties, was originally collected by the other Party or members of such other Party's Group and that may be subject to and protected by privacy policies, as well as privacy, data protection or other applicable Laws. Each Party agrees that it shall hold, protect and use, and shall cause the members of its Group and its and their respective Representatives to hold, protect and use, in strict confidence the confidential and proprietary information of, or legally protected personal information relating to, Third Parties in accordance with privacy policies and privacy, data protection or other applicable Laws and the terms of any agreements that were either entered into before the Separation Time or affirmative

commitments or representations that were made before the Separation Time by, between or among the other Party or members of the other Party's Group, on the one hand, and such Third Parties, on the other hand. With respect to legally protected personal information received from consumers before the Separation Time, each Party agrees that it will not use data in a manner that is materially inconsistent with promises made at the time the data was collected unless it first obtains affirmative express consent from the relevant consumer.

7.11 Protective Arrangements. In the event that a Party or any member of its Group either determines on the advice of its counsel that it is required to disclose any information pursuant to applicable Law or receives any request or demand under lawful process or from any Governmental Authority to disclose or provide information of the other Party (or any member of the other Party's Group) that is subject to the confidentiality provisions hereof, such Party shall notify the other Party (to the extent legally permitted) as promptly as practicable under the circumstances prior to disclosing or providing such information and shall cooperate, at the expense of the other Party, in seeking any appropriate protective order requested by the other Party. In the event that such other Party fails to receive such appropriate protective order in a timely manner and the Party receiving the request or demand reasonably determines that its failure to disclose or provide such Information shall actually prejudice the Party receiving the request or demand, then the Party that received such request or demand may thereafter disclose or provide information to the extent required by such Law (as so advised by its counsel) or by lawful process or such Governmental Authority or to the extent necessary for such Party to not be so prejudiced, and the disclosing Party shall promptly provide the other Party with a copy of the information so disclosed, in the same form and format so disclosed, together with a list of all Persons to whom such information was disclosed, in each case to the extent legally permitted.

#### ARTICLE VIII DISPUTE RESOLUTION

8.1 Good Faith Officer Negotiation. Subject to Section 8.4, either Party seeking resolution of any dispute, controversy or claim arising out of or relating to this Agreement or any Ancillary Agreement (other than the Tax Matters Agreement or as contemplated by Schedule 5.11), including regarding whether any Assets are SpinCo Assets, any Liabilities are SpinCo Liabilities or the validity, interpretation, breach or termination of this Agreement or any Ancillary Agreement (a "Dispute"), which dispute could not be resolved by the Transition Committee, shall provide written notice thereof to the other Party (the "Officer Negotiation Request"). Within fifteen (15) days of the delivery of the Officer Negotiation Request, the Parties shall attempt to resolve the Dispute through good faith negotiation. All such negotiations shall be conducted by executives who hold, at a minimum, the title of Senior Vice President (or a position substantially equivalent thereto) and who have authority to settle the Dispute. All such negotiations shall be confidential and shall be treated as compromise and settlement negotiations for purposes of applicable rules of evidence. If the Parties are unable for any reason to resolve a Dispute within thirty (30) days of receipt of the Officer Negotiation Request, and such thirty (30)-day period is not extended by mutual written consent of the Parties, the Chief Executive Officers of the Parties shall enter into good-faith negotiations in accordance with Section 8.2.

8.2 Good-Faith Negotiation. If any Dispute is not resolved pursuant to Section 8.1, the Party that delivered the Officer Negotiation Request shall provide written notice of such Dispute to the Chief Executive Officer of each Party (a "CEO Negotiation Request"). As soon as reasonably practicable following receipt of a CEO Negotiation Request, the Chief Executive Officers of the Parties shall begin conducting good-faith negotiations with respect to such Dispute. All such negotiations shall be confidential and shall be treated as compromise and settlement negotiations for purposes of applicable rules of evidence. If the Chief Executive Officers of the Parties are unable for any reason to resolve a Dispute within thirty (30) days of receipt of a CEO Negotiation Request, and such thirty (30)-day period is not extended by mutual written consent of the Parties, the Party that delivered the CEO Negotiation request shall provide written notice of such Dispute to the Chairman of each Party's board of directors, or lead independent director if the Chief Executive Officer of such Party also serves as the Chairman of such Party's board of directors (a "Director Negotiation Request"). As soon as reasonably practicable following receipt of a Director Negotiation Request, the applicable directors of each Party shall begin conducting good-faith negotiations with respect to such Dispute. All such negotiations shall be confidential and shall be treated as compromise and settlement negotiations for purposes of applicable rules of evidence. If the applicable directors of the Parties are unable for any reason to resolve a Dispute within thirty (30) days of receipt of a Director Negotiation Request, and such thirty (30)-day period is not extended by mutual written consent of the Parties, the Dispute shall be submitted to arbitration in accordance with Section 8.3.

8.3 Arbitration.

(a) In the event that a Dispute has not been resolved within thirty (30) days of the receipt of a CEO Negotiation Request in accordance with Section 8.2, or within such longer period as the Parties may agree to in writing, then such Dispute shall, upon the written request of a Party (the "Arbitration Request") be submitted to be finally resolved by binding arbitration in accordance with the then-current JAMS Comprehensive Arbitration Rules and Procedures ("JAMS Rules"), except as modified herein. The arbitration shall be held in (i) New York City, New York, or (ii) such other place as the Parties may mutually agree in writing. Unless otherwise agreed by the Parties in writing, any Dispute to be decided pursuant to this Section 8.3 will be decided (i) before a sole arbitrator if the amount in dispute, inclusive of all claims and counterclaims, totals less than One (1) million, or (ii) by a panel of three (3) arbitrators if the amount in dispute, inclusive of all claims and counterclaims, totals One (1) million or more.

(b) The panel of three (3) arbitrators will be chosen as follows: (i) within thirty (30) days from the date of the receipt of the Arbitration Request, each Party will name an arbitrator; and (ii) the two (2) Party-appointed arbitrators will thereafter, within thirty (30) days from the date on which the second of the two (2) arbitrators was named, name a third independent arbitrator who will act as chairperson of the arbitral tribunal. In the event that either Party fails to name an arbitrator within thirty (30) days from the date of receipt of the Arbitration Request, then upon written application by either Party, that arbitrator shall be appointed pursuant to the JAMS Rules. In the event that the two (2) Party-appointed arbitrators fail to appoint the third, then the third independent arbitrator will be appointed pursuant to the JAMS Rules. If the arbitration will be before a sole independent arbitrator, then the sole independent arbitrator will be appointed by agreement of the Parties within thirty (30) days of the date of receipt of the Arbitration Request. If the Parties cannot agree to a sole independent arbitrator during such thirty (30) day period, then upon written application by either party, the sole independent arbitrator will be appointed pursuant to the JAMS Rules.



(c) The arbitrator(s) will have the right to award, on a preliminary or interim basis, or include in the final award, any relief that it deems proper in the circumstances, including money damages (with interest on unpaid amounts from the due date), injunctive relief (including specific performance) and attorneys' fees and costs; provided, that the arbitrator(s) will not award any relief not specifically requested by the Parties and, in any event, will not award any indirect, punitive, exemplary, remote, speculative or similar damages in excess of compensatory damages of the other arising in connection with the transactions contemplated hereby (other than any such Liability arising from a payment actually made to a Third Party with respect to a Third-Party Claim). Upon selection of the arbitrator(s) following any grant of interim relief by a special arbitrator or court pursuant to Section 8.4, the arbitrator(s) may affirm or disaffirm that relief, and the Parties will seek modification or rescission of the order entered by the court as necessary to accord with the decision of the arbitrator(s). The award of the arbitrator(s) shall be final and binding on the Parties, and may be enforced in any court of competent jurisdiction. The initiation of arbitration pursuant to this Article VIII will toll the applicable statute of limitations for the duration of any such proceedings. Notwithstanding applicable state Law, the arbitration and this agreement to arbitrate shall be governed by the Federal Arbitration Act, 9 U.S.C. § 1, et seq.

8.4 Litigation and Unilateral Commencement of Arbitration. Notwithstanding the foregoing provisions of this Article VIII, (a) a Party may seek preliminary provisional or injunctive judicial relief with respect to a Dispute without first complying with the procedures set forth in Section 8.1, Section 8.2 and Section 8.3 if such action is reasonably necessary to avoid irreparable damage it being understood that such initiating Party may, at its election, pursue arbitration, including seeking arbitral relief on a preliminary or interim basis, in lieu of such judicial relief) and (b) either Party may initiate arbitration before the expiration of the periods specified in Section 8.1, Section 8.2 and/or Section 8.3 if such Party has submitted an Officer Negotiation Request, a CEO Negotiation Request and/or an Arbitration Request and the other Party has failed to comply with Section 8.1, Section 8.2 and/or Section 8.3 in good faith with respect to such negotiation and/or the commencement and engagement in arbitration. In the circumstances contemplated by clause (b) of the immediately preceding sentence, the other Party may commence and prosecute such arbitration unilaterally in accordance with the JAMS Rules.

8.5 Conduct During Dispute Resolution Process. Unless otherwise agreed in writing, the Parties shall, and shall cause the respective members of their Groups to, continue to honor all commitments under this Agreement and each Ancillary Agreement to the extent required by such agreements during the course of dispute resolution pursuant to the provisions of this Article VIII, unless such commitments are the specific subject of the Dispute at issue.

#### ARTICLE IX FURTHER ASSURANCES AND ADDITIONAL COVENANTS

##### 9.1 Further Assurances

(a) In addition to the actions specifically provided for elsewhere in this Agreement, each of the Parties shall use its reasonable best efforts, prior to, on and after the Separation Time, to take, or cause to be taken, all actions, and to do, or cause to be done, all things, reasonably necessary, proper or advisable under applicable Laws, regulations and agreements to consummate and make effective the transactions contemplated by this Agreement and the Ancillary Agreements.

(b) Without limiting the foregoing, prior to, on and after the Separation Time, each Party hereto shall cooperate with the other Party, and without any further consideration, but at the expense of the requesting Party, to execute and deliver, or use its reasonable best efforts to cause to be executed and delivered, all instruments, including instruments of conveyance, assignment and transfer, and to make all filings with, and to obtain all Approvals or Notifications of, any Governmental Authority or any other Person under any permit, license, agreement, indenture or other instrument (including any consents or Governmental Approvals), and to take all such other actions as such Party may reasonably be requested to take by the other Party from time to time, consistent with the terms of this Agreement and the Ancillary Agreements, in order to effectuate the provisions and purposes of this Agreement and the Ancillary Agreements and the transfers of the SpinCo Assets and the Parent Assets and the assignment and assumption of the SpinCo Liabilities and the Parent Liabilities and the other transactions contemplated hereby and thereby. Without limiting the foregoing, each Party will, at the reasonable request, cost and expense of the other Party, take such other actions as may be reasonably necessary to vest in such other Party good and marketable title to the Assets allocated to such Party under this Agreement or any of the Ancillary Agreements, free and clear of any Security Interest, if and to the extent it is practicable to do so.

(c) At or prior to the Separation Time, Parent and SpinCo, in their respective capacities as direct and indirect shareholders of the members of their Groups, shall each ratify any actions which are reasonably necessary or desirable to be taken by Parent, SpinCo or any of the members of their respective Groups, as the case may be, to effectuate the transactions contemplated by this Agreement and the Ancillary Agreements.

#### ARTICLE X TERMINATION

10.1 Termination by Mutual Consent. This Agreement and all Ancillary Agreements may be terminated, and the terms and conditions of the Distribution may be amended, modified or abandoned at any time prior to the Distribution Date by the mutual consent of Parent and SpinCo.

##### 10.2 Other Termination

(a) This Agreement and all Ancillary Agreements may be terminated by Parent at any time, in its sole discretion, prior to the IPO Closing Date (subject to the terms of the Underwriting Agreement).

(b) The obligations of the parties under Article IV (including the obligation to pursue or effect the Distribution) may be terminated by Parent at any time for any reason, including if, at any time, the Parent Board determines, in its sole discretion, that the Distribution is not in the best interests of Parent or its shareholders.

10.3 Effect of Termination

(a) In the event of any termination of this Agreement prior to the IPO Closing Date, no Party (nor any of its directors, officers or employees) shall have any Liability or further obligation to the other Party by reason of this Agreement.

(b) In the event of any termination of this Agreement on or after the IPO Closing Date, only the provisions of Article IV and Section 10.2 will terminate, and the other provisions of this Agreement and each Ancillary Agreement shall remain in full force and effect.

ARTICLE XI  
MISCELLANEOUS

11.1 Counterparts; Entire Agreement; Corporate Power

(a) This Agreement and each Ancillary Agreement may be executed in one or more counterparts, all of which shall be considered one and the same agreement, and shall become effective when one or more counterparts have been signed by each of the Parties and delivered to the other Party.

(b) This Agreement, the Ancillary Agreements and the Exhibits, Schedules and appendices hereto and thereto contain the entire agreement between the Parties with respect to the subject matter hereof, supersede all previous agreements, negotiations, discussions, writings, understandings, commitments and conversations with respect to such subject matter, and there are no agreements or understandings between the Parties other than those set forth or referred to herein or therein. This Agreement and the Ancillary Agreements together govern the arrangements in connection with the Transactions and would not have been entered independently.

(c) Parent represents on behalf of itself and each other member of the Parent Group, and SpinCo represents on behalf of itself and each other member of the SpinCo Group, as follows:

(i) each such Person has the requisite corporate or other power and authority and has taken all corporate or other action necessary in order to execute, deliver and perform this Agreement and each Ancillary Agreement to which it is a party and to consummate the transactions contemplated hereby and thereby, and

(ii) this Agreement and each Ancillary Agreement to which it is a party has been duly executed and delivered by it and constitutes a valid and binding agreement of it enforceable in accordance with the terms thereof.

(d) Each Party acknowledges that it and each other Party is executing this Agreement and certain of the Ancillary Agreements by facsimile, stamp or mechanical signature, and that delivery of an executed counterpart of a signature page to this Agreement or any Ancillary Agreement (whether executed by manual, stamp or mechanical signature) by facsimile or by e-mail in portable document format (PDF) shall be effective as delivery of such executed counterpart of this Agreement or any Ancillary Agreement. Each Party expressly adopts and confirms each such facsimile, stamp or mechanical signature (regardless of whether delivered in person, by mail,

by courier, by facsimile or by e-mail in portable document format (PDF)) made in its name as if it were a manual signature delivered in person, agrees that it will not assert that any such signature or delivery is not adequate to bind such Party to the same extent as if it were signed manually and delivered in person and agrees that, at the reasonable request of the other Party at any time, it will as promptly as reasonably practicable cause each such Ancillary Agreement to be manually executed (any such execution to be as of the date of the initial date thereof) and delivered in person, by mail or by courier.

11.2 Governing Law. This Agreement and, unless expressly provided therein, each Ancillary Agreement (and any claims or disputes arising out of or related hereto or thereto or to the transactions contemplated hereby and thereby or to the inducement of any party to enter herein and therein, whether for breach of contract, tortious conduct or otherwise and whether predicated on common law, statute or otherwise) shall be governed by and construed and interpreted in accordance with the Laws of the State of Delaware irrespective of the choice of laws principles of the State of Delaware including all matters of validity, construction, effect, enforceability, performance and remedies. For clarity, all matters relating to the duties of the directors and officer of Parent, SpinCo and each of their respective Affiliates shall be governed by, and construed in accordance with, the laws of British Columbia, Canada, the federal laws of Canada applicable therein (in the case of Parent) and the federal laws of Canada (in the case of SpinCo prior to the Arrangement, and to the laws of the jurisdiction to which SpinCo or its successors are continued, if applicable, following such time).

11.3 Assignability. Except as set forth in any Ancillary Agreement, this Agreement and each Ancillary Agreement shall be binding upon and inure to the benefit of the Parties and the parties thereto, respectively, and their respective successors and permitted assigns; provided, however, that neither Party nor any such party thereto may assign its rights or delegate its obligations under this Agreement or any Ancillary Agreement without the express prior written consent of the other Party hereto or other parties thereto, as applicable. Notwithstanding the foregoing, no such consent shall be required for the assignment of a party's rights and obligations under this Agreement and the Ancillary Agreements (except as may be otherwise provided in any such Ancillary Agreement) in whole (*i.e.*, the assignment of a party's rights and obligations under this Agreement and all Ancillary Agreements all at the same time) in connection with a Change of Control of a Party so long as the resulting, surviving or transferee Person assumes all the obligations of the relevant party thereto by operation of Law or pursuant to an agreement in form and substance reasonably satisfactory to the other Party. For the avoidance of doubt, upon and subject to the implementation of the applicable step in the Plan of Arrangement, each of AmalCo and the Resulting Entity shall be regarded as successors and permitted assigns of SpinCo for purposes of this Agreement and each other Ancillary Agreement and it is the express intention of each of the Parties that all terms referring or relating to SpinCo shall be construed to refer or relate to the Resulting Entity.

11.4 Third-Party Beneficiaries. Except for the indemnification rights under this Agreement and each Ancillary Agreement of any Parent Indemnitee or SpinCo Indemnitee in their respective capacities as such, (a) the provisions of this Agreement and each Ancillary Agreement are solely for the benefit of the Parties and are not intended to confer upon any Person except the Parties any rights or remedies hereunder, and (b) there are no third-party beneficiaries of this Agreement or any Ancillary Agreement and neither this Agreement nor any Ancillary Agreement shall provide any third person with any remedy, claim, Liability, reimbursement, claim of action or other right in excess of those existing without reference to this Agreement or any Ancillary Agreement.

11.5 Notices. All notices, requests, claims, demands or other communications under this Agreement and, to the extent, applicable and unless otherwise provided therein, under each of the Ancillary Agreements shall be in writing and shall be given or made (and shall be deemed to have been duly given or made upon receipt) by delivery in person, by overnight courier service, or by facsimile or electronic transmission with receipt confirmed, to the respective Parties at the following addresses (or at such other address for a Party as shall be specified in a notice given in accordance with this Section 11.5):

If to Parent (prior to, on or after the Separation Time), to:

Bausch Health Companies Inc.  
2150 St. Elzéar Blvd. West  
Laval, Québec, Canada H7L 4A8  
Attention: General Counsel  
E-mail: [\*\*\*\*\*]

with a copy to:

Wachtell, Lipton, Rosen & Katz  
51 West 52nd Street  
New York, New York 10019  
Attention: Igor Kirman  
Mark F. Veblen  
Facsimile: [\*\*\*\*\*]  
Email: [\*\*\*\*\*]

If to SpinCo (prior to, on or after the Separation Time), to:

Bausch + Lomb Corporation  
400 Somerset Corporate Blvd  
Bridgewater, NJ 08807, USA  
Attention: General Counsel  
E-mail: [\*\*\*\*\*]

with a copy to:

Wachtell, Lipton, Rosen & Katz  
51 West 52nd Street  
New York, New York 10019  
Attention: Igor Kirman  
Mark F. Veblen  
Facsimile: [\*\*\*\*\*]  
Email: [\*\*\*\*\*]

A Party may, by notice to the other Party, change the address to which such notices are to be given.

11.6 Severability. If any provision of this Agreement or any Ancillary Agreement or the application thereof to any Person or circumstance is determined by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions hereof or thereof, or the application of such provision to Persons or circumstances or in jurisdictions other than those as to which it has been held invalid or unenforceable, shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby. Upon such determination, the Parties shall negotiate in good faith in an effort to agree upon such a suitable and equitable provision to effect the original intent of the Parties.

11.7 Force Majeure. No Party shall be deemed in default of this Agreement or, unless otherwise expressly provided therein, any Ancillary Agreement for any delay or failure to fulfill any obligation (other than a payment obligation) hereunder or thereunder so long as and to the extent to which any delay or failure in the fulfillment of such obligation is prevented, frustrated, hindered or delayed as a consequence of circumstances of Force Majeure. In the event of any such excused delay, the time for performance of such obligations (other than a payment obligation) shall be extended for a period equal to the time lost by reason of the delay. A Party claiming the benefit of this provision shall, as soon as reasonably practicable after the occurrence of any such event, (a) provide written notice to the other Party of the nature and extent of any such Force Majeure condition; and (b) use commercially reasonable efforts to remove any such causes and resume performance under this Agreement and the Ancillary Agreements, as applicable, as soon as reasonably practicable.

11.8 No Set-Off. Except as expressly set forth in any Ancillary Agreement or as otherwise mutually agreed to in writing by the Parties, neither Party nor any member of such Party's Group shall have any right of set-off or other similar rights with respect to (a) any amounts received pursuant to this Agreement or any Ancillary Agreement; or (b) any other amounts claimed to be owed to the other Party or any member of its Group arising out of this Agreement or any Ancillary Agreement.

11.9 Expenses. Except as otherwise expressly set forth in this Agreement or any Ancillary Agreement, or as otherwise agreed to in writing by the Parties, all third party fees, costs and expenses, and all other fees, costs and expenses, in each case incurred at or prior to the Separation Time in connection with the preparation, execution, delivery and implementation of this Agreement, including the Transactions, and any Ancillary Agreement, the IPO Registration Statement, the Meeting Materials, the Plan of Reorganization, the Plan of Arrangement, and the consummation of the transactions contemplated hereby and thereby will be borne by the Party or its applicable Subsidiary incurring such fees, costs or expenses. The Parties agree that certain specified costs and expenses shall be allocated between the Parties, and borne and be the responsibility of the applicable Party, as set forth on Schedule 11.9.

11.10 Headings. The article, section and paragraph headings contained in this Agreement and in the Ancillary Agreements are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement or any Ancillary Agreement.

11.11 Survival of Covenants. Except as expressly set forth in this Agreement or any Ancillary Agreement, the covenants, representations and warranties contained in this Agreement and each Ancillary Agreement, and Liability for the breach of any obligations contained herein, shall survive the Transactions and shall remain in full force and effect.

11.12 Waivers of Default. Waiver by a Party of any default by the other Party of any provision of this Agreement or any Ancillary Agreement shall not be deemed a waiver by the waiving Party of any subsequent or other default, nor shall it prejudice the rights of the other Party. No failure or delay by a Party in exercising any right, power or privilege under this Agreement or any Ancillary Agreement shall operate as a waiver thereof, nor shall a single or partial exercise thereof prejudice any other or further exercise thereof or the exercise of any other right, power or privilege.

11.13 Specific Performance. Subject to the provisions of Article VIII, in the event of any actual or threatened default in, or breach of, any of the terms, conditions and provisions of this Agreement or any Ancillary Agreement, the Party or Parties who are, or are to be, thereby aggrieved shall have the right to specific performance and injunctive or other equitable relief in respect of its or their rights under this Agreement or such Ancillary Agreement, in addition to any and all other rights and remedies at law or in equity, and all such rights and remedies shall be cumulative. The Parties agree that the remedies at law for any breach or threatened breach, including monetary damages, are inadequate compensation for any loss and that any defense in any Action for specific performance that a remedy at law would be adequate is waived. Any requirements for the securing or posting of any bond with such remedy are waived by each of the Parties.

11.14 Amendments. No provisions of this Agreement or any Ancillary Agreement shall be deemed waived, amended, supplemented or modified by a Party, unless such waiver, amendment, supplement or modification is in writing and signed by the authorized representative of the Party against whom it is sought to enforce such waiver, amendment, supplement or modification.

11.15 Interpretation. In this Agreement and any Ancillary Agreement, (a) words in the singular shall be deemed to include the plural and vice versa and words of one gender shall be deemed to include the other genders as the context requires; (b) the terms "hereof," "herein," and "herewith" and words of similar import shall, unless otherwise stated, be construed to refer to this Agreement (or the applicable Ancillary Agreement) as a whole (including all of the Schedules, Exhibits and Appendices hereto and thereto) and not to any particular provision of this Agreement (or such Ancillary Agreement); (c) Article, Section, Schedule, Exhibit and Appendix references are to the Articles, Sections, Schedules, Exhibits and Appendices to this Agreement (or the applicable Ancillary Agreement) unless otherwise specified; (d) unless otherwise stated, all references to any agreement (including this Agreement and each Ancillary Agreement) shall be deemed to include the exhibits, schedules and annexes (including all Schedules, Exhibits and Appendices) to such agreement; (e) the word "including" and words of similar import when used

in this Agreement (or the applicable Ancillary Agreement) shall mean "including, without limitation," unless otherwise specified; (f) the word "or" need not be exclusive; (g) unless otherwise specified in a particular case, the word "days" refers to calendar days; (h) references herein to this Agreement or any other agreement contemplated herein shall be deemed to refer to this Agreement or such other agreement as of the date on which it is executed and as it may be amended, modified or supplemented thereafter, unless otherwise specified; (i) unless expressly stated to the contrary in this Agreement or in any Ancillary Agreement, all references to "the date hereof;" "the date of this Agreement" and words of similar import shall all be references to March 30, 2022; and (j) the word "extent" and the phrase "to the extent" shall mean the degree (if any) to which a subject or other thing extends, and such word or phrase shall not merely mean "if".

11.16 Limitations of Liability. Notwithstanding anything in this Agreement to the contrary, neither SpinCo or any member of the SpinCo Group, on the one hand, nor Parent or any member of the Parent Group, on the other hand, shall be liable under this Agreement to the other for any indirect, punitive, exemplary, remote, speculative or similar damages in excess of compensatory damages of the other arising in connection with the transactions contemplated hereby (other than any such Liability actually paid or payable in respect of a Third-Party Claim).

11.17 Performance. Parent will cause to be performed, and hereby guarantees the performance of, all actions, agreements and obligations set forth in this Agreement or in any Ancillary Agreement to be performed by any member of the Parent Group. SpinCo will cause to be performed, and hereby guarantees the performance of, all actions, agreements and obligations set forth in this Agreement or in any Ancillary Agreement to be performed by any member of the SpinCo Group. Each Party (including its permitted successors and assigns) further agrees that it will (a) give timely notice of the terms, conditions and continuing obligations contained in this Agreement and any applicable Ancillary Agreement to all of the other members of its Group and (b) cause all of the other members of its Group not to take any action or fail to take any such action inconsistent with such Party's obligations under this Agreement, any Ancillary Agreement or the transactions contemplated hereby or thereby.

11.18 Mutual Drafting. This Agreement and the Ancillary Agreements shall be deemed to be the joint work product of the Parties and any rule of construction that a document shall be interpreted or construed against a drafter of such document shall not be applicable.

11.19 Ancillary Agreements. In the event of any conflict or inconsistency between the terms of this Agreement and the terms of the Transition Services Agreement, the Tax Matters Agreement, the Employee Matters Agreement, the Real Estate Matters Agreement, the IP Matters Agreement or the Registration Rights Agreement (each, a "Specified Ancillary Agreement"), the terms of the applicable Specified Ancillary Agreement, shall control with respect to the subject matter addressed by such Specified Ancillary Agreement to the extent of such conflict or inconsistency. In the event of any conflict or inconsistency between the terms of this Agreement or any Specified Ancillary Agreement, on the one hand, and any Transfer Document, on the other hand, including with respect to the allocation of Assets and Liabilities as among the Parties or the members of their respective Groups, this Agreement or such Specified Ancillary Agreement shall control. In the event of any conflict or inconsistency between the terms of this Agreement and the terms of the Arrangement Agreement, the terms of the Arrangement Agreement shall control solely as it relates to the Arrangement or the Plan of Arrangement.





IN WITNESS WHEREOF, the Parties have caused this Master Separation Agreement to be executed by their duly authorized representatives as of the date first written above.

BAUSCH HEALTH COMPANIES INC.

By: /s/ Thomas J. Appio

Name: Thomas J. Appio  
Title: CEO, Pharma Business

BAUSCH + LOMB CORPORATION

By: /s/ Joseph C. Papa

Name: Joseph C. Papa  
Title: Chief Executive Officer

*[Signature Page to Master Separation Agreement]*

REDACTED

Certain identified information, indicated by [\*\*\*\*], has been excluded from the exhibit because it is both (i) not material and (ii) would likely cause competitive harm if publicly disclosed.

TRANSITION SERVICES AGREEMENT

BY AND BETWEEN

BAUSCH HEALTH COMPANIES INC.

AND

BAUSCH + LOMB CORPORATION

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Dated as of March 30, 2022

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TRANSITION SERVICES AGREEMENT

This TRANSITION SERVICES AGREEMENT, dated as of March 30, 2022 (this "Agreement"), is by and between Bausch Health Companies Inc., a corporation continued under the laws of the Province of British Columbia, Canada ("Parent"), and Bausch + Lomb Corporation, a company incorporated under the laws of Canada ("SpinCo"). Unless otherwise defined in this Agreement, all capitalized terms used in this Agreement shall have the meaning set forth in the Master Separation Agreement, dated as of the date hereof, by and between Parent and SpinCo (as amended, modified or supplemented from time to time in accordance with its terms, the "Separation Agreement").

RECITALS

WHEREAS, SpinCo is presently a wholly-owned subsidiary of Parent;

WHEREAS, pursuant to the Separation Agreement, Parent will offer and sell to the public Initial Common Shares in an initial public offering (the "IPO"), immediately following which offering and sale Parent will own 80.1% or more of the outstanding Initial Common Shares;

WHEREAS, Parent currently intends to, after the IPO, effect the Distribution;

WHEREAS, prior to the IPO, Parent has heretofore provided certain services to SpinCo, and SpinCo has provided certain services to Parent;

WHEREAS, SpinCo has requested from Parent, and Parent has requested from SpinCo, that certain such services continue for a limited period of time pursuant to this Agreement;

WHEREAS, in order to facilitate and provide for an orderly transition under the Separation Agreement, the Parties desire to enter into this Agreement to set forth the terms and conditions pursuant to which each of the Parties shall provide to the other the Services for a transitional period; and

WHEREAS, the Separation Agreement requires execution and delivery of this Agreement by Parent and SpinCo at or prior to the Separation Time.

NOW, THEREFORE, in consideration of the foregoing and the mutual agreements contained in this Agreement, Parent and SpinCo, intending to be legally bound, hereby agree as follows:

ARTICLE I  
DEFINITIONS

The following capitalized terms used in this Agreement shall have the meanings set forth below:

"Accessing Party" shall have the meaning set forth in Section 3.1(a).

"Ad Hoc Cost" shall mean, for a given employee(s), the cost calculated by multiplying the Fully Burdened Cost of such employee(s) who provided the services in question, by a fraction, the numerator of which shall be the number of hours spent performing the applicable services, and the denominator of which shall be the number of work hours in a calendar year as is customary in the country of the person performing the services.

"Additional Services" shall have the meaning set forth in [Section 2.4\(a\)](#).

"Affiliate" shall mean, when used with respect to a specified Person, a Person that, directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with such specified Person. For the purpose of this definition, "control" (including, with correlative meanings, "controlled by" and "under common control with"), when used with respect to any specified Person, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities or other interests, by contract, agreement, obligation, indenture, instrument, lease, promise, arrangement, release, warranty, commitment, undertaking or otherwise. It is expressly agreed that, prior to, at and after the Separation Time, solely for purposes of the Separation Agreement, this Agreement and the other Ancillary Agreements, (a) no member of the SpinCo Group shall be deemed to be an Affiliate of any member of the Parent Group and (b) no member of the Parent Group shall be deemed to be an Affiliate of any member of the SpinCo Group.

"Agreement" shall have the meaning set forth in the Preamble.

"Application Maintenance and Support" shall mean that the Service Provider shall provide application maintenance and support services for the specified applications. The scope of these services includes level 2 and level 3 support, preventive maintenance, adaptive maintenance, problem management, batch operations, application monitoring, change and release deployment, service management and testing.

"Confidential Information" shall have the meaning set forth in [Section 9.2\(a\)](#).

"Controller" shall mean an entity which, alone or jointly with others, determines the purposes and means of the Processing of Personal Data.

"Data Protection Laws" shall have the meaning set forth in [Section 3.3\(a\)](#).

"Dispute" shall have the meaning set forth in [Section 8.1\(a\)](#).

"DPA" shall have the meaning set forth in [Section 3.3\(d\)](#).

"Force Majeure" shall mean, with respect to a Party, an event beyond the control of such Party (or any Person acting on its behalf), which event (a) does not arise or result from the fault or negligence of such Party (or any Person acting on its behalf) and (b) by its nature would not reasonably have been foreseen by such Party (or such Person), or, if it would reasonably have been foreseen, was unavoidable, and includes acts of God, acts of civil or military authority, acts of terrorism, cyberattacks, embargoes, epidemics, pandemics or diseases (including COVID-19) or other health crises or public health events, or any worsening of any of the foregoing, quarantine or

government health alert that prohibits or restricts travel or prevents any individual from reporting to a work location, war, riots, insurrections, fires, explosions, earthquakes, floods, unusually severe weather conditions, labor problems or unavailability of parts or, in the case of computer systems, any failure in electrical or air conditioning equipment.

"FTE" shall mean full time equivalent.

"Fully Burdened Cost" shall mean, when it comes to a given employee, the full annual cost to the employer of employing such employee, including, without limitation, base salary, cash bonus, equity compensation, the cost of benefits, allowances, payroll taxes, social security contributions and such other costs directly related to the employ of the employee in question.

"Granting Party" shall have the meaning set forth in [Section 3.1\(a\)](#).

"Indemnified Party" shall have the meaning set forth in [Section 2.10\(b\)](#).

"Interest Payment" shall have the meaning set forth in [Section 4.1\(d\)](#).

"IPO" shall have the meaning set forth in the Recitals.

"IT – Migration Support (Data Transfer)" shall mean that the Service Provider shall provide data migration (in native format) and transition assistance for the specified applications. The scope includes data extraction, data formatting, data validation and data transfer

"Local Agreement" shall have the meaning set forth in [Section 2.10\(a\)](#).

"Logistics Oversight" shall mean the supervision of the relevant logistic operations, including oversight of warehousing activities, both owned/leased facilities and 3PL/4PL facilities, oversight of transportation management, oversight of planning activities (demand and supply planning plus inventory management), oversight of VAL (value added logistics) and freight and DC management.

"New Services" shall have the meaning set forth in [Section 2.5\(a\)](#).

"Non-Income Taxes" shall have the meaning set forth in [Section 4.2](#).

"Parent" shall have the meaning set forth in the Preamble.

"Parent Business" shall mean the businesses and operations of the Parent Group other than the SpinCo Business.

"Parent Local Services Manager" shall have the meaning set forth in [Section 2.7\(a\)](#).

"Parent Services" shall have the meaning set forth in [Section 2.1](#).

"Parent Services Manager" shall have the meaning set forth in [Section 2.7\(a\)](#).

"Parties" shall mean the parties to this Agreement.



"Personal Data" shall mean any information relating to an identified or identifiable natural person who can be identified, directly or indirectly, in particular by reference to an identifier of that natural person.

"Processing" and "Process" shall mean any operation or set of operations performed on Personal Data or sets of Personal Data, whether or not by automated means, such as collection, recording, organization, structuring, storage, adaptation or alteration, retrieval, consultation, use, disclosure by transmission, dissemination or otherwise making available, alignment or combination, restriction, erasure or destruction.

"Provider" shall mean the Party or its Subsidiary or Affiliate providing a Service under this Agreement.

"Provider Indemnified Party" shall have the meaning set forth in [Section 6.4](#).

"Provider System" shall have the meaning set forth in [Section 2.11\(c\)](#).

"Recipient" shall mean the Party or its Subsidiary or Affiliate to whom a Service under this Agreement is being provided.

"Recipient Data" shall have the meaning set forth in [Section 3.3\(a\)](#).

"Recipient Indemnified Party" shall have the meaning set forth in [Section 6.5](#).

"Recipient System" shall have the meaning set forth in [Section 2.11\(b\)](#).

"Reimbursement Charge(s)" shall have the meaning set forth in [Section 4.1\(e\)](#).

"Schedule(s)" shall have the meaning set forth in [Section 2.2](#).

"Security Regulations" shall have the meaning set forth in [Section 3.1\(a\)](#).

"Separation Agreement" shall have the meaning set forth in the Preamble.

"Service Baseline Period" shall have the meaning set forth in [Section 2.4\(a\)](#).

"Service Charge(s)" shall have the meaning set forth in [Section 4.1\(a\)](#).

"Service Extension" shall have the meaning set forth in [Section 7.1\(c\)](#).

"Service Increases" shall have the meaning set forth in [Section 2.4\(b\)](#).

"Services" shall have the meaning set forth in [Section 2.1](#).

"SpinCo" shall have the meaning set forth in the Preamble.

"SpinCo Change of Control" shall mean the first of the following events, if any, to occur: (a) a transaction whereby any Person or group (within the meaning of Section 13(d)(3) of the Securities and Exchange Act of 1934, as amended) acquires, directly or indirectly, voting securities representing more than fifty percent (50%) of the total voting power of SpinCo; (b) a merger, amalgamation, consolidation, recapitalization, reorganization or similar transaction involving SpinCo, unless securities representing more than fifty percent (50%) of the total voting power of the legal successor to SpinCo as a result of such merger, amalgamation, consolidation, recapitalization, reorganization or similar transaction are immediately thereafter beneficially owned, directly or indirectly, by the Persons who beneficially owned SpinCo's outstanding voting securities immediately prior to such transaction; or (c) the sale of all or substantially all of the consolidated assets of the SpinCo Group. For the avoidance of doubt, no transaction contemplated by the Separation Agreement shall be considered a SpinCo Change of Control.

"SpinCo Local Services Manager" shall have the meaning set forth in Section 2.7(b).

"SpinCo Services" shall have the meaning set forth in Section 2.1.

"SpinCo Services Manager" shall have the meaning set forth in Section 2.7(b).

"Sub-Processor" shall mean any Person (including any third party and any Affiliate of Provider, but excluding an employee of Provider) appointed by or on behalf of Provider or any of its Affiliates to Process Personal Data on behalf of Recipient in connection with this Agreement.

"Subsidiary" shall mean, with respect to any Person, any corporation, limited liability company, joint venture, partnership or other entity of which such Person (a) beneficially owns, either directly or indirectly, more than fifty percent (50%) of (i) the total combined voting power of all classes of voting securities, (ii) the total combined equity interests or (iii) the capital or profit interests, in the case of a partnership, or (b) otherwise has the power to vote, either directly or indirectly, sufficient securities to elect a majority of the board of directors or similar governing body.

"Systems" shall mean the Provider Systems and the Recipient Systems, as the context requires.

"Taxes" shall have the meaning set forth in the Tax Matters Agreement.

"Third-Party Provider" shall have the meaning set forth in Section 2.9.

## ARTICLE II SERVICES, DURATION AND SERVICES MANAGERS

2.1 Services. Subject to the terms and conditions of this Agreement, (a) Parent shall provide or cause to be provided to the SpinCo Group the services listed on Schedule A to this Agreement (the "Parent Services"), and (b) SpinCo shall provide or cause to be provided to the Parent Group the services listed on Schedule B to this Agreement (the "SpinCo Services") and, collectively with the Parent Services, any Additional Services, any Service Increases and any New Services, the "Services"). All of the Services shall be for the sole use and benefit of the respective Recipient and its respective Party.

2.2 Duration of Services. Subject to the terms of this Agreement, each of Parent and SpinCo shall provide or cause to be provided to the respective Recipients each Service until the earlier to occur of, with respect to each such Service, (a) the expiration of the term for such Service (or, subject to the terms of Section 7.1(c), the expiration of any Service Extension) as set forth on Schedule A or Schedule B (each a "Schedule," and, collectively, the "Schedules") or (b) the date on which such Service is terminated under Section 7.1(b); provided, that to the extent that a Provider's ability to provide a Service is dependent on the continuation of either a Parent Service or SpinCo Service (and such dependence has been made known to the other Party), as the case may be, and the Provider's ability to provide a particular Service in accordance with this Agreement is materially and adversely affected by the termination of such supporting Parent Service or SpinCo Service, as the case may be, then the Provider's obligation to provide such dependent Service shall terminate automatically with the termination of such supporting Parent Service or supporting SpinCo Service, as the case may be.

2.3 Transitional Nature of Services. The Parties acknowledge the transitional nature of the Services and agree to cooperate in good faith and to use commercially reasonable efforts to avoid a disruption in the transition of the Services from Provider to Recipient, including to assist with exiting a Service or portion thereof in accordance with and subject to the terms of this Agreement, it being understood that any incremental costs and expenses incurred by Provider in compliance with any request of Recipient pursuant to this Section 2.3 will be paid by the Recipient. Recipient agrees to use commercially reasonable efforts to reduce or eliminate its and its Subsidiaries' dependency on each Service to the extent and as soon as is reasonably practicable.

2.4 Additional Unspecified Services.

(a) After the date of this Agreement, if Parent or SpinCo (i) identifies a service that (x) the Parent Group provided to the SpinCo Group prior to the Separation Time that SpinCo reasonably needs in order for the SpinCo Business to continue to operate in substantially the same manner in which the SpinCo Business operated during the twelve (12)-month period prior to the Separation Time (the "Service Baseline Period"), and such service was not included on Schedule A (other than because the Parties expressly agreed that such service shall not be provided), or (y) the SpinCo Group provided to the Parent Group prior to the Separation Time that Parent reasonably needs in order for the Parent Business to continue to operate in substantially the same manner in which the Parent Business operated prior to the Separation Time, and such service was not included on Schedule B (other than because the Parties expressly agreed that such service shall not be provided) and (ii) provides written notice to the other Party prior to the date that is three (3) months following the Separation Date requesting such additional services, then such other Party shall use its commercially reasonable efforts to provide such requested additional services (such requested additional services, the "Additional Services"); provided, however, that no Party shall be obligated to provide any Additional Service if it does not, in its reasonable judgment, have adequate resources to provide such Additional Service or if the provision of such Additional Service would significantly disrupt the operation of its businesses, and provided, further, that a Provider shall not be required to provide any Additional Services if the Parties, despite using good faith efforts, are unable to reach agreement on the terms thereof (including with respect to Service Charges therefor). In connection with any request for Additional Services in accordance with this Section 2.4(a), the Parent Services Manager and the SpinCo Services Manager shall in good faith negotiate the terms of a supplement to the applicable Schedule, which terms shall be consistent with the terms of, and the pricing methodology used for, similar Services provided under this Agreement. Upon the mutual written agreement of the Parties, the supplement to the applicable Schedule shall describe

in reasonable detail the Service Charge and the nature, scope, service period(s), termination provisions and other terms applicable to such Additional Services in a manner similar to that in which the Services are described in the existing Schedules. Each supplement to the applicable Schedule, as agreed in writing by the Parties, shall be deemed part of this Agreement as of the date of such agreement, and the Additional Services set forth therein shall be deemed "Services" provided under this Agreement, in each case, subject to the terms and conditions of this Agreement.

(b) After the date of this Agreement, if (i) a Recipient requests a Provider to increase, relative to historical levels prior to the Separation Time, the volume, amount, level or frequency, as applicable, of any Service provided by such Provider of such Service and (ii) such increase is reasonably determined by such Recipient as necessary for such Recipient to operate its businesses (such increases, the "Service Increases"), then the Parties shall cooperate and negotiate in good faith to determine whether the Provider will be required to provide such requested Service Increase; provided, however, that no Party shall be obligated to provide any Service Increase, including because, after good-faith negotiations between the Parties, the Parties fail to reach an agreement with respect to the terms thereof (including with respect to Service Charges therefor). If the Parties determine that the Provider shall provide such requested Service Increase in accordance with this Section 2.4(b), the Parent Services Manager and the SpinCo Services Manager shall in good faith negotiate the terms of an amendment to the applicable Schedule, which amendment shall be consistent with the terms of, and the pricing methodology used for, the applicable Service. Each amended Schedule, as agreed in writing by the Parties, shall be deemed part of this Agreement as of the date of such agreement, and the Service Increases set forth therein shall be deemed a part of the "Services" provided under this Agreement, in each case, subject to the terms and conditions of this Agreement.

#### 2.5 New Services.

(a) From time to time during the term of this Agreement, either Party may request the other Party to provide additional or different services which such other Party is not expressly obligated to provide under this Agreement (excluding, for the avoidance of doubt, any Additional Services or Service Increases, the "New Services"). The Party receiving such request shall consider such request in good faith; provided, however, that no Party shall be obligated to provide any New Services, including because, after good-faith negotiations between the Parties pursuant to Section 2.5(b), the Parties fail to reach an agreement with respect to the terms (including the Service Charges) applicable to the provision of such New Services.

(b) In connection with any request for New Services in accordance with Section 2.5, the Parent Services Manager and the SpinCo Services Manager shall in good faith (i) negotiate the applicable Service Charge and the terms of a supplement to the applicable Schedule, which supplement shall describe in reasonable detail the Service Charge and the nature, scope, service period(s), termination provisions and other terms applicable to such New Services and (ii) determine any costs and expenses, including any start-up costs and expenses, that would be incurred by the Provider in connection with the provision of such New Services, which costs and expenses shall be borne solely by the Recipient. Each supplement to the applicable Schedule, as agreed in writing by the Parties, shall be deemed part of this Agreement as of the date of such agreement, and the New Services set forth therein shall be deemed "Services" provided under this Agreement, in each case, subject to the terms and conditions of this Agreement.

#### 2.6 Transition Services Managers.

(a) Parent shall appoint and designate a sufficiently senior individual who is employed, as of the date of such appointment and designation, by Parent to act as its initial services manager (the "Parent Services Manager"), who will be directly responsible for coordinating and managing the delivery of the Parent Services and have authority to act on Parent's behalf with respect to matters relating to the provision of Services under this Agreement. The Parent Services Manager will work with the personnel of the Parent Group to periodically address issues and matters raised by SpinCo relating to the provision of Services under this Agreement. Notwithstanding the requirements of Section 9.4, all communications from SpinCo to Parent pursuant to this Agreement regarding routine matters involving a Service shall be made first through the individual specified as the local services manager (the "Parent Local Services Manager") with respect to such Service on Schedule A or such other individual as may be specified by the Parent Services Manager in writing and delivered to SpinCo by email or facsimile transmission with receipt confirmed; provided that, if the Parent Local Services Manager is not available, communication shall thereafter be made through the Parent Services Manager. Parent shall notify SpinCo of the appointment of a different Parent Services Manager or Parent Local Services Manager(s), if necessary, in accordance with Section 9.4.

(b) SpinCo shall appoint and designate a sufficiently senior individual who is employed, as of the date of such appointment and designation, by SpinCo to act as its initial services manager (the "SpinCo Services Manager"), who will be directly responsible for coordinating and managing the delivery of the SpinCo Services and have authority to act on SpinCo's behalf with respect to matters relating to this Agreement. The SpinCo Services Manager will work with the personnel of the SpinCo Group to periodically address issues and matters raised by Parent relating to this Agreement. Notwithstanding the requirements of Section 9.4, all communications from Parent to SpinCo pursuant to this Agreement regarding routine matters involving a Service shall be made through the individual specified as the local services manager (the "SpinCo Local Services Manager") with respect to such Service on Schedule B or as specified by the SpinCo Services Manager in writing and delivered to Parent by email or facsimile transmission with receipt confirmed; provided that if the SpinCo Local Services Manager is not available, communication shall thereafter be made through the SpinCo Services Manager. SpinCo shall notify Parent of the appointment of a different SpinCo Services Manager or SpinCo Local Services Manager(s), if necessary, in accordance with Section 9.4.

#### 2.7 Personnel.

(a) The Provider of any Service will make available to the Recipient of such Service such appropriately qualified personnel as may be necessary to provide such Service, on the understanding that such personnel shall remain employed and/or engaged by the Provider. The Provider will have the right, in its reasonable discretion, to (i) designate which personnel it will assign to perform such Service and (ii) remove and replace such personnel at any time; provided, however, that any such removal or replacement shall not be the basis for any increase in any Service Charge or Reimbursement Charge payable hereunder or relieve the Provider of its obligation to provide any Service hereunder; and provided, further, that the Provider will use its commercially reasonable efforts to limit the disruption to the Recipient in the transition of the Services to different personnel.

(b) In the event that the provision of any Service by the applicable Provider requires the cooperation and services of the personnel of the Recipient, the applicable Recipient will make available to the Provider such personnel (who shall be appropriately qualified for purposes of so supporting the provision of such Service by the Provider) as may be necessary for the Provider to provide such Service, on the understanding that such personnel shall remain employed and/or engaged by the Recipient. The Recipient will have the right, in its reasonable discretion, to (i) designate which personnel it will make available to the Provider in connection with the provision of such Service and (ii) remove and replace such personnel at any time; provided, however, that any directly resulting increase in costs to the Provider shall be borne by the Recipient and any directly resulting adverse effect to the provision of such Service by the Provider shall not be deemed a breach of this Agreement; and provided, further, that the Recipient will use its commercially reasonable efforts to limit the disruption to the Provider in the transition of such personnel.

(c) No Provider shall be liable under this Agreement for any Liabilities incurred by the Recipient Indemnified Parties that are primarily attributable to, or that are primarily a consequence of, any actions or inactions of the personnel of the Recipient, except for any such actions or inactions undertaken pursuant to the direction of the Provider.

(d) Nothing in this Agreement shall grant any Provider, or its employees or agents that are performing the Services, the right directly or indirectly to control or direct the operations of the applicable Recipient or any member of its Group. Such employees and agents shall not be required to report to the management of the applicable Recipient, nor be deemed to be under the management or direction of such Recipient. Each Recipient acknowledges and agrees that, except as may be expressly set forth herein as a Service (including any Additional Services, Service Increases or New Services) or otherwise expressly set forth in the Separation Agreement, another Ancillary Agreement or any other applicable agreement, no Provider or any member of its Group shall be obligated to provide, or cause to be provided, any service or goods to such Recipient or any member of its Group.

2.8 Third-Party Providers. The Parties acknowledge that each Provider may provide the applicable Services directly (including through a Subsidiary or an Affiliate), or through one or more third parties engaged by Service Provider to provide the applicable Services in accordance with the terms of this Section 2.8 (each such third party, a "Third-Party Provider"). Each Provider shall make, in its sole discretion, any decisions as to whether it will provide applicable Services directly or through a Third-Party Provider; provided that, each Provider shall use at least the same degree of care in selecting any such Third-Party Provider (or replacement thereof) as it would if such Third-Party Provider was being retained to provide similar services to such Provider. If any Provider determines to use one or more Third-Party Providers, such Provider shall remain liable for its obligations hereunder and for any breach by such Third-Party Provider(s) of the terms of this Agreement as if such Provider had committed such breach.

## 2.9 Local Agreements.

(a) Parent and SpinCo each recognize and agree that there may be a need to document the Services provided hereunder in various countries from time to time or to otherwise modify the scope or nature of such Services to the extent necessary to comply with applicable Law. If such an agreement is required by applicable Law, or if a Provider deems it to be necessary or desirable in order for such Provider to provide the Services in a particular country, Parent and SpinCo shall cause the applicable Providers and Recipients to enter into local implementing agreements in form and content reasonably acceptable to the Parties (each, a "Local Agreement"); provided, however, that the execution or performance of any such Local Agreement shall in no way alter or modify any term or condition, except to the extent expressly specified in such Local Agreement. Except as used in this Section 2.9, any references herein to this Agreement and the Services to be provided hereunder, shall include any Local Agreement any local services to be provided thereunder. Except as expressly set forth in any Local Agreement, in the event of a conflict between the terms contained in a Local Agreement and the terms contained in this Agreement (and the applicable Schedules), the terms in this Agreement shall take precedence. In accordance with Section 9.9, Parent and SpinCo may from time to time agree in writing to amend any terms of this Agreement, and in such cases such amendment will be deemed to amend the terms of all Local Agreements, except to the extent expressly provided to the contrary in the amendment to this Agreement.

(b) Each Party shall ensure that its local Affiliates (i) do not bring any claims or actions arising under or in connection with this Agreement or a Local Agreement against the other Party or its Affiliates and (ii) refer each Dispute and any other issue arising in relation to this Agreement or the relevant Local Agreement to Parent or SpinCo, as applicable, for resolution in accordance with Section 8.1. Each Party shall indemnify and hold harmless the other Party and its Affiliates (the "Indemnified Party") against any losses of whatever nature incurred by the Indemnified Party arising out of or in connection with any claims or actions brought by the other Party or its Affiliates which are not brought in accordance with this Section 2.9(b). The Parties agree that where any claim is made under this Agreement pursuant to this Section 2.9(b), the Party to this Agreement shall be deemed to have suffered the losses of its Affiliate.

## 2.10 Intellectual Property.

(a) This Agreement and the performance of the Services hereunder will not affect or result in the transfer of any rights in or to, or the ownership of, any Intellectual Property Rights, Information Technology, Software or other Technology of the Provider or any of its Affiliates. Except as expressly provided for under the terms of the Separation Agreement, the IP Matters Agreement, or any other Ancillary Agreement, Recipient acknowledges that it shall acquire no right, title or interest (except for the express license rights set forth in Section 2.10(b) and Section 2.10(c)) in any Intellectual Property Rights, Information Technology, Software or other Technology which are owned or licensed by Provider by reason of the provision of the Services hereunder. For the avoidance of doubt, nothing in this Agreement shall limit or modify the transfer of the rights in and to, the ownership of, or the licenses with respect to any Intellectual Property Rights, Information Technology, Software or other Technology as set forth in the Separation Agreement, the IP Matters Agreement, or any other Ancillary Agreement.

(b) Subject to Section 2.10(a), solely to the extent that in connection with receiving the benefit of any Service, the Recipient provides the Provider with any Information Technology, Software or other Technology owned or controlled by Recipient or any of its Affiliates that is necessary to enable the Provider to provide such Service ("Recipient System"), the Recipient hereby grants to the Provider a non-exclusive, worldwide, non-transferable, non-sublicensable (except solely to the extent necessary for Provider to provide the Services, to Third-Party Providers), revocable, fully paid-up, royalty-free license under any Intellectual Property Rights of Recipient to use such Recipient System, solely during the term of the applicable Service, and for the sole and limited purpose of providing, and only to the extent reasonably necessary for the provision of, such Service (and to the extent the use of such Recipient Systems is governed by a license or other agreement with a third party, subject to any applicable restrictions or other requirements set forth thereunder).

(c) Subject to Section 2.10(a), solely to the extent that in connection with providing any Service, the Provider provides the Recipient with any Information Technology, Software or other Technology owned or controlled by Provider or any of its Affiliates that is necessary to enable the Recipient to receive the benefit of such Service ("Provider System"), the Provider hereby grants to the Recipient a limited, non-exclusive, non-transferable, non-sublicensable, revocable, fully paid-up, royalty-free license under any Intellectual Property Rights of the Provider to use such Provider System, solely during the term of the applicable Service, for the sole and limited purpose of receiving such Service, and only to the extent necessary for receipt of such Service (and to the extent the use of such Provider Systems is governed by a license or other agreement with a third party, subject to any applicable restrictions or other requirements set forth thereunder).

ARTICLE III  
ADDITIONAL ARRANGEMENTS

3.1 System Security.

(a) If a Party or its Affiliates (the "Accessing Party"), as the case may be, is given access to the other Party's or its Affiliates' (the "Granting Party") Systems in connection with the provision or receipt of the Services, the Accessing Party shall comply with all of the Granting Party's system security policies, procedures and guidelines (including physical security, network access, internet security, confidentiality and personal data security guidelines) (collectively, "Security Regulations"), and shall not tamper with, compromise or circumvent any security or audit measures employed by the Granting Party or any of its Affiliates. The Accessing Party shall access and use only those Systems of the Granting Party and its Affiliates for which it has been granted the right to access and use.

(b) Each Accessing Party shall ensure that only those of the Accessing Party's personnel who are specifically authorized to have access to the Systems gain such access and prevent unauthorized access, use, destruction, alteration or loss of information contained therein, including notifying such personnel of the restrictions set forth in this Agreement and the Security Regulations.



(c) If, at any time, an Accessing Party determines that any such personnel has sought to circumvent, or has circumvented, the Security Regulations, that any unauthorized personnel has or has had access to the Systems, or that any such personnel has engaged in activities that may lead to the unauthorized access, use, destruction, alteration or loss of data, information or software of the Granting Party or any of its Affiliates, the Accessing Party shall immediately terminate any such person's access to the Systems and immediately notify the Granting Party. In addition, the Granting Party shall have the right to deny personnel of any Accessing Party access to the Systems upon reasonable notice to the Accessing Party in the event that the Granting Party reasonably believes that such personnel have engaged in any of the activities set forth above in this Section 3.1(c) or otherwise pose a security concern. Each Accessing Party shall cooperate with the relevant Granting Party in investigating any unauthorized access to the Systems.

### 3.2 Access.

(a) SpinCo shall, and shall cause its Subsidiaries to, allow Parent and its Representatives reasonable access to the facilities of SpinCo necessary for Parent to fulfill its obligations under this Agreement.

(b) Parent shall, and shall cause its Subsidiaries to, allow SpinCo and its Representatives reasonable access to the facilities of Parent necessary for SpinCo to fulfill its obligations under this Agreement.

(c) Notwithstanding the other rights of access of the Parties under this Agreement, each Party shall, and shall cause its Subsidiaries to, afford the other Party, its Subsidiaries and Representatives, following not less than five (5) business days' prior written notice from the other Party, reasonable access during normal business hours to the facilities, information, systems, infrastructure and personnel of the relevant Providers as reasonably necessary for the other Party to verify the adequacy of internal controls over information technology, reporting of financial data and related processes employed in connection with the Services, including in connection with verifying compliance with Section 404 of the Sarbanes-Oxley Act of 2002, provided, however, such access shall not unreasonably interfere with any of the business or operations of such Party or its Subsidiaries.

(d) Except as otherwise permitted by the other Party in writing, each Party shall permit only its authorized Representatives, Third-Party Providers, contractors, invitees or licensees to access the other Party's facilities.

### 3.3 Data Protection. To the extent that the provision of any Service requires the Processing of Personal Data:

(a) Each Provider shall comply with, and shall cause its controlled Affiliates and its and their respective employees, agents and subcontractors to comply with, all applicable Laws relating to the Processing of Personal Data ("Data Protection Laws") in connection with the performance of the Provider's and Recipient's obligations under this Agreement. The Parties acknowledge that the Recipient is the Controller of all Personal Data Processed by the Provider in connection with the performance of the Provider's and Recipient's obligations under this Agreement ("Recipient Data") and agree that the Provider (and any Sub-Processor) may Process Recipient Data in the course of providing the Services.

(b) Each Provider shall promptly notify the Recipient (as Controller) if the Provider receives a request from a data subject under any Data Protection Law in respect of the Processing of Personal Data in connection with the performance of the Provider's or Recipient's obligations under this Agreement, and ensure that the Provider does not respond to that request except on the instructions of the Recipient or as required by applicable Data Protection Law to which the Provider is subject (in which case, the Provider shall, to the extent permitted by applicable Data Protection Law, inform the Recipient of that legal requirement before the Provider responds to the request).

(c) Each Provider shall notify the Recipient (as Controller) without undue delay upon the Provider becoming aware of unauthorized access to, or other security breach, affecting the Recipient's Personal Data and providing the Recipient with sufficient information to allow the Recipient to meet any obligations to report or inform data subjects of the incident as required under the Data Protection Laws. Each Provider shall cooperate with the Recipient and take such reasonable commercial steps as are directed by the Recipient to assist in the investigation, mitigation and remediation of each such incident.

(d) Further obligations of the Provider regarding the Processing of Personal Data in connection with the provision of the Services will be mutually agreed between the Parties in a separate Data Processing and Transfer Agreement (the "DPA") between the Parties. To the extent there are any conflicts between this [Section 3.3](#) and the DPA, the DPA shall govern.

3.4 Migration. Upon Recipient's reasonable advance notice to Provider, Provider shall provide reasonable assistance during normal business hours to Recipient in connection with the transfer of the Services and related data from the Provider Systems to the Recipient Systems or the systems of the Recipient's designee. Such transition assistance may include providing information regarding the specific Services being provided and the Provider Systems, data formats and data organization being used for the applicable Services, coordination and other reasonable assistance, including test runs of replacement systems and processes and other reasonable access to relevant information. Each Party shall bear its own costs and expenses related to any such migration and assistance required to be provided by Provider under this [Section 3.4](#), except that Recipient shall reimburse Provider for its documented out-of-pocket costs and expenses in connection therewith. For the avoidance of doubt, in accordance with [Section 9.16](#), this [Section 3.4](#) shall not supersede any provision of the Separation Agreement and in the event of a conflict between the Separation Agreement and this [Section 3.4](#), the Separation Agreement shall govern.

3.5 Cooperation. It is understood that it will require the significant efforts of both Parties to implement this Agreement and to ensure performance of this Agreement by the Parties at the agreed-upon levels in accordance with all of the terms and conditions of this Agreement. The Parties will cooperate, acting in good faith and using commercially reasonable efforts, to effect a smooth and orderly transition of the Services provided under this Agreement from the Provider to the Recipient (including repairs and maintenance Services and the assignment or transfer of the rights and obligations under any third-party contracts relating to the Services), provided, however, that this [Section 3.5](#) shall not require (a) either Party to incur any out-of-pocket costs or expenses unless and except as expressly provided in this Agreement or otherwise agreed in writing by the Parties and (b) such cooperation shall not unreasonably disrupt the normal operations of such Party or its Subsidiaries.

3.6 Reliance. It is understood that each Provider (or a Third-Party Provider) shall be entitled to rely upon the genuineness, validity or truthfulness of any document, instrument or other writing presented by a Recipient in connection with this Agreement. Each Provider (or a Third-Party Provider) shall not be liable for any impairment of any Service caused by its not receiving the information, materials or access required by Section 3.2, either timely or at all, or by its receiving inaccurate or incomplete information from an applicable Recipient that is required or reasonably requested regarding that Service.

ARTICLE IV  
COSTS AND DISBURSEMENTS

4.1 Costs and Disbursements.

(a) Except as otherwise provided in this Agreement or in the Schedules to this Agreement, a Recipient of Services (or its designee) shall pay to the Provider of such Services (or its designee) a monthly fee for the Services (or category of Services, as applicable) (each fee constituting a "Service Charge," and, collectively, "Service Charges") as listed on the Schedules hereto. Except as otherwise set forth on the Schedules hereto, all Service Charges shall be exclusive of any Taxes (responsibility for which shall be governed by Section 4.2).

(b) During the term of this Agreement, the amount of a Service Charge for any Services (or category of Services, as applicable) may increase to the extent of: (i) any increases mutually agreed to by the Parties, (ii) any Service Charges applicable to any Additional Services, Service Increases or New Services and (iii) subject to the terms and conditions of this Agreement, any increase in the rates or charges imposed by a Third-Party Provider that is providing Services. Together with any monthly invoice for Service Charges and Reimbursement Charges, the Provider shall provide the Recipient with reasonable documentation to support the calculation of such Service Charges or any Reimbursement Charges.

(c) Each Recipient shall reimburse the applicable Provider for reasonable out-of-pocket costs and expenses incurred by such Provider or its Affiliates in connection with providing the Services (including reasonable travel-related expenses) (each such cost or expense, a "Reimbursement Charge," and, collectively, "Reimbursement Charges"); provided, however, that any such cost or expense that is materially inconsistent with historical practice between the Parties for any Service (including business travel and related expenses) shall require advance approval of the Recipient. Any authorized travel-related expenses incurred in performing the Services shall be incurred and charged to the applicable Recipient in accordance with the applicable Provider's then-applicable business travel policies.

(d) The Service Charges and Reimbursement Charges due and payable hereunder shall be invoiced and paid in the currency of the jurisdiction in which such Services are provided as set forth on the Schedules hereto, unless the Parties otherwise agree. Except as otherwise agreed by the Parties, on a monthly basis, each Provider shall prepare an invoice for such fiscal month to

each applicable Recipient to which such Provider provided Services (or its designee) noting, in reasonable detail, the Service Charges and Reimbursement Charges owed to it by such Recipient. The Recipient shall pay the amount of the Service Charges and Reimbursement Charges set forth in such invoice by wire transfer (or such other method of payment as may be agreed between the Parties) to the applicable Provider (or its designee) within sixty (60) days of the receipt of each such invoice. In the absence of a timely notice of billing dispute in accordance with the provisions of Article VIII of this Agreement, if the applicable Recipient fails to pay such amount by the due date, the applicable Recipient shall be obligated to pay to the applicable Provider, in addition to the amount due, interest at an annual default interest rate of eight percent (8%), or the maximum legal rate, whichever is lower (the "Interest Payment"), accruing from the date the payment was due up to the date of actual payment. In the event of any billing dispute, the applicable Recipient shall promptly pay any undisputed amount. The Parties may agree to net billing or other offsetting arrangements with respect to any amounts payable hereunder or under the MSA or any other Ancillary Agreement.

(e) The Recipient shall timely pay the full amount of Service Charges and Reimbursement Charges and shall not set off, counterclaim or otherwise withhold any amount owed to the Provider under this Agreement on account of any obligation owed by the Provider to the Recipient except for any net billing arrangements agreed to by the Parties pursuant to Section 4.1(d).

(f) Subject to the confidentiality provisions set forth in Section 9.2, each Party shall, and shall cause their respective Affiliates to, provide, upon ten (10) days' prior written notice from the other Party, any information within such Party's or its Affiliates' possession that the requesting Party reasonably requests in connection with any Services being provided to such requesting Party by a Third-Party Provider, including any applicable invoices, agreements documenting the arrangements between such Third-Party Provider and the Provider and other supporting documentation, provided, however, that each Party shall make no more than one such request during any calendar month. The requesting Party shall promptly reimburse the other Party for any reasonable, documented, out-of-pocket costs incurred in connection with providing such requested information.

4.2 Tax Matters. Without limiting any provisions of this Agreement, the Recipient shall be responsible for and shall pay any and all excise, sales, use, value-added, goods and services, transfer, stamp, documentary, filing, recordation and other similar Taxes, in each case, imposed or, payable with respect to, or assessed as a result of the provision of Services by the Provider or any fees or charges (including any Service Charges) payable by the Recipient pursuant to this Agreement (collectively, "Non-Income Taxes"). The Party required to account for such Non-Income Tax shall provide to the other Party appropriate tax invoices and, if applicable, evidence of the remittance of the amount of such Non-Income Tax to the relevant Governmental Authority. The Parties shall use commercially reasonable efforts to minimize Non-Income Taxes and obtain any refund, return, rebate or the like of any Non-Income Tax, including by filing any necessary exemption or other similar forms, certificates or other similar documents, in each case, to the extent legally permissible. The Recipient shall promptly reimburse the Provider for any Third-Party Provider out-of-pocket costs incurred by the Provider or its Affiliates in connection with the Provider obtaining a refund or credit of any Non-Income Tax for the benefit of the Recipient.

ARTICLE V  
STANDARD FOR SERVICE

5.1 Standard for Service

(a) The Provider agrees (i) to perform the Services in a manner that is substantially similar in all material respects to which the same or similar services were performed by or on behalf of the Provider during the Service Baseline Period or, if not so previously provided, then substantially similar in all material respects to those which are applicable to similar services provided to the Provider's Affiliates or other business components; and (ii) upon receipt of written notice from the Recipient identifying any outage, interruption or other failure of any Service, to respond to such outage, interruption or other failure of such Service in a manner that is substantially similar in all material respects to the manner in which such Provider or its Affiliates responded to any outage, interruption or other failure of the same or similar services during the Service Baseline Period. The Parties acknowledge that an outage, interruption or other failure of any Service shall not be deemed to be a breach of the provisions of this Section 5.1 so long as the applicable Provider complies with the foregoing clause (i).

(b) Notwithstanding anything to the contrary set forth in this Agreement, nothing in this Agreement shall require the Provider to perform or cause to be performed any Service to the extent the manner of such performance would constitute a violation of applicable Law or any existing contract or agreement with a third party. If the Provider is or becomes aware of any restriction on the Provider by an existing contract with a third party that would restrict the nature, quality, standard of care or service levels applicable to delivery of the Services to be provided by the Provider to the Recipient, the Provider shall use commercially reasonable efforts to promptly notify the Recipient of any such restriction. The Parties each agree to cooperate and use commercially reasonable efforts to obtain any necessary third-party consents required under any existing contract or agreement with a third party to allow the Provider to perform or cause to be performed any Service in accordance with the standards set forth in this Section 5.1. Any out-of-pocket costs and expenses incurred by either Party in connection with obtaining any such third-party consent that is required to allow the Provider to perform or cause to be performed any Service shall be solely the responsibility of the Recipient. If, with respect to a Service, the Parties, despite the use of such commercially reasonable efforts, are unable to obtain a required third-party consent, or the performance of such Service by the Provider would continue to constitute a violation of applicable Laws, the Provider shall use commercially reasonable efforts in good faith to provide such Services in a manner as closely as possible to the standards described in this Section 5.1 that would apply absent the exception provided for in the first sentence of this Section 5.1(b).

5.2 Disclaimer of Warranties. EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, THE PARTIES ACKNOWLEDGE AND AGREE THAT ALL SERVICES ARE PROVIDED AS-IS, THAT EACH RECIPIENT ASSUMES ALL RISKS AND LIABILITY ARISING FROM OR RELATING TO ITS USE OF AND RELIANCE UPON THE SERVICES, AND EACH PROVIDER, TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, MAKES NO REPRESENTATION OR WARRANTY WITH RESPECT THERETO. EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, EACH PROVIDER HEREBY EXPRESSLY DISCLAIMS ALL REPRESENTATIONS AND WARRANTIES REGARDING THE

SERVICES, WHETHER EXPRESS OR IMPLIED, EITHER IN FACT OR BY OPERATION OF LAW, BY STATUTE OR OTHERWISE, INCLUDING ANY REPRESENTATION OR WARRANTY IN REGARD TO QUALITY, PERFORMANCE, NON-INFRINGEMENT, COMMERCIAL UTILITY, MERCHANTABILITY OR FITNESS OF ANY SERVICE FOR A PARTICULAR USE OR PURPOSE OR THE NON-INFRINGEMENT OF ANY INTELLECTUAL PROPERTY RIGHTS OF THIRD PARTIES.

5.3 Compliance with Laws and Regulations. Each Party shall be responsible for its own compliance and its Third-Party Providers' compliance with any and all Laws applicable to its performance under this Agreement. No Party will knowingly take any action in violation of any such applicable Law that results in liability being imposed on the other Party.

ARTICLE VI  
LIMITED LIABILITY AND INDEMNIFICATION

6.1 Consequential and Other Damages. Notwithstanding anything to the contrary set forth in the Separation Agreement or this Agreement, the Provider shall not be liable to the Recipient or any of its Affiliates or Representatives, whether in contract, tort (including negligence and strict liability) or otherwise, at law or equity, for any special, indirect, incidental, punitive or consequential damages whatsoever (including lost profits or damages calculated on multiples of earnings approaches), which in any way arise out of, relate to or are a consequence of, the performance or non-performance by the Provider (including any Affiliates and Representatives of the Provider and any unaffiliated third-party providers, in each case, providing the applicable Services) under this Agreement or the provision of, or failure to provide, any Services under this Agreement, including with respect to loss of profits, business interruptions or claims of customers, and the Recipient hereby waives on behalf of itself, its Subsidiaries and its Representatives any claim for such damages.

6.2 Limitation of Liability. The Liabilities of each Provider and its Affiliates and Representatives, collectively, under this Agreement for any act or failure to act in connection herewith (including the performance or breach of this Agreement), or from the sale, delivery, provision or use of any Services provided under or contemplated by this Agreement, whether in contract, tort (including negligence and strict liability) or otherwise, at law or equity, shall not exceed the total aggregate Service Charges (excluding any Reimbursement Charges) actually paid or payable to such Provider (together with the other Providers that are members of such Provider's Group) by the Recipient (together with the other Recipients that are members of such Recipient's Group) pursuant to this Agreement.

6.3 Obligation to Re-perform Liabilities. In the event of any breach of this Agreement by any Provider with respect to the provision of any Services (with respect to which the Provider can reasonably be expected to re-perform in a commercially reasonable manner), the Provider shall promptly correct in all material respects such error, defect or breach or to perform again in all material respects such Services at the request of the Recipient and at the sole cost and expense of the Provider. The remedy set forth in this [Section 6.3](#) shall be the sole and exclusive remedy of the Recipient for any such breach of this Agreement. Any request for re-performance in accordance with this [Section 6.3](#) by the Recipient must be in writing and specify in reasonable detail the particular error, defect or breach, and such request must be made no more than one (1) month from the date such error, defect or breach becomes apparent or should have reasonably become apparent to the Recipient. This [Section 6.3](#) shall survive any termination of this Agreement.

6.4 Release and Recipient Indemnity. In addition to (but not in duplication of) its other indemnification obligations (if any) under the Separation Agreement, this Agreement or any other Ancillary Agreement, subject to Section 6.1, each Recipient hereby releases the applicable Provider and its Affiliates and Representatives (each, a "Provider Indemnified Party"), and each Recipient hereby agrees to indemnify, defend and hold harmless each such Provider Indemnified Party from and against any and all Liabilities arising from, relating to or in connection with (a) the use of any Services by such Recipient or any of its Affiliates, Representatives or other Persons using such Services or (b) the sale, delivery, provision or use of any Services provided under or contemplated by this Agreement, in the case of each of clauses (a) and (b), except to the extent that such Liabilities arise out of the applicable Provider Indemnified Party's gross negligence, willful misconduct or fraud.

6.5 Provider Indemnity. In addition to (but not in duplication of) its other indemnification obligations (if any) under the Separation Agreement, this Agreement or any other Ancillary Agreement, subject to Section 6.1, each Provider hereby agrees to indemnify, defend and hold harmless the applicable Recipient and its Affiliates and Representatives (each, a "Recipient Indemnified Party"), from and against any and all Liabilities arising from, relating to or in connection with (a) the use of any Services by such Recipient or any of its Affiliates, Representatives or other Persons using such Services or (b) the sale, delivery, provision or use of any Services provided under or contemplated by this Agreement, in the case of each of clauses (a) and (b), to the extent that such Liabilities arise out of the applicable Provider's gross negligence, willful misconduct or fraud.

6.6 Indemnification Procedures. The provisions of Article V of the Separation Agreement shall govern claims for indemnification under this Agreement.

6.7 Liability for Payment Obligations. Nothing in this Article VI shall be deemed to eliminate or limit, in any respect, Parent's or SpinCo's express obligation in this Agreement to pay Service Charges and Reimbursement Charges for Services rendered in accordance with this Agreement.

6.8 Exclusion of Other Remedies. The provisions of Section 6.3, Section 6.4 and Section 6.5 of this Agreement shall, to the maximum extent permitted by applicable Law, be the sole and exclusive remedies of the Provider Indemnified Parties and the Recipient Indemnified Parties, as applicable, for any claim, loss, damage, expense or liability, whether arising from statute, principle of common or civil law, principles of strict liability, tort, contract or otherwise under this Agreement, except as set forth in Section 9.2.

6.9 Confirmation. Neither Party excludes responsibility for any Liability which cannot be excluded pursuant to applicable Law.

7.1 Term and Termination.

(a) This Agreement shall commence immediately upon the Separation Time and shall terminate upon the earlier to occur of: (i) the last date on which either Party is obligated to provide any Service to the other Party in accordance with the terms of this Agreement or (ii) the mutual written agreement of the Parties to terminate this Agreement in its entirety.

(b) Without prejudice to a Recipient's rights with respect to a Force Majeure, a Recipient may from time to time terminate this Agreement with respect to the entirety of any individual Service but not a portion thereof, (i) for any reason or no reason, upon providing at least forty-five (45) days' prior written notice to the Provider; provided, however, that the Recipient shall pay to the Provider the necessary and reasonable documented out-of-pocket costs incurred in connection with the wind down of such Service other than any employee severance and relocation expenses, but including unamortized license fees and costs for equipment used to provide such Service, contractual obligations under agreements used to provide such Service, any breakage or termination fees and any other termination costs payable by the Provider with respect to any resources or pursuant to any other third-party agreements that were used by the Provider to provide such Service (or an equitably allocated portion thereof, in the case of any such equipment, resources or agreements that also were used for purposes other than providing Services), or (ii) at any time upon prior written notice to the Provider of such Services if the Provider has failed to perform any of its material obligations under this Agreement with respect to such Service, and such failure shall continue uncured for a period of twenty (20) days after receipt by the Provider of written notice of such failure from the Recipient.

A Provider may terminate this Agreement with respect to the entirety of any individual Service but not a portion thereof, at any time upon prior written notice to the Recipient if the Recipient has failed to perform any of its material obligations under this Agreement with respect to such Service, including making payment of Service Charges when due, and such failure shall continue uncured for a period of ten (10) days after receipt by the Recipient of a written notice of such failure from the Provider. In the event that any Service is terminated other than at the end of a month, the Service Charge associated with such Service shall be pro-rated appropriately. The Parties acknowledge that there may be interdependencies among the Services being provided under this Agreement that may not be identified on the applicable Schedules and agree that, if the Provider's ability to provide a particular Service in accordance with this Agreement is materially and adversely affected by the termination of another Service in accordance with Section 7.1(b)(i), then the Parties shall negotiate in good faith to amend the Schedule relating to such affected continuing Service, which amendment shall be consistent with the terms of, and the pricing methodology used for, comparable Services.

(c) In connection with any Service, if the Recipient reasonably determines that it will require such Service to continue beyond the date on which such Service is scheduled to terminate, the Recipient may request that the Provider extend such Service (any such extension, a "Service Extension") for a specified period beyond the scheduled termination of such Service (which period shall in no event end later than the date that is the one (1)-year anniversary of the date the Service



in question was initially scheduled to terminate) by written notice to the Provider no less than forty-five (45) days prior to the date of such scheduled termination, and the Parties shall use commercially reasonable efforts to comply with such Service Extension; provided, that the Provider shall not be obligated to provide such Service Extension (x) if a third-party consent is required and cannot be obtained by the Provider, (y) despite the use of commercially reasonable efforts, the Provider would be unable to provide such Service without significant disruption to its businesses, unreasonable expenditure of time (relative to the time required to provide such Service during the initial Service period) or unreimbursed costs, or (z) there are interdependencies among such Service and any other Services for which the Service period will expire prior to the end of such extension, and such interdependencies cannot be addressed despite good-faith negotiations between the Parties. In connection with any request for Service Extensions in accordance with this Section 7.1(c), the Parent Services Manager and the SpinCo Services Manager shall in good faith (1) negotiate the terms of an amendment to the applicable Schedule, which amendment shall be consistent with the terms of, and the pricing methodology used for, the applicable Service (provided, that the applicable Service Charge for each such Service Extension shall be increased during the duration of the Service Extension at the percentage rate(s) set forth in Exhibit 1), and (2) determine the costs and expenses (other than Service Charges), if any, that would be incurred by the Provider or the Recipient, as the case may be, in connection with the provision of such Service Extension, which costs and expenses shall be borne solely by the Party requesting the Service Extension. Each amended Schedule to implement a Service Extension, as agreed in writing by the Parties, shall be deemed part of this Agreement as of the date of such agreement and any Services provided pursuant to such Service Extensions shall be deemed "Services" provided under this Agreement, in each case, subject to the terms and conditions of this Agreement.

7.2 Effect of Termination Upon termination of any Service pursuant to this Agreement, the Provider of the terminated Service will have no further obligation to provide the terminated Service, and the relevant Recipient will have no obligation to pay any future Service Charges relating to any such Service; provided, however, that the Recipient shall remain obligated to the relevant Provider for the (a) Service Charges and Reimbursement Charges owed and payable in respect of Services provided prior to the effective date of termination and (b) any applicable charges described in Section 7.1(b), which charges shall be payable only in the event that the Recipient terminates any Service pursuant to Section 7.1(b). In connection with the termination of any Service, the provisions of this Agreement not relating solely to such terminated Service shall survive any such termination, and in connection with a termination of this Agreement, Article I, Article VI (including liability in respect of any indemnifiable Liabilities under this Agreement arising or occurring on or prior to the date of termination), Article VII, Article IX and all confidentiality obligations under this Agreement and liability for all due and unpaid Service Charges and Reimbursement Charges and any applicable charges payable pursuant to Section 7.1(b), shall continue to survive indefinitely.

### 7.3 Force Majeure

(a) Neither Party (nor any Person acting on its behalf) shall have any liability or responsibility for failure to fulfill any obligation (other than a payment obligation) under this Agreement so long as and to the extent to which the fulfillment of such obligation is prevented, frustrated, hindered or delayed as a consequence of a Force Majeure. In the event of an occurrence of a Force Majeure, the Party whose performance is affected thereby shall give notice of suspension as soon as reasonably practicable to the other stating the date and extent of such suspension and the cause thereof, and such Party shall use commercially reasonable efforts to remove any such causes and resume the performance of such obligations as soon as reasonably practicable after the removal of such cause.

(b) During the period of a Force Majeure, the Recipient shall be entitled to seek an alternative service provider with respect to such Service(s) and, in the event a Force Majeure shall continue to exist for more than thirty (30) consecutive days, permanently terminate such Service(s), it being understood that Recipient shall not be required to provide any advance notice of such termination to Provider or pay any charges in connection therewith. The Recipient shall be relieved of the obligation to pay Service Charges for the affected Service(s) throughout the duration of such Force Majeure.

ARTICLE VIII  
DISPUTE RESOLUTION

8.1 Dispute Resolution.

(a) In the event of any dispute, controversy or claim arising out of or relating to the transactions contemplated by this Agreement, or the validity, interpretation, breach or termination of any provision of this Agreement, or calculation or allocation of the costs of any Service, including claims seeking redress or asserting rights under any Law (each, a "Dispute"), Parent and SpinCo agree that the Parent Services Manager and the SpinCo Services Manager (or such other persons as Parent and SpinCo may designate) shall negotiate in good faith in an attempt to resolve such Dispute amicably. If such Dispute has not been resolved to the mutual satisfaction of Parent and SpinCo within fifteen (15) days after the initial written notice of the Dispute (or after such longer period as the Parties may agree), then such Dispute shall be resolved in accordance with the dispute resolution process referred to in Article VIII of the Separation Agreement, provided, however, that such dispute resolution process shall not modify or add to the remedies available to the Parties under this Agreement.

(b) In any Dispute regarding the amount of a Service Charge, if such Dispute is finally resolved pursuant to the dispute resolution process set forth or referred to in Section 8.1(a), and it is determined that the Service Charge that the Provider has invoiced the Recipient, and that the Recipient has paid to the Provider, is greater or less than the amount that the Service Charge should have been, then (i) if it is determined that the Recipient has overpaid the Service Charge, the Provider shall within five (5) business days after such determination reimburse the Recipient an amount of cash equal to such overpayment, *plus* the Interest Payment, accruing from the date of payment by the Recipient to the time of reimbursement by the Provider, and (ii) if it is determined that the Recipient has underpaid the Service Charge, the Recipient shall within five (5) business days after such determination reimburse the Provider an amount of cash equal to such underpayment, *plus* the Interest Payment, accruing from the date such payment originally should have been made by the Recipient to the time of payment by the Recipient.

ARTICLE IX  
GENERAL PROVISIONS

9.1 No Agency. Nothing in this Agreement shall be deemed in any way or for any purpose to constitute any Party as an agent of an unaffiliated party in the conduct of such other party's business. A Provider of any Service under this Agreement shall act as an independent contractor and not as the agent of the Recipient in performing such Service, maintaining control over its employees, its subcontractors and their employees and complying with all withholding of income at source requirements, whether federal, national, state, local or foreign.

9.2 Treatment of Confidential Information

(a) The Parties shall not, and shall cause all other Persons providing Services or having access to information of the other Party that is known to such Party as confidential or proprietary (the "Confidential Information") not to, disclose to any other Person or use, except for purposes of this Agreement, any Confidential Information of the other Party; provided, however, that the Confidential Information may be used by such Party to the extent that such Confidential Information has been (i) in the public domain through no fault of such Party or any member of such Group or any of their respective Representatives or (ii) later lawfully acquired from other sources by such Party (or any member of such Party's Group), which sources are not themselves bound by a confidentiality obligation; provided, further, that each Party may disclose Confidential Information of the other Party, to the extent not prohibited by applicable Law: (A) to its Representatives on a need-to-know basis in connection with the performance of such Party's obligations under this Agreement; (B) in any report, statement, testimony or other submission required to be made to any Governmental Authority having jurisdiction over the disclosing Party; or (C) in order to comply with applicable Law, or in response to any summons, subpoena or other legal process or formal or informal investigative demand issued to the disclosing Party in the course of any litigation, investigation or administrative proceeding. In the event that a Party becomes legally compelled (based on advice of counsel) by deposition, interrogatory, request for documents subpoena, civil investigative demand or similar judicial or administrative process to disclose any Confidential Information of the other Party, such disclosing Party shall provide the other Party with prompt prior written notice of such requirement, and, to the extent reasonably practicable, cooperate with the other Party (at such other Party's expense) to obtain a protective order or similar remedy to cause such Confidential Information not to be disclosed, including interposing all available objections thereto, such as objections based on settlement privilege. In the event that such protective order or other similar remedy is not obtained, the disclosing Party shall furnish only that portion of the Confidential Information that has been legally compelled, and shall exercise its commercially reasonable efforts (at such other Party's expense) to obtain assurance that confidential treatment will be accorded such Confidential Information.

(b) Each Party shall, and shall cause its Representatives to, protect the Confidential Information of the other Party by using the same degree of care to prevent the unauthorized disclosure of such as the Party uses to protect its own confidential information of a like nature, but in any event no less than a reasonable degree of care and each Party shall, and shall cause its respective Representatives to, comply, consistent with past practices, with applicable privacy and data security Laws in the provision or receipt of Services.

(c) Each Party shall be liable for any failure by its respective Representatives to comply with the restrictions on use and disclosure of Confidential Information contained in this Agreement.

(d) Each Party shall comply with all applicable local, state, national, federal and foreign privacy and data protection Laws that are or that may in the future be applicable to the provision of Services under this Agreement.

9.3 Further Assurances. Each Party covenants and agrees that, without any additional consideration, it shall execute and deliver any further legal instruments and perform any acts that are or may become necessary to effectuate this Agreement.

9.4 Notices. Except with respect to routine communications by the Parent Services Manager, SpinCo Services Manager, Parent Local Services Manager and SpinCo Local Services Manager under Section 2.7, all notices, requests, claims, demands and other communications under this Agreement shall be in writing and shall be given or made (and shall be deemed to have been duly given or made upon receipt) by delivery in person, by overnight courier service, by facsimile or electronic transmission with receipt confirmed or by registered or certified mail (postage prepaid, return receipt requested) to the respective Parties at the following addresses (or at such other address for a Party as shall be specified in a notice given in accordance with this Section 9.4):

If to Parent, to:

Bausch Health Companies Inc.  
2150 St. Elzéar Blvd. West  
Laval, Québec, Canada H7L 4A8  
Attention: General Counsel  
E-mail: [\*\*\*\*\*]

with a copy to:

Wachtell, Lipton, Rosen & Katz  
51 West 52nd Street  
New York, New York 10019  
Attention: Igor Kirman  
Mark F. Veblen  
Facsimile: [\*\*\*\*\*]  
Email: [\*\*\*\*\*]

If to SpinCo, to:

Bausch + Lomb Corporation  
400 Somerset Corporate Blvd  
Bridgewater, NJ 08807 USA  
Attention: General Counsel

E-mail: [\*\*\*\*\*]

with a copy to:

Wachtell, Lipton, Rosen & Katz  
51 West 52nd Street  
New York, New York 10019  
Attention: Igor Kirman  
Mark F. Veblen  
Facsimile: [\*\*\*\*\*]  
Email: [\*\*\*\*\*]

A Party may, by notice to the other Party, change the address to which such notices are to be given.

9.5 Severability. If any provision of this Agreement or the application thereof to any Person or circumstance is determined by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions hereof, or the application of such provision to Persons or circumstances or in jurisdictions other than those as to which it has been held invalid or unenforceable, shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby. Upon such determination, the Parties shall negotiate in good faith in an effort to agree upon such a suitable and equitable provision to effect the original intent of the Parties.

9.6 Entire Agreement. This Agreement, the Separation Agreement and any other Ancillary Agreements, and the Exhibits, Schedules and appendices hereto and thereto, contain the entire agreement between the Parties with respect to the subject matter hereof, supersede all previous agreements, negotiations, discussions, writings, understandings, commitments and conversations with respect to such subject matter, and there are no agreements or understandings between the Parties other than those set forth or referred to herein or therein. This Agreement, the Separation Agreement and any other Ancillary Agreements together govern the arrangements in connection with the Separation, the IPO, the Arrangement and the Distribution and would not have been entered independently.

9.7 No Third-Party Beneficiaries. Except as provided in Article VI with respect to Provider Indemnified Parties and Recipient Indemnified Parties, this Agreement is for the sole benefit of the Parties and their permitted successors and assigns and nothing in this Agreement, express or implied, is intended to or shall confer upon any other Person, including any union or any employee or former employee of Parent or SpinCo, any legal or equitable right, benefit or remedy of any nature whatsoever, including any rights of employment for any specified period, under or by reason of this Agreement.

9.8 Governing Law. This Agreement (and any claims or disputes arising out of or related hereto or thereto or to the transactions contemplated hereby and thereby or to the inducement of any party to enter herein and therein, whether for breach of contract, tortious conduct or otherwise and whether predicated on common law, statute or otherwise) shall be governed by and construed and interpreted in accordance with the Laws of the State of Delaware irrespective of the choice of laws principles of the State of Delaware including all matters of validity, construction, effect, enforceability, performance and remedies.

9.9 Amendment. No provisions of this Agreement, including any Schedules to this Agreement, shall be deemed waived, amended, supplemented or modified by a Party, unless such waiver, amendment, supplement or modification is in writing and signed by the authorized representative of the Party against whom it is sought to enforce such waiver, amendment, supplement or modification.

9.10 Precedence of Schedules. Each Schedule attached to or referenced in this Agreement is hereby incorporated into and shall form a part of this Agreement, provided, however, that the terms contained in such Schedule shall only apply with respect to the Services provided under that Schedule. In the event of a conflict between the terms contained in an individual Schedule and the terms in the body of this Agreement, the terms in the Schedule shall take precedence with respect to the Services under such Schedule only. No terms contained in individual Schedules shall otherwise modify the terms of this Agreement.

9.11 Rules of Construction. In this Agreement, (a) words in the singular shall be deemed to include the plural and vice versa and words of one gender shall be deemed to include the other genders as the context requires; (b) the terms "hereof," "herein," and "herewith" and words of similar import shall, unless otherwise stated, be construed to refer to this Agreement as a whole (including all of the Schedules, Exhibits and Appendices hereto) and not to any particular provision of this Agreement; (c) Article, Section, Schedule, Exhibit and Appendix references are to the Articles, Sections, Schedules, Exhibits and Appendices to this Agreement unless otherwise specified; (d) unless otherwise stated, all references to any agreement (including this Agreement) shall be deemed to include the exhibits, schedules and annexes (including all Schedules, Exhibits and Appendices) to such agreement; (e) the word "including" and words of similar import when used in this Agreement shall mean "including, without limitation," unless otherwise specified; (f) the word "or" need not be exclusive; (g) unless otherwise specified in a particular case, the word "days" refers to calendar days; (h) references herein to this Agreement or any other agreement contemplated herein shall be deemed to refer to this Agreement or such other agreement as of the date on which it is executed and as it may be amended, modified or supplemented thereafter, unless otherwise specified; (i) unless expressly stated to the contrary in this Agreement, all references to "the date hereof," and "the date of this Agreement" and words of similar import shall all be references to March 30, 2022; and (j) the word "extent" and the phrase "to the extent" shall mean the degree (if any) to which a subject or other thing extends, and such word or phrase shall not merely mean "if".

9.12 Counterparts. This Agreement may be executed in one or more counterparts, all of which shall be considered one and the same agreement, and shall become effective when one or more counterparts have been signed by each of the Parties and delivered to the other Party.

9.13 Assignability, Change of Control.

(a) This Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns (including, for clarity, AmaiCo and the Resulting Entity); provided that neither Party may assign its rights or delegate its obligations under this Agreement without the express prior written consent of the other Party hereto. Notwithstanding the foregoing but subject to Section 9.13(b), no such consent shall be required for the assignment of a party's rights and obligations under this Agreement, the Separation Agreement and the other Ancillary Agreements (except as may be otherwise provided in any such other Ancillary Agreement) in whole (i.e., the assignment of a party's rights and obligations under this Agreement, the Separation Agreement and all other Ancillary Agreements all at the same time) in connection with a change of control of a Party so long as the resulting, surviving or transferee Person assumes all the obligations of the relevant party thereto by operation of Law or pursuant to an agreement in form and substance reasonably satisfactory to the other Party.

(b) To the extent legally permissible, SpinCo shall notify Parent in writing at least ninety (90) calendar days prior to the completion of any SpinCo Change of Control. In the event of a SpinCo Change of Control, notwithstanding anything to the contrary herein, Parent shall be entitled to terminate this Agreement, in whole or in part, without any penalty, liability or further obligation with forty-five (45) calendar days' prior written notice to SpinCo.

9.14 Non-Recourse. No past, present or future director, officer, employee, incorporator, member, partner, shareholder, Affiliate, agent, attorney or representative of either Parent or SpinCo or their Affiliates shall have any liability for any obligations or liabilities of Parent or SpinCo, respectively, under this Agreement or for any claims based on, in respect of, or by reason of, the transactions contemplated by this Agreement.

9.15 Mutual Drafting. This Agreement shall be deemed to be the joint work product of the Parties and any rule of construction that a document shall be interpreted or construed against a drafter of such document shall not be applicable.

9.16 Ancillary Agreements. In the event of any conflict or inconsistency between the terms of this Agreement and the terms of the Separation Agreement, the terms of this Agreement shall control with respect to the subject matter addressed by this Agreement to the extent of such conflict or inconsistency. In the event of any conflict or inconsistency between the terms of this Agreement or the Separation Agreement, the Arrangement Agreement or any other Specified Ancillary Agreement, on the one hand, and any Transfer Document, on the other hand, including with respect to the allocation of Assets and Liabilities as among the Parties or the members of their respective Groups, this Agreement, the Separation Agreement, the Arrangement Agreement or such Specified Ancillary Agreement shall control.

*[The remainder of this page is intentionally left blank.]*

IN WITNESS WHEREOF, the Parties have caused this Transition Services Agreement to be executed by their duly authorized representatives as of the date first written above.

BAUSCH HEALTH COMPANIES INC.

By: /s/ Thomas J. Appio  
Name: Thomas J. Appio  
Title: Chief Executive Officer, Pharma Business

BAUSCH + LOMB CORPORATION

By: /s/ Joseph C. Papa  
Name: Joseph C. Papa  
Title: Chief Executive Officer

*[Signature Page to Transition Services Agreement]*



**REDACTED**

Certain identified information, indicated by [\*\*\*\*\*], has been excluded from the exhibit because it is both (i) not material and (ii) would likely cause competitive harm if publicly disclosed.

**TAX MATTERS AGREEMENT**

between

**BAUSCH HEALTH COMPANIES INC.,**

on behalf of itself  
and the members  
of the Parent Group

and

**BAUSCH + LOMB CORPORATION,**

on behalf of itself  
and the members  
of the SpinCo Group

Dated as of March 30, 2022

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Schedules

Schedule A – Specified Restructuring Transactions

**TAX MATTERS AGREEMENT**

This TAX MATTERS AGREEMENT (the "**Agreement**") is entered into as of March 30, 2022 between Bausch Health Companies Inc., a corporation continued under the laws of the Province of British Columbia, Canada ("**Parent**"), on behalf of itself and the members of the Parent Group, as defined below, and Bausch + Lomb Corporation, a company incorporated under the laws of Canada ("**SpinCo**," and together with Parent, the "**Parties**"), on behalf of itself and the members of the SpinCo Group, as defined below.

**WITNESSETH:**

WHEREAS, in connection with the initial public offering of SpinCo (the "**IPO**"), Parent and SpinCo have entered into a Master Separation Agreement, dated as of March 30, 2022 (the "**Separation Agreement**"), pursuant to which the IPO and certain other related transactions will be consummated;

WHEREAS, the Separation Agreement also contemplates that, after the IPO, Parent may effect the Distribution;

WHEREAS, prior to and in anticipation of the IPO, Parent effected, and caused its Subsidiaries to effect, the Separation in accordance with, and subject to the terms of, the Separation Agreement;

WHEREAS, each of the Specified Restructuring Transactions and, if effected, the Distribution, is intended to qualify for its Intended Tax Treatment; and

WHEREAS, Parent and SpinCo desire to set forth their agreement on the rights and obligations of Parent, SpinCo and the members of the Parent Group and the SpinCo Group, respectively, with respect to (a) the administration and allocation of Canadian and non-Canadian Taxes, incurred in (i) Taxable periods (or portions thereof) ending on or before the Separation Date and (ii) Taxable periods (or portions thereof) beginning after the Separation Date and ending on or before the Distribution Date, (b) Taxes resulting from the Separation and, if effected, the Distribution, and (c) various other Tax matters.

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth, the Parties agree as follows:

Section 1. *Definitions.*

(a) As used in this Agreement:

"**Affiliate**" has the meaning set forth in the Separation Agreement.

"**Agreement**" has the meaning set forth in the recitals hereto.

"**Amalgamations**" has the meaning set forth in the Separation Agreement.

“**Ancillary Agreements**” means all Ancillary Agreements (as defined in the Separation Agreement) other than this Agreement.

“**Applicable Law**” (or “**Applicable Tax Law**,” as the case may be) means, with respect to any Person, any federal, provincial, state, county, municipal, local, multinational or non-Canadian statute, treaty, law, common law, ordinance, rule, regulation, order, writ, injunction, judicial decision, decree, permit or other legally binding requirement of any Governmental Authority applicable to such Person or any of its respective properties, assets, officers, directors, employees, consultants or agents (in connection with such officer’s, director’s, employee’s, consultant’s or agent’s activities on behalf of such Person).

“**Arrangement Agreement**” has the meaning set forth in the Separation Agreement.

“**Business Day**” has the meaning set forth in the Separation Agreement.

“**Closing of the Books Method**” means the apportionment of items between portions of a Taxable period based on a closing of the books and records on the close of the Separation Date (in the event that the Separation Date is not the last day of the Taxable period, as if the Separation Date were the last day of the Taxable period), subject to adjustment for items accrued on the Separation Date that are properly allocable to the Taxable period following the Separation Date, as determined by Parent in accordance with Applicable Law, *provided* that Taxes not based upon or measured by net or gross income or specific events shall be apportioned between the Pre- and Post-Separation Periods on a *pro rata* basis in accordance with the number of days in each Taxable period.

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

“**Combined Group**” means any group consisting of at least one member that filed or was required to file (or will file or be required to file) a Tax Return on an affiliated, consolidated, combined, unitary, fiscal unity or other group basis (including as permitted by Section 1501 of the Code) that includes at least one member of the Parent Group and at least one member of the SpinCo Group.

“**Combined Tax Return**” means a Tax Return filed in respect of Taxes for a Combined Group.

“**Company**” means Parent or SpinCo (or the appropriate member of each of their respective Groups), as appropriate.

“**Distribution**” has the meaning set forth in the Separation Agreement.

“**Distribution Date**” has the meaning set forth in the Separation Agreement.

“**Equity Interests**” means any stock or other securities treated as equity for Tax purposes, options, warrants, rights, convertible debt, or any other instrument or security that affords any Person the right, whether conditional or otherwise, to acquire stock or to be paid an amount determined by reference to the value of stock.

“**Escheat Payment**” means any payment required to be made to a Governmental Authority pursuant to an abandoned property, escheat or similar law.

“**Final Determination**” means (i) with respect to U.S. federal income Taxes, (A) a “determination” as defined in Section 1313(a) of the Code (including, for the avoidance of doubt, an executed IRS Form 906) or (B) the execution of an IRS Form 870-AD (or any successor form thereto), as a final resolution of Tax liability for any Taxable period, except that a Form 870-AD (or successor form thereto) that reserves the right of the taxpayer to file a claim for refund or the right of the IRS to assert a further deficiency shall not constitute a Final Determination with respect to the item or items so reserved; (ii) with respect to Taxes other than U.S. federal income Taxes, any final determination of liability in respect of a Tax that, under Applicable Tax Law, is not subject to further appeal, review or modification through proceedings or otherwise; (iii) with respect to any Tax, any final disposition by reason of the expiration of the applicable statute of limitations (giving effect to any extension, waiver or mitigation thereof); or (iv) with respect to any Tax, the payment of such Tax by any member of the Parent Group or any member of the SpinCo Group, whichever is responsible for payment of such Tax under Applicable Tax Law, with respect to any item disallowed or adjusted by a Taxing Authority; *provided*, in the case of this clause (iv), that the provisions of Section 11 hereof have been complied with, or, if such section is inapplicable, that the Company responsible under this Agreement for such Tax is notified by the Company paying such Tax that it has determined that no action should be taken to recoup such disallowed item, and the other Company agrees with such determination.

“**Governmental Authority**” has the meaning set forth in the Separation Agreement.

“**Group**” has the meaning set forth in the Separation Agreement.

“**Income Tax**” means any Tax imposed on, or measured by reference to, net income or gains, and any Taxes imposed in lieu of such a Tax.

“**Income Tax Return**” means any Tax Return in respect of an Income Tax.

“**Indemnitee**” means the Party which is entitled to seek indemnification from another Party pursuant to the provisions of Section 11.

“**Intended Tax Treatment**” means the qualification of (i) the Distribution (including the Amalgamations), if effected, for the Intended U.S. Tax Treatment,” and (ii) the Specified Restructuring Transactions as being free from Tax to the extent set forth on Schedule A.

“**Intended U.S. Tax Treatment**” has the meaning set forth in the Separation Agreement.

“**IPO**” has the meaning set forth in the recitals hereto.

“**IRS**” means the United States Internal Revenue Service.

“**Joint Tax Return**” means any (i) Combined Tax Return or (ii) Tax Return that includes Tax Items attributable to both the Parent Business and the SpinCo Business.

“**Parent**” has the meaning set forth in the recitals hereto.

“**Parent Business**” has the meaning set forth in the Separation Agreement.

“**Parent Compensatory Equity Interests**” means any options, stock appreciation rights, restricted stock, stock units or other rights with respect to the capital stock of Parent that are granted by any member of the Parent Group in connection with employee, independent contractor or director compensation or other employee benefits (including, for the avoidance of doubt, options, stock appreciation rights, restricted stock, restricted stock units, performance share units or other rights issued in respect of any of the foregoing by reason of the IPO or any subsequent transaction).

“**Parent Group**” has the meaning set forth in the Separation Agreement.

“**Parent Separate Tax Return**” means any Separate Tax Return of or including any member of the Parent Group.

“**Person**” has the meaning set forth in the Separation Agreement.

“**Post-Separation Period**” means any Taxable period (or portion thereof) beginning after the Separation Date.

“**Pre-Separation Period**” means any Taxable period (or portion thereof) ending on or before the Separation Date.

“**Separate Tax Return**” means any Tax Return required to be filed by a member of the Parent Group or a member of the SpinCo Group that is not a Joint Tax Return.

“**Separation**” has the meaning set forth in the Separation Agreement.

“**Separation Agreement**” has the meaning set forth in the recitals hereto.

“**Separation Date**” has the meaning set forth in the Separation Agreement.

“**Separation Taxes**” means any (i) any Taxes (other than Canadian Taxes relating to the Distribution) imposed on any member of the Parent Group or the SpinCo Group solely as a result of the transactions undertaken to effect the Separation or, if effected, the Distribution, including as a result of the failure of the Intended Tax Treatment of the Separation or, if effected, the Distribution, and (ii) any Taxes incurred by a shareholder of Parent (or former shareholder of Parent) that are required to be paid or reimbursed by Parent pursuant to any legal determination, solely as a result of the failure of the Intended Tax Treatment of the Separation or, if effected, the Distribution.

“**Specified Restructuring Transaction**” means each of the transactions set forth on Schedule A.

“**SpinCo Active Trade or Business**” means the SpinCo Business (as defined in the Separation Agreement).

“**SpinCo Business**” has the meaning set forth in the Separation Agreement.

“**SpinCo Carried Item**” means any Tax Attribute of the SpinCo Group that may or must be carried from one Taxable period to another prior Taxable period, or carried from one Taxable period to another subsequent Taxable period, under the Code or other Applicable Tax Law.

“**SpinCo Compensatory Equity Interests**” means any options, stock appreciation rights, restricted stock, stock units or other rights with respect to the capital stock of SpinCo that are granted by any member of the SpinCo Group in connection with employee, independent contractor or director compensation or other employee benefits (including, for the avoidance of doubt, options, stock appreciation rights, restricted stock, restricted stock units, performance share units or other rights issued in respect of any of the foregoing by reason of the IPO or any subsequent transaction).

“**SpinCo Disqualifying Action**” means (a) any action (or the failure to take any action) by any member of the SpinCo Group after the Separation Date, (b) any event (or series of events) after the Separation Date involving the capital stock of SpinCo or any assets of any member of the SpinCo Group, or (c) any breach by any member of the SpinCo Group after the Separation Date of any representation, warranty or covenant made by them in this Agreement that, would affect the Intended Tax Treatment; *provided, however*, that the term “SpinCo Disqualifying Action” shall not include any action entered into pursuant to the Separation Agreement and any Ancillary Document or that is undertaken pursuant to the Separation or, if effected, the Distribution.

“**SpinCo Group**” has the meaning set forth in the Separation Agreement.

“**SpinCo Separate Tax Return**” means any Separate Tax Return of or including any member of the SpinCo Group.

“**Tax**” (and the correlative meaning, “**Taxes**,” “**Taxing**” and “**Taxable**”) means (i) any tax, including any tax based on or computed by reference to net income, gross income, gross receipts, recapture, alternative or add-on minimum, sales, use, business and occupation, value-added, trade, goods and services, ad valorem, franchise, profits, net wealth, license, business royalty, withholding, payroll, employment, capital, excise, transfer, recording, severance, stamp, occupation, premium, property, asset, real estate acquisition, environmental, custom duty, impost, obligation, assessment, levy, tariff or other tax, governmental fee or other like assessment or charge of any kind whatsoever (including any Escheat Payment), together with any interest and any penalty, addition to tax or additional amount imposed by a Taxing Authority; or (ii) any liability of any member of the Parent Group or the SpinCo Group for the payment of any amounts described in clause (i) as a result of any express or implied obligation to indemnify any other Person.

“**Tax Adviser**” means Davis Polk & Wardwell LLP.

“**Tax Attribute**” means (i) a net operating loss, net capital loss, unused investment credit, unused foreign tax credit, excess charitable contribution, unused general business credit, alternative minimum tax credit or any other Tax Item that could reduce a Tax liability, and (ii) to the extent not included in clause (i), any Tax basis, earnings and profits, previously taxed earnings and profits, overall foreign loss or other Tax attribute.

“**Tax Item**” means any item of income, gain, loss, deduction, credit, recapture of credit or any other item that can increase or decrease Taxes paid or payable.

“**Tax Proceeding**” means any Tax audit, dispute, examination, contest, litigation, arbitration, action, suit, claim, cause of action, review, inquiry, assessment, hearing, complaint, demand, investigation or proceeding (whether administrative, judicial or contractual).

“**Tax Refund**” means any Tax refund, credit in lieu thereof, offset or other similar item that results in a reduction in otherwise required Tax payments.

“**Tax Representation Letters**” means the representation letters to be provided by Parent and SpinCo to the Tax Adviser in connection with the rendering by the Tax Adviser of the US Tax Opinion.

“**Tax Return**” means any return, statement, report, declaration, form, election, bill, certificate, notice, filing, claim or surrender (including estimated Tax returns and reports, extension requests and forms, and information returns and reports), or statement or other document or written information (whether in tangible, electronic or other form) filed or required to be filed with any Taxing Authority, including any amendment thereof and any appendix, schedule, supplement, exhibit or attachment thereto made, prepared or filed by Law in respect of Taxes.

“**Tax-Related Losses**” means, with respect to any Taxes imposed pursuant to any settlement, determination, judgment or otherwise, (i) all accounting, legal and other professional fees, and court costs incurred in connection with such Taxes, as well as any other out-of-pocket costs incurred in connection with such Taxes and (ii) all damages, costs, and expenses associated with stockholder litigation or controversies and any amount paid by any member of the Parent Group or any member of the SpinCo Group in respect of the liability of shareholders, whether paid to shareholders or to the IRS or any other Taxing Authority, in each case, relating to any Separation Taxes.

“**Taxing Authority**” means any Governmental Authority, including any province, state, municipality, political subdivision or governmental agency, responsible for the imposition, assessment, administration, collection, enforcement or determination of any Tax.



“**Transfer Taxes**” means all Canadian and non-Canadian sales, use, privilege, transfer, documentary, stamp, duties, real estate transfer, controlling interest transfer, recording and similar Taxes and fees (including any penalties, interest or additions thereto) imposed upon any member of the Parent Group or any member of the SpinCo Group in connection with the Separation or, if effected, the Distribution.

“**Treasury Regulations**” means the regulations promulgated from time to time under the Code as in effect for the relevant tax period.

“**US Tax Opinion**” means an opinion of Davis Polk & Wardwell LLP, or such other law or accounting firm as determined by Parent, to be dated at or prior to the Distribution Date, addressed to Parent and otherwise in a form acceptable to Parent, with respect to certain U.S. federal income tax consequences of the Distribution, if effected.

(b) Each of the following terms is defined in the Section set forth opposite such term:

<u>Term</u>	<u>Section</u>
Due Date	Section 12(a)
Parent Compensation Tax Asset	Section 7(a)
Past Practices	Section 4(f)(i)
Tax Arbitrator	Section 25
Tax Refund Recipient	Section 8(c)

(c) All capitalized terms used but not defined herein shall have the same meanings as in the Separation Agreement. Any term used in this Agreement which is not defined in this Agreement or the Separation Agreement shall, to the extent the context requires, have the meaning assigned to it in the Code or the applicable Treasury Regulations thereunder (as interpreted in administrative pronouncements and judicial decisions) or in comparable provisions of Applicable Tax Law.

Section 2. *Sole Tax Sharing Agreement.* Any and all existing Tax sharing agreements or arrangements, written or unwritten, between any member of the Parent Group, on the one hand, and any member of the SpinCo Group, on the other hand, if not previously terminated, shall be terminated as of the Separation Date without any further action by the Parties thereto. After the Separation Date, no member of the Parent Group or the SpinCo Group shall have any further rights or liabilities thereunder, and this Agreement the Separation Agreement and the Ancillary Agreement (to the extent such agreements reflect an agreement between the Parties as to Tax sharing) shall be the sole Tax sharing agreements between the members of the Parent Group, on the one hand, and the members of the SpinCo Group, on the other hand.

Section 3. *Allocation of Taxes.*

(a) *General Allocation Principles.* Except as provided in Section 3(c), all Taxes shall be allocated as follows:

(i) *Allocation of Taxes Reflected on Joint Tax Returns.* Parent shall be allocated all Taxes reported, or required to be reported, on any Joint Tax Return that any member of the Parent Group or SpinCo Group files or is required to file under Applicable Tax Law; *provided, however*, that to the extent any such Joint Tax Return includes any Tax Item attributable to (A) any member of the SpinCo Group or (B) the SpinCo Business, in each case, in respect of any Post-Separation Period, SpinCo shall be allocated all Taxes attributable to such member(s) of the SpinCo Group or the SpinCo Business, as applicable, as determined pursuant to Section 3(b).

(ii) *Allocation of Taxes Reflected on Separate Tax Returns.*

(A) Parent shall be allocated all Taxes reported, or required to be reported, on a Parent Separate Tax Return.

(B) SpinCo shall be allocated all Taxes reported, or required to be reported, on a SpinCo Separate Tax Return.

(iii) *Taxes Not Reported on Tax Returns.*

(A) Parent shall be allocated any Tax attributable to any member of the Parent Group that is not required to be reported on a Tax Return.

(B) SpinCo shall be allocated any Tax attributable to any member of the SpinCo Group that is not required to be reported on a Tax Return.

(b) *Allocation Conventions.*

(i) *General.* All Taxes allocated pursuant to Section 3(a) shall be allocated between the Pre-Separation Period and the Post-Separation Period in accordance with the Closing of the Books Method; *provided, however*, that if Applicable Tax Law does not permit a SpinCo Group member to close its Taxable year on the Separation Date, the Tax attributable to the operations of the members of the SpinCo Group for any Post-Separation Period shall be the Tax computed using a hypothetical closing of the books consistent with the Closing of the Books Method (except to the extent otherwise agreed upon by Parent and SpinCo).

(ii) *Section 3(a)(i) Proviso Allocations.* For purposes of the proviso in Section 3(a)(i), the amount of Taxes attributable to the member(s) of the SpinCo Group or the SpinCo Business, as applicable, shall be determined by Parent on a pro forma basis prepared (A) assuming that such member(s) were not included in the group of companies filing the applicable Joint Tax Return, but rather filed a separate Joint Tax Return that includes only such member(s), (B) including only

Tax Items of such member(s), (C) except as provided in clause (E) hereof, using all elections, accounting methods and conventions used on such Joint Tax Return for such period, (D) applying the highest statutory marginal Tax rate in effect for such period, (E) assuming that such member(s) elect not to carry back any net operating losses and (F) assuming that such member(s) utilization of any Tax Attribute carryforward or carryback is limited to the Tax Attributes of such member(s) arising in Post-Separation Periods determined in accordance with this Section 3(b)(ii); *provided* that the amount of Taxes so determined shall not be less than zero.

(iii) *Certain Separation Date Items.* Any Tax Item of SpinCo or any member of the SpinCo Group arising from a transaction engaged in outside the ordinary course of business on the Separation Date shall be allocable to SpinCo; *provided* that the foregoing shall not include any action that is undertaken pursuant to the Separation.

(c) *Special Allocation Rules.* Notwithstanding any other provision in this Section 3, the following Taxes shall be allocated as follows:

(i) *Taxes Relating to Parent Compensatory Equity Interests.* Any Tax liability (including, for the avoidance of doubt, the satisfaction of any withholding Tax obligation) relating to the issuance, exercise, vesting or settlement of any Parent Compensatory Equity Interest shall be allocated in a manner consistent with Section 7.

(ii) *Separation Taxes and Tax-Related Losses.* Any liability for (x) Separation Taxes and (y) Tax-Related Losses, in each case, resulting from a SpinCo Disqualifying Action shall, in each case, be allocated in a manner consistent with Section 11(a)(iii) and Section 11(b)(iii).

(iii) *Taxes Covered by the Separation Agreement or Ancillary Agreements.* Subject to the preceding clauses of Section 3(c), any liability or other matter relating to Taxes that is specifically addressed in the Separation Agreement or any Ancillary Agreement (including, with Canadian Taxes relating to the Distribution, in the Arrangement Agreement) shall be allocated or governed as provided in such agreement.

#### Section 4. *Preparation and Filing of Tax Returns.*

(a) *Parent Prepared Tax Returns.* Parent shall prepare and file, or cause to be prepared and filed, all (i) Joint Tax Returns and (ii) Parent Separate Tax Returns. To the extent any Joint Tax Return reflects operations of the SpinCo Group for a Taxable period that includes the Separation Date, Parent shall include in such Joint Tax Return the results of such member of the SpinCo Group, as the case may be, on the basis of the Closing of the Books Method to the extent permitted by Applicable Tax Law. If a member of the SpinCo Group is responsible for the filing of any such Tax Return under Applicable Tax Law, Parent shall, subject to the procedures set forth in Sections 4(c), 4(d) and 4(e), deliver such prepared Tax Return to SpinCo in advance of the applicable filing deadline.

(b) *SpinCo Prepared Tax Returns.* SpinCo shall prepare and file all SpinCo Separate Tax Returns.

(c) *Determination of Responsible Party.* Parent, in consultation with SpinCo, shall determine which Party or their respective Affiliates is required to file any Joint Tax Return or Separate Tax Return under Applicable Tax Law.

(d) *Provision of Information.* SpinCo shall maintain all necessary information for Parent (or any of its Affiliates) to file any Tax Return that Parent is required or permitted to file under this [Section 4](#), and shall provide to Parent all such necessary information in accordance with the Parent Group's past practice. Parent shall maintain all necessary information for SpinCo (or any of its Affiliates) to file any Tax Return that SpinCo is required or permitted to file under this [Section 4](#), and shall provide SpinCo with all such necessary information in accordance with the Parent Group's past practice.

(e) *Right to Review.* The Party responsible for preparing (or causing to be prepared) any Tax Return under this [Section 4](#) shall make such Tax Return and related workpapers available for review by the other Party, if requested, to the extent (i) such Tax Return relates to Taxes for which the requesting Party would be liable under [Section 3](#), (ii) such Tax Return relates to such Taxes described in clause (i) and the requesting Party would reasonably be expected to be liable in whole or in part for any additional Taxes owing as a result of adjustments to the amount of such Taxes reported on such Tax Return or (iii) such Tax Return relates to Taxes for which the requesting Party would reasonably be expected to have a claim for a Tax Refund under this Agreement. The Party responsible for preparing (or causing to be prepared) the relevant Tax Return shall (x) use its reasonable best efforts to make such portion of such Tax Return available for review as required under this paragraph sufficiently in advance of the due date for the filing of such Tax Return to provide the requesting Party with a meaningful opportunity to analyze and comment on such Tax Return and (y) use reasonable best efforts to have such Tax Return modified before filing, taking into account the Person responsible for payment of the Tax (if any) reported on such Tax Return and whether the amount of Tax liability allocable to the requesting Party with respect to such Tax Return is material. The Parties shall attempt in good faith to resolve any issues arising out of the review of such Tax Return.

(f) *Special Rules Relating to the Preparation of Tax Returns.*

(i) *General.* Except as provided in this [Section 4\(f\)\(i\)](#), SpinCo shall prepare (or cause to be prepared) any Tax Return, with respect to Taxable periods (or portions thereof) ending prior to or on the Separation Date, for which it is responsible under this [Section 4](#) in accordance with past practices, accounting methods, elections or conventions ("**Past Practices**") used by the members of the Parent Group prior to the Separation Date with respect to such Tax Return to the extent permitted by Applicable Law, and to the extent any items, methods or positions are not covered by Past Practices, as directed by Parent in its sole discretion to the extent permitted by Applicable Law.

(ii) *Consistency with Intended Tax Treatment.* All Tax Returns that include any member of the Parent Group or any member of the SpinCo Group shall be prepared in a manner that is consistent with the Intended Tax Treatment.

(iii) *SpinCo Separate Tax Returns.* With respect to any SpinCo Separate Tax Return, SpinCo and the other members of the SpinCo Group shall include Tax Items in such Tax Return in a manner that is consistent with the inclusion of such Tax Items in any related Tax Return for which Parent is responsible to the extent such Tax Items are allocated in accordance with this Agreement.

(iv) *Election to File Joint Tax Returns.* Parent shall be entitled in its sole discretion to file any Combined Tax Return if the filing of such Tax Return is elective under Applicable Tax Law. Each member of any such Combined Group shall execute and file such consents, elections and other documents as may be required, appropriate or otherwise requested by Parent in connection with the filing of such Joint Tax Returns.

(v) *Preparation of Transfer Tax Returns.* The Company required under Applicable Tax Law to file any Tax Returns in respect of Transfer Taxes shall prepare and file (or cause to be prepared and filed) such Tax Returns. If required by Applicable Tax Law, Parent and SpinCo shall, and shall cause their respective Affiliates to, cooperate in preparing and filing, and join the execution of, any such Tax Returns.

(g) *Payment of Taxes.* Parent shall pay (or cause to be paid) to the proper Taxing Authority the Tax shown as due on any Tax Return for which a member of the Parent Group is responsible for filing under this [Section 4](#), and SpinCo shall pay (or cause to be paid) to the proper Taxing Authority the Tax shown as due on any Tax Return for which a member of the SpinCo Group is responsible for filing under this [Section 4](#). If any member of the Parent Group is required to make a payment to a Taxing Authority for Taxes allocated to SpinCo under [Section 3](#), SpinCo (on behalf of itself or the relevant member of the SpinCo Group) shall pay the amount of such Taxes to Parent (for the benefit of the relevant member of the Parent Group) in accordance with [Section 11](#) and [Section 12](#). If any member of the SpinCo Group is required to make a payment to a Taxing Authority for Taxes allocated to Parent under [Section 3](#), Parent (on behalf of itself or the relevant member of the Parent Group) shall pay the amount of such Taxes to SpinCo (for the benefit of the relevant member of the SpinCo Group) in accordance with [Section 11](#) and [Section 12](#).

*Section 5. Apportionment of Tax Attributes.*

(a) *General.* Any Tax Attributes arising in a Pre-Separation Period will be allocated to (and the benefits and burdens of such Tax Attributes will inure to) the members of the Parent Group and the members of the SpinCo Group in accordance with Parent's historical practice (including historical methodologies for making corporate allocations) and Applicable Tax Law, as determined by Parent in its sole discretion.

(b) *Procedures.* Upon receipt of a written request from SpinCo, Parent shall in good faith, based on information reasonably available to it, advise SpinCo in writing, as soon as reasonably practicable after the close of the relevant Taxable period in which the Separation Date occurs, of Parent's estimate of the portion, if any, of any Tax Attributes identified in such written request which Parent determines is expected to be allocated or apportioned to the members of the SpinCo Group under Applicable Tax Law. In the event of any adjustment to the previously delivered estimate of any such Tax Attributes, Parent shall promptly advise SpinCo in writing of such adjustment. For the avoidance of doubt, Parent shall not be liable to any member of the SpinCo Group for any failure of any determination under this Section 5(b) to be accurate under Applicable Tax Law, provided such determination was made in good faith. All members of the SpinCo Group shall prepare all Tax Returns in accordance with the written notices provided by Parent to SpinCo pursuant to this Section 5(b).

(c) *Adjustments.* Except as otherwise provided herein, to the extent that the amount of Tax Attribute allocated to members of the Parent Group or the SpinCo Group pursuant to Section 5(b) is later reduced or increased by a Taxing Authority or as a result of a Tax Proceeding, such reduction or increase shall be allocated to the Company to which such Tax Attribute was allocated pursuant to this Section 5, as determined by Parent in good faith.

*Section 6. Utilization of Tax Attributes.*

(a) *Amended Returns.* Any amended Tax Return or claim for a Tax Refund with respect to any member of the SpinCo Group may be made only by the Party responsible for preparing the original Tax Return with respect to such member of the SpinCo Group pursuant to Section 4.

(b) *No Carryback Election.* The Parties hereby agree (i) not to make or cause to be made any election to claim, (A) in any Pre-Separation Period (other than in respect of a SpinCo Separate Tax Return) or (B) in any Joint Tax Return, a SpinCo Carried Item from a Post-Separation Period and (ii) to elect, to the extent permitted by Applicable Tax Law, to forgo the right to carry back any SpinCo Carried Item from a Post-Separation Period to (A) a Pre-Separation Period (other than in respect of a SpinCo Separate Tax Return) or (B) a Joint Tax Return.

(c) *SpinCo Carrybacks.*

(i) *General.* If a member of the SpinCo Group reasonably determines that it is required by Applicable Tax Law to carry back any SpinCo Carried Item to (i) a Pre-Separation Period (other than in respect of a SpinCo Separate Tax Return) or (ii) a Joint Tax Return, it shall notify Parent in writing of such determination at least ninety (90) days prior to filing the Tax Return on which such carryback will be reflected. Such notification shall include a description in reasonable detail of the basis for any expected Tax Refund and the amount thereof. If Parent disagrees with such determination, the Parties shall resolve their disagreement pursuant to the procedures set forth in Section 25.

(ii) *Payment in respect of Certain Carrybacks.* If a SpinCo Carried Item is carried back to (i) a Pre-Separation Period or (ii) a Joint Tax Return pursuant to Section 6(c)(1), Parent shall be required to make a payment to the SpinCo Group in an amount equal to the Tax Refund in respect of such SpinCo Carried Item in accordance with Section 8(c).

(d) *Carryforwards to Separate Tax Returns.* If a portion or all of any Tax Attribute is allocated to a member of a Combined Group pursuant to Section 5 and carried forward to a SpinCo Separate Tax Return, any Tax benefits arising from such carryforward shall be retained by the SpinCo Group. If a portion or all of any Tax Attribute is allocated to a member of a Combined Group pursuant to Section 5, and is carried forward to a Parent Separate Tax Return, any Tax benefits arising from such carryforward shall be retained by the Parent Group.

*Section 7. Deductions and Reporting for Certain Awards.*

(a) *Deductions.* The Parent Group shall be allocated, and be entitled to receive the Tax benefit of, any Tax deduction relating to (i) the issuance, exercise, vesting and/or settlement after the Separation Date of any Parent Compensatory Equity Interests and (ii) any liability after the Separation Date with respect to compensation or benefits assumed, retained, required to be paid, satisfied or provided by, or otherwise allocated to, any member of the Parent Group under the Separation Agreement or any Ancillary Agreement (each such deduction, a "**Parent Compensation Tax Asset**"). Parent and SpinCo acknowledge and agree that, to the extent permitted by Applicable Tax Law, Parent or a member of the Parent Group shall be entitled to, and shall, claim any such Tax deduction on a Tax Return of Parent or a member of the Parent Group.

(b) *Payments for Parent Compensation Tax Assets.* If, notwithstanding clause (a), a Parent Compensation Tax Asset gives rise to a Tax deduction for any member of the SpinCo Group in any Post-Separation Period, SpinCo shall pay over to Parent the actual Tax benefit received by SpinCo from the utilization of such Parent Compensation Tax Asset, determined using a "with and without" methodology (treating any deductions attributable to the use by a member of the SpinCo Group of a Parent Compensation Tax Asset as the last item claimed for any Taxable period, including after the utilization of any available Tax Attributes).

(c) *Withholding and Reporting.* All applicable withholding and reporting responsibilities (including all income, payroll or other Tax reporting related to income to any current or former employee) with respect to the issuance, exercise, vesting or settlement of any Parent Compensatory Equity Interests or SpinCo Compensatory Equity Interests shall be the responsibility of the Party to which such responsibility has been prescribed by Section 8.06 of the Employee Matters Agreement. Parent and SpinCo acknowledge and agree that the Parties shall cooperate with each other and with third-party providers to effectuate withholding and remittance of Taxes, as well as required Tax reporting, in a timely manner.

Section 8. *Tax Refunds.*

(a) *Parent Tax Refunds.* Parent shall be entitled to any Tax Refund (including any interest actually received on or in respect thereof) received by any member of the Parent Group or any member of the SpinCo Group, other than any Tax Refund to which SpinCo is entitled pursuant to Section 8(b) (or, with respect to any SpinCo Carried Item, Section 6). SpinCo shall not be entitled to any Tax Refund received by any member of the Parent Group or the SpinCo Group, except as set forth in Section 8(b).

(b) *SpinCo Tax Refunds.* SpinCo shall be entitled to any Tax Refund (including any interest actually received on or in respect thereof) received by any member of the Parent Group or any member of the SpinCo Group after the Separation Date with respect to any Tax allocated to a member of the SpinCo Group under this Agreement (including, for the avoidance of doubt, any amounts allocated to SpinCo pursuant to Section 3(c)(ii)), other than any Tax Refund resulting from a SpinCo Carried Item, which shall be governed by Section 6.

(c) *Payment Procedures.* A Company receiving (or realizing) a Tax Refund to which another Company is entitled hereunder (a "**Tax Refund Recipient**") shall pay over the amount of such Tax Refund (including interest received from the relevant Taxing Authority, but net of any Taxes imposed with respect to such Tax Refund and any other reasonable costs associated therewith) within thirty (30) days of receipt thereof (or from the due date for payment of any Tax reduced thereby), *provided, however*, that the other Company, upon the request of such Tax Refund Recipient, shall repay the amount paid to the other Company (plus any penalties, interest or other charges imposed by the relevant Taxing Authority) in the event that, as a result of a subsequent Final Determination, a Tax Refund that gave rise to such payment is subsequently disallowed.

Section 9. *Certain Representations and Covenants.*

(a) *Representations.*

(i) SpinCo and each other member of the SpinCo Group represents that as of the date hereof, it does not have any plan or intention, and covenants that, if the Distribution is effected, as of the Distribution Date it will not have any plan or intention:

(A) other than in connection with the Distribution, to liquidate SpinCo or to merge, amalgamate or consolidate any member of the SpinCo Group with any other Person subsequent to the Distribution;

(B) to sell, transfer or otherwise dispose of any material asset of any member of the SpinCo Group, except in the ordinary course of business;



(C) to take or fail to take any action in a manner that is inconsistent with the written information and representations furnished or to be furnished by SpinCo to the Tax Adviser in connection with the Tax Representation Letters or the Tax Opinion;

(D) to repurchase stock of SpinCo other than in a manner that satisfies the requirements of Section 4.05(1)(b) of IRS Revenue Procedure 96-30 (as in effect prior to the amendment of such Revenue Procedure by IRS Revenue Procedure 2003-48) and consistent with any representations made to the Tax Adviser in connection with the Tax Representation Letters; or

(E) to take or fail to take any action in a manner that management of SpinCo knows, or should know, is reasonably likely to contravene any agreement with a Taxing Authority entered into prior to the Separation Date or, if the Distribution is effected, the Distribution Date to which any member of the SpinCo Group or the Parent Group is a party.

(b) *Covenants.*

(i) So long as a Distribution could, in the reasonable discretion of Parent, be effected, SpinCo will not knowingly take or fail to take, or permit any member of the SpinCo Group to knowingly take or fail to take, any action that could reasonably be expected to preclude Parent from effectuating the Distribution in a manner that qualifies for its Intended Tax Treatment. If Parent determines, in its sole discretion, to effectuate a Distribution, SpinCo will take, and will cause any member of the SpinCo Group to take, any action reasonably requested by Parent in order to enable Parent to effectuate a Distribution in a manner that qualifies for its Intended Tax Treatment.

(ii) If the Distribution is effected, SpinCo shall not, and shall not permit any other member of the SpinCo Group to, take or fail to take any action that constitutes a SpinCo Disqualifying Action.

(iii) SpinCo shall not, and shall not permit any other member of the SpinCo Group to, take or fail to take any action that is inconsistent with the information and representations furnished or to be furnished by SpinCo to the Tax Adviser in connection with the Tax Representation Letters or the Tax Opinion.

(iv) SpinCo shall not, and shall not permit any other member of the SpinCo Group to, take or fail to take any action in a manner that management of SpinCo knows, or should know, is reasonably likely to contravene any agreement with a Taxing Authority entered into prior to the Separation Date or, if the Distribution is effected, the Distribution Date to which any member of the SpinCo Group or the Parent Group is a party.

(v) If the Distribution is effected, during the two-year period following the Distribution Date:

(A) SpinCo shall (x) maintain its status as a company engaged in the Active Trade or Business for purposes of Section 355(b)(2) of the Code, (y) not engage in any transaction that would result in it ceasing to be a company engaged in the Active Trade or Business for purposes of Section 355(b)(2) of the Code, taking into account Section 355(b)(3) of the Code for purposes of each of clauses (x) and (y) hereof;

(B) SpinCo shall not repurchase stock of SpinCo in a manner contrary to the requirements of Section 4.05(1)(b) of IRS Revenue Procedure 96-30 (as in effect prior to the amendment of such Revenue Procedure by IRS Revenue Procedure 2003-48) or inconsistent with any representations made or to be made by SpinCo to the Tax Adviser in connection with the Tax Representation Letters;

(C) SpinCo shall not, and shall not agree to, merge, consolidate or amalgamate with any other Person other than in connection with the Distribution; and

(D) SpinCo shall not, and shall not permit any other member of the SpinCo Group to, (1) solicit any Person to make a tender offer for, or otherwise acquire or sell, the Equity Interests of SpinCo or any member of the SpinCo Group, (2) participate in or support any unsolicited tender offer for, or other acquisition or disposition of, the Equity Interests of SpinCo or any member of the SpinCo Group or (3) approve or otherwise permit any proposed business combination or any transaction which would result in any acquisition or disposition of the Equity Interests of SpinCo or any member of the SpinCo Group.

(vi) SpinCo shall not take or fail to take, or permit any other member of the SpinCo Group to take or fail to take, any action which prevents or could reasonably be expected to result in any Specified Restructuring Transaction or, if effected, the Distribution from qualifying for its Intended Tax Treatment.

(e) *SpinCo Covenants Exceptions.* Notwithstanding the provisions of Section 9(b), SpinCo and the other members of the SpinCo Group may take any action that would reasonably be expected to be inconsistent with the covenants contained in Section 9(b), if, prior to taking such action, either: (i) SpinCo notifies Parent of its proposal to take such action and SpinCo and Parent obtain a ruling from the IRS to the effect that such action will not affect the Intended Tax Treatment, *provided* that SpinCo agrees in writing to bear any expenses associated with obtaining such a ruling, and *provided further* that the SpinCo Group shall not be relieved of any liability under Section 11(a) of this Agreement by reason of seeking or having obtained such a ruling; or (ii) SpinCo notifies Parent of its proposal to take such action and delivers to Parent an unqualified opinion of counsel (A) from a Tax advisor recognized as an expert in federal income Tax matters, (B) acceptable to Parent in its sole discretion, (C) on which Parent may rely and (D) to the effect that such action "will" not affect the Intended Tax Treatment, *provided* that the SpinCo Group shall not be relieved of any liability under Section 11(a) of this Agreement by reason of having obtained such an opinion.

Section 10. [Intentionally Omitted]

Section 11. *Indemnities.*

(a) *SpinCo Indemnity to Parent.* Except in the case of any liabilities described in Section 11(b), SpinCo and each other member of the SpinCo Group shall jointly and severally indemnify Parent and the other members of the Parent Group against, and hold them harmless, without duplication, from:

(i) any Tax liability allocated to SpinCo pursuant to Section 3;

(ii) any Tax liability and Tax-Related Losses attributable to a breach, after the Separation Date, by SpinCo or any other member of the SpinCo Group of any representation, covenant or provision contained in this Agreement (including, for the avoidance of doubt, any Taxes and Tax-Related Losses resulting from any breach for which the conditions set forth in Section 9(c) are satisfied);

(iii) any Separation Taxes and Tax-Related Losses attributable to a SpinCo Disqualifying Action (including, for the avoidance of doubt, any Taxes and Tax-Related Losses resulting from any action for which the conditions set forth in Section 9(c) are satisfied); and

(iv) all liabilities, costs, expenses (including reasonable expenses of investigation and attorneys' fees and expenses), losses, damages, assessments, settlements or judgments arising out of or incident to the imposition, assessment or assertion of any Tax liability or damage described in (i), (ii) or (iii), including those incurred in the contest in good faith in appropriate proceedings relating to the imposition, assessment or assertion of any such Tax, liability or damage.

(b) *Parent Indemnity to SpinCo.* Except in the case of any liabilities described in Section 11(a), Parent and each other member of the Parent Group will jointly and severally indemnify SpinCo and the other members of the SpinCo Group against, and hold them harmless, without duplication, from:

(i) any Tax liability allocated to Parent pursuant to Section 3;

(ii) any Taxes imposed on any member of the SpinCo Group under Treasury Regulations Section 1.1502-6 (or similar or analogous provision of state, local or foreign law) solely as a result of any such member being or having been a member of a Combined Group;

(iii) any Separation Taxes and Tax-Related Losses, other than any such Separation Taxes and Tax-Related Losses described in Section 11(a) (iii); and

(iv) all liabilities, costs, expenses (including reasonable expenses of investigation and attorneys' fees and expenses), losses, damages, assessments, settlements or judgments arising out of or incident to the imposition, assessment or assertion of any Tax liability or damage described in (i) or (ii), including those incurred in the contest in good faith in appropriate proceedings relating to the imposition, assessment or assertion of any such Tax, liability or damage.

(c) *Discharge of Indemnity.* SpinCo, Parent and the members of their respective Groups shall discharge their obligations under Section 11(a) or Section 11(b) hereof, respectively, by paying the relevant amount in accordance with Section 12, within thirty (30) Business Days of demand therefor or, to the extent such amount is required to be paid to a Taxing Authority prior to the expiration of such thirty (30) Business Days, at least ten (10) Business Days prior to the date by which the demanding party is required to pay the related Tax liability. Any such demand shall include a statement showing the amount due under Section 11(a) or Section 11(b), as the case may be. Notwithstanding the foregoing, if any member of the SpinCo Group or any member of the Parent Group disputes in good faith the fact or the amount of its obligation under Section 11(a) or Section 11(b), then no payment of the amount in dispute shall be required until any such good faith dispute is resolved in accordance with Section 25 hereof; *provided, however*, that any amount not paid within thirty (30) Business Days of demand therefor shall bear interest as provided in Section 12.

(d) *Corresponding Tax Benefits.* If an indemnification obligation of any member of the Parent Group or any member of the SpinCo Group, as the case may be, under this Section 11 arises in respect of an adjustment that makes allowable to an Indemnitee any reduction in Taxes payable by the Indemnitee or other Tax benefit which would not, but for such adjustment, be allowable, then any such indemnification obligation shall be an amount equal to (i) the amount otherwise due but for this Section 11(d), *minus* (ii) the reduction in actual cash Taxes payable by the Indemnitee in the Taxable year in which such indemnification obligation arises, determined on a "with and without" basis.

#### Section 12. *Payments.*

(a) *Timing.* All payments to be made under this Agreement (excluding, for the avoidance of doubt, any payments to a Taxing Authority described herein) shall be made in immediately available funds. Except as otherwise provided, all such payments will be due sixty (60) Business Days after the receipt of notice of such payment or, where no notice is required, sixty (60) Business Days after the fixing of liability or the resolution of a dispute (the "**Due Date**"). Payments shall be deemed made when received. Any payment that is not made on or before the Due Date shall bear interest at the rate equal to the "prime" rate as published on such Due Date in the Wall Street Journal, Eastern Edition, for the period from and including the date immediately following the Due Date through and including the date of payment. With respect to any payment required to be made under this Agreement, Parent has the right to designate, by written notice to SpinCo, which member of the Parent Group will make or receive such payment.

(b) *[Intentionally Omitted]*

(c) *No Duplicative Payment.* It is intended that the provisions of this Agreement shall not result in a duplicative payment of any amount required to be paid under the Separation Agreement or any Ancillary Agreement, and this Agreement shall be construed accordingly.

Section 13. *Guarantees.* Parent and SpinCo, as the case may be, each hereby guarantees and agrees to otherwise perform the obligations of each other member of the Parent Group or the SpinCo Group, respectively, under this Agreement.

Section 14. *Communication and Cooperation.*

(a) *Consult and Cooperate.* Parent and SpinCo shall consult and cooperate (and shall cause each other member of their respective Groups to consult and cooperate) fully at such time and to the extent reasonably requested by the other Party in connection with all matters subject to this Agreement. Such cooperation shall include:

(i) the retention, and provision on reasonable request, of any and all information including all books, records, documentation or other information pertaining to Tax matters relating to the SpinCo Group (or, in the case of any Tax Return of the Parent Group, the portion of such return that relates to Taxes for which the SpinCo Group may be liable pursuant to this Agreement), any necessary explanations of information, and access to personnel, until one year after the expiration of the applicable statute of limitation (giving effect to any extension, waiver or mitigation thereof);

(ii) the execution of any document that may be necessary (including to give effect to [Section 15](#)) or helpful in connection with any required Tax Return or in connection with any audit, proceeding, suit or action; and

(iii) the use of the parties' commercially reasonable efforts to obtain any documentation from a Governmental Authority or a third party that may be necessary or helpful in connection with the foregoing.

(b) *Provide Information.* Except as set forth in [Section 15](#), Parent and SpinCo shall keep each other reasonably informed with respect to any material development relating to the matters subject to this Agreement.

(c) *Tax Attribute Matters.* Parent and SpinCo shall promptly advise each other with respect to any proposed Tax adjustments that are the subject of an audit or investigation, or are the subject of any proceeding or litigation, and that may affect any Tax liability or any Tax Attribute (including, but not limited to, basis in an asset or the amount of earnings and profits) of any member of the Parent Group or any member of the SpinCo Group, respectively.

(d) *Confidentiality and Privileged Information.* Any information or documents provided under this Agreement shall be kept confidential by the party receiving the information or documents, except as may otherwise be necessary in connection with the filing of required Tax Returns or in connection with any audit, proceeding, suit or action. Without limiting the foregoing (and notwithstanding any other provision of this Agreement or any other agreement), (i) no member of the Parent Group or SpinCo Group, respectively, shall be required to provide any member of the SpinCo Group or Parent Group, respectively, or any other Person access to or copies of any information or procedures other than information or procedures that relate solely to SpinCo, the business or assets of any member of the SpinCo Group, or matters for which the SpinCo Group or the Parent Group, respectively, has an obligation to indemnify under this Agreement and (ii) in no event shall any member of the Parent Group or the SpinCo Group, respectively, be required to provide any member of the SpinCo Group or Parent Group, respectively, or any other Person access to or copies of any information if such action could reasonably be expected to result in the waiver of any privilege. Notwithstanding the foregoing, in the event that Parent or SpinCo, respectively, determines that the provision of any information to any member of the SpinCo Group or Parent Group, respectively, could be commercially detrimental or violate any law or agreement to which Parent or SpinCo, respectively, is bound, Parent or SpinCo, respectively, shall not be required to comply with the foregoing terms of this Section 14(d) except to the extent that it is able, using commercially reasonable efforts, to do so while avoiding such harm or consequence (and shall promptly provide notice to SpinCo or Parent, respectively, to the extent such access to or copies of any information is provided to a Person other than a member of the Parent Group or SpinCo Group, respectively).

Section 15. *Audits and Contest.*

(a) *Notice.* Each of Parent and SpinCo shall promptly notify the other in writing upon the receipt of any notice of Tax Proceeding from the relevant Taxing Authority or upon becoming aware of an actual or potential Tax Proceeding by a Taxing Authority that may affect the liability of any member of the SpinCo Group or the Parent Group, respectively, for Taxes under Applicable Law or this Agreement; *provided* that a Party's right to indemnification under this Agreement shall not be limited in any way by a failure to so notify, except to the extent that the indemnifying Party is prejudiced by such failure.

(b) *Parent Control.* Notwithstanding anything in this Agreement to the contrary but subject to Section 15(d), Parent shall have the right to control all matters relating to any Joint Tax Return, any Parent Separate Tax Return, and any Tax Return or any Tax Proceeding with respect to any Tax matters of a Combined Group or any member of a Combined Group (as such). Parent shall have absolute discretion with respect to any decisions to be made, or the nature of any action to be taken, with respect to any Tax matter described in the preceding sentence; *provided, however*, that to the extent that any Tax Proceeding relating to such a Tax matter is reasonably likely to give rise to an indemnity obligation of SpinCo under Section 11 hereof, (i) Parent shall keep SpinCo informed of all material developments and events relating to any such Tax Proceeding described in this proviso and (ii) at its own cost and expense, SpinCo shall have the right to participate in (but not to control) the defense of any such Tax Proceeding.

(c) *SpinCo Assumption of Control; Non-Separation Taxes.* If Parent determines that the resolution of any matter pursuant to a Tax Proceeding (other than a Tax Proceeding relating to Separation Taxes) is reasonably likely to have an adverse effect on the SpinCo Group with respect to any Post-Separation Period, Parent, in its sole discretion, may permit SpinCo to elect to assume control over disposition of such matter at SpinCo's sole cost and expense, *provided, however*, that if SpinCo so elects, it will (i) be responsible for the payment of any liability arising from the disposition of such matter notwithstanding any other provision of this Agreement to the contrary and (ii) indemnify the Parent Group for any increase in a liability and any reduction of a Tax asset of the Parent Group arising from such matter.

(d) *Separation Taxes.* Parent shall have the right to control any Tax Proceeding relating to Separation Taxes, *provided* that Parent shall keep SpinCo fully informed of all material developments and shall permit SpinCo a reasonable opportunity to participate in the defense of the matter.

Section 16. *Notices.* Any notice, instruction, direction or demand under the terms of this Agreement required to be in writing shall be duly given upon delivery, if delivered by hand, email transmission or mail, to the following addresses:

if to Parent or the Parent Group, to:

Bausch Health Companies Inc.  
2150 St. Elzéar Blvd. West  
Laval, Québec, Canada H7L 4A8  
Attention: General Counsel  
E-mail: [\*\*\*\*\*]

with a copy (which shall not constitute notice) to:

Davis Polk & Wardwell LLP  
450 Lexington Avenue  
New York, New York 10017  
Attention: Michael Mollerus  
Email: [\*\*\*\*\*]

if to SpinCo or the SpinCo Group, to:

Bausch + Lomb Corporation  
400 Somerset Corporate Blvd  
Bridgewater, NJ 08807, USA  
Attention: General Counsel  
E-mail: [\*\*\*\*\*]

with a copy (which shall not constitute notice) to:

Davis Polk & Wardwell LLP  
450 Lexington Avenue  
New York, New York 10017  
Attention: Michael Mollerus  
Email: [\*\*\*\*\*]

or such other address or email address as such party may hereafter specify for the purpose by notice to the other party hereto. All such notices, requests and other communications shall be deemed received on the date of receipt by the recipient thereof if received prior to 5:00 p.m. in the place of receipt and such day is a Business Day in the place of receipt. Otherwise, any such notice, request or communication shall be deemed not to have been received until the next succeeding Business Day in the place of receipt.

Section 17. *Costs and Expenses.* The Party that prepares any Tax Return shall bear the costs and expenses incurred in the preparation of such Tax Return. Except as expressly set forth in this Agreement or the Separation Agreement, (i) each Party shall bear the costs and expenses incurred pursuant to this Agreement to the extent the costs and expenses are directly allocable to a liability or obligation allocated to such Party and (ii) to the extent a cost or expense is not directly allocable to a liability or obligation, it shall be borne by the Party incurring such cost or expense. For purposes of this Agreement, costs and expenses shall include, but not be limited to, reasonable attorneys' fees, accountants' fees and other related professional fees and disbursements.

Section 18. *Effectiveness, Termination and Survival.* Except as expressly set forth in this Agreement, as between Parent and SpinCo, this Agreement shall become effective on the Separation Date. All rights and obligations arising hereunder shall survive until they are fully effectuated or performed; *provided that*, notwithstanding anything in this Agreement to the contrary, this Agreement shall remain in effect and its provisions shall survive for one year after the full period of all applicable statutes of limitation (giving effect to any extension, waiver or mitigation thereof) and, with respect to any claim hereunder initiated prior to the end of such period, until such claim has been satisfied or otherwise resolved. This agreement shall terminate without any further action at any time before the Separation Date upon termination of the Separation Agreement.

Section 19. *Specific Performance.* Each Party to this Agreement acknowledges and agrees that damages for a breach or threatened breach of any of the provisions of this Agreement would be inadequate and irreparable harm would occur. In recognition of this fact, each Party agrees that, if there is a breach or threatened breach, in addition to any damages, the other nonbreaching Party to this Agreement, without posting any bond, shall be entitled to seek and obtain equitable relief in the form of specific performance, temporary restraining order, temporary or permanent injunction, attachment, or any other equitable remedy which may then be available to obligate the breaching Party (i) to perform its obligations under this Agreement or (ii) if the breaching Party is unable, for whatever reason, to perform those obligations, to take any other actions as are necessary, advisable or appropriate to give the other Party to this Agreement the economic effect which comes as close as possible to the performance of those obligations (including transferring, or granting liens on, the assets of the breaching party to secure the performance by the breaching party of those obligations).



Section 20. *Construction.* In this Agreement, unless the context clearly indicates otherwise:

- (a) words used in the singular include the plural and words used in the plural include the singular;
- (b) references to any Person include such Person's successors and assigns but, if applicable, only if such successors and assigns are permitted by this Agreement;
- (c) except as otherwise clearly indicated, reference to any gender includes all genders;
- (d) the words "include," "includes" and "including" shall be deemed to be followed by the words "without limitation";
- (e) reference to any Article, Section, Exhibit or Schedule means such Article or Section of, or such Exhibit or Schedule to, this Agreement, as the case may be, and references in any Section or definition to any clause means such clause of such Section or definition;
- (f) the words "herein," "hereunder," "hereof," "hereto" and words of similar import shall be deemed references to this Agreement as a whole and not to any particular Section or other provision hereof;
- (g) reference to any agreement, instrument or other document means such agreement, instrument or other document as amended, supplemented and modified from time to time to the extent permitted by the provisions thereof and by this Agreement;
- (h) reference to any law (including statutes and ordinances) means such law (including all rules and regulations promulgated thereunder) as amended, modified, codified or reenacted, in whole or in part, and in effect at the time of determining compliance or applicability;
- (i) relative to the determination of any period of time, "from" means "from and including," "to" means "to and including" and "through" means "through and including";
- (j) the titles to Articles and headings of Sections contained in this Agreement have been inserted for convenience of reference only and shall not be deemed to be a part of or to affect the meaning or interpretation of this Agreement;
- (k) unless otherwise specified in this Agreement, all references to dollar amounts herein shall be in respect of lawful currency of the United States, and, unless otherwise specified herein or agreed between the parties, all payments required under this Agreement shall be made in U.S. dollars; and

(l) any capitalized term used in an Exhibit or Schedule but not otherwise defined therein shall have the meaning set forth in this Agreement.

Section 21. *Entire Agreement; Amendments and Waivers.*

(a) *Entire Agreement.*

(i) This Agreement, the Separation Agreement and the Ancillary Agreements constitute the entire understanding of the parties with respect to the subject matter hereof and thereof and supersede all prior agreements, understandings and negotiations, both written and oral, between the parties with respect to the subject matter hereof and thereof. No representation, inducement, promise, understanding, condition or warranty not set forth herein or in the Separation Agreement or any Ancillary Agreement has been made or relied upon by any Party hereto or any member of their Group with respect to the transactions contemplated by this Agreement, the Separation Agreement or any Ancillary Agreement. This Agreement is an "**Ancillary Agreement**" as such term is defined in the Separation Agreement and shall be interpreted in accordance with the terms of the Separation Agreement in all respects; *provided* that in the event of any conflict or inconsistency between the terms of this Agreement and the terms of the Separation Agreement, the terms of this Agreement shall control in all respects.

(ii) THE PARTIES ACKNOWLEDGE AND AGREE THAT NO REPRESENTATION, WARRANTY, PROMISE, INDUCEMENT, UNDERSTANDING, COVENANT OR AGREEMENT HAS BEEN MADE OR RELIED UPON BY ANY PARTY OTHER THAN THOSE EXPRESSLY SET FORTH IN THIS AGREEMENT, THE SEPARATION AGREEMENT AND THE ANCILLARY AGREEMENTS. WITHOUT LIMITING THE GENERALITY OF THE DISCLAIMER SET FORTH IN THE PRECEDING SENTENCE, NEITHER PARENT NOR ANY OF ITS AFFILIATES HAS MADE OR SHALL BE DEEMED TO HAVE MADE ANY REPRESENTATIONS OR WARRANTIES IN ANY PRESENTATION OR WRITTEN INFORMATION RELATING TO THE SPINCO BUSINESS GIVEN OR TO BE GIVEN IN CONNECTION WITH THE CONTEMPLATED TRANSACTIONS OR IN ANY FILING MADE OR TO BE MADE BY OR ON BEHALF OF PARENT OR ANY OF ITS AFFILIATES WITH ANY GOVERNMENTAL AUTHORITY, AND NO STATEMENT MADE IN ANY SUCH PRESENTATION OR WRITTEN MATERIALS, MADE IN ANY SUCH FILING OR CONTAINED IN ANY SUCH OTHER INFORMATION SHALL BE DEEMED A REPRESENTATION OR WARRANTY HEREUNDER OR OTHERWISE. SPINCO ACKNOWLEDGES THAT PARENT HAS INFORMED IT THAT NO PERSON HAS BEEN AUTHORIZED BY PARENT OR ANY OF ITS AFFILIATES TO MAKE ANY REPRESENTATION OR WARRANTY IN RESPECT OF THE SPINCO BUSINESS OR IN CONNECTION WITH THE CONTEMPLATED TRANSACTIONS, UNLESS IN WRITING AND CONTAINED IN THIS AGREEMENT, THE SEPARATION AGREEMENT OR IN ANY OF THE OTHER ANCILLARY AGREEMENTS TO WHICH THEY ARE A PARTY.

(b) *Amendments and Waivers.*

(i) Any provision of this Agreement may be amended or waived if, and only if, such amendment or waiver is in writing and is signed, in the case of an amendment, by each of Parent and SpinCo, or in the case of a waiver, by the Party against whom the waiver is to be effective.

(ii) No failure or delay by any Party (or the applicable member of such Party's Group) in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies herein provided shall be cumulative and not exclusive of any rights or remedies provided by Applicable Law.

Section 22. *Governing Law.* This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, without regard to the conflicts of law rules of such state.

Section 23. *Jurisdiction.* The Parties agree that any suit, action or proceeding seeking to enforce any provision of, or based on any matter arising out of or in connection with, this Agreement or the transactions contemplated hereby shall be brought in the Chancery Court of the State of Delaware and any state appellate court therefrom within the State of Delaware (or if the Chancery Court of the State of Delaware declines to accept jurisdiction over a particular matter, any federal or state court sitting in the State of Delaware and any federal or state appellate court therefrom), and each of the Parties hereto hereby irrevocably consents to the exclusive jurisdiction of such courts in any such suit, action or proceeding and irrevocably waives, to the fullest extent permitted by law, any objection that it may now or hereafter have to the laying of the venue of any such suit, action or proceeding in any such court or that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum. Process in any such suit, action or proceeding may be served on any Party anywhere in the world, whether within or without the jurisdiction of any such court. Without limiting the foregoing, each Party agrees that service of process on such Party as provided in Section 16 shall be deemed effective service of process on such Party.

Section 24. *WAIVER OF JURY TRIAL.* EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

Section 25. *Dispute Resolution.* In the event of any dispute relating to this Agreement, the Parties shall work together in good faith to resolve such dispute within thirty (30) days. In the event that such dispute is not resolved, upon written notice by a Party after such thirty (30)-day period, the matter shall be referred to, as applicable, a Canadian or U.S. Tax counsel or other Canadian or U.S. Tax advisor of recognized national standing (the “**Tax Arbiter**”) that will be jointly chosen by Parent and SpinCo, *provided, however*, that, if Parent and SpinCo do not agree on the selection of the Tax Arbiter after five (5) days of good faith negotiation, the Tax Arbiter shall consist of a panel of, as applicable, three Canadian or U.S. Tax counsel or other Canadian or U.S. Tax advisors of recognized national standing with one member chosen by Parent, one member chosen by SpinCo, and a third member chosen by mutual agreement of the other members within the following ten (10)-day period. Each decision of a panel Tax Arbiter shall be made by majority vote of the members. The Tax Arbiter may, in its discretion, obtain the services of any third party necessary to assist it in resolving the dispute. The Tax Arbiter shall furnish written notice to the Parties to the dispute of its resolution of the dispute as soon as practicable, but in any event no later than ninety (90) days after acceptance of the matter for resolution. Any such resolution by the Tax Arbiter shall be binding on the Parties, and the Parties shall take, or cause to be taken, any action necessary to implement such resolution. All fees and expenses of the Tax Arbiter shall be shared equally by the Parties to the dispute. In the case of any dispute involving the Tax laws of a jurisdiction other than Canada or the United States, the provisions of this Section 25 shall apply to such dispute *mutatis mutandis*.

Section 26. *Counterparts; Effectiveness; Third-Party Beneficiaries.* This Agreement may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument. This Agreement shall become effective when each Party hereto shall have received a counterpart hereof signed by the other Party hereto. Until and unless each Party has received a counterpart hereof signed by the other Party hereto, this Agreement shall have no effect and no Party shall have any right or obligation hereunder (whether by virtue of any other oral or written agreement or other communication). Except for Section 14(d) and the indemnification and release provisions of Section 11, neither this Agreement nor any provision hereof is intended to confer any rights, benefits, remedies, obligations or liabilities hereunder upon any Person other than the Parties hereto and their respective successors and permitted assigns.

Section 27. *Successors and Assigns.* The provisions of this Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and permitted assigns, *provided* that neither Party may assign, delegate or otherwise transfer any of its rights or obligations under this Agreement without the consent of the other Party hereto. If any Party or any of its successors or permitted assigns (i) shall consolidate with or merge into any other Person and shall not be the continuing or surviving corporation or entity of such consolidation or merger or (ii) shall transfer all or substantially all of its properties and assets to any Person, then, and in each such case, proper provisions shall be made so that the successors and assigns of such Party shall assume all of the obligations of such Party under the Separation Agreement and any Ancillary Agreements.

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Section 28. *Authorization.* Each of Parent and SpinCo hereby represents and warrants that it has the power and authority to execute, deliver and perform this Agreement, on its behalf and on behalf of each member of its Group, that this Agreement has been duly authorized by all necessary corporate action on the part of such Party and each member of its Group, that this Agreement constitutes a legal, valid and binding obligation of each such Party and each member of its Group, and that the execution, delivery and performance of this Agreement by such Party and each member of its Group does not contravene or conflict with any provision or law or of its charter or bylaws or any agreement, instrument or order binding on such Party or member of its Group.

Section 29. *Change in Tax Law.* Any reference to a provision of the Code, Treasury Regulations or any other Applicable Tax Law shall include a reference to any applicable successor provision of the Code, Treasury Regulations or other Applicable Tax Law.

Section 30. *Performance.* Each Party shall cause to be performed all actions, agreements and obligations set forth herein to be performed by any member of such Party's Group.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties have executed and delivered this Agreement as of the day and year first written above.

**Bausch Health Companies Inc., on its own behalf and on behalf of the members of the Parent Group**

By: /s/ Thomas J. Appio  
Name: Thomas J. Appio  
Title: Chief Executive Officer, Pharma Business

**Bausch + Lomb Corporation, on its own behalf and on behalf of the members of the SpinCo Group**

By: /s/ Joseph C. Papa  
Name: Joseph C. Papa  
Title: Chief Executive Officer

**EMPLOYEE MATTERS AGREEMENT**

by and between

BAUSCH HEALTH COMPANIES INC.

and

BAUSCH + LOMB CORPORATION

Dated as of March 30, 2022

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EMPLOYEE MATTERS AGREEMENT

This EMPLOYEE MATTERS AGREEMENT, dated as of March 30, 2022, is by and between BAUSCH HEALTH COMPANIES INC., a corporation incorporated under the British Columbia Business Corporations Act (“**Parent**”), and BAUSCH + LOMB CORPORATION, a company incorporated under the laws of Canada (the “**Company**” or “**SpinCo**”).

R E C I T A L S

WHEREAS, Parent and the Company have entered into the Master Separation Agreement, dated as of even date herewith (the “**Master Separation Agreement**”), pursuant to which Parent and the Company will effectuate the Transactions;

WHEREAS, as contemplated by the Master Separation Agreement, Parent and the Company desire to enter into this Agreement for the purpose of allocating between them the Assets, Liabilities and responsibilities with respect to certain employee matters (including employee compensation and benefit plans and programs);

WHEREAS, Parent and the Company have agreed that, except as otherwise specifically provided herein, the general approach and philosophy underlying this Agreement is to (a) allocate Assets, Liabilities and responsibilities to the SpinCo Group (as opposed to the Parent Group) to the extent they relate to current or former employees and other service providers primarily related to the SpinCo Assets or the SpinCo Business and (b) allocate Assets, Liabilities and responsibilities (other than those described in clause (a) above) to the Parent Group (as opposed to the SpinCo Group); and

WHEREAS, except as expressly set forth herein, this Agreement is not intended to address the matters specifically and expressly covered by the Plan of Reorganization (as defined in the Master Separation Agreement).

NOW, THEREFORE, in consideration of the mutual agreements, provisions and covenants contained in this Agreement, the parties, intending to be legally bound, hereby agree as follows:

ARTICLE I  
DEFINITIONS

Section 1.01. *Certain Definitions.* For purposes of this Agreement, the following terms shall have the following meanings; *provided* that capitalized terms used but not otherwise defined in this Section 1.01 shall have the respective meanings ascribed to such terms in the Master Separation Agreement:

“**2021 Aggregate Cash Bonus Amount**” has the meaning set forth in Section 7.01(a) hereto.

“**2021 Bonus Certification Date**” has the meaning set forth in Section 7.01(a) hereto.

“**2021 Bonus Plan**” has the meaning set forth in Section 7.01(a) hereto.

“**2021 Cash Bonuses**” has the meaning set forth in Section 7.01(a) hereto.

“**401(k) Plan Commencement Date**” means January 1, 2022 (or such later date as mutually identified by the parties, but in no event later than six (6) months following the Separation Time) or, in the case of Delayed Transfer Employees, if later, the applicable Delayed Transfer Date.

“**Adjusted Parent Awards**” means, collectively, the Adjusted Parent Options, the Adjusted Parent PRSUs and the Adjusted Parent RSUs.

“**Adjusted Parent Option**” means any Parent Option adjusted pursuant to Section 8.03(b) hereto.

“**Adjusted Parent PRSU**” means any Parent PRSU adjusted pursuant to Section 8.02(a) or 8.02(b) hereto.

“**Adjusted Parent Deferred RSU**” means any Parent Deferred RSU adjusted pursuant to Section 8.02(a) or 8.02(b) hereto.

“**Adjusted Parent RSU**” means any Parent RSU adjusted pursuant to Section 8.02(a) or 8.02(b) hereto.

“**Agency Agreement**” means any agency agreement by and between Solta Medical Ireland Limited, a member of the Solta Group (or such other applicable member of the Solta Group) and a member of the SpinCo Group (in its capacity as an “Agent” thereunder), pursuant to which the member of the SpinCo Group will act as an agent on behalf of Solta to promote the sale of certain products of the Solta Business as specified therein.

“**Agency Transfer Employee**” means (i) any individual who is employed by an applicable “Agent” (as defined under the applicable Agency Agreement) in a “Local Solta Business” (as defined under the applicable Agency Agreement) pursuant to the terms of the applicable Agency Agreement, (ii) any New Agency Transfer Employee who is employed by an Agent in a Local Solta Business pursuant to the terms of the applicable Agency Agreement and (iii) any other individual who is employed by the applicable Agent with respect to whom the applicable member of the Solta Group and the applicable Agent mutually agree will transfer to the Solta Group in accordance with the terms of the applicable Agency Agreement.

“**Agreement**” means this Employee Matters Agreement, including all of the schedules and exhibits hereto, as may be amended from time to time in accordance with its terms.

“**Basket Ratio**” has the meaning set forth in the Plan of Arrangement.

“**Benefits Commencement Date**” means (a) in the case of U.S. SpinCo Participants, January 1, 2022, (b) in the case of Non-U.S. SpinCo Participants, the date such Non-U.S. SpinCo Participant commences employment or service with the SpinCo Group in accordance with the terms of this Agreement, and (c) in the case of Delayed Transfer Employees, if later, the applicable Delayed Transfer Date.

“**Benefits Transition Period**” means the period, if any, beginning on the Separation Date and ending on the applicable Benefits Commencement Date (or, in the case of the SpinCo 401(k) Plan, the 401(k) Plan Commencement Date).

“**COBRA**” means the continuation coverage requirements for “group health plans” under Title X of the Consolidated Omnibus Budget Reconciliation Act of 1985, as codified in Section 4980B of the Code and Sections 601 through 608 of ERISA.

“**Collective Bargaining Agreements**” means any and all agreements, memorandums of understanding, contracts, letters, side letters and contractual obligations of any kind, nature and description, oral or written, that have been entered into between or that involve or apply to any employer and any labor organization, union, employee association, agency or employee committee or plan.

“**Company**” has the meaning set forth in the preamble hereto.

“**Company Concentration Ratio**” means the quotient obtained by dividing (i) the Parent Pre-Distribution Share Value by (ii) the Company Post-Distribution Share Value.

“**Company Post-Distribution Share Value**” means the fair market value of a Resulting Entity Common Shares after the consummation of the Distribution, as determined by the Parent Board (or the Parent Compensation Committee) prior to the Distribution Date in a manner intended to preserve the aggregate intrinsic value of the applicable outstanding equity awards.

“**Covered Parent Service Provider**” means each Parent Employee who is or was employed by a member of the Parent Group (A) on the Separation Date, (B) at any time during the six (6) month period prior to Separation Date or (C) at any time during the applicable Restricted Period. For the avoidance of doubt, a SpinCo Employee and a Solta Employee shall not constitute a Covered Parent Service Provider.

“**Covered Solta Service Provider**” means each (i) Solta Employee who is or was employed by any member of the Parent Group, the Solta Group or the SpinCo Group (A) on the Separation Date, (B) at any time during the six (6) month period prior to the Separation Date or (C) at any time during the applicable Restricted Period or (ii) Agency Transfer Employee. For the avoidance of doubt, a SpinCo Employee shall not constitute a Covered Solta Service Provider.

“**Covered SpinCo Service Provider**” means each SpinCo Employee who is or was employed or engaged by a member of the Parent Group or the SpinCo Group (A) on the Separation Date, (B) at any time during the six (6) month period prior to Separation Date or (C) at any time during the applicable Restricted Period. For the avoidance of doubt, none of a Parent Employee, a Solta Employee or an Agency Transfer Employee shall constitute a Covered SpinCo Service Provider.

“**Distribution Time**” means the effective time of the Distribution.

“**Delayed Transfer Date**” means, with respect to any applicable Delayed Transfer Employee, the applicable date he or she commences employment with a member of the SpinCo Group following the Separation Date.

“**Delayed Transfer Employee**” means any (i) Post-Separation Transfer Employee, (ii) Sponsored SpinCo Employee and (iii) Other Transfer Employee, in each case, who transfers employment to a member of the SpinCo Group following the Separation Time in accordance with the terms of this Agreement. For the avoidance of doubt, a New SpinCo Employee shall not constitute a Delayed Transfer Employee.

“**Dual Director**” means any non-employee director who, as of and immediately following the Distribution Date, serves on both the Parent Board and the SpinCo Board.

“**Employee Plan**” means any (a) “employee benefit plan” as defined in Section 3(3) of ERISA, (b) compensation, employment, consulting, severance, termination protection, change in control, transaction bonus, retention or similar plan, agreement, arrangement, program or policy or (c) other plan, agreement, arrangement, program or policy providing for compensation, bonuses, profit-sharing, equity or equity-based compensation or other forms of incentive or deferred compensation, vacation benefits, insurance (including any self-insured arrangement), medical, dental, vision, prescription or fringe benefits, life insurance, relocation or expatriate benefits, perquisites, disability or sick leave benefits, employee assistance program, supplemental unemployment benefits or post-employment or retirement benefits (including compensation, pension, health, medical or insurance benefits), in each case whether or not written.

“**Employee Transfer Schedule**” means Exhibit A attached hereto.

“**ERISA**” means the Employee Retirement Income Security Act of 1974, as amended, together with the rules and regulations promulgated thereunder.

“**Former Parent Employee**” means (i) each individual (other than a SpinCo Employee) who, as of immediately prior to the Separation Time (or, solely for purposes of Article VIII hereof, immediately prior to the Distribution), is a former employee of any member of the Parent Group (including the Solta Group) or the SpinCo Group (and excluding, for the avoidance of doubt, any Former SpinCo Employee) and (ii) each individual who is, as of immediately prior to the Separation Time (or, solely for purposes of Article VIII hereof, immediately prior to the Distribution) on long-term disability regardless of whether such individual was last actively employed primarily with respect to the SpinCo Assets or the SpinCo Business. For the avoidance of doubt, (i) a Delayed Transfer Employee shall not constitute a Former Parent Employee and (ii) a Former Solta Employee shall constitute a Former Parent Employee.

“**Former Solta Employee**” means each individual (other than a SpinCo Employee) who, as of immediately prior to the Separation Time (or, solely for purposes of Article VIII hereof, immediately prior to the Distribution), is a former employee of the Parent Group, the Solta Group or the SpinCo Group who was last actively employed primarily with respect to the Solta Business (and excluding, for the avoidance of doubt, any Former SpinCo Employees).

“**Former SpinCo Employee**” means each individual who, as of immediately prior to the Separation Time (or, solely for purposes of Article VIII hereof, immediately prior to the Distribution), is a former employee who was last actively employed primarily with respect to the SpinCo Assets or the SpinCo Business by any member of the Parent Group or the SpinCo Group.

“**H&W Plan**” means any Employee Plan that is (a) an “employee welfare benefit plan” or “welfare plan” (as defined under Section 3(1) of ERISA) or (b) a similar plan that is sponsored, maintained, administered, contributed to or entered into outside of the United States.

“**HIPAA**” means the health insurance portability and accountability requirements for “group health plans” under the Health Insurance Portability and Accountability Act of 1996, as amended, together with the rules and regulations promulgated thereunder.

“**Intended Transfer Date**” means the date specified for each jurisdiction of employment set forth on the Employee Transfer Schedule on which the applicable SpinCo Employees who are employed by a member of the Parent Group in such jurisdiction are intended by the parties to be transferred to a member of the SpinCo Group (or such other date as may be mutually agreed between the parties).

“**Interim Period**” has the meaning set forth in the applicable Agency Agreement.

“**ITA**” means the Income Tax Act (Canada).

“**Legacy Retiree H&W Plan**” means the Bausch + Lomb Post-Retirement Benefits Plan.

“**Legacy SERP**” means the Bausch + Lomb Supplemental Retirement Income Plan I, as amended and restated.

“**Legacy U.S. Pension Plan**” means The Bausch & Lomb Retirement Benefit Plans (2020 Restatement).

“**Master Separation Agreement**” has the meaning set forth in the recitals hereto.

“**New Agency Transfer Employee**” has the meaning set forth in Section 3.01(c).

“**New Hire Grant**” means any “initial” or “sign-on” Parent Award granted to any Parent Employee or SpinCo Employee (other than any Former Parent Employee (including any Former Solta Employee) or Former SpinCo Employee, respectively) granted by Parent on or following September 1, 2021 in connection with such applicable Parent Employee’s or SpinCo Employee’s external new hire into an executive role with Parent or SpinCo, as applicable.

“**New SpinCo Employee**” means any individual who is externally hired by a member of the SpinCo Group following the Separation Time.

“**Non-U.S. Parent Employee**” means any Parent Employee who is employed (or, in the case of former employees, was last actively employed) outside of the United States.

“**Non-U.S. Parent Participant**” means any Parent Participant who is employed or engaged (or, in the case of former employees, individual independent contractors or consultants, was last actively employed or engaged, as applicable) outside of the United States.

“**Non-U.S. SpinCo Employee**” means any SpinCo Employee who is not a U.S. SpinCo Employee.

“**Non-U.S. SpinCo Participant**” means any SpinCo Participant who is not a U.S. SpinCo Participant.

“**Other Transfer Employee**” means any individual who, upon mutual agreement of Parent and the Company, transfers employment from the Parent Group to the SpinCo Group following the Separation Time. For the avoidance of doubt, each of a Sponsored SpinCo Employee and a Post-Separation Transfer Employee is not an Other Transfer Employee.

“**Parent**” has the meaning set forth in the preamble hereto.

“**Parent 401(k) Plan**” means any Parent Plan that is a defined contribution plan intended to qualify under Section 401(a) of the Code and related trust intended to be exempt under Section 501(a) of the Code.

“**Parent Awards**” means, collectively, the Parent Options, the Parent PRSUs, the Parent RSUs and the Parent Deferred RSUs.

“**Parent Bonus Plan**” has the meaning set forth in Section 7.01 hereto.

“**Parent Compensation Committee**” means the Talent and Compensation Committee of the Parent Board.

“**Parent Concentration Ratio**” means the quotient obtained by dividing (i) the Parent Pre-Distribution Share Value by (ii) the Parent Post-Distribution Share Value.

“**Parent Deferred Compensation Plan**” means the Biovail Americas Corp. Executive Deferred Compensation Plan, as amended and restated effective January 1, 2009.

“**Parent Deferred RSU**” means each award of deferred restricted share units with respect to Parent Common Shares granted under the Parent Equity Plan.

“**Parent Director**” means any non-employee director serving on the Parent Board as of and immediately following the Distribution Date, *provided* that such non-employee director does not also serve on the SpinCo Board as of and immediately following the Distribution Date.

“**Parent Employee**” means each individual who, as of the Separation Time, is (a) not a SpinCo Employee and (b) either (i) actively employed by any member of the Parent Group (including the Solta Group) or the SpinCo Group, (ii) an inactive employee (including any employee on short- or long-term disability leave or other authorized leave of absence) of any member of the Parent Group (including the Solta Group) or the SpinCo Group or (iii) a Former Parent Employee. For the avoidance of doubt, a Solta Employee shall constitute a Parent Employee.

“**Parent Equity Plan**” means the Bausch Health Companies Inc. 2014 Omnibus Incentive Plan (As Amended and Restated, Effective as of April 28, 2020) (and any predecessor plan thereto).

“**Parent ESPP**” means the Bausch Health Companies Inc. 2013 Stock Purchase Plan.

“**Parent FSA**” means any Parent Plan that is a flexible spending account for health and dependent care expenses.

“**Parent H&W Plan**” means any Parent Plan that is an H&W Plan. For the avoidance of doubt, (i) Parent FSAs are Parent H&W Plans and (ii) no SpinCo H&W Plan is a Parent H&W Plan.

“**Parent Matching Share Program**” means the Bausch Health Companies Matching Share Program.

“**Parent MRSU**” means each award of matching share restricted stock units with respect to Parent Common Shares granted under the Parent Equity Plan in connection with the purchase of Parent Common Shares under either the Parent ESPP or the Parent Matching Share Program.

“**Parent New CEO Grant**” means each of the awards of Parent PRSUs and Parent RSUs granted on September 1, 2021 to the Parent Employee who is intended to become the CEO of Parent effective as of the Separation Date.

“**Parent Option**” means each outstanding option to acquire Parent Common Shares granted under the Parent Equity Plan.

“**Parent Participant**” means any individual who is a Parent Employee (including, for the avoidance of doubt, a Solta Employee), and any beneficiary, dependent, or alternate payee of such individual, as the context requires.

“**Parent Plan**” means any Employee Plan (other than a SpinCo Plan) sponsored, maintained, administered, contributed to or entered into by any member of the Parent Group (including any member of the Solta Group). For the avoidance of doubt, no SpinCo Plan is a Parent Plan.

“**Parent Post-Distribution Share Value**” means the fair market value of a Parent Common Share after the consummation of the Distribution, as determined by the Parent Board (or the Parent Compensation Committee) prior to the Distribution Date in a manner intended to preserve the aggregate intrinsic value of the applicable outstanding equity awards.

“**Parent Pre-Distribution Share Value**” means the fair market value of a Parent Common Share prior to the consummation of the Distribution, as determined by the Parent Board (or the Parent Compensation Committee) prior to the Distribution Date in a manner intended to preserve the aggregate intrinsic value of the applicable outstanding equity awards.

“**Parent PRSU**” means each award of restricted share units with respect to Parent Common Shares granted under the Parent Equity Plan subject to performance-based vesting conditions.

“**Parent Retained Employee Liabilities**” has the meaning set forth in Section 2.01(a) hereto.

“**Parent RSU**” means each award of restricted share units with respect to Parent Common Shares granted under the Parent Equity Plan (other than Parent PRSUs and Parent Deferred RSUs), including, for the avoidance of doubt, any Parent MRSUs.

“**Parent Specified Rights**” means any and all rights to enjoy, benefit from or enforce any and all restrictive covenants, including covenants relating to non-disclosure, non-solicitation, non-competition, confidentiality or Intellectual Property, pursuant to any Employee Plan covering or with any SpinCo Employee or Parent Employee and to which any member of the SpinCo Group or Parent Group is a party (other than SpinCo Specified Rights).

“**Personnel Records**” has the meaning set forth in Section 9.01 hereto.

“**Post-Separation Transfer Employee**” means, if any, any SpinCo Employee who, as of immediately following the Separation Date, is employed by a member of the Parent Group. For the avoidance of doubt, (i) a Post-Separation Transfer Employee is any SpinCo Employee employed by a member of the Parent Group (A) whose employment is not transferred to a member of the SpinCo Group on or prior to the Separation Date and (B) whose employment is intended to transfer from the Parent Group to a member of the SpinCo Group following the Separation Date on his or her applicable Intended Transfer Date in accordance with Section 3.01(b), and (ii) a Sponsored SpinCo Employee and an Other Transfer Employee are not a Post-Separation Transfer Employee.

“**Restricted Period**” means, (A) with respect to a Covered Parent Service Provider, Covered SpinCo Service Provider or Covered Solta Service Provider that holds the title of Vice President or higher (including Executive Vice President and Senior Vice President), the period (i) commencing on the Separation Time and (ii) ending on the 24-month anniversary of the Distribution Date, and (B) with respect to all other Covered Parent Service Providers, Covered SpinCo Service Providers and Covered Solta Service Providers, the period (i) commencing on the Separation Time and (ii) ending on the 12-month anniversary of the Distribution Date.

“**Solta**” means Solta Medical Corporation, a corporation existing under the laws of the Province of British Columbia, together with any successors thereto.

“**Solta Board**” means the Board of Directors of Solta.

“**Solta Business**” means the business, operations and activities (whether or not such businesses, operations or activities are or have been terminated, divested, discontinued or paused) of the “global aesthetics medical device” business of the BHC Group (including the Solta Group) conducted immediately prior to the Separation Time.

“**Solta Director**” means any non-employee director serving on the Solta Board as of and immediately following the Distribution Date (*provided* that such non-employee director does not also serve on the SpinCo Board as of and immediately following the Distribution Date).

“**Solta Employee**” means each individual (other than a SpinCo Employee) who, as of the Separation Time, is (i) actively employed primarily with respect to the Solta Business by any member of the Parent Group, the Solta Group or the SpinCo Group, (ii) an inactive employee (including any employee on short-term disability leave, parental, military or other authorized leave of absence) primarily employed with respect to the Solta Business by any member of the Parent Group, the Solta Group or the SpinCo Group and (iii) a Former Solta Employee; *provided* that, for the avoidance of doubt, for purposes of this Agreement, an Agency Transfer Employee shall constitute a Solta Employee.

“**Solta Group**” means, collectively, Solta and its subsidiaries.

“**SpinCo 401(k) Plan**” means any SpinCo Plan that is a defined contribution plan intended to qualify under Section 401(a) of the Code.

“**SpinCo Assumed Employee Liabilities**” has the meaning set forth in Section 2.01(b) hereto.

“**SpinCo Awards**” means the SpinCo Options and the SpinCo RSUs.

“**SpinCo Bonus Plan**” has the meaning set forth in Section 7.01 hereto.

“**SpinCo Canada DC Plan**” means any SpinCo Plan that is a defined contribution plan maintained for SpinCo Participants employed in Canada.

“**SpinCo CBA**” means any Collective Bargaining Agreement listed on [Exhibit B](#) hereto to the extent covering SpinCo Employees.

“**SpinCo Change in Control**” has the meaning set forth in Section 8.06(b) hereto.

“**SpinCo Director**” means any non-employee director serving on the SpinCo Board as of and immediately following the Distribution Date, regardless of whether such non-employee director serves on the Solta Board, *provided* that such non-employee director does not also serve on the Parent Board as of and immediately following the Distribution Date. For the avoidance of doubt, any non-employee director who serves on both the Parent Board and the SpinCo Board as of the Separation Time, but ceases to serve on the Parent Board as of the Distribution Date shall constitute a SpinCo Director for purposes of this Agreement.

“**SpinCo Employee**” means each individual who, (a) as of the Separation Time, is (i) actively employed primarily with respect to the SpinCo Assets or the SpinCo Business by any member of the Parent Group or the SpinCo Group (which, for the avoidance of doubt, includes any Post-Separation Transfer Employees), (ii) an inactive employee (including any employee on short-term disability leave, parental, military or other authorized leave of absence) primarily employed with respect to the SpinCo Assets or SpinCo Business by any member of the Parent Group or the SpinCo Group, (iii) a Former SpinCo Employee, (b) as of his or her date of commencement of employment with the applicable member of the SpinCo Group, is a New SpinCo Employee or (c) as of the applicable Delayed Transfer Date, an Other Transfer Employee who becomes a Delayed Transfer Employee. For the



avoidance of doubt, (A) an Other Transfer Employee shall not constitute a SpinCo Employee for purposes of this Agreement unless and until his or her applicable Delayed Transfer Date, if any, and (B) a Solta Employee shall not be considered a SpinCo Employee for purposes of this Agreement (notwithstanding the fact that such Solta Employee may be employed by a member of the SpinCo Group, including pursuant to the terms of any applicable Agency Agreement or otherwise be deemed an Agency Transfer Employee).

“**SpinCo Equity Plan**” has the meaning set forth in Section 8.04 hereto.

“**SpinCo FSAs**” has the meaning set forth in Section 6.04 hereto.

“**SpinCo H&W Plan**” means any SpinCo Plan that is an H&W Plan. For the avoidance of doubt, SpinCo FSAs are SpinCo H&W Plans.

“**SpinCo Option**” has the meaning set forth in Section 8.03(a) hereto.

“**SpinCo Participant**” means any individual who is a SpinCo Employee, and any beneficiary, dependent, or alternate payee of such individual, as the context requires.

“**SpinCo Plan**” means any Employee Plan that (a) is or was sponsored, maintained, administered, contributed to or entered into by any member of the SpinCo Group, whether before, as of or after the Separation Date or (b) for which Liabilities transfer to any member of the SpinCo Group under this Agreement or pursuant to applicable Law as a result of the Distribution. For the avoidance of doubt, SpinCo Plans shall include the Legacy U.S. Pension Plan, the Legacy Retiree H&W Plan and the Legacy SERP.

“**SpinCo RSU**” has the meaning set forth in Section 8.02(a) hereto.

“**SpinCo Specified Rights**” means any and all rights to enjoy, benefit from or enforce any and all restrictive covenants, including covenants relating to non-disclosure, non-solicitation, non-competition, confidentiality or Intellectual Property, applicable or related, in whole or in part, to the SpinCo Assets or the SpinCo Business pursuant to any Employee Plan covering or with any SpinCo Employee and to which any member of the SpinCo Group or Parent Group is a party, *provided* that, with respect to any Intellectual Property existing, conceived, created, developed or reduced to practice prior to the Separation Time, the foregoing rights to enjoy, benefit from or enforce any restrictive covenants related to Intellectual Property is limited to those restrictive covenants related to Intellectual Property included in the SpinCo Assets.

“**Sponsored SpinCo Employee**” means any SpinCo Employee working on a visa or work permit sponsored by a member of the Parent Group as of immediately prior to the Separation Time.

“**U.S. Parent Participant**” means any Parent Participant employed or engaged (or, in the case of former employees, individual independent contractors or consultants, last actively employed or engaged, as applicable) in the United States.

“**U.S. SpinCo Employee**” means any SpinCo Employee who is employed (or, in the case of former employees, was last actively employed) in the United States.

“**U.S. SpinCo Participant**” means any SpinCo Participant who is employed or engaged (or, in the case of former employees, individual independent contractors or consultants, was last actively employed or engaged, as applicable) in the United States.

Section 2.01. *Allocation of Employee-Related Liabilities.*

(a) Subject to the terms and conditions of this Agreement, effective as of the Separation Time, Parent shall, or shall cause the applicable member of the Parent Group to, assume and retain, and no member of the SpinCo Group shall have any further obligation with respect to, any and all Liabilities (i) relating to, arising out of or in respect of any Parent Participant or any Parent Plan, in each case, other than any SpinCo Assumed Employee Liabilities, in each case (x) whether arising before, on or after the Separation Date, (y) whether based on facts occurring before, on or after the Separation Date and (z) irrespective of which Person such Liabilities are asserted against or which Person such Liabilities attached to as a matter of applicable Law or contract, or (ii) expressly assumed or retained, as applicable, by any member of the Parent Group pursuant to this Agreement (collectively, "**Parent Retained Employee Liabilities**"). For the avoidance of doubt, all Parent Retained Employee Liabilities are Parent Liabilities for purposes of the Master Separation Agreement.

(b) Subject to the terms and conditions of this Agreement, effective as of the Separation Time, the Company shall, or shall cause the applicable member of the SpinCo Group to, assume, and no member of the Parent Group shall have any further obligation with respect to, any and all Liabilities (i) relating to, arising out of or in respect of any SpinCo Participant (including, for the avoidance of doubt, any Former SpinCo Employee) or any SpinCo Plan, in each case (x) whether arising before, on or after the Separation Date, (y) whether based on facts occurring before, on or after the Separation Date and (z) irrespective of which Person such Liabilities are asserted against or which Person such Liabilities attached to as a matter of applicable Law or contract or (ii) expressly assumed or retained, as applicable, by any member of the SpinCo Group pursuant to this Agreement (collectively, "**SpinCo Assumed Employee Liabilities**"), including without limitation, in the case of clause (i) above:

- (ii) employment, separation or retirement agreements or arrangements to the extent applicable to any SpinCo Participant;
- (iii) wages, salaries, incentive compensation, commissions, bonuses and other compensation payable to any SpinCo Participants, without regard to when such wages, salaries, incentive compensation, equity compensation, commissions, bonuses and other compensation are or may have been earned;
- (iv) severance or similar termination-related pay or benefits applicable to any SpinCo Participant;
- (v) claims made by or with respect to any SpinCo Participant in connection with any employee benefit plan, program or policy, without regard to when such claim is in respect of;
- (vi) workers' compensation and unemployment compensation benefits for all SpinCo Participants;
- (vii) transaction bonus, retention and stay bonuses payable to any SpinCo Participants;
- (viii) the SpinCo CBAs;
- (ix) any applicable Law (including ERISA and the Code) to the extent related to participation by any SpinCo Participant in any Employee Plan;
- (x) any Actions, allegations, demands, assessments, settlements or judgments relating to or involving any SpinCo Participant (including, without limitation, those relating to labor and employment, wages, hours, overtime, employee classification, hostile workplace, civil rights, discrimination, harassment, affirmative action, work authorization, immigration, safety and health, information privacy and security, workers' compensation, continuation coverage under group health plans, wage payment, hiring practice and the payment and withholding of Taxes);
- (xi) any costs or expenses incurred in designing, establishing and administering any SpinCo Plans or payroll or benefits administration for SpinCo Participants; and

(xii) the employer portion of any employment, payroll or similar Taxes relating to any of the foregoing or any SpinCo Participant.

For the avoidance of doubt, all SpinCo Assumed Employee Liabilities are SpinCo Liabilities for purposes of the Master Separation Agreement.

Section 2.02. *Indemnification.* For the avoidance of doubt, the provisions of Article V of the Master Separation Agreement shall apply to and govern the indemnification rights and obligations of the parties with respect to the matters addressed by this Agreement.

Section 2.03. *Agency Transfer Employee Liabilities.* Notwithstanding anything to the contrary herein, any Liabilities relating to the employment, or termination of employment, including in respect of any compensation or benefits, of any Agency Transfer Employees shall be subject to the terms of the applicable Agency Agreement.

Section 2.04. *No Duplicate Reimbursements.* For the avoidance of doubt, and notwithstanding anything to the contrary in this Agreement or any other Ancillary Agreement, neither Parent nor the Company shall be required to reimburse the other party for any amounts under this Agreement if and to the extent that such party (or an applicable member of its Group) has otherwise previously reimbursed the other party (or an applicable member of its Group) for such amounts pursuant to any other Ancillary Agreement (including, for the avoidance of doubt, the Transition Services Agreement), as applicable.

ARTICLE III  
EMPLOYEES; EMPLOYMENT AND  
COLLECTIVE BARGAINING AGREEMENTS

Section 3.01. *Transfers of Employment.*

(a) Prior to the Separation Time, Parent and the Company shall have taken all necessary or appropriate actions to (i) cause the employment of each SpinCo Employee (other than any Delayed Transfer Employee or Former SpinCo Employee), who is employed by a member of the Parent Group as of immediately prior to the Separation Time to be transferred to a member of the SpinCo Group, effective as of or prior to the Separation Time and (ii) cause the employment of each SpinCo Employee (other than any Delayed Transfer Employee or Former SpinCo Employee), to the extent employed by a member of the SpinCo Group as of immediately prior to the Separation Time, to be continued with a member of the SpinCo Group, effective as of the Separation Time.

(b) Following the Separation Time, (i) Parent shall, and shall cause the members of the Parent Group to, make available the services of the Post-Separation Transfer Employees, to the extent employed by a member of the Parent Group at such time, to the SpinCo Group and the SpinCo Business prior to the applicable Delayed Transfer Date, and (ii) Parent and the Company shall cooperate in good faith and use reasonable best efforts to cause the transfer and assignment of the employment of each Delayed Transfer Employee (whose employment, for the avoidance of doubt, was not transferred to a member of the SpinCo Group on or prior to the Separation Time in accordance with Section 3.01(a)) from a member of the Parent Group to an applicable member of the SpinCo Group, in each case in accordance with the terms of this Agreement, applicable Law (including any applicable automatic transfer regulations) and the terms of any applicable employment or service agreement. The transfer of such Delayed Transfer Employees shall be made by assigning such individual's employment to a member of the SpinCo Group or, to extent required by applicable Law or otherwise determined by the parties to be necessary or appropriate, by having a member of the SpinCo Group make an offer of employment to such Delayed Transfer Employee, or by operation of any applicable automatic transfer regulations, in each case which such assignment or transfer shall be on terms and conditions of employment consistent with this Agreement and the terms and conditions of employment applicable to such Delayed Transfer Employee as of immediately prior to the applicable Delayed Transfer Date (and such other terms and conditions as may be required by applicable Law, including any applicable automatic transfer regulations). To the extent any such transfers of employment of any Delayed Transfer Employees will occur following the Distribution Date, the parties agree to mutually cooperate in good faith to cause the transfer of the employment of such individuals to the SpinCo Group as soon as possible following the Distribution Date.

(c) During the applicable Interim Period, the Company shall, and shall cause the members of the SpinCo Group (including the applicable Agents) to, cooperate with the Solta Group in good faith and use commercially reasonable efforts to facilitate (i) the hiring of employees into the applicable Local Solta Business by the Agent under the applicable Agency Agreement or (ii) the termination of any applicable Agency Transfer Employees, in each case as soon as reasonably practicable after such Agent receives a reasonable written request from the applicable member of the Solta Group, subject to (A) such procedures as mutually determined between the applicable members of the Solta Group and the SpinCo Group and (B) applicable Law. Any new employees hired by an Agent into a Local Solta Business pursuant to this Section 3.01(c) shall, as of the date he or she commences employment with the applicable Agent, be referred to as "New Agency Transfer Employees" and shall constitute Agency Transfer Employees for purposes of this Agreement. Any and all costs relating to the hiring of the New Agency Transfer Employees that are incurred by the Parent Group, the Solta Group or the SpinCo Group, as applicable, shall constitute Parent Retained Employee Liabilities, and shall be reimbursed by Parent or Solta, as applicable, to the applicable member of the SpinCo Group, as applicable. Following the Separation Time, any Solta Employees employed by a member of the SpinCo Group as contemplated by any applicable Agency Agreement (or who otherwise constitute an Agency Transfer Employee) shall be transferred to an applicable member of the Solta Group in accordance with the terms of the applicable Agency Agreement.

(d) Notwithstanding anything to the contrary herein, unless otherwise expressly provided by this Agreement, (i) the Company shall be responsible for, and shall reimburse Parent for, the cost of any compensation or benefits under any Employee Plan and other employment-related costs relating to any Post-Separation Transfer Employees and Sponsored SpinCo Employees, in each case that are incurred by any member of the Parent Group and that relate to the period following the Separation Time and prior to the applicable Delayed Transfer Date (including, to the extent applicable, in accordance with the terms of the Transition Services Agreement), (ii) unless and until an applicable Delayed Transfer Date occurs with respect to any Other Transfer Employee, the Parent Group shall be responsible for the cost of any compensation or benefits under any Employee Plan and other employment-related costs relating to any applicable Other Transfer Employees and that relate to the period prior to the Delayed Transfer Date and (iii) the party responsible for the cost of any compensation or benefits under any Employee Plan and other employment-related costs relating to any Agency Transfer Employees will be determined in accordance with, and subject to the terms of, the applicable Agency Agreement.

(e) Each of the parties hereto agrees to execute, and to use their reasonable best efforts to have the applicable employees execute, any such documentation or consents as may be necessary or desirable to reflect or effectuate any such assignments or transfers contemplated by this Section 3.01. Parent and SpinCo shall cooperate in good faith with respect to any applicable information and consultation requirements under any applicable automatic transfer regulations to the extent that they apply to the transactions contemplated by this Agreement, including the transfers of SpinCo Employees contemplated by this Section 3.01.

(f) Effective as of the Separation Time, (i) the Company shall adopt or maintain, and shall cause each member of the SpinCo Group to adopt or maintain, leave of absence programs and (ii) the Company shall honor, and shall cause each member of the SpinCo Group to honor, all terms and conditions of authorized leaves of absence which have been granted to any SpinCo Participant before the Separation Time, including such leaves that are to commence on or after the Separation Time.

(g) In the event that the parties reasonably determine following the Separation Time that (i) any individual employed outside of the United States who is not a SpinCo Employee has inadvertently become employed by a member of the SpinCo Group (due to the operation of transfer of undertakings or similar applicable Law), the parties shall cooperate and take such actions as may be reasonably necessary in order to cause the employment of such individual to be promptly transferred to a member of the Parent Group, and Parent shall reimburse the applicable members of the SpinCo Group for all compensation, benefits, severance and other employment-related costs incurred by the SpinCo Group members in employing and transferring such individuals or (ii) any individual employed outside the United States who was intended to transfer to, and become employed by, a member of the SpinCo Group pursuant to the operation of transfer of undertakings or similar applicable Law instead continues to be employed by the Parent Group, the parties shall cooperate and take such actions as may be reasonably necessary in order to cause the employment of such individual to be promptly transferred to a member of the SpinCo Group, and the Company shall reimburse the applicable members of the Parent Group for all compensation, benefits, severance and other employment-related costs incurred by Parent Group members in employing and transferring such individuals.

Section 3.02. *Employee Agreements.*

(a) Except as agreed between Parent and the Company, with respect to any employment, retention, severance, restrictive covenant or similar agreements with any SpinCo Employees to which a member of the SpinCo Group is not a party, or which do not otherwise transfer to a SpinCo Group member by operation of applicable Law (including pursuant to any applicable automatic transfer regulations), the parties shall use reasonable best efforts to assign, effective as of the Separation Time or, if applicable, such other date as such SpinCo Employee transfers employment to a member of the SpinCo Group in accordance with Section 3.01 (including, any applicable Delayed Transfer Date), the applicable agreement, as applicable, to a member of the SpinCo Group, and the Company shall, or shall cause a member of the SpinCo Group to assume responsibility for, and perform and honor, such agreement in accordance with its terms, in each case as if originally entered into by such applicable member of the SpinCo Group, and the Parent Group shall cease to have any Liabilities or responsibilities with respect thereto.

(b) Except as agreed between Parent and the Company, with respect to any employment, retention, severance, restrictive covenant or similar agreements with Parent Employees to which a member of the Parent Group is not a party, or which do not otherwise transfer to a Parent Group member by operation of applicable Law, the parties shall use reasonable best efforts to assign, effective on or before the Separation Time (or, in the case of any Agency Transfer Employees, such date as such Agency Transfer Employee transfers employment to a member of the Solita Group in accordance with the applicable Agency Agreement), the applicable agreement to a member of the Parent Group, and Parent shall, or shall cause a member of the Parent Group to assume responsibility for, and perform and honor, such agreement in accordance with its terms, in each case as if originally entered into by such applicable member of the Parent Group, and the SpinCo Group shall cease to have any Liabilities or responsibilities with respect thereto.

Section 3.03. *Collective Bargaining Agreements; Labor Relations.*

(a) From and after the Separation Time, the Company hereby agrees to comply with and honor the SpinCo CBAs and become, and fulfill its obligations as, a successor employer to the applicable Parent Group member for all purposes under the SpinCo CBAs with respect to any SpinCo Employee, and the Company assumes responsibility for, and Parent or the relevant member of the Parent Group hereby ceases to be responsible for or to otherwise have any Liability in respect of, the SpinCo CBAs to the extent they pertain to any SpinCo Employee.

(b) To the extent required by applicable Law, any SpinCo CBA, Parent CBA or any other Collective Bargaining Agreement, the parties shall cooperate and consult in good faith to provide notice, engage in consultation, and take any similar action which may be required on its part in connection with the Separation or the Distribution.

Section 3.04. *Assignment of Specified Rights.* To the extent permitted by applicable Law and the applicable agreement, if any, effective as of the Separation Time, (i) Parent hereby assigns, to the maximum extent possible, on behalf of itself and the Parent Group, the SpinCo Specified Rights, to the Company (and the Company shall be a third party beneficiary with respect thereto) and (ii) the Company hereby assigns, to the maximum extent possible, on behalf of itself and the SpinCo Group, the Parent Specified Rights, to Parent (and Parent shall be a third party beneficiary with respect thereto).

Section 3.05. *Sponsored SpinCo Employees.* Each of the Company and Parent shall, and shall cause the members of the SpinCo Group and the Parent Group, respectively, to, cooperate in good faith with each other and the applicable Governmental Authorities with respect to the process of obtaining work authorization for each Sponsored SpinCo Employee to work with a member of the SpinCo Group, including but not limited to, petitioning the applicable Governmental Authorities for the transfer of each Sponsored SpinCo Employee's (as well as any spouse or dependent thereof, as applicable) visa or work permit, or the grant of a new visa or work permit, to any SpinCo Group member. Any costs or expenses incurred with the foregoing shall constitute SpinCo Assumed Employee Liabilities. In the event that it is not legally permissible for a Sponsored SpinCo Employee to continue work with the SpinCo Group from and after the Separation Date, the Parties shall reasonably cooperate to provide for the services of such Sponsored SpinCo Employee to be made available exclusively to the SpinCo Group under

an employee secondment or similar arrangement, which such costs incurred by the Parent Group (including those relating to compensation and benefits in respect of such Sponsored SpinCo Employee) shall constitute SpinCo Assumed Employee Liabilities.

Section 3.06. *Transfer-Related Termination Liabilities.*

(a) Except as expressly contemplated by this Agreement, neither the Separation or the Distribution, nor any assignment, transfer or continuation of the employment of any employees as contemplated by this Article III (or any other Ancillary Agreement) shall be deemed a termination of employment or service of any Parent Participant or SpinCo Participant for purposes of this Agreement, any Parent Plan, any SpinCo Plan or any employment, severance, retention, change in control, consulting or similar agreements, plans, policies or arrangements. Each of the Parties shall cooperate in good faith and use reasonable best efforts to avoid and mitigate, to the maximum extent possible, the incurrence of any severance or other termination-related obligations (including, without limitation, by the provision of all appropriate notices, assurances and offers of employment and the assignment and assumption of obligations or undertakings with respect to employment, compensation, benefits, protections or other obligations) in connection with the Separation, the Distribution and any assignment or transfer of employment contemplated by this Agreement or any other Ancillary Agreement.

(b) Without limiting the generality of Section 3.06(a), in the event that any severance or other termination-related payments become payable as a result of the transfer of the employment of a SpinCo Employee contemplated by this Article III the SpinCo Group shall be solely responsible for all such severance and termination-related payments, and such amounts shall constitute SpinCo Assumed Employee Liabilities.

ARTICLE IV  
PLANS

Section 4.01. *General: Plan Participation.*

(a) Except as otherwise expressly provided in this Agreement, and subject to the terms of the Transition Services Agreement, effective as of immediately prior to the applicable Benefits Commencement Date (or, in the case of the SpinCo 401(k) Plan, the 401(k) Plan Commencement Date), (i) (A) all SpinCo Participants shall cease any active participation in, and benefit accrual under, Parent Plans and (B) all members of the SpinCo Group shall cease to be participating employers under the Parent Plans and shall have no further obligations with respect to any Parent Plans, (ii) to the extent applicable, (A) all Parent Participants shall cease any participation in, and benefit accrual under, SpinCo Plans and (B) all members of the Parent Group shall cease to be participating employers under the SpinCo Plans and shall have no further obligations with respect to any Parent Plans.

(b) Prior to the Separation Date (or, to the extent applicable, the applicable Benefits Commencement Date or the 401(k) Plan Commencement Date, as applicable), each of Parent and the Company shall take all actions necessary to effectuate the actions contemplated by this Section 4.01 and to cause (i) the applicable SpinCo Group member to assume or retain all Liabilities with respect to each SpinCo Plan and the applicable Parent Group member to assume or retain all Liabilities with respect to each Parent Plan, in each case, effective as of no later than the Separation Time and (ii) all Assets of any SpinCo Plan to be transferred to or retained by the applicable SpinCo Group member in the applicable jurisdiction and all Assets of any Parent Plan to be transferred to or retained by the applicable Parent Group member in the applicable jurisdiction, effective as of no later than the Separation Time (or such other applicable date provided by this Article IV).

(c) Notwithstanding anything to the contrary herein, except as expressly provided in this Agreement, each SpinCo Participant shall continue to be eligible to participate in the Parent Plans during the applicable Benefits Transition Period, subject to the terms of such Parent Plans and applicable Law and, if applicable, the Transition Services Agreement. Except as set forth in Article V or Article VI, SpinCo shall be required to reimburse Parent for the cost of the SpinCo Participants' participation in the Parent Plans during the period beginning on the Separation Date and ending on the applicable Benefits Commencement Date (or, in the case of the Parent 401(k) Plan, the 401(k) Plan Commencement Date), subject to, and in accordance with, the applicable terms of the Transition Services Agreement, to the extent applicable.

(d) Notwithstanding anything to the contrary in this Agreement, with respect to any Solta Employees who are employed by a member of the SpinCo Group pursuant to the terms of any applicable Agency Agreement (or who otherwise constitute an Agency Transfer Employee), such Solta Employees shall, to the extent applicable, continue to be eligible to participate in the applicable SpinCo Plans until the date such Solta Employee transfers employment to a member of the Solta Group in accordance with the terms of the applicable Agency Agreement (or, if earlier, the date of his or her termination of employment), subject to the terms and conditions of such applicable SpinCo Plans; *provided* that the allocation of the costs of such continued participation shall be determined in accordance with the applicable Agency Agreement.

Section 4.02. *Adoption and Administration of SpinCo Plans.*

(a) To the extent necessary to comply with its obligations under this Agreement, the Company or a member of the SpinCo Group shall adopt, or cause to be adopted, at the Company's expense, SpinCo Plans to be effective from and after the applicable Benefits Commencement Date (or, in the case of the SpinCo 401(k) Plan, the 401(k) Plan Commencement Date). Any and all costs and expenses incurred by the Parent Group before the applicable Benefits Commencement Date (or, in the case of the SpinCo 401(k) Plan, the 401(k) Plan Commencement Date) to design or establish any SpinCo Plan will be retained by Parent and will constitute Parent Retained Employee Liabilities. The Company expressly agrees to reimburse Parent for any and all costs and expenses incurred by the Parent Group before the applicable Benefits Commencement Date (or, in the case of the SpinCo 401(k) Plan, the 401(k) Plan Commencement Date) to administer any SpinCo Plan.

(b) For the avoidance of doubt, from and after the applicable Benefits Commencement Date, the applicable member of the SpinCo Group shall be responsible for the administration of the applicable SpinCo Plan, and no member of the Parent Group shall have any Liability or obligation (including any administration obligation) with respect to any SpinCo Plans.

Section 4.03. *Service Credit.* From and after the applicable Benefits Commencement Date (or, in the case of the SpinCo 401(k) Plan, the 401(k) Plan Commencement Date), for purposes of determining eligibility to participate, vesting and benefit accrual under any SpinCo Plan in which a SpinCo Participant is eligible to participate on and following the applicable Benefits Commencement Date (or, in the case of the SpinCo 401(k) Plan, the 401(k) Plan Commencement Date), such SpinCo Participant's service with any member of the Parent Group or the SpinCo Group, as the case may be, prior to the applicable Benefits Commencement Date (or, in the case of the SpinCo 401(k) Plan, the 401(k) Plan Commencement Date) shall be treated as service with the SpinCo Group, to the extent recognized by the Parent Group or the SpinCo Group, as applicable, under an analogous Parent Plan or SpinCo Plan, as applicable, prior to the applicable Benefits Commencement Date; *provided, however*, that such service shall not be recognized to the extent that such recognition would result in any duplication of benefits. Notwithstanding anything to the contrary herein, unless otherwise required by applicable Law, the SpinCo Plans covering New SpinCo Employees (which, for the avoidance of doubt, does not include any Delayed Transfer Employees) will not be required to recognize such New SpinCo Employee's prior service with the Parent Group (if any).

ARTICLE V  
RETIREMENT PLANS

Section 5.01. *401(k) Plan.*

(a) On or before the applicable 401(k) Plan Commencement Date, SpinCo or another member of the SpinCo Group will adopt the SpinCo 401(k) Plan. From and after the applicable 401(k) Plan Commencement Date, the applicable member of the SpinCo Group shall be responsible for the administration of the SpinCo 401(k) Plan, and no member of the Parent Group shall have any Liability or obligation (including any administration obligation) with respect to the SpinCo 401(k) Plan. A member of the SpinCo Group will be solely responsible for taking all necessary, reasonable, and appropriate actions (including the submission of the SpinCo 401(k) Plan to the U.S. Internal Revenue Service for a determination of tax-qualified status) to establish, maintain and administer the SpinCo 401(k) Plan so that it is qualified under Section 401(a) of the Code and that the related trust thereunder is exempt under Section 501(a) of the Code.

(b) During the period, if any, between the Separation Time and the 401(k) Plan Commencement Date, each SpinCo Participant shall continue to remain eligible to participate in the Parent 401(k) Plan, subject to the terms of such plan. Effective as of the 401(k) Plan Commencement Date, each SpinCo Participant, other than a Former SpinCo Employee, who actively participates in the Parent 401(k) Plan as of immediately prior to such date (i) will cease active participation in the Parent 401(k) Plan and (ii) will become eligible to participate in the SpinCo 401(k) Plan. For the avoidance of doubt, (A) all employee pre-tax deferrals and employer contributions with respect to such active SpinCo Participants will be made to the SpinCo 401(k) Plan on and following such date and (B) any Former SpinCo Employees under the Parent 401(k) Plan as of immediately prior to such date will not become eligible to participate in the SpinCo 401(k) Plan in accordance with this Section 5.01(b) (and, for the avoidance of doubt, will continue participation under the Parent 401(k) Plan, subject to the terms of the Parent 401(k) Plan) unless and to the extent they become a Delayed Transfer Employee.

(c) On or as soon as reasonably practicable following the 401(k) Plan Commencement Date (but not later than 180 days thereafter), the account balances (whether vested or unvested) and any related participant loans of each SpinCo Participant, other than a Former SpinCo Employee or Delayed Transfer Employee whose Delayed Transfer Date is following the 401(k) Plan Commencement Date, that is an active participant in the Parent 401(k) Plan as of immediately prior to the applicable Benefits Commencement Date will be transferred from the Parent 401(k) Plan to the SpinCo 401(k) Plan via a trust-to-trust transfer. The transfer of assets will be in cash or in kind (as determined by Parent) and will be made in accordance with applicable Law, including the Code and ERISA. For the avoidance of doubt, the account balances of any SpinCo Participants who are inactive or former participants under the Parent 401(k) Plan (including any Former SpinCo Employees) will not be transferred to the SpinCo 401(k) Plan pursuant to this Section 5.01(c) and will instead remain under the Parent 401(k) Plan (and such inactive or former participants will not become eligible to participate in the SpinCo 401(k) Plan in accordance with Section 5.01(b)). Effective as of and following the time in which the applicable trust-to-trust transfer is complete, SpinCo and/or the SpinCo 401(k) Plan shall assume all Liabilities of Parent under the Parent 401(k) Plan with respect to all applicable participants in the Parent 401(k) Plan whose account balances (whether vested or unvested) were transferred to the SpinCo 401(k) Plan pursuant to this Section 5.01(c), and Parent and the Parent 401(k) Plan shall have no Liabilities to provide such participants with benefits under the Parent 401(k) Plan following such transfer. Following the time in which the trust-to-trust transfer is complete, SpinCo and/or the SpinCo 401(k) Plan shall assume all Liabilities of Parent under the Parent Plan with respect to all participants in the Parent 401(k) Plan whose balances and loans were transferred to the SpinCo 401(k) Plan pursuant to this Section 5.01(c) and Parent and the Parent 401(k) Plan shall have no Liabilities to provide such participants with benefits under the Parent 401(k) Plan following such transfer.

(d) The account balances of any Delayed Transferred Employees whose Delayed Transfer Date occurs following the 401(k) Plan Commencement Date will not be transferred from the Parent 401(k) Plan to the SpinCo 401(k) Plan via a trust-to-trust transfer in accordance with Section 5.01(c). Instead, on or as soon as reasonably practicable following the applicable Delayed Transfer Date, such Delayed Transfer Employee will be eligible to elect a distribution of his or her account balance under the Parent 401(k) Plan, including a voluntary "rollover distribution" of such Delayed Transfer Employee's eligible account balance under the Parent 401(k) Plan to either the SpinCo 401(k) Plan or an Individual Retirement Account (or, for the avoidance of doubt, such Delayed Transfer Employee may otherwise continue to maintain his or her account under the Parent 401(k) Plan in accordance with the terms of the Parent 401(k) Plan), as determined by each such Delayed Transfer Employee, *provided* that any portion of such Delayed Transfer Employee's account balance under the Parent 401(k) Plan (including participant loans) to be "rolled over" to the SpinCo 401(k) Plan shall be done in the form of cash (i.e., no in-kind transfers will be permitted) except, for the avoidance of doubt, with respect to promissory notes evidencing participant loans. In the event that a Delayed Transfer Employee elects to roll over his or her account balance from the Parent 401(k) Plan to the SpinCo 401(k) Plan, (i) Parent and SpinCo shall cooperate in good faith to take any and all commercially reasonable efforts needed to permit each applicable Delayed Transfer Employee with an outstanding loan balance under the Parent 401(k) Plan as of the applicable Delayed Transfer Date to continue to make scheduled loan payments to the Parent 401(k) Plan after such date, pending the distribution and rollover of the promissory notes evidencing such participant loans from the Parent 401(k) Plan to the SpinCo 401(k) Plan, as provided in this Section 5.01(d), so as to prevent, to the extent reasonably possible, a deemed distribution or loan offset with respect to such outstanding participant loans and (ii) SpinCo agrees to cause the SpinCo 401(k) Plan to accept such rollover (including participant loans), to the extent permitted by Applicable Law.



(e) For the avoidance of doubt, all Liabilities under the Parent 401(k) Plan relating to Parent Participants and Former SpinCo Employees, including with respect to participant loans, will be retained by Parent and the Parent 401(k) Plan and will constitute Parent Retained Employee Liabilities.

(f) Effective as of the applicable 401(k) Plan Commencement Date, with respect to U.S. SpinCo Participants who become eligible to participate in the SpinCo 401(k) Plan as of the applicable Benefits Commencement Date in accordance with Section 5.01(b), the parties will cooperate in good faith and will use commercially reasonable efforts to cause the SpinCo 401(k) Plan to recognize and maintain such U.S. SpinCo Participant's elections (to the extent applicable and reasonable), including payment form elections, beneficiary designations, and the rights of alternate payees under qualified domestic relations orders in effect under the Parent 401(k) Plan as of immediately prior to the 401(k) Plan Commencement Date, subject to the terms of the SpinCo 401(k) Plan and applicable Law.

(g) All contributions to be made to the Parent 401(k) Plan with respect to employee deferrals, matching contributions and employer contributions for SpinCo Participants, other than Former SpinCo Employees, who are active participants in the Parent 401(k) Plan as of immediately prior to the 401(k) Plan Commencement Date that relate to a time period ending on or prior to the 401(k) Plan Commencement Date, calculated in accordance with the terms and provisions of the Parent 401(k) Plan and applicable Law, shall be the responsibility of SpinCo under the SpinCo 401(k) Plan.

(h) Prior to the 401(k) Plan Commencement Date, the parties shall cooperate in good faith to determine the allocation (if any) between the Parent 401(k) Plan and the SpinCo 401(k) Plan of the forfeiture account balance under the Parent 401(k) Plan outstanding as of immediately prior to the 401(k) Plan Commencement Date and, to the extent applicable, the mechanics for transferring the applicable allocable portion of such account from the Parent 401(k) Plan to the SpinCo 401(k) Plan.

Section 5.02. *SpinCo Canada DC Plans.*

(a) Effective as of the applicable Benefits Commencement Date, SpinCo or another member of the SpinCo Group will adopt the SpinCo Canada DC Plan. From and after the applicable Benefits Commencement Date, the applicable member of the SpinCo Group shall be responsible for the administration of the SpinCo Canada DC Plan, and no member of the Parent Group shall have any Liability or obligation (including any administration obligation) with respect to the SpinCo Canada DC Plan.

(b) On or as soon as reasonably practicable following the applicable Benefits Commencement Date (but not later than 180 days thereafter), Parent or another member of the Parent Group will cause each Parent Canada DC Plan to transfer to the SpinCo Canada DC Plan, and SpinCo or another member of the SpinCo Group will cause such SpinCo Canada DC Plan to accept the transfer of, the accounts, related Liabilities and any related Assets in such Parent Canada DC Plan attributable to SpinCo Participants. The transfer of assets will be in cash or in kind (as determined by Parent) and will be made in accordance with applicable Law. From and after the applicable Benefits Commencement Date, SpinCo and the SpinCo Group will be solely and exclusively responsible for all obligations and Liabilities with respect to, or related to, benefits under the SpinCo Canada DC Plan, whether accrued before, on or after the applicable Benefits Commencement Date.

Section 5.03. *Legacy U.S. Pension Plan.* Effective as of the Separation Time, the Legacy U.S. Pension Plan, which shall include The Bausch & Lomb Retirement Benefits Trust, shall be retained by the SpinCo Group in accordance with its terms. On and following the Separation Time, each Parent Participant (including each Solta Employee) who participates in the Legacy U.S. Pension Plan will cease active participation in the Legacy U.S. Pension Plan (including the accrual of any additional benefits, if any, under the Legacy U.S. Pension Plan). From and after the Distribution Date, the terms of the Legacy U.S. Pension Plan will govern the terms of distributions, if any, of any benefits payable under the Legacy U.S. Pension Plan to any Parent Participants (including Solta Employees), as the case may be. For the avoidance of doubt, any Liabilities arising from or relating to the Legacy U.S. Pension Plan and The Bausch & Lomb Retirement Benefits Trust (whether relating to Parent Participants, SpinCo Participants or SpinCo Employees) shall constitute SpinCo Assumed Employee Liabilities.

Section 5.04. *Parent Deferred Compensation Plan.* Effective as of the Separation Time, the Parent Deferred Compensation Plan shall be retained by the Parent Group in accordance with its terms, and, for the avoidance of doubt, any Liabilities arising from or relating to the Parent Deferred Compensation Plan will constitute Parent Retained Employee Liabilities.

Section 5.05. *Legacy SERP.* Effective as of the Separation Time, the Legacy SERP, including each of the secular trusts established thereunder, will be retained by the SpinCo Group in accordance with its terms, and, for the avoidance of doubt, any Liabilities arising from or relating to the Legacy SERP will constitute SpinCo Assumed Employee Liabilities.

Section 5.06. *Other Non-U.S. Retirement Plans.* The parties shall reasonably cooperate in good faith to effect the provisions of this Agreement with respect to any Employee Plans that are defined contribution retirement plans or arrangements and any defined benefit pension plans or arrangements (other than the Parent Canada DC Plan) (including any statutory plans or arrangements), in each case in which any Non-U.S. SpinCo Participants participate as of immediately prior to the Separation Time (including with respect to the creation of any "mirror" plans and the transfer of any accounts, Liabilities and related Assets), which in all cases shall be consistent with the general approach and philosophy regarding the allocation of Assets and Liabilities (as expressly set forth in the recitals to this Agreement).

ARTICLE VI  
HEALTH AND WELFARE PLANS; PAID TIME OFF AND VACATION

Section 6.01. *Cessation of Participation in Parent H&W Plans; Participation in SpinCo H&W Plans.*

(a) Subject to the terms of the Transition Services Agreement, effective as of the applicable Benefits Commencement Date, SpinCo or another member of the SpinCo Group will provide all health and welfare benefits under SpinCo H&W Plans to SpinCo Participants and, to the extent necessary, establish certain SpinCo H&W Plans having features (including benefit coverage options and employer contribution provisions) that are similar to the features of the corresponding Parent H&W Plans in which such SpinCo Participants participated immediately prior to the Benefits Commencement Date, except as may otherwise be mutually agreed between the parties and only to the extent that such features are commercially reasonable for SpinCo or any other member of the SpinCo Group to offer to SpinCo Participants; *provided* that, the parties agree and acknowledge that nothing in this Agreement shall require SpinCo or any other member of the SpinCo Group to provide all of the health and welfare benefits that were provided by Parent prior to the Benefits Commencement Date.

(b) Without limiting the generality of Section 4.01, effective as of the applicable Benefits Commencement Date, except as otherwise provided by the terms of the Transition Services Agreement, (i) SpinCo Participants shall cease to actively participate in the Parent H&W Plans, (ii) SpinCo shall cause SpinCo Participants who participate in (or who are otherwise entitled to present or future benefits under) a Parent H&W Plan as of immediately prior to the Benefits Commencement Date to be automatically enrolled in, covered by or otherwise offered participation in, a corresponding SpinCo H&W Plan, and (iii) SpinCo shall use reasonable best efforts to cause the SpinCo H&W Plans to recognize all elections and designations (including coverage and contribution elections and beneficiary designations, continuation coverage and conversion elections, and qualified medical child support orders and other orders issued by courts of competent jurisdiction) in effect with respect to SpinCo Participants as of immediately prior to the applicable Benefits Commencement Date under the corresponding Parent H&W Plan for the remainder of the period or periods for which such elections are by their terms applicable, subject to the terms of the applicable SpinCo H&W Plan. Notwithstanding anything to the contrary herein, Former SpinCo Employees who are receiving long-term disability benefits under any Parent H&W Plan as of the Separation Time will continue participation in the applicable Parent H&W Plan providing for such long-term disability benefits, in accordance with, and subject to the terms and conditions of, such Parent H&W Plan and applicable Law (with the cost of any such benefits constituting a Parent Retained Employee Liability), and such Former SpinCo Employees will not be enrolled in, covered by or otherwise offered participation in, a corresponding SpinCo H&W Plan with respect to such long-term disability benefits.

(c) Subject to the terms of the applicable SpinCo H&W Plan and applicable Law, SpinCo shall use its reasonable best efforts to (i) waive all limitations as to preexisting conditions, exclusions and waiting periods with respect to participation and coverage requirements applicable to SpinCo Participants under any SpinCo H&W Plan in which any such SpinCo Participant may be eligible to participate on or after the applicable Benefits Commencement Date to the extent that such conditions, exclusions and waiting periods are not applicable to or had been previously satisfied by any such SpinCo Participant under the corresponding SpinCo H&W Plans and (ii) credit SpinCo Participants under any applicable SpinCo H&W Plan for any coinsurance or deductibles paid under any corresponding Parent H&W Plan prior to the date such SpinCo Participant becomes a participant in such applicable SpinCo H&W Plan, if any, with respect to the calendar year in which such participation commences. Such credit, if any, shall be given for the purpose of satisfying any applicable coinsurance or deductible requirements under any of the applicable SpinCo H&W Plans in which such SpinCo Participant is eligible to participate after the applicable Benefits Commencement Date.

(d) Neither the transfer nor other movement of employment or service from any member of the Parent Group to any member of the SpinCo Group (including as contemplated by Article III) at any time before the Benefits Commencement Date shall constitute or be treated as a "status change" under the Parent H&W Plans or the SpinCo H&W Plans.

(e) Notwithstanding anything to the contrary herein, subject to Section 6.02, during the Benefits Transition Period, if any, SpinCo Participants will continue participation in, and benefit accrual under, Parent H&W Plans, subject to an in accordance with the terms and conditions of such Parent H&W Plans and applicable Law and, if applicable, the terms and conditions of the Transition Services Agreement, and the cost of such continued participation during the Benefits Transition Period shall be reimbursed by SpinCo to Parent.

Section 6.02. *Assumption of Health and Welfare Plan Liabilities.* Except as otherwise expressly provided in this Agreement and subject to Section 6.03, effective as of the Separation Time, (a) all Liabilities relating to, arising out of, or resulting from health and welfare coverage or claims incurred prior to the Separation Time by each SpinCo Participant under the Parent H&W Plans shall remain Liabilities of the Parent Group and shall be deemed to be Parent Retained Employee Liabilities, (b) all Liabilities relating to, arising out of or resulting from health and welfare coverage or claims incurred prior to the Separation Time by each SpinCo Participant under the SpinCo H&W Plans shall be assumed by the SpinCo Group, and no portion of the Liability shall be treated as a Parent Retained Employee Liability and (c) all Liabilities relating to, arising out of or resulting from health and welfare coverage or claims incurred on or after the Separation Time by each SpinCo Participant (whether under Parent H&W Plans or SpinCo H&W Plans) shall be retained or assumed (as applicable) by the SpinCo Group, and no portion of the Liability shall be treated as a Parent Retained Employee Liability; *provided that*, notwithstanding anything to the contrary herein, all Liabilities relating to, arising out of or resulting from short-term disability benefit claims by any SpinCo Participants incurred (x) on or before December 31, 2021 under any Parent H&W Plans or SpinCo H&W Plans (if applicable) shall be retained by the Parent Group (and constitute Parent Retained Employee Liabilities) and (y) following December 31, 2021 under any Parent H&W Plans or SpinCo H&W Plans shall be assumed by the SpinCo Group (and constitute SpinCo Assumed Employee Liabilities). Without limiting the generality of the foregoing, subject to Section 6.03, any and all costs, expenses or Liabilities relating to participation by SpinCo Participants in the Parent H&W Plans during the Benefits Transition Period shall constitute SpinCo Assumed Employee Liabilities and shall be reimbursed by the Company to the Parent Group, including, if applicable, in accordance with the terms of the Transition Services Agreement. For purposes of this Section 6.02, (i) a medical, dental or vision benefit claim shall be "incurred" when the relevant service is provided or item purchased, (ii) a short-term disability benefit claim shall be "incurred" when the circumstance or event giving rise to such short-term disability benefit claim first occurs and (iii) other benefit claims shall be "incurred" when any relevant benefit or payment is required to be provided or paid to the SpinCo Participant, regardless of the time of the circumstance or event giving rise to such claims. Notwithstanding anything to the contrary herein, all Liabilities relating to long-term disability benefits received by Former SpinCo Employees under a Parent H&W Plan will remain Parent Retained Employee Liabilities, regardless of when incurred.

Section 6.03. *Post-Retirement Health and Welfare Benefits.* Notwithstanding anything to the contrary in Section 6.01 or Section 6.02, effective as of the Separation Time, the Legacy Retiree H&W Plan will be retained by the SpinCo Group in accordance with its terms, and, for the avoidance of doubt, any Liabilities arising from or relating to the Legacy Retiree H&W Plan will constitute SpinCo Assumed Employee Liabilities.

Section 6.04. *Flexible Spending Account Plan Treatment.* Effective as of the applicable Benefits Commencement Date, the Company shall establish or designate flexible spending accounts for health and dependent care expenses (the "SpinCo FSAs"). To the extent applicable, the parties shall take all actions reasonably necessary or appropriate so that the account balances (positive or negative) under the Parent FSAs of each SpinCo Participant who has elected to participate therein in the year in which the applicable Benefits Commencement Date occurs shall be transferred, effective as of the applicable Benefits Commencement Date, from the Parent FSAs to the corresponding SpinCo FSAs. The SpinCo FSAs shall assume responsibility as of the applicable Benefits Commencement Date for all outstanding dependent care and health care claims under the Parent FSAs of each SpinCo Participant for the year in which the applicable Benefits Commencement Date occurs and shall assume the rights of and agree to perform the obligations of the analogous Parent FSA from and after the applicable Benefits Commencement Date. The parties shall cooperate in good faith to provide that the contribution elections of each such SpinCo Participant as in effect immediately before the applicable Benefits Commencement Date remain in effect under the SpinCo FSAs from and after the applicable Benefits Commencement Date.

Section 6.05. *Workers' Compensation Liabilities.* All workers' compensation Liabilities relating to, arising out of or resulting from any claim by any SpinCo Participant that result from an accident or from an occupational disease, to the extent incurred before the Separation Time (or the applicable Delayed Transfer Date), shall be retained by Parent and shall constitute Parent Retained Employee Liabilities and (ii) all workers' compensation Liabilities relating to, arising out of or resulting from any claim by any SpinCo Participant that results from an accident or from an occupational disease, to the extent incurred on or after the Separation Time (or the applicable Delayed Transfer Date), shall be assumed by SpinCo and shall constitute SpinCo Assumed Employee Liabilities. The parties shall cooperate with respect to any notification to appropriate governmental agencies of the disposition and the issuance of new, or the transfer of existing, workers' compensation insurance policies and contracts governing the handling of claims.

Section 6.06. *Vacation and Paid Time Off.* Effective as of no later than the Separation Time, the applicable SpinCo Group member shall recognize and assume all Liabilities with respect to vacation, holiday, sick leave, paid time off, floating holidays, personal days and other paid time off with respect to SpinCo Participants accrued on or prior to the Separation Time, and the Company shall credit each such SpinCo Participant with such accrual; *provided*, that if any such vacation or paid time off is required under applicable Law to be paid out to the applicable SpinCo Participant in connection with the Distribution, such payment will be made by the Company as of no later than the Distribution Date, and the Company will credit such SpinCo Participant with unpaid vacation time or paid time off in respect thereof; it being understood that any amount of vacation or paid time off required to be paid out in connection with the Distribution shall constitute SpinCo Assumed Employee Liabilities.

Section 6.07. *COBRA and HIPAA.*

(a) The Parent Group shall administer the Parent Group's compliance with the health care continuation coverage requirements of COBRA, the certificate of creditable coverage requirements of HIPAA and the corresponding provisions of the Parent H&W Plans with respect to SpinCo Participants who incur a COBRA "qualifying event" occurring before the applicable Benefits Commencement Date entitling them to benefits under a Parent H&W Plan; *provided* that, for the avoidance of doubt, any Liabilities related thereto (i) in connection with a "qualifying event" occurring before the Separation Time shall constitute Parent Retained Employee Liabilities and (ii) in connection with a "qualifying event" occurring on or after the Separation Time shall constitute SpinCo Assumed Employee Liabilities.

(b) The Company shall be solely responsible for all Liabilities incurred pursuant to COBRA and for administering, at the Company's expense, compliance with the health care continuation coverage requirements of COBRA, the certificate of creditable coverage requirements of HIPAA, and the corresponding provisions of the SpinCo H&W Plans with respect to SpinCo Participants who incur a COBRA "qualifying event" that occurs at any time on or after the applicable Benefits Commencement Date entitling them to benefits under a SpinCo Plan and, for the avoidance of doubt, any Liabilities related thereto shall constitute SpinCo Assumed Employee Liabilities.

(c) The parties agree that neither the Separation, the Distribution nor any assignment or transfer of the employment or services of any employee or individual independent contractor as contemplated under this Agreement shall constitute a COBRA "qualifying event" for any purpose of COBRA, and the parties shall cooperate in good faith to give effect to such intent.

Section 7.01. *Cash Incentive and Cash Bonus Plans.*

(a) Each SpinCo Participant participating in any Parent Plan or SpinCo Plan that is a cash bonus or cash incentive plan (including, without limitation, any sales incentive plan) with respect to the 2021 performance year (each, a “**2021 Bonus Plan**”) will remain eligible to receive a cash bonus in respect of the 2021 performance year (or any applicable 2021 quarterly performance period under any sales incentive or similar plan, as the case may be) (collectively, the “**2021 Cash Bonuses**”) in accordance with, and subject to, the terms and conditions of such applicable 2021 Bonus Plan (including any necessary or appropriate adjustments made to reflect the Separation Time), as determined by the Parent Compensation Committee. Following the end of the 2021 performance year, the Parent Compensation Committee (or its delegate) will certify achievement of the performance goals under the 2021 Bonus Plans in the ordinary course of business (including as to the timing of such certification) and in accordance with the terms of such 2021 Bonus Plans and shall determine the 2021 Cash Bonuses payable to the SpinCo Participants (the date of such certification, the “**2021 Bonus Certification Date**”). Following the Separation Time, the Company shall pay the 2021 Cash Bonuses to the SpinCo Participants on behalf of Parent in accordance with the terms of the applicable 2021 Bonus Plans (including terms relating to the timing of payment), to the extent not paid prior to the Separation Time, in an amount no less than the 2021 Aggregate Cash Bonus Amount (which shall be communicated by Parent to the Company prior to the Separation Time). For purposes of this Agreement, the “**2021 Aggregate Cash Bonus Amount**” shall mean an amount equal to the aggregate amount of all such 2021 Cash Bonuses actually payable to SpinCo Participants or, if the Separation Time occurs prior to the 2021 Bonus Certification Date, the 2021 Aggregate Cash Bonus Amount shall be equal to Parent’s good faith estimate as of the Separation Time of the aggregate amount of the 2021 Cash Bonuses that Parent expects will become payable to all SpinCo Participants under the 2021 Bonus Plans, in each case together with the employer portion of any applicable payroll, employment and similar taxes thereon. The 2021 Aggregate Cash Bonus Amount shall constitute a Parent Retained Employee Liability, and shall be fully satisfied by Parent prior to the Separation Time in such manner as reasonably determined by Parent in good faith.

(b) For the 2022 performance year, (i) SpinCo Participants will not be eligible to participate in any Parent Plan that is a cash bonus or cash incentive plan (including, without limitation, any sales incentive plan) and (ii) SpinCo or another member of the SpinCo Group will establish one or more cash bonus or cash incentive plans for SpinCo Participants (each, a “**SpinCo Bonus Plan**”). The terms and conditions of the SpinCo Bonus Plans (including the applicable performance metrics) with respect to the 2022 performance year will be established by the SpinCo Board (or an applicable committee or delegate thereof). For the avoidance of doubt, any amounts payable under any SpinCo Bonus Plans (including with respect to the 2022 performance year) shall constitute SpinCo Assumed Employee Liabilities.

Section 7.02. *B+L Separation Bonuses.* Each SpinCo Participant who, as of immediately prior to the Separation Time, is eligible to receive a cash bonus award under the Bausch + Lomb Separation Bonus Opportunity program, regardless of when payable (the “**Covered Bonus Awards**”), will remain eligible to receive his or her Covered Bonus Award following the Separation Time in accordance with, and subject to the terms of, the applicable agreement or program, as applicable; *provided* that such SpinCo Participant’s continued employment with the SpinCo Group following the Separation Time shall count towards satisfying any continuous employment requirement applicable to any such Covered Bonus Award. Any Covered Bonus Award that becomes payable to SpinCo Participants following the Separation Time will be paid by SpinCo on behalf of Parent in accordance with the terms of the applicable agreement or program (including terms relating to the timing of payment); *provided, further*, that 100% of the aggregate amount of such Covered Bonus Awards payable to SpinCo Participants (and the employer portion of any applicable payroll, employment and similar taxes thereon) shall constitute a Parent Retained Employee Liability.

Section 8.01. *No Adjustments at the IPO.* Except as may otherwise be provided pursuant to the express terms of any Parent RSU, Parent Deferred RSU, Parent PRSU, Parent MRSU or Parent Option, no adjustments shall be made to any Parent RSU, Parent Deferred RSU, Parent PRSU, Parent MRSU or Parent Option in connection with the execution of this Agreement or the consummation of the IPO.

Section 8.02. *Parent RSU, Parent Deferred RSU and PRSU Distribution Adjustments.*

(a) Effective as of immediately prior to the consummation of the Distribution on the Distribution Date, except as provided in Section 8.02(b) or 8.02(c), (1) each Parent RSU and Parent PRSU that is outstanding as of immediately prior to the Distribution Date that (w) was granted prior to January 1, 2022 (in the case of Parent RSUs and Parent PRSUs, other than Parent MRSUs) or was granted at any time (in the case of Parent MRSUs), (x) is not a New Hire Grant, (y) is not a Parent New CEO Grant and (z) is held by (i) a Parent Participant (other than a Former Parent Employee or Solta Employee (including any Former Solta Employee or Agency Transfer Employee)) or (ii) a SpinCo Participant (other than a Former SpinCo Employee) and (2) each Parent Deferred RSU that is outstanding as of immediately prior to the Distribution Date and held by a Dual Director, a SpinCo Director or a Parent Director, in each case shall be converted into both (I) an Adjusted Parent RSU, Adjusted Parent PRSU, Adjusted Parent Deferred RSU, respectively, and (II) an award of restricted share units with respect to Resulting Entity Common Shares ("**SpinCo RSUs**"), and each such Adjusted Parent RSU, Adjusted Parent PRSU, Adjusted Parent Deferred RSU and SpinCo RSU shall be subject to the same terms and conditions (including vesting and payment schedules and, if applicable, performance conditions and deferral elections) as were applicable to the corresponding Parent RSU, Parent PRSU and Parent Deferred RSU as of immediately prior to the Distribution Date; *provided* that from and after the Distribution Date:

(i) the number of Parent Common Shares subject to such Adjusted Parent RSU, Adjusted Parent PRSU or Adjusted Parent Deferred RSU, as applicable, shall be equal to the number of Parent Common Shares subject to the corresponding Parent RSU, Parent PRSU or Parent Deferred RSU, as applicable, immediately prior to the Distribution Date; and

(ii) the number of Resulting Entity Common Shares subject to such SpinCo RSU shall be determined by multiplying (A) the number of the Parent Common Shares subject to the corresponding Parent RSU, Parent PRSU or Parent Deferred RSU, as applicable, immediately prior to the Distribution Date by (B) the Basket Ratio, rounded down to the nearest whole share (provided that, in the case of any Parent PRSUs, the corresponding SpinCo RSUs shall not be subject to any performance-based vesting conditions following the Distribution Date).

(b) Effective as of immediately prior to the consummation of the Distribution on the Distribution Date, and notwithstanding anything to the contrary in Section 8.02(a), (1) each Parent RSU and Parent PRSU that is outstanding as of immediately prior to the Distribution Date and that (1) is held by a Parent Participant and (x) was granted on or following January 1, 2022 (other than any Parent MRSUs), (y) is a New Hire Grant or (z) is the Parent New CEO Grant, (2) is held by (i) a Former Parent Employee, (ii) a Former SpinCo Employee, (iii) a Solta Employee (including any Former Solta Employee or Agency Transfer Employee), (iv) a Parent Director, (v) a Dual Director or (vi) a Solta Director (in each case of this sub-clause (2), regardless of when granted) or (3) is held by a Parent Participant that is employed in a jurisdiction where the treatment set forth in Section 8.02(a) is not permitted and (II) each Parent Deferred RSU that is outstanding as of immediately prior to the Distribution Date that is held by a Solta Director, in each case shall be converted into an Adjusted Parent RSU, Adjusted Parent PRSU or Adjusted Parent Deferred RSU, as applicable. The number of Parent Common Shares subject to such Adjusted Parent RSU, Adjusted Parent PRSU or Adjusted Parent Deferred RSU, as applicable, shall be determined by multiplying (i) the number of Parent Common Shares subject to such Parent RSU, Parent PRSU or Parent Deferred RSU, as applicable, as of immediately prior to the Distribution Date by (ii) the Parent Concentration Ratio, rounded down to the nearest whole share. Each such Adjusted Parent RSU, Adjusted Parent PRSU or Adjusted Parent Deferred RSU shall be subject to the same terms and conditions (including vesting and payment schedules and, if applicable, performance-based vesting conditions and deferral elections) as applicable to the corresponding Parent RSU, Parent PRSU or Parent Deferred RSU as of immediately prior to the Distribution Date.

(c) Effective as of immediately prior to the consummation of the Distribution on the Distribution Date, and notwithstanding anything to the contrary in Section 8.02(a), each Parent RSU and Parent PRSU that is outstanding as of immediately prior to the Distribution Date and that (1) is held by a SpinCo Participant (other than a Former SpinCo Employee) and that (x) was granted on or following January 1, 2022 (other than any Parent MRSUs) or (y) is a New Hire Grant or (2) is held by a SpinCo Participant (other than a Former SpinCo Employee) that is employed in a jurisdiction where the treatment set forth in Section 8.02(a) is not permitted, in each case shall be converted into a SpinCo RSU. The number of Resulting Entity Common Shares subject to such SpinCo RSU shall be determined by multiplying (i) the number of Parent Common Shares subject to such Parent RSU or Parent PRSU, as applicable, as of immediately prior to the Distribution Date by (ii) the Company Concentration Ratio, rounded down to the nearest whole share. Each such SpinCo RSU shall be subject to the same terms and conditions (including vesting and payment schedules) as applicable to the corresponding Parent RSU or Parent PRSU as of immediately prior to the Distribution Date (for the avoidance of doubt, in the case of any Parent PRSUs, the corresponding SpinCo RSUs shall not be subject to any performance-based vesting conditions following the Distribution Date).

(d) Each Parent RSU granted to each SpinCo Director in 2022 (if any) (other than, for the avoidance of doubt, any Parent Deferred RSUs) will not be adjusted in accordance with Section 8.02(a), 8.02(b) or 8.02(c) hereof, and will instead vest on a prorata basis and be settled on or prior to the Record Date in respect of the Distribution in accordance with, and subject to the terms of the applicable award agreement governing such Parent RSUs.

(e) Notwithstanding anything to the contrary herein, with respect to any Parent PRSUs for which the applicable performance period is not yet complete or deemed complete as of the Distribution Date, the Parent Compensation Committee shall make such equitable adjustments to the applicable performance goals in light of the impact of the Distribution on such performance goals, as determined in the discretion of the Parent Compensation Committee in accordance with the terms of the Parent Equity Plan and the applicable award agreements thereunder.

*Section 8.03. Stock Option Distribution Adjustments.*

(a) Effective as of immediately prior to the consummation of the Distribution on the Distribution Date, each Parent Option (whether vested or unvested) that is outstanding as of immediately prior to the Distribution Date and that is held by a SpinCo Participant other than a Former SpinCo Employee shall be converted into an option to acquire Resulting Entity Common Shares (each, a "**SpinCo Option**") and shall be subject to the same terms and conditions (including vesting and expiration schedules) as applicable to the corresponding Parent Option as of immediately prior to the Distribution Date; *provided*, that (i) the number of Resulting Entity Common Shares subject to such SpinCo Option shall be determined by multiplying (A) the number of Parent Common Shares subject to the corresponding Parent Option immediately prior to the Distribution Date by (B) the Company Concentration Ratio, rounded down to the nearest whole share, and (ii) the exercise price per Resulting Entity Common Shares applicable to such SpinCo Option shall be determined by dividing (A) the exercise price per Parent Common Share applicable to the corresponding Parent Option immediately prior to the Distribution Date by (ii) the Company Concentration Ratio, rounded up to the nearest whole cent.

(b) Effective as of immediately prior to the consummation of the Distribution on the Distribution Date, each Parent Option (whether vested or unvested) that is outstanding as of immediately prior to the Distribution Date and held by (1) a Parent Participant (including any Former Parent Employee), (2) a Former SpinCo Employee or (3) a Solta Employee (including any Former Solta Employee and any Agency Transfer Employee), in each case shall be converted into an Adjusted Parent Option and shall be subject to the same terms and conditions (including vesting and expiration schedules) as applicable to the corresponding Parent Option as of immediately prior to the Distribution Date; *provided*, that (i) the number of Parent Common Shares subject to such Adjusted Parent Option shall be determined by multiplying (A) the number of Parent Common Shares subject to the corresponding Parent Option immediately prior to the Distribution Date by (B) the Parent Concentration Ratio, rounded down to the nearest whole share, and (ii) the exercise price per Parent Common Share applicable to such Adjusted Parent Option shall be determined by dividing (A) the exercise price per Parent Common Share applicable to the corresponding Parent Option immediately prior to the Distribution Date by (ii) the Parent Concentration Ratio, rounded up to the nearest whole cent.

(c) Notwithstanding anything to the contrary in this Section 8.03, the exercise price, the number of shares of Parent Common Shares or Resulting Entity Common Shares, as applicable, and the terms and conditions of exercise applicable to any Adjusted Parent Option or SpinCo Option, as the case may be, shall be determined in a manner consistent with the requirements of Section 409A of the Code and other applicable tax laws (including, if applicable, the ITA).

Section 8.04. *SpinCo Equity Plan.* Effective as of the time the IPO Registration Statement is declared effective by the SEC, the Company shall adopt an equity incentive compensation plan for the benefit of eligible SpinCo Participants (the "**SpinCo Equity Plan**"). The Company shall prepare and file with the Securities and Exchange Commission a registration statement on an appropriate form with respect to the Resulting Entity Common Shares to be authorized for issuance under the SpinCo Equity Plan and shall use its reasonable best efforts to have such registration statement declared effective as soon as practicable following the time the IPO Registration Statement is declared effective by the SEC. Any and all costs and expenses incurred by the Parent Group to establish and design the SpinCo Equity Plan will be retained by Parent and will constitute Parent Retained Employee Liabilities. From and after the Separation Time, (i) the Company shall retain the SpinCo Equity Plan, and all Liabilities thereunder shall constitute SpinCo Assumed Employee Liabilities, and (ii) Parent shall retain the Parent Equity Plan, and all Liabilities thereunder shall constitute Parent Retained Employee Liabilities.

Section 8.05. *Employee Stock Purchase Plan; Matching Shares Program.* Prior to the Separation Time, the Parent Board or the appropriate committee or delegate thereof shall take all actions reasonably necessary to cause the Offering (as defined in the Parent ESPP) in effect under the Parent ESPP during which the Separation Time occurs (or such applicable prior Offering) to be the final Offering with respect to any SpinCo Participants. SpinCo Participants will be eligible to receive a grant of Parent MRSUs in respect of such final Offering, to the extent applicable, in accordance with, and subject to the terms of, the Parent ESPP. Following such final Offering, and notwithstanding anything to the contrary in the Parent ESPP, each SpinCo Participant shall cease participation in the Parent ESPP. Effective as of the Separation Time, SpinCo Participant shall cease eligibility to participate in the Parent Matching Shares Program.

Section 8.06. *Miscellaneous Terms and Actions; Tax Reporting and Withholding.*

(a) From and after the Distribution Date, for purposes of any SpinCo Awards received by any Parent Participant, Parent Director or Dual Director pursuant to Section 8.02 or 8.03, (i) such Parent Participant's, Parent Director's or Dual Director's employment with or service to the Parent Group shall be treated as employment with and service to the SpinCo Group (including with respect to any deferral elections) and shall count towards satisfying any applicable service-based vesting requirements applicable to any such SpinCo Awards and (ii) any reference to "cause", "good reason", "disability", "willful" or other similar terms applicable to such SpinCo Awards shall be deemed to refer to the definitions of "cause", "good reason", "disability", "willful" or other similar terms set forth in the Parent Equity Plan (or, if applicable, in such Parent Participant's individual employment or similar agreement with a member of the Parent Group). From and after the Distribution Date, for purposes of any Adjusted Parent Awards received by any SpinCo Participant, SpinCo Director or Dual Director pursuant to Section 8.02 or 8.03, as applicable, (A) such SpinCo Participant's, SpinCo Director's or Dual Director's employment with or service to the SpinCo Group shall be treated as employment with and service to the Parent Group (including with respect to any deferral elections) and shall count towards satisfying any applicable service-based vesting requirements applicable to any such Adjusted Parent Awards and (B) any reference to "cause", "good reason", "disability", "willful" or other similar terms applicable to such Adjusted Parent Awards shall be deemed to refer to the definitions of "cause", "good reason", "disability", "willful" or other similar terms set forth in the SpinCo Equity Plan (or, if applicable, in such SpinCo Participant's individual employment or similar agreement with a member of the SpinCo Group). From and after the Distribution Date, for purposes of any SpinCo Awards received by any SpinCo Participant, SpinCo Director or Dual Director pursuant to Section 8.02 or 8.03 hereof, such SpinCo Participant's, SpinCo Director's or Dual Director's continued service with any member of the SpinCo Group (and, for the avoidance of doubt, in the case of any Dual Director, with any member of the Parent Group) on and following the Distribution Date shall count towards satisfying any applicable service-based vesting requirements applicable to any such SpinCo Awards (and, in accordance with Section 8.06(c) below, the Distribution shall not be deemed a termination of employment or service



for purposes of such SpinCo Awards). The foregoing provisions of this Section 8.06(a) shall apply to the applicable Adjusted Parent Awards and SpinCo Awards, in each case to the extent that such provisions do not result in adverse tax consequences under Section 409A of the Code.

(b) From and after the Distribution Date, subject to compliance with any applicable requirements under Section 409A of the Code (if applicable), (x) any reference to a "change in control," "change of control" or similar term applicable to any Adjusted Parent Award contained in any applicable award agreement, employment or services agreement or the Parent Equity Plan shall be deemed to refer to a "change in control," "change of control" or similar term as defined in such award agreement, employment or services agreement or the Parent Equity Plan (a "**Parent Change in Control**") and (y) any reference to a "change in control," "change of control" or similar term applicable to any SpinCo Award contained in any applicable award agreement, employment or services agreement or the SpinCo Equity Plan shall be deemed to refer to a "change in control," "change of control" or similar term as defined in the SpinCo Equity Plan (a "**SpinCo Change in Control**").

(c) For the avoidance of doubt, the Distribution shall not, in and of itself, be treated as either a Parent Change in Control or a SpinCo Change in Control. Neither the Separation, the Distribution nor any assignment, transfer or continuation of the employment of employees as contemplated by Article III shall, in any such case, be deemed a termination of employment or service of any SpinCo Participant, Parent Participant, SpinCo Director, Parent Director, Solta Director or Dual Director or otherwise constitute a Parent Change in Control or SpinCo Change in Control, in each such case for purposes of the Parent Equity Plan, the SpinCo Equity Plan or any Adjusted Parent Award or SpinCo Award, as applicable. Without limiting the generality of the foregoing, to the extent Parent determines it necessary or desirable, each Parent RSU, Parent PRSU or Parent Option, as the case may be, shall be amended to expressly clarify the same.

(d) From and after the Distribution Time, all Adjusted Parent Awards, regardless of by whom held, shall be granted under and subject to the terms of the Parent Equity Plan and shall be settled by Parent, and all SpinCo Awards, regardless of by whom held, shall be granted under and subject to the terms of the SpinCo Equity Plan and shall be settled by the Company.

(e) The Company shall be responsible for the settlement of cash dividend equivalents on any Adjusted Parent Awards or SpinCo Awards held by a SpinCo Participant or SpinCo Director, and Parent shall be responsible for the settlement of cash dividend equivalents on any Adjusted Parent Awards or SpinCo Awards held by a Parent Participant or Parent Director, *provided* that (i) with respect to SpinCo Awards held by Parent Participants or Parent Directors (for which Parent is obligated to settle the applicable cash dividend equivalents in accordance with this Section 8.06(e) on behalf of SpinCo), prior to the date any such settlement is due, the Company shall pay Parent in cash amounts required to settle any dividend equivalents accrued following the Distribution Time and (ii) with respect to any Adjusted Parent Awards held by SpinCo Participants or SpinCo Directors (for which SpinCo is obligated to settle the applicable cash dividend equivalents in accordance with this Section 8.06(e) on behalf of Parent) prior to the date any such settlement is due, Parent shall pay SpinCo in cash amounts required to settle any dividend equivalents accrued following the Distribution Time. With respect to a Dual Director, the Company shall be responsible for the settlement of cash dividend equivalents on any SpinCo Awards, and Parent shall be responsible for the settlement of cash dividend equivalents on any Adjusted Parent Awards.

(f) Unless otherwise required by applicable Law and notwithstanding anything in Section 9.02 of this Agreement to the contrary, (i) the applicable member of the SpinCo Group shall be responsible for all applicable income, payroll, employment and other similar tax withholding, remittance and reporting obligations in respect of SpinCo Participants relating to any Adjusted Parent Awards or SpinCo Awards and (ii) the applicable member of the Parent Group shall be responsible for all applicable income, payroll, employment and other similar tax withholding, remittance and reporting obligations in respect of Parent Participants relating to any Adjusted Parent Awards or SpinCo Awards. The parties shall facilitate performance by the other party of its obligations hereunder by promptly remitting amounts withheld in respect of any Adjusted Parent Awards or SpinCo Awards, as applicable, directly to the applicable Governmental Authority on such other party's behalf or to the other Party for remittance to such Governmental Authority. The parties will cooperate and communicate with each other and with third-party providers to effectuate withholding and remittance of taxes, as well as required tax reporting, in a timely, efficient and appropriate manner.

(g) The Company shall prepare and file with the SEC a registration statement on an appropriate form with respect to the Resulting Entity Common Shares subject to the Parent Awards converted into SpinCo Awards pursuant to this Article VIII and shall use its reasonable best efforts to have such registration statement declared effective as soon as practicable following the Distribution Date and to maintain the effectiveness of such registration statement covering such SpinCo Awards (and to maintain the current status of the prospectus contained therein) for so long as any such SpinCo Awards remain outstanding.

(h) Prior to the Distribution Time, each party shall take all such steps as may be required to cause any dispositions of Parent Common Shares (including Parent Awards or any other derivative securities with respect to Parent Common Shares) or acquisitions of Resulting Entity Common Shares (including SpinCo Awards or any other derivative securities with respect to Resulting Entity Common Shares) resulting from the Distribution or the transactions contemplated by this Agreement or the Master Separation Agreement by each individual who is subject to the reporting requirements of Section 16(a) of the Exchange Act with respect to Parent or who are or will become subject to such reporting requirements with respect to the Company to be exempt under Rule 16b-3 promulgated under the Exchange Act. With respect to those individuals, if any, who, subsequent to the Distribution Date, are or become subject to the reporting requirements under Section 16(a) of the Exchange Act, as applicable, the Company shall administer any Parent Award converted into a SpinCo Award pursuant to this Article VIII in a manner that complies with Rule 16b-3 promulgated under the Exchange Act to the extent such converted Parent Award complied with such rule prior to the Distribution Date.

(i) From and after the Distribution Date, each of Parent and the Company shall cooperate in good faith to facilitate the orderly administration of the Adjusted Parent Awards and SpinCo Awards held by Parent Participants, SpinCo Participants, Parent Directors, SpinCo Directors, Solta Directors and Dual Directors, as applicable, including, without limitation, the sharing of information relating to such individuals' employment or service status with the Parent Group (including the Solta Group) or the SpinCo Group, as applicable, as well as other information relating to the vesting and forfeiture of Adjusted Parent Awards or SpinCo Awards, tax withholding and reporting and compliance with applicable Law.

(j) Notwithstanding anything to the contrary herein, all adjustments to Parent Awards contemplated by this Article VIII shall be made in accordance with the terms and conditions of the Parent Equity Plan and, to the extent applicable, in a manner consistent with the requirements of Section 409A of the Code and other applicable tax laws (including the ITA).

(k) For the avoidance of doubt, (i) the adjustments described in Section 8.02 and Section 8.03 reflect the adjustments that shall be made to the Parent Awards that are outstanding as of immediately prior to the Distribution Date, as a result of, and after giving effect to, the consummation of all of the transactions, in the aggregate, that collectively constitute the Distribution, as detailed in the Plan of Arrangement and the Master Separation Agreement and (ii) for purposes of the treatment of outstanding equity incentive awards set forth in this Article VIII, an individual's employment status with respect to Parent, SpinCo or Solta, as the case may be, including whether such individual is a current or former employee thereof, shall be determined by reference to such individual's applicable employment status as of immediately prior to the Distribution.

Section 8.07. *Canadian Participants.* Notwithstanding the other provisions of this Article VIII, it is the intention of the Parties that the adjustments to Parent Awards contemplated by this Article VIII be completed on a tax-neutral basis under the provisions of the ITA, to the extent applicable. This being the case, notwithstanding anything to the contrary in Section 8.02, a particular Parent Award may be further adjusted in the manner set forth in this Section 8.07 if the Parent Award is (i) subject to the provisions of subsection 7(1) of the ITA, and (ii) held by an individual that is a resident of Canada for purposes of the ITA, or is held by an individual who is not a resident of Canada for purposes of the ITA and who was granted the Parent Award in respect of, in the course of, or by virtue of duties of any office or employment performed in Canada (each, a "**Canadian Participant**"). In no event shall the In-the-Money Amount (as defined in the Plan of Arrangement) of an Adjusted Parent Award and/or SpinCo Award, as applicable, provided to a Canadian Participant pursuant to Section 8.02 (as determined immediately following the time of such adjustments described in Sections 8.02) exceed the In-the-Money Amount of the corresponding Parent Award immediately prior to such adjustments, as determined on a Parent Award-by-Parent Award basis. Accordingly, and in furtherance of the foregoing, with respect to any Parent Award held by a Canadian Participant that is outstanding as of immediately prior to the Distribution Date, in the event that the aggregate In-the-Money-

Amount of the applicable Adjusted Parent Award and/or SpinCo Award provided to such Canadian Participant pursuant to Section 8.02 (as determined immediately after such adjustments), as applicable, exceeds the aggregate In-the-Money Amount of such corresponding Parent Award (as determined immediately prior to such adjustments), then the Parent Board (or an applicable committee thereof) and the SpinCo Board (or any applicable committee thereof) shall cooperate and agree to a further adjustment in the number of Parent Shares underlying the applicable Adjusted Parent Award and/or the number of Resulting Entity Common Shares underlying the applicable SpinCo Award (or any combination thereof), as applicable, in each case in order to ensure that any such excess in the In-the-Money Amount is reduced to nil, and the Parent Board (or any applicable committee thereof) and/or the SpinCo Board (or any applicable committee thereof), as applicable, shall cause such further adjustments to be made with any such further adjustment deemed to be effective as of the time of the adjustments set forth in Section 8.02.

ARTICLE IX  
PERSONNEL RECORDS; PAYROLL AND TAX WITHHOLDING

Section 9.01. *Personnel Records.* To the extent permitted by applicable Law, each of the SpinCo Group and the Parent Group shall be permitted by the other to access and retain copies of such records, data and other personnel-related information in any form ("**Personnel Records**") as may be necessary or appropriate to carry out their respective obligations under this Agreement, the Master Separation Agreement, any of the Ancillary Agreements or applicable Law, and for the purposes of administering their respective employee benefit plans and policies. All Personnel Records shall be accessed, retained, held, used, copied and transmitted in accordance with all applicable Laws, policies and agreements between the parties hereto.

Section 9.02. *Payroll; Tax Reporting and Withholding.*

(a) Subject to the obligations of the parties as set forth in the Transition Services Agreement, effective as of no later than the Separation Time (or, in the case of any Delayed Transfer Employee, if later, the applicable Delayed Transfer Date), (i) the members of the SpinCo Group shall be solely responsible for providing payroll services (including for any payroll period already in progress) to the SpinCo Employees and for any Liabilities with respect to garnishments of the salary and wages thereof and (ii) the members of the Parent Group shall be solely responsible for providing payroll services (including for any payroll period already in progress) to the Parent Employees and for any Liabilities with respect to garnishments of the salary and wages thereof.

(b) To the extent consistent with the terms of the Tax Matters Agreement, the party that is responsible for making a payment hereunder shall be responsible for (i) making the appropriate withholdings, if any, attributable to such payments and (ii) preparing and filing all related required forms and returns with the appropriate Governmental Authority.

(c) With respect to SpinCo Employees, the parties shall (i) treat the Company (or the applicable member of the SpinCo Group) as a "successor employer" and Parent (or the applicable member of the Parent Group) as a "predecessor," within the meaning of Sections 3121(a)(1) and 3306(b)(1) of the Code, for purposes of taxes imposed under the U.S. Federal Unemployment Tax Act or the U.S. Federal Insurance Contributions Act, and (ii) cooperate and use reasonable best efforts to implement the alternate procedure described in Section 5 of Revenue Procedure 2004-53.

ARTICLE X  
NON-U.S. EMPLOYEES AND EMPLOYEE PLANS

Section 10.01. *Special Provisions for Employees and Employee Plans Outside of the United States.*

(a) From and after the date hereof, to the extent not addressed in this Agreement, the parties shall reasonably cooperate in good faith to effect the provisions of this Agreement with respect to (i) Non-U.S. Parent Participants and Non-U.S. SpinCo Participants and (ii) employees and employee-, compensation- and benefits-related matters with respect to Non-U.S. Parent Participants and Non-U.S. SpinCo Participants (including Employee Plans covering Non-U.S. Parent Participants and Non-U.S. SpinCo Participants), which in all cases shall be consistent with the general approach and philosophy regarding the allocation of Assets and Liabilities (as expressly set forth in the recitals to this Agreement).

(b) Without limiting the generality of Section 3.03(a), to the extent required by applicable Law or the terms of any SpinCo CBA or similar employee representative agreement, SpinCo or a member of the SpinCo Group, as applicable, shall become a party to the applicable collective bargaining, works council, or similar arrangements with respect to SpinCo Employees located outside of the United States and shall comply with all obligations thereunder from and after the Separation Time.

ARTICLE XI  
GENERAL AND ADMINISTRATIVE

Section 11.01. *Sharing of Participant Information.* To the maximum extent permitted under applicable Law, Parent and the Company shall share, and shall cause each member of its respective Group to reasonably cooperate with the other party hereto to (i) share, with each other and their respective agents and vendors all participant information reasonably necessary for the efficient and accurate administration of each of the Parent Plans and the SpinCo Plans (including notifications regarding the termination of employment or service of any SpinCo Participant or Parent Participant to the extent relevant to the administration of a Parent Plan or SpinCo Plan, as the case may be), (ii) facilitate the transactions and activities contemplated by this Agreement and (iii) resolve any and all employment-related claims regarding SpinCo Participants. The Company and its respective authorized agents shall, subject to applicable Laws, be given reasonable and timely access to, and may make copies of, all information relating to the subjects of this Agreement in the custody of the Parent Group, to the extent reasonably necessary for such administration. Parent Group members shall be entitled to retain copies of all Company Books and Records relating to the subjects of this Agreement in the custody of the Parent Group, subject to the terms of the Master Separation Agreement and applicable Law.

Section 11.02. *Cooperation.* Following the date of this Agreement, the parties shall, and shall cause their respective Subsidiaries to, to cooperate in good faith with respect to any employee compensation or benefits matters that either party reasonably determines require the cooperation of the other party in order to accomplish the objectives of this Agreement (including, without limitation, relating to any audits by any Governmental Authorities); *provided* that nothing herein shall be deemed to require any member of the SpinCo Group to administer any Parent Plan or to require any member of the Parent Group to administer any SpinCo Plan, in each case at any time on or following the Separation Time.

Section 11.03. *Vendor Contracts.* Prior to the Benefits Commencement Date, Parent and SpinCo will cooperate in good faith and use commercially reasonable best efforts to (a) negotiate with the current third-party providers to separate and assign to the SpinCo Group (or SpinCo Plans) the applicable rights and obligations under each group insurance policy, health maintenance organization, administrative services contract, third-party administrator agreement, letter of understanding or similar arrangement that pertains to one or more Parent Plans (each, a "**Vendor Contract**"), to the extent that such rights or obligations pertain to SpinCo Participants, or, in the alternative, to negotiate with the current third-party providers to provide similar services to a SpinCo Plan on similar terms under separate contracts with a member of the SpinCo Group or the SpinCo Plans, as applicable, and (b) to the extent permitted by the applicable third-party provider, obtain and maintain pricing discounts or other preferential terms for the Parent Group and SpinCo Group under the applicable Vendor Contracts.

Section 11.04. *Data Privacy.* Notwithstanding anything to the contrary herein, the parties agree that any applicable data privacy laws and any other obligations of the Parent Group and the SpinCo Group to maintain the confidentiality of any employee information held by any member of the Parent Group or the SpinCo Group, as applicable, or any information held in connection with any Employee Plans in accordance with applicable Law will govern the disclosure of employee information between the parties under this Agreement. Each of Parent and SpinCo will ensure that it has in place appropriate technical and organizational security measures to protect the personal data of the Parent Participants and SpinCo Participants, respectively.

Section 11.05. *Notices of Certain Events.* Each of the Company and Parent shall promptly notify and provide copies to the other of: (a) written notice from any Person alleging that the approval or consent of such

Person is or may be required in connection with the transactions contemplated by this Agreement; (b) any written notice or other communication from any Governmental Authority in connection with the transactions contemplated by this Agreement or the Master Separation Agreement; and (c) any actions, suits, claims, investigations or proceedings commenced or, to its knowledge, threatened against, relating to or involving or otherwise affecting the SpinCo Group or the Parent Group, as the case may be, that relate to the consummation of the transactions contemplated by this Agreement or the Master Separation Agreement; *provided* that the delivery of any notice pursuant to this Section 11.05 shall not affect the remedies available hereunder to the party receiving such notice.

Section 11.06. *No Third Party Beneficiaries.* Notwithstanding anything to the contrary herein, nothing in this Agreement shall: (a) create any obligation on the part of any member of the SpinCo Group or any member of the Parent Group to retain the employment or services of any current or former employee, director, independent contractor or other service provider; (b) be construed to create any right, or accelerate entitlement, to any compensation or benefit whatsoever on the part of any future, present, or former employee or service provider of any member of the Parent Group or the SpinCo Group (or any beneficiary or dependent thereof) under this Agreement, the Master Separation Agreement, any Parent Plan or SpinCo Plan or otherwise; (c) preclude the Company or any SpinCo Group member (or, in each case, any successor thereto), at any time after the Separation Time, from amending, merging, modifying, terminating, eliminating, reducing, or otherwise altering in any respect any SpinCo Plan, any benefit under any SpinCo Plan or any trust, insurance policy, or funding vehicle related to any SpinCo Plan (in each case in accordance with the terms of the applicable arrangement); (d) preclude Parent or any Parent Group member (or, in each case, any successor thereto), at any time after the Separation Time, from amending, merging, modifying, terminating, eliminating, reducing, or otherwise altering in any respect any Parent Plan, any benefit under any Parent Plan or any trust, insurance policy, or funding vehicle related to any Parent Plan (in each case in accordance with the terms of the applicable arrangement); or (e) confer any rights or remedies (including any third-party beneficiary rights) on any current or former employee or service provider of any member of the Parent Group or the SpinCo Group or any beneficiary or dependent thereof or any other Person.

Section 11.07. *Fiduciary Matters.* Parent and the Company each acknowledge that actions required to be taken pursuant to this Agreement may be subject to fiduciary duties or standards of conduct under ERISA or other applicable Law, and no party shall be deemed to be in violation of this Agreement if it fails to comply with any provisions hereof based upon its good faith determination (as supported by advice from counsel experienced in such matters) that to do so would violate such a fiduciary duty or standard. Each party shall be responsible for taking such actions as are deemed necessary and appropriate to comply with its own fiduciary responsibilities and shall fully release and indemnify the other party for any Liabilities caused by the failure to satisfy any such responsibility.

Section 11.08. *Consent of Third Parties.* If any provision of this Agreement is dependent on the consent of any third party (such as a vendor or Governmental Authority), the parties shall cooperate in good faith and use reasonable best efforts obtain such consent, and if such consent is not obtained, to implement the applicable provisions of this Agreement to the full extent practicable. If any provision of this Agreement cannot be implemented due to the failure of such third party to consent, the parties shall negotiate in good faith to implement the provision in a mutually satisfactory manner. A party's obligation to use its "reasonable best efforts" shall not require such party to take any action to the extent it would reasonably be expected to (i) jeopardize, or result in the loss or waiver of, any attorney-client or other legal privilege, (ii) contravene any applicable Law or fiduciary duty, (iii) result in the loss of protection of any Intellectual Property or other proprietary information or (iv) incur any non-routine or unreasonable cost or expense.

ARTICLE XII  
NON-SOLICIT; NO-HIRE

Section 12.01. *Non-Solicitation/No-Hire of Covered Service Providers.*

(a) During the applicable Restricted Period, SpinCo shall not, and shall cause the other members of the SpinCo Group not to, (i) solicit or induce, or attempt to solicit or induce, any Covered Parent Service Provider or Covered Solta Service Provider to terminate his or her employment or service relationship with any member of the Parent Group or the Solta Group, as applicable, or (ii) hire or engage any Covered Parent Service Provider or Covered Solta Service Provider; *provided*, that the restrictions set forth in clause (i) of this Section 12.01(a) shall not

prohibit a member of the SpinCo Group from placing public advertisements or conducting any other form of general solicitation that is not specifically targeted toward a Covered Parent Service Provider or Covered Solta Service Provider (*provided* that nothing in this proviso shall permit the hiring or engagement of any such Covered Parent Service Provider or Covered Solta Service Provider who responds to any such public advertisement or general solicitation). Notwithstanding anything to the contrary in this Section 12.01(a), subject to approval in the discretion of Parent's Chief Executive Officer or Parent's Chief Human Resources Officer (with respect to Covered Parent Service Providers) or Solta's Chief Executive Officer or Solta's Chief Human Resources Officer (with respect to Covered Solta Service Providers), the limitations provided for in this Section 12.01(a) may be waived at the written request of SpinCo. Notwithstanding anything to the contrary herein, (A) nothing in this Section 12.01(a) shall prohibit the SpinCo Group from hiring a New Agency Transfer Employee upon the prior written request of the Solta Group (as contemplated by Section 3.01(c) hereof) and (B) for the avoidance of doubt, the SpinCo Group's employment of any Agency Transfer Employees (including, for the avoidance of doubt, any New Agency Transfer Employees) in accordance with the terms of any applicable Agency Agreement shall not be deemed to breach or otherwise violate SpinCo's obligations under this Section 12.01(a).

(b) During the applicable Restricted Period, Parent shall not, and shall cause the other members of the Parent Group (including, for the avoidance of doubt, the Solta Group) not to, (i) solicit or induce, or attempt to solicit or induce, any Covered SpinCo Service Provider to terminate his or her employment or service relationship with any member of the SpinCo Group or (ii) hire or engage any Covered SpinCo Service Provider; *provided*, that the restrictions set forth in clause (i) of this Section 12.01(b) shall not prohibit a member of the Parent Group from placing public advertisements or conducting any other form of general solicitation that is not specifically targeted toward a Covered SpinCo Service Provider (*provided* that nothing in this proviso shall permit the hiring or engagement of any such Covered SpinCo Service Provider who responds to any such public advertisement or general solicitation). Notwithstanding anything to the contrary in this Section 12.01(b), subject to approval in the discretion of SpinCo's Chief Executive Officer or SpinCo's Chief Human Resources Officer, the limitations provided for in this Section 12.01(b) may be waived at the written request of Parent.

(c) The parties agree and acknowledge that Solta shall be an express third-party beneficiary hereunder with respect to SpinCo's obligations under Section 12.01(a), to the extent related to any Covered Solta Service Providers and, accordingly, that Solta shall have all of the rights and remedies (including to the right to obtain injunctive relief against any breach or prospective breach of such obligations) as are afforded under this Agreement to Parent and the other members of the Parent Group.

#### ARTICLE XIII DISPUTE RESOLUTION

Section 13.01. *General.* The provisions of Article VIII of the Master Separation Agreement shall apply, *mutatis mutandis*, to all disputes, controversies, or claims (whether arising in contract, tort, or otherwise) that may arise out of or relate to, or arise under or in connection with, this Agreement or the transactions contemplated hereby.

#### ARTICLE XIV MISCELLANEOUS

Section 14.01. *General.* The provisions of Article XI of the Master Separation Agreement (other than Section 11.9 and Section 11.19 of the Master Separation Agreement) are hereby incorporated by reference into and deemed part of this Agreement and shall apply, *mutatis mutandis*, as if fully set forth in this Agreement.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives as of the date first above written.

BAUSCH HEALTH COMPANIES INC.

By: /s/ Thomas J. Appio

Name: Thomas J. Appio

Title: CEO, Pharma Business

BAUSCH + LOMB CORPORATION

By: /s/ Joseph C. Papa

Name: Joseph C. Papa

Title: Chief Executive Officer

*[Signature Page to Employee Matters Agreement]*

REDACTED

Certain identified information, indicated by [\*\*\*\*\*], has been excluded from the exhibit because it is both (i) not material and (ii) would likely cause competitive harm if publicly disclosed.

INTELLECTUAL PROPERTY MATTERS AGREEMENT

BY AND BETWEEN

BAUSCH HEALTH COMPANIES INC.

AND

BAUSCH + LOMB CORPORATION

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Dated as of March 30, 2022



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INTELLECTUAL PROPERTY MATTERS AGREEMENT

This INTELLECTUAL PROPERTY MATTERS AGREEMENT, dated as of March 30, 2022 (this "Agreement"), is made by and between Bausch Health Companies Inc., a corporation continued under the laws of the Province of British Columbia, Canada ("Parent"), and Bausch + Lomb Corporation, a company incorporated under the laws of Canada ("SpinCo"). Parent and SpinCo are collectively referred to herein as the "Parties" and individually referred to herein as a "Party." Unless otherwise defined in this Agreement, all capitalized terms used in this Agreement shall have the meaning set forth in the Master Separation Agreement, dated as of the date hereof, by and between Parent and SpinCo (as amended, modified or supplemented from time to time in accordance with its terms, the "Separation Agreement").

RECITALS

WHEREAS, SpinCo is presently a wholly owned subsidiary of Parent;

WHEREAS, pursuant to the Separation Agreement, Parent will offer and sell to the public Initial Common Shares in an initial public offering (the "IPO"), immediately following which offering and sale Parent will own 80.1% or more of the outstanding Initial Common Shares;

WHEREAS, Parent currently intends to, after the IPO, effect the Distribution;

WHEREAS, in order to facilitate and provide for an orderly transition under the Separation Agreement, Parent and its Subsidiaries (in such capacity, the "Parent Licensors") wish to grant to SpinCo and its Subsidiaries (in such capacity, the "SpinCo Licensees") licenses to certain Parent Licensed Patents and Parent Licensed Other IP (as defined below), and SpinCo and its Subsidiaries (in such capacity, the "SpinCo Licensors") wish to grant to Parent and its Subsidiaries (in such capacity, the "Parent Licensees"), licenses to certain SpinCo Licensed Patents and SpinCo Licensed Other IP (as defined below), in each case, as and to the extent set forth herein;

WHEREAS, SpinCo Licensors wish to grant to Parent Licensees transitional licenses to certain BHC Licensed Marks (as defined below);

WHEREAS, Parent will continue to own the BHC Domains (as defined below) for a transitional period and, upon the expiration of the transitional period, Parent will transfer the BHC Domains to SpinCo; and

WHEREAS, the Separation Agreement requires execution and delivery of this Agreement by Parent and SpinCo at or prior to the Separation Time.

NOW, THEREFORE, in consideration of the foregoing and the mutual agreements contained in this Agreement, Parent and SpinCo, intending to be legally bound, hereby agree as follows:

ARTICLE I

DEFINITIONS

Section 1.1 Certain Definitions. The following capitalized terms used in this Agreement shall have the meanings set forth below:

- (a) "BHC Domains" shall mean bauschhealth.com.
- (b) "BHC Licensed Marks" shall mean the Trademarks listed on Schedule I.
- (c) "Change of Control" shall mean, with respect to a Party, the occurrence after the Separation Date of any of the following: (a) a transaction whereby any Person or group (within the meaning of Section 13(d)(3) of the Securities Exchange Act of 1934, as amended) would acquire, directly or indirectly, voting securities representing more than fifty percent (50%) of the total voting power of such Party; (b) a merger, consolidation, recapitalization or reorganization of such Party, unless securities representing more than fifty percent (50%) of the total voting power of the legal successor to such Party as a result of such merger, consolidation, recapitalization or reorganization are immediately thereafter beneficially owned, directly or indirectly, by the Persons who beneficially owned such Party's outstanding voting securities immediately prior to such transaction; or (c) the sale of all or substantially all of the consolidated assets of such Party's Group. For the avoidance of doubt, no transaction contemplated by the Separation Agreement shall be considered a Change of Control.
- (d) "Domain Name Transition Period" shall commence on the Separation Time and terminate, with respect to each of the BHC Domains, upon the termination of the license to the corresponding Marks included in the BHC Domains under Section 2.1.
- (e) "Licensee(s)" shall mean the Parent Licensees or the SpinCo Licensees, as applicable, in their capacities as the licensees or grantees of the rights or licenses granted to them by the SpinCo Licensors or the Parent Licensors, as applicable, pursuant to Article II and Article III.
- (f) "Licensor(s)" shall mean the Parent Licensors or the SpinCo Licensors, as applicable, in their capacities as the licensors or grantors of any rights or licenses granted by them to the SpinCo Licensees or the Parent Licensees, as applicable, pursuant to Article II and Article III.
- (g) "Majority Voting Power" shall mean a majority of the voting power in the election of directors of all outstanding voting securities of the Person in question.
- (h) "Parent Licensed Other IP" shall mean the Parent Intellectual Property Rights (other than Patents, Marks and Internet Properties) that are embodied in or by any of the SpinCo Technology.
- (i) "Parent Licensed Patents" means the Patents owned by Parent or members of its Group as of the Separation Time that, absent a license thereto of the scope granted under this Agreement, would be infringed by the operation of the SpinCo Business immediately following the Separation Time in the same manner as such SpinCo Business was operated immediately preceding the Separation Time. For the purposes of the foregoing determination, a Patent issued after the Separation Time on a Patent application owned by Parent or members of its Group as of the Separation Time, shall be deemed to have been issued immediately prior to the Separation Time.

(j) "Parent Product" shall mean products and services manufactured, sold, provided or distributed, as the case may be, by Parent or members of its Group.

(k) "Parent Technology" shall mean any and all Technology, including any know-how or knowledge of any employees of the Parent Business, used in or held for use in the operation of the Parent Business.

(l) "SpinCo Licensed Other IP" shall mean the SpinCo Intellectual Property Rights (other than Patents, Marks or Domain Names) that is embodied in or by any Retained Technology.

(m) "SpinCo Licensed Patents" means the Patents owned by SpinCo or members of its Group as of the Separation Time that, absent a license thereto of the scope granted under this Agreement, would be infringed by the operation of the Parent Business immediately following the Separation Time in the same manner as such Parent Business was operated immediately preceding the Separation Time. For the purposes of the foregoing determination, a Patent issued after the Separation Time on a Patent application owned by SpinCo or members of its Group as of the Separation Time, shall be deemed to have been issued immediately prior to the Separation Time.

Section 1.2 Other Definitions. The following capitalized terms used in this Agreement shall have the meanings set forth in the Sections set forth below.

<u>Term</u>	<u>Section</u>
Acquired Business	Section 8.3
Acquired Party	Section 8.3
Acquiring Party	Section 8.3
Agreement	Preamble
Bankruptcy Code	Section 5.1
IPO	Recitals
Parent	Preamble
Parent Licensees	Recitals
Parent Licensors	Recitals
Parties	Preamble
Party	Preamble
Separation Agreement	Preamble
SpinCo	Preamble
SpinCo Licensees	Recitals
SpinCo Licensors	Recitals

ARTICLE II

**INTELLECTUAL PROPERTY LICENSES**

Section 2.1 License to SpinCo Licensees of Parent Licensed Patents. Subject to the terms and conditions of this Agreement, Parent Licensors agree to grant, and hereby grant, to the SpinCo Licensees a non-exclusive, non-transferable (except as set forth in Section 8.3), non-sublicensable (except as set forth in Section 2.6), irrevocable (except as provided in Section 7.1), worldwide, fully paid, royalty-free license under the Parent Licensed Patents to make, have made, import, use, offer to sell, sell and otherwise provide any SpinCo Product, including to practice any method, process or procedure claimed in any of the Parent Licensed Patents, in each case, solely with respect to the operation of the SpinCo Business.

Section 2.2 License to Parent Licensees of SpinCo Licensed Patents. Subject to the terms and conditions of this Agreement, SpinCo Licensors agree to grant, and hereby grant, to the Parent Licensees a non-exclusive, non-transferable (except as set forth in Section 8.3), non-sublicensable (except as set forth in Section 2.6), irrevocable (except as provided in Section 7.1), worldwide, fully paid, royalty-free, license under the SpinCo Licensed Patents to make, have made, import, use, offer to sell, sell and otherwise provide any Parent Product, including to practice any method, process or procedure claimed in any of the Parent Licensed Patents, in each case, solely with respect to the operation of the Parent Business.

Section 2.3 License to SpinCo Licensees of Parent Licensed Other IP. Subject to the terms and conditions of this Agreement, Parent Licensors agree to grant, and hereby grant, to the SpinCo Licensees a non-exclusive, non-transferable (except as set forth in Section 8.3), non-sublicensable (except as set forth in Section 2.6), perpetual, irrevocable (except as provided in Section 7.1), worldwide, fully paid, royalty-free license under the Parent Licensed Other IP to use, reproduce, distribute, disclose, make, modify, improve, display and perform, create derivative works of, or otherwise exploit any SpinCo Technology in any field.

Section 2.4 License to Parent Licensees of SpinCo Licensed Other IP. Subject to the terms and conditions of this Agreement, SpinCo Licensors agree to grant, and hereby grant, to the Parent Licensees, and Parent Licensees hereby retain, a non-exclusive, non-transferable (except as set forth in Section 8.3), non-sublicensable (except as set forth in Section 2.6), perpetual, irrevocable (except as provided in Section 7.1), worldwide, fully paid, royalty-free license under the SpinCo Licensed Other IP to use, reproduce, distribute, disclose, make, modify, improve, display and perform, create derivative works of, or otherwise exploit any Parent Technology in any field.

Section 2.5 Rights of Subsidiaries.

(a) All rights and licenses granted in Section 2.1, Section 2.2, Section 2.3 and Section 2.4 are granted to SpinCo and Parent as a Licensee, respectively, and to any entity that is a Subsidiary of the Licensee, but only for so long as such entity is a Subsidiary of the Licensee, and, except as set forth in Section 2.5(b), will terminate with respect to such entity when it ceases to be a Subsidiary of the Licensee.

(b) Notwithstanding the foregoing, if such entity ceases to be a Subsidiary of a Licensee, including by way of a divestiture, spin-off, split-off or similar transaction, the licenses granted in [Section 2.1](#), [Section 2.2](#), [Section 2.3](#) and [Section 2.4](#), as applicable, shall continue to apply to such Subsidiary but only with respect to the line of business that it is engaged in at the effective time of such cessation as a Subsidiary of a Licensee; provided that such entity or its successor provides the applicable Licensors hereunder with written notice of its change in status as a Subsidiary of a Licensee and agrees in writing to be bound by the terms of this Agreement, including any license limitations. In the event that such Subsidiary is acquired by a third party, the licenses granted herein will not extend to any products, business or operations of such third party that exist prior to the date of the consummation of such transaction.

[Section 2.6 Sublicensing](#). Parent Licensees and SpinCo Licensees may sublicense the licenses and rights granted to them in [Section 2.3](#) and [Section 2.4](#), respectively, to a third party solely in connection with the operation of such Licensee's business in the ordinary course, including in connection with the exploitation or licensing of its respective Technology, products and services; provided that (i) each Licensee shall, and shall cause its sublicensees to, comply with [Section 5.2](#); (ii) each Licensee shall not disclose such Trade Secrets or confidential information of the other Party to a third-party sublicensee, except pursuant to a written confidentiality agreement substantially similar to agreements under which such Party would disclose its own Trade Secrets or confidential information of at least comparable importance and value; and (iii) each Licensee shall be responsible and liable hereunder for any act or omission of a sublicensee as if such act or omission were taken by Licensee directly.

[Section 2.7 No Other Rights; Retained Ownership](#).

(a) Each Party acknowledges and agrees that its rights and licenses to the other Party's Intellectual Property Rights are solely as set forth in, and as may be limited by, this Agreement, the Separation Agreement and the other Ancillary Agreements. No Licensee shall exercise the respective Intellectual Property Rights licensed to such Licensee in [Section 2.1](#), [Section 2.2](#), [Section 2.3](#) and [Section 2.4](#), respectively, outside the relevant licensed field. The Parent Licensors and the SpinCo Licensors retain sole ownership of the Intellectual Property Rights licensed by them in [Section 2.1](#), [Section 2.2](#), [Section 2.3](#) and [Section 2.4](#), respectively.

(b) Notwithstanding anything to the contrary set forth in this Agreement, this Agreement grants to the Parent Licensees no right or license to any Intellectual Property Rights that the SpinCo Licensors may own now or in the future, whether by implication, estoppel or otherwise. The SpinCo Licensors retain sole ownership of the Business Intellectual Property licensed by the SpinCo Licensors under this Agreement.

(c) Notwithstanding anything to the contrary set forth in this Agreement, this Agreement grants to the SpinCo Licensees no right or license to any Intellectual Property Rights that the Parent Licensors may own now or in the future, whether by implication, estoppel or otherwise. The Parent Licensors retain sole ownership of the Intellectual Property Rights licensed by the Parent Licensors under this Agreement.

Section 2.8 Reservation of Rights. All rights not expressly granted by a Party hereunder are reserved by such Party. The rights and licenses granted in this Article II are subject to, and limited by, any and all licenses, rights, limitations and restrictions with respect to Intellectual Property Rights previously granted to or otherwise obtained by any third party that are in effect as of the Separation Date. None of the licenses or rights granted to the SpinCo Licensees hereunder shall extend to any product, service, activity or conduct of SpinCo or its Affiliates, engaged in or exploited, as the case may be, prior to the date hereof.

### ARTICLE III

#### TRANSITIONAL TRADEMARK LICENSES

##### Section 3.1 License to Parent Licensees

(a) Subject to the terms and conditions of this Agreement, the SpinCo Licensors agree to grant, and hereby grant, to the Parent Licensees a non-exclusive, non-transferable (except as set forth in Section 8.3), non-sublicensable (except as set forth in Section 3.3), fully paid, royalty-free license to use the BHC Licensed Marks in connection with the Parent Business for the three (3)-year period following the Distribution Date (the "Licensed Mark Term"); provided that, as long as Parent Licensees use reasonable best efforts to minimize and eliminate use of the BHC Licensed Marks, the Parent Licensees shall have the right to extend the Licensed Mark Term for one (1) additional year upon written notice to SpinCo Licensees solely to the extent necessary for Purchaser Licensees to cease and discontinue use of the BHC Licensed Marks.

(b) Without limiting the generality of the foregoing, the Parent Licensees will use the BHC Licensed Marks hereunder only in such form and appearance as are described on Exhibit A and only in compliance with Section 3.4. Notwithstanding anything to the contrary herein, the Parent Licensees and their Affiliates shall be permitted to use, and SpinCo agrees to permit the use of, the BHC Licensed Marks or any other Mark in a manner that constitutes nominative fair use, including for the purposes of referring to the Transactions contemplated by this Agreement and the Separation Agreement or for describing the corporate history of Parent Licensees or their Affiliates; provided that such use does not give rise to a likelihood of confusion as to the source or origin of any goods or services or imply any endorsement by, or ongoing association with, SpinCo or any of its Subsidiaries.

Section 3.2 Rights of Subsidiaries. All rights and licenses granted in Section 3.1 are granted to Parent and to any entity that is a Subsidiary of Parent, but only for so long as such entity is a Subsidiary of Parent, and will terminate with respect to such entity when it ceases to be a Subsidiary of Parent.

Section 3.3 No Sublicensing. The licenses granted in Section 3.1 are personal to the Parent Licensees, and, except as set forth herein the Parent Licensees shall not assign, transfer, sublicense or in any manner purport to convey all or any part of its rights or obligations in Section 3.1 without the prior written consent of the SpinCo Licensors, which consent may not be unreasonably withheld by SpinCo Licensors. Any purported assignment, sublicense or other transfer of the Parent Licensees' rights or obligations in violation of this Section 3.3 shall be deemed a material breach of this Agreement and is void.



Section 3.4 Quality Control

(a) To comply with SpinCo Licensors' quality control standards, Parent Licensees shall: (i) adhere to reasonable levels of quality for the services identified by the BHC Licensed Marks that are at least as high as those standards maintained by Parent Licensees prior to the Separation Date and such other specific reasonable updates to the global standards for the level of quality for the services that are communicated from time to time by SpinCo Licensors to Parent Licensees; (ii) comply with all applicable Laws and regulations in any country or other governmental jurisdiction; and (iii) use the BHC Licensed Marks in accordance with sound trademark and trade name usage principles and adhere to the global usage and display guidelines that are applicable to the Parent Business as of the Separation Date, that will be provided attached as Exhibit A and that may be amended from time to time thereafter. Parent Licensees shall appropriately use TM, ® or any other proprietary rights designation provided by SpinCo Licensors in connection with each use or display of the BHC Licensed Marks.

(b) Parent Licensees shall not use the BHC Licensed Marks in any manner that would reflect adversely on the reputation for quality symbolized by the BHC Licensed Marks. Parent Licensees shall not engage in any conduct that would, or would be reasonably likely to, place the BHC Licensed Marks, other Bausch Marks or SpinCo Licensors in a negative light or context. Parent Licensees shall not use the BHC Licensed Marks in a manner that would, or would be reasonably likely to, devalue, injure, demean, or dilute the reputation of the BHC Licensed Marks, other Bausch Marks, or SpinCo Licensors. Parent Licensees shall not use the BHC Licensed Marks in any manner which would be reasonably likely to tarnish, disparage or reflect adversely on SpinCo Licensors, the BHC Licensed Marks or any other Bausch Marks.

(c) Parent Licensees shall not make any material changes to the BHC Licensed Marks without the prior written consent of SpinCo Licensors, which consent may be withheld in SpinCo Licensors' sole discretion.

(d) Parent Licensees shall not use the BHC Licensed Marks in any manner that is reasonably likely to cause consumer confusion that any Parent Licensee is affiliated or associated with SpinCo Licensors in any way other than as a licensee; and Parent Licensees shall take commercially reasonable precautions necessary to avoid or prevent such confusion as to affiliation or association occurring.

(e) To confirm that Parent Licensees' use of the BHC Licensed Marks complies with this Section 3.4, Parent Licensees shall, upon reasonable request by SpinCo Licensors, submit to SpinCo Licensors representative samples of publicly disseminated materials bearing any of the BHC Licensed Marks which are in the possession or control of Parent Licensees and, in the event that SpinCo Licensors find that use of the BHC Licensed Marks in such samples in any manner other than as expressly permitted herein, Parent Licensees shall, upon notice from SpinCo Licensors, immediately take steps necessary to correct the identified deviations or misuse of the respective items; provided, however, that if SpinCo Licensors reasonably determine that the defect poses a threat to public health or safety, or to the validity or value of any of the Bausch Marks or to the goodwill associated therewith, Parent Licensees shall, upon notice from SpinCo Licensors, immediately cease and direct others to cease all use of the non-conforming materials and all use of the BHC Licensed Marks in connection therewith.

Section 3.5 Goodwill. Any and all goodwill associated or that arises from Parent Licensees' use of the BHC Licensed Marks shall inure to the sole and exclusive benefit of SpinCo Licensors. If, at any time, by operation of law or otherwise, Parent Licensees acquire any interest in any of the BHC Licensed Marks, Parent Licensees hereby assign, and agree to assign, such interest (along with associated goodwill) to SpinCo Licensors.

#### ARTICLE IV

##### TRANSITIONAL DOMAIN NAME USE

###### Section 4.1 Domain Name Transition and Domain Name Redirect

(a) As between Parent and SpinCo, Parent shall continue to own exclusively all right, title, and interest in and to the BHC Domains until the expiration of the applicable Domain Name Transition Period.

(b) As soon as reasonably practicable after the expiration of the applicable Domain Name Transition Period, (i) Parent shall transfer ownership and control of the BHC Domains to SpinCo, and (ii) Parent and SpinCo shall mutually agree to any additional arrangements that may be reasonably required to transition Parent away from use of the BHC Domains (for example, creating a website landing page offering to direct customers to each Party's respective websites).

#### ARTICLE V

##### ADDITIONAL TERMS

Section 5.1 Bankruptcy Rights. All rights and licenses granted to a Party as Licensee hereunder, are, for purposes of Section 365(n) of the United States Bankruptcy Code (the "Bankruptcy Code"), licenses of intellectual property within the scope of Section 101 of the Bankruptcy Code. The Licensors acknowledge that the Licensees, as licensees of Intellectual Property Rights and licenses hereunder, will retain and may fully exercise all of their rights and elections under the Bankruptcy Code. Each Party irrevocably waives all arguments and defenses arising under 11 U.S.C. § 365(c)(1) or successor provisions to the effect that applicable Law excuses such Party from accepting performance from or rendering performance to an entity other than the debtor or debtor-in-possession as a basis for opposing assumption of this Agreement in a case under Chapter 11 of the Bankruptcy Code to the extent that such consent is required under 11 U.S.C. § 365(c)(1) or any successor provisions.

Section 5.2 Confidentiality. Notwithstanding the transfer or disclosure of any Technology or grant or retention of any license to a Trade Secret or other proprietary right in confidential information to or by a Party hereunder, each Party agrees on behalf of itself and its Subsidiaries that (a) it (and each of its Subsidiaries) shall treat the Trade Secrets and confidential information of the other Party with at least the same degree of care as they treat their own similar Trade Secrets and confidential information, but in no event with less than reasonable care, and (b) neither Party (nor any of its Subsidiaries) may use or disclose the Trade Secrets or confidential

information, as applicable, licensed or disclosed to it by the other Party under this Agreement, except in accordance with its respective license granted in Article II. Nothing herein will limit either Party's ability to enforce its rights against any third party that misappropriates or attempts to misappropriate any Trade Secret or confidential information from it, regardless of whether it is an owner or licensee of such Trade Secret or confidential information.

## ARTICLE VI

### NO REPRESENTATIONS OR WARRANTIES

Section 6.1 NO REPRESENTATIONS OR WARRANTIES. ALL LICENSES AND RIGHTS GRANTED HEREUNDER ARE GRANTED ON AN AS-IS BASIS WITHOUT REPRESENTATION OR WARRANTY OF ANY KIND. NO REPRESENTATIONS OR WARRANTIES WHATSOEVER, WHETHER EXPRESS, IMPLIED OR STATUTORY, INCLUDING WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE, CUSTOM, TRADE, NON-INFRINGEMENT, NON-VIOLATION OR NON-MISAPPROPRIATION OF THIRD-PARTY INTELLECTUAL PROPERTY, ARE MADE OR GIVEN BY OR ON BEHALF OF A PARTY. ALL SUCH REPRESENTATIONS AND WARRANTIES, WHETHER ARISING BY OPERATION OF LAW OR OTHERWISE, ARE HEREBY EXPRESSLY EXCLUDED AND DISCLAIMED. NOTWITHSTANDING THE FOREGOING, OR ANYTHING IN SECTION 6.2 BELOW, NOTHING IN THIS AGREEMENT SHALL BE DEEMED TO LIMIT OR EXPAND ANY OF THE RIGHTS OR REMEDIES OF ANY PARTY UNDER THE SEPARATION AGREEMENT.

Section 6.2 General Disclaimer. Nothing contained in this Agreement shall be construed as:

- (a) a warranty or representation by either Party as to the validity, enforceability or scope of any Intellectual Property Rights;
- (b) except as expressly set forth herein, an agreement by either Party to maintain any Intellectual Property Rights in force;
- (c) except as expressly set forth herein, an agreement by either Party to bring or prosecute actions or suits against any third party for infringement of Intellectual Property Rights or any other right, or conferring upon either Party any right to bring or prosecute actions or suits against any third party for infringement of Intellectual Property Rights or any other right;
- (d) conferring upon either Party any right to use in advertising, publicity or otherwise any trademark, trade name or names, or any contraction, abbreviation or simulations thereof, of the other Party, other than as permitted hereunder;
- (e) conferring upon either Party by implication, estoppel or otherwise, any license or other right, except the licenses and rights expressly granted hereunder; or
- (f) an obligation to provide any technical information, know-how, consultation, technical services or other assistance or deliverables to the other Party.

Section 6.3 LIMITATION OF LIABILITY. IN NO EVENT SHALL EITHER PARTY, ITS AFFILIATES OR THEIR RESPECTIVE REPRESENTATIVES BE LIABLE TO THE OTHER PARTY FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, SPECIAL, PUNITIVE, EXEMPLARY, OR SIMILAR DAMAGES, DIMINUTION IN VALUE OR DAMAGES CALCULATED BASED ON MULTIPLES OF REVENUE, EARNINGS OR OTHER METRICS (INCLUDING LOST PROFITS OR LOST REVENUES) IN CONNECTION WITH THIS AGREEMENT (UNLESS SUCH DAMAGES ARE ACTUALLY AWARDED AND PAID TO A THIRD PARTY BY A COURT OF COMPETENT JURISDICTION), WHETHER IN CONTRACT, TORT (INCLUDING NEGLIGENCE OR STRICT LIABILITY) OR OTHERWISE, AND EACH PARTY HEREBY WAIVES ON BEHALF OF ITSELF, ITS AFFILIATES AND ITS REPRESENTATIVES ANY CLAIM FOR SUCH DAMAGES.

## ARTICLE VII

### TERM

#### Section 7.1 Term and Termination.

(a) Except as expressly set forth herein, the term of this Agreement shall commence at the Separation Time and shall continue until the expiration of the last-to-expire of the Intellectual Property Rights licensed under this Agreement, if ever; provided that the term of the Patent license granted pursuant to Section 2.1 and Section 2.2 shall end upon the expiration of the last Patent licensed thereunder.

(b) Upon written notice to Parent Licensee by SpinCo Licensor, SpinCo Licensor may terminate partially or in their entirety (subject to the limitations set forth below) the licenses granted to Parent Licensees under Section 3.1 only, if Parent Licensee is in material breach of Section 3.4 or any other provision of this Agreement and such breach continues uncured for a period of thirty (30) days after the Parent Licensee's receipt of notice from SpinCo Licensor of such breach (or, if such breach is not reasonably curable in such thirty (30)-day period, if Parent Licensee is not using commercially reasonable efforts to cure or remedy such breach thereafter); provided, however, that the applicable license may only be terminated with respect to the portion of the license that was the subject of such material breach.

(c) Upon any expiration or termination of this Agreement with respect to a license granted to Licensee hereunder, Licensee shall cease and completely discontinue use of the Intellectual Property Rights licensed under such terminated license and such license granted to Licensee herein shall immediately terminate.

(d) Termination of the licenses granted by a Party or its Subsidiaries as a Licensor shall not in any way affect or limit the licenses granted to such Party or its Subsidiaries as a Licensee.

Section 7.2 Post-Term Matters. Upon the expiration or termination of the licenses granted in Section 3.1 (partially or in their entirety) for any reason, all rights granted to Parent Licensees shall revert to SpinCo Licensors and Parent Licensees shall, immediately upon expiration and as soon as possible but no later than within thirty (30) days of termination cease all

use of the BHC Licensed Marks and take commercially reasonable steps to destroy all remaining materials bearing the BHC Licensed Marks in Parent Licensees' possession or control, and shall certify that it has taken such steps to SpinCo Licensors in writing within thirty (30) days of the obligation to take such steps; provided, however, that Parent Licensees may continue to sell-off remaining inventory or other products and components thereof bearing the BHC Licensed Marks in existence prior to such expiration or termination.

Section 7.3 Survival. The terms and conditions of the following provisions will survive termination of this Agreement: Article I, Article VI, Section 7.2, this Section 7.3 and Article VIII. The termination of this Agreement will not relieve either Party of any Liability under this Agreement that accrued prior to such termination.

## ARTICLE VIII

### GENERAL PROVISIONS

Section 8.1 License Indemnity. Parent Licensees shall indemnify, hold harmless, compensate and reimburse (and if requested by SpinCo Licensors, defend) the SpinCo Licensors and any of its officers, directors, managers and Affiliates from and against any and all losses, costs, liabilities, damages or expenses (including reasonable attorneys' fees and litigation costs) arising from any claim, demand, action, suit or other proceeding brought by an unaffiliated third party and arising out of or relating to Parent Licensees' use of any of the BHC Licensed Marks, except any liability or expense in respect of any infringement of third-party rights as a result of Parent Licensee's use of the BHC Licensed Marks in accordance with the terms and conditions of this Agreement. Parent Licensees shall not settle any dispute involving the BHC Licensed Marks without the prior written consent of SpinCo Licensors.

Section 8.2 No Obligation. Nothing set forth herein shall restrict either Party from transferring, assigning or licensing any Intellectual Property Rights owned by it and licensed to the other Party hereunder; provided that any transfer or assignment of any Intellectual Property Rights licensed to a Party hereunder shall be subject to the licenses granted in this Agreement.

Section 8.3 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of and be enforceable by the Parties and their respective permitted successors and assigns; provided that neither this Agreement nor any of the rights and benefits of a Licensee Party hereunder may be assigned to or assumed by a third party (whether by operation of Law or otherwise, including in connection with, or as a result of, a Change of Control) without the express prior written consent of the other Party. Notwithstanding the foregoing, subject to, and except as provided in Section 8.1(c) and Section 8.4, no such consent shall be required for the assignment or assumption of a Party's rights, licenses or obligations under Article II, Section 4.1 and Section 5.2 of this Agreement in whole or in relevant part, in connection with, or as a result of a Change of Control of a Party (such Party, the "Acquired Party," or the sale or other disposition of the business or assets of a Party or its Affiliates to which this Agreement relates (such business or assets, the "Acquired Business"); provided that the resulting, surviving or transferee Person or acquirer of the Acquired Business (the "Acquiring Party") (a) assumes all of the applicable obligations of the Acquired Party by operation of Law or by express assignment, as the case may be, and (b) delivers to the other Party, prior to or concurrently with the consummation of any

transaction resulting in a Change of Control, an express acknowledgement regarding the limitations on the licenses granted hereunder to the Acquired Party as a result of such Change of Control or sale or disposition. For the avoidance of doubt, upon and subject to the implementation of the applicable step in the Plan of Arrangement, each of Amalco and the Resulting Entity shall be regarded as successors and permitted assigns of SpinCo for purposes of this Agreement, the Separation Agreement and any other Ancillary Agreements and it is the express intention of each of the Parties that all terms referring or relating to SpinCo shall be construed to refer or relate to the Resulting Entity.

Section 8.4 Limitations on Change of Control. In the event of a Change of Control:

(a) where Parent is the Acquired Party, the licenses to the Parent Licensees set forth in Section 2.2, Section 2.4 and Section 3.1 will be transferrable to, or assumable by, the Acquiring Party in whole or in part in accordance with Section 8.3, but shall become limited and shall not extend to any product or service or business of the Acquiring Party or its Affiliates that are sold, distributed, provided or otherwise commercialized at any time, if such product, service or business was commercialized or conducted prior to the date of the consummation of such Change of Control of Parent;

(b) where SpinCo is the Acquired Party, the license to the SpinCo Licensees set forth in Section 2.1 and Section 2.3 will be transferrable to, or assumable by, the Acquiring Party in whole or in part in accordance with Section 8.3, but shall become limited and shall not extend to any product or service or business of the Acquiring Party or its Affiliates that are sold, distributed, provided or otherwise commercialized at any time, if such product, service or business was commercialized or conducted prior to the date of the consummation of such Change of Control of SpinCo.

Section 8.5 Specific Performance. The Parties hereto agree that irreparable damage, for which monetary damages (even if available) would not be an adequate remedy, would occur in the event that the Parties hereto do not perform any provision of this Agreement in accordance with its specified terms or otherwise breach such provisions. Accordingly, the Parties acknowledge and agree that the Parties shall be entitled to an injunction, specific performance and other equitable relief to prevent breaches or threatened breaches of this Agreement and to enforce specifically the terms and provisions hereof, in addition to any other remedy to which they are entitled in Law or in equity. Each of the Parties agrees that it will not oppose the granting of an injunction, specific performance and other equitable relief on the basis that the other Party has an adequate remedy at Law or that any award of specific performance is not an appropriate remedy for any reason at Law or in equity. Any Party seeking an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions of this Agreement shall not be required to provide any bond or other security in connection with such order or injunction.

Section 8.6 Expenses. Except as otherwise expressly set forth in this Agreement, all legal and other costs and expenses incurred in connection with this Agreement and the transactions contemplated by this Agreement shall be paid by the Party incurring such costs and expenses.

Section 8.7 Notices. All notices, requests, claims, demands and other communications under this Agreement shall be in writing and shall be given or made (and shall be deemed to have been duly given or made upon receipt) by delivery in person, by overnight courier service, by facsimile or electronic transmission with receipt confirmed or by registered or certified mail (postage prepaid, return receipt requested) to the respective Parties at the following addresses (or at such other address for a Party as shall be specified in a notice given in accordance with this Section 8.7):

(a) If to Parent:

Bausch Health Companies Inc.  
2150 St. Elzéar Blvd. West  
Laval, Québec, Canada H7L 4A8  
Attention: General Counsel  
E-mail: [\*\*\*\*\*]

and

Wachtell, Lipton, Rosen & Katz  
51 West 52nd Street  
New York, New York 10019  
Attention: Igor Kirman  
Mark F. Veblen  
Facsimile: [\*\*\*\*\*]  
Email: [\*\*\*\*\*]

(b) If to SpinCo:

Bausch + Lomb Corporation  
400 Somerset Corporate Blvd  
Bridgewater, NJ 08807, USA  
Attention: General Counsel  
E-mail: [\*\*\*\*\*]

with a copy to:

Wachtell, Lipton, Rosen & Katz  
51 West 52nd Street  
New York, New York 10019  
Attention: Igor Kirman  
Mark F. Veblen  
Facsimile: [\*\*\*\*\*]  
Email: [\*\*\*\*\*]

A Party may, by notice to the other Party, change the address to which such notices are to be given.

Section 8.8 Severability. If any provision of this Agreement or the application thereof to any Person or circumstance is determined by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions hereof, or the application of such provision to Persons or circumstances or in jurisdictions other than those as to which it has been held invalid or unenforceable, shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby. Upon such determination, the Parties shall negotiate in good faith in an effort to agree upon such a suitable and equitable provision to effect the original intent of the Parties.

Section 8.9 Entire Agreement. This Agreement, the Separation Agreement and any other Ancillary Agreements, and the Exhibits, Schedules and appendices hereto and thereto, contain the entire agreement between the Parties with respect to the subject matter hereof, supersede all previous agreements, negotiations, discussions, writings, understandings, commitments and conversations with respect to such subject matter, and there are no agreements or understandings between the Parties other than those set forth or referred to herein or therein. This Agreement, the Separation Agreement and any other Ancillary Agreements together govern the arrangements in connection with the Separation, the IPO, the Arrangement and the Distribution and would not have been entered independently.

Section 8.10 No Third-Party Beneficiaries. Except as provided in Section 8.1, this Agreement is for the sole benefit of the Parties and their permitted successors and assigns and nothing in this Agreement, express or implied, is intended to or shall confer upon any other Person, including any union or any employee or former employee of Parent or SpinCo, any legal or equitable right, benefit or remedy of any nature whatsoever, including any rights of employment for any specified period, under or by reason of this Agreement.

Section 8.11 Governing Law, Jurisdiction and Forum: Waiver of Jury Trial.

(a) This Agreement (and any claims or disputes arising out of or related hereto or thereto or to the transactions contemplated hereby and thereby or to the inducement of any Party to enter herein and therein, whether for breach of contract, tortious conduct or otherwise and whether predicated on common law, statute or otherwise) shall be governed by and construed and interpreted in accordance with the Laws of the State of Delaware irrespective of the choice of laws principles of the State of Delaware including all matters of validity, construction, effect, enforceability, performance and remedies. The Parties expressly waive any right they may have, now or in the future, to demand or seek the application of a governing Law other than the Law of the State of Delaware. In addition, each of the Parties hereto irrevocably (i) submits to the personal jurisdiction of the Delaware Court of Chancery in and for New Castle County, or in the event (but only in the event) that such Delaware Court of Chancery does not have subject matter jurisdiction over such dispute, the United States District Court for the District of Delaware, or in the event (but only in the event) that such United States District Court also does not have jurisdiction over such dispute, any Delaware State court sitting in New Castle County (and in each case, appellate courts therefrom), in the event any dispute (whether in contract, tort or otherwise) arises out of this Agreement or the transactions contemplated hereby, (ii) agrees that it will not attempt to deny or defeat such personal jurisdiction by motion or other request for leave from any such court,



(iii) waives any objection to the laying of venue of any Action relating to this Agreement or the transactions contemplated hereby in such court, (iv) waives and agrees not to plead or claim in any such court that any Action relating to this Agreement or the transactions contemplated hereby brought in any such court has been brought in an inconvenient forum, and (v) agrees that it will not bring any Action relating to this Agreement or the transactions contemplated hereby in any court other than the Delaware Court of Chancery in and for New Castle County, or in the event (but only in the event) that such Delaware Court of Chancery does not have subject matter jurisdiction over such Action, the United States District Court for the District of Delaware, or in the event (but only in the event) that such United States District Court also does not have jurisdiction over such Action, any Delaware State court sitting in New Castle County (and, in each case, appellate courts therefrom). Each Party agrees that service of process upon such Party in any such Action shall be effective if notice is given in accordance with Section 8.7.

(b) EACH PARTY TO THIS AGREEMENT WAIVES TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM BROUGHT BY ANY OF THEM AGAINST THE OTHER ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS AGREEMENT, THE OTHER ANCILLARY AGREEMENTS, THE SEPARATION AGREEMENT, THE CONFIDENTIALITY AGREEMENT OR ANY OTHER AGREEMENTS EXECUTED IN CONNECTION HERewith OR THEREwith OR THE ADMINISTRATION HEREOF OR THEREOF OR THE SALE OR ANY OF THE OTHER TRANSACTIONS CONTEMPLATED HEREIN OR THEREIN. NO PARTY TO THIS AGREEMENT SHALL SEEK A JURY TRIAL IN ANY LAWSUIT, PROCEEDING, COUNTERCLAIM OR ANY OTHER LITIGATION PROCEDURE BASED UPON, OR ARISING OUT OF, THIS AGREEMENT, THE OTHER ANCILLARY AGREEMENTS, THE SEPARATION AGREEMENT, THE CONFIDENTIALITY AGREEMENT OR RELATED INSTRUMENTS. NO PARTY WILL SEEK TO CONSOLIDATE ANY SUCH ACTION IN WHICH A JURY TRIAL HAS BEEN WAIVED WITH ANY OTHER ACTION IN WHICH A JURY TRIAL CANNOT BE OR HAS NOT BEEN WAIVED. EACH PARTY TO THIS AGREEMENT CERTIFIES THAT IT HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS SET FORTH IN THIS SECTION 8.11(b). NO PARTY HAS IN ANY WAY AGREED WITH OR REPRESENTED TO ANY OTHER PARTY THAT THE PROVISIONS OF THIS SECTION 8.11(b) WILL NOT BE FULLY ENFORCED IN ALL INSTANCES.

Section 8.12 Amendment and Waivers. No provisions of this Agreement, including any Schedules to this Agreement, shall be deemed waived, amended, supplemented or modified by a Party, unless such waiver, amendment, supplement or modification is in writing and signed by the authorized representative of the Party against whom it is sought to enforce such waiver, amendment, supplement or modification. The waiver by either Party of a breach of any term or provision of this Agreement shall not be construed as a waiver of any subsequent breach. No failure or delay by either Party in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

Section 8.13 Rules of Construction. In this Agreement, (a) words in the singular shall be deemed to include the plural and vice versa and words of one gender shall be deemed to include the other genders as the context requires; (b) the terms "hereof," "herein," and "herewith" and words of similar import shall, unless otherwise stated, be construed to refer to this Agreement as a whole (including all of the Schedules, Exhibits and Appendices hereto) and not to any particular provision of this Agreement; (c) Article, Section, Schedule, Exhibit and Appendix references are to the Articles, Sections, Schedules, Exhibits and Appendices to this Agreement unless otherwise specified; (d) unless otherwise stated, all references to any agreement (including this Agreement) shall be deemed to include the exhibits, schedules and annexes (including all Schedules, Exhibits and Appendices) to such agreement; (e) the word "including" and words of similar import when used in this Agreement shall mean "including, without limitation," unless otherwise specified; (f) the word "or" need not be exclusive; (g) unless otherwise specified in a particular case, the word "days" refers to calendar days; (h) references herein to this Agreement or any other agreement contemplated herein shall be deemed to refer to this Agreement or such other agreement as of the date on which it is executed and as it may be amended, modified or supplemented thereafter, unless otherwise specified; (i) unless expressly stated to the contrary in this Agreement, all references to "the date hereof," "the date of this Agreement" and words of similar import shall all be references to March 30, 2022; and (j) the word "extent" and the phrase "to the extent" shall mean the degree (if any) to which a subject or other thing extends, and such word or phrase shall not merely mean "if".

Section 8.14 Counterparts. This Agreement may be executed in one or more counterparts, all of which shall be considered one and the same agreement, and shall become effective when one or more counterparts have been signed by each of the Parties and delivered to the other Party.

Section 8.15 Mutual Drafting. This Agreement shall be deemed to be the joint work product of the Parties and any rule of construction that a document shall be interpreted or construed against a drafter of such document shall not be applicable.

Section 8.16 Ancillary Agreements. In the event of any conflict or inconsistency between the terms of this Agreement and the terms of the Separation Agreement, the terms of this Agreement shall control with respect to the subject matter addressed by this Agreement to the extent of such conflict or inconsistency. In the event of any conflict or inconsistency between the terms of this Agreement or the Separation Agreement or any other Specified Ancillary Agreement, on the one hand, and any Transfer Document, on the other hand, including with respect to the allocation of Assets and Liabilities as among the Parties or the members of their respective Groups, this Agreement, the Separation Agreement or such Specified Ancillary Agreement shall control.

Section 8.17 Relationship of the Parties. Nothing contained herein shall be deemed to create a partnership, joint venture or similar relationship between the Parties. Neither Party is the agent, employee, joint venturer, partner, franchisee or representative of the other Party. Each Party specifically acknowledges that it does not have the authority to, and shall not, incur any obligations or responsibilities on behalf of the other Party. Notwithstanding anything to the contrary in this Agreement, each Party (and its officers, directors, agents, employees and members) shall not hold themselves out as employees, agents, representatives or franchisees of the other Party or enter into any agreements on such Party's behalf.

*[Remainder of page left blank intentionally; signature page follows]*

IN WITNESS WHEREOF, the Parties have caused this Intellectual Property Matters Agreement to be executed by their duly authorized representatives as of the date first written above.

BAUSCH HEALTH COMPANIES INC.

By: /s/ Thomas J. Appio  
Name: Thomas J. Appio  
Title: Chief Executive Officer, Pharma Business

BAUSCH + LOMB CORPORATION

By: /s/ Joseph C. Papa  
Name: Joseph C. Papa  
Title: Chief Executive Officer

*[Signature Page to Intellectual Property Matters Agreement]*

## REDACTED

Certain identified information, indicated by [\*\*\*\*], has been excluded from the exhibit because it is both (i) not material and (ii) would likely cause competitive harm if publicly disclosed.

## REAL ESTATE MATTERS AGREEMENT

This REAL ESTATE MATTERS AGREEMENT, dated as of March 30, 2022 (this "Agreement"), is by and between Bausch Health Companies Inc., a corporation continued under the laws of the Province of British Columbia, Canada ("Parent"), and Bausch + Lomb Corporation, a company incorporated under the laws of Canada ("SpinCo"). Unless otherwise defined in this Agreement, all capitalized terms used in this Agreement shall have the meaning set forth in the Master Separation Agreement, dated as of the date hereof, by and between Parent and SpinCo (as amended, modified or supplemented from time to time in accordance with its terms, the "Separation Agreement").

## R E C I T A L S

WHEREAS, SpinCo is presently a wholly-owned subsidiary of Parent;

WHEREAS, pursuant to the Separation Agreement, Parent will offer and sell to the public Initial Common Shares in an initial public offering (the "IPO"), immediately following which offering and sale Parent will own 80.1% or more of the outstanding Initial Common Shares;

WHEREAS, Parent currently intends to, after the IPO, effect the Distribution;

WHEREAS, effective as of the date hereof and in accordance with the Separation Agreement, Parent and SpinCo desire to set forth certain agreements regarding real estate matters at and after the Separation Time; and

WHEREAS, the Separation Agreement requires execution and delivery of this Agreement by Parent and SpinCo at or prior to the Separation.

NOW, THEREFORE, in consideration of the foregoing and the mutual agreements contained in this Agreement, Parent and SpinCo, intending to be legally bound, hereby agree as follows:

## ARTICLE I

## DEFINITIONS

Section 1.1 Definitions. The following terms, as used herein, shall have the meanings stated below.

- (a) "Entangled Sites List" means the list entitled "Entangled Sites" and attached hereto as Exhibit 1, as updated and amended from time to time by mutual written agreement of the parties hereto.
- (b) "Landlord" means the landlord or sublandlord under a Parent Lease or SpinCo Lease, and its successors and assigns, and includes the holder of any other interest that is superior to the interest of the landlord or sublandlord under such Parent Lease or SpinCo Lease.

(c) "Lease Consents" means all consents, waivers or amendments required from the Landlord or other third parties under the Relevant Leases to sublease the Parent Leased Properties or the SpinCo Leased Properties to SpinCo or Parent, as applicable.

(d) "Parent Lease" means, in relation to each Parent Leased Property, the lease(s) (or sublease(s) or license(s)) under which Parent or its applicable Subsidiary holds such Parent Leased Property.

(e) "Parent Leased Properties" means the Properties listed in the Entangled Sites List, which Properties are currently under lease by Parent (or its Subsidiaries) (other than SpinCo or its Subsidiaries).

(f) "Parent Owned Properties" means the Properties listed in the Entangled Sites List, which Properties are currently owned by Parent (or its Subsidiaries (other than SpinCo and its Subsidiaries)).

(g) "Properties" means the Parent Leased Properties, the Parent Owned Properties, the SpinCo Leased Properties and the SpinCo Owned Properties.

(h) "Relevant Leases" means those of Parent Leases or SpinCo Lease with respect to which the Landlord's consent is required for a sublease contemplated by this Agreement.

(i) "SpinCo Lease" means, in relation to each SpinCo Leased Property, the lease(s) (or sublease(s) or license(s)) under which SpinCo or its applicable Subsidiary holds such SpinCo Leased Property.

(j) "SpinCo Leased Properties" means the Properties listed in the Entangled Sites List, which Properties are currently under lease by SpinCo (or its Subsidiaries).

(k) "SpinCo Owned Properties" means the Properties listed in the Entangled Sites List, which Properties are currently owned by SpinCo (or its Subsidiaries).

## ARTICLE II

### PROPERTIES

Section 2.1 Parent Leased Property. If the parties hereto mutually agree hereafter, Parent or its applicable Subsidiary shall grant to SpinCo or its applicable Subsidiary a sublease of part of the relevant Parent Leased Property and SpinCo or its applicable Subsidiary shall accept the same, subject to the other provisions of this Agreement and the terms of the Separation Agreement and the other Ancillary Agreements. Such sublease shall be completed as soon as is reasonably practicable after the parties hereto so mutually agree, but shall not be effective until the earlier of (i) the tenth (10th) Business Day after the relevant Lease Consent has been granted and (ii) the date agreed upon by the parties hereto in accordance with Section 2.6(a) below.

Section 2.2 SpinCo Leased Property. If the parties hereto mutually agree hereafter, SpinCo or its applicable Subsidiary shall grant to Parent or its applicable Subsidiary a sublease of part of the relevant SpinCo Leased Property and Parent or its applicable Subsidiary shall accept the same, subject to the other provisions of this Agreement and the terms of the Separation Agreement and the other Ancillary Agreements. Such sublease shall be completed as soon as is reasonably practicable after the parties hereto so mutually agree, but shall not be effective until the earlier of (i) the tenth (10th) Business Day after the relevant Lease Consent has been granted and (ii) the date agreed upon by the parties hereto in accordance with Section 2.7(a) below.

Section 2.3 Parent Owned Properties. If the parties hereto mutually agree hereafter, Parent shall grant or cause its applicable Subsidiary to grant to SpinCo or its applicable Subsidiary a lease of part of the relevant Parent Owned Property and SpinCo or its applicable Subsidiary shall accept the same, subject to the other provisions of this Agreement and the terms of the Separation Agreement and the other Ancillary Agreements. Such lease shall be completed as soon as is reasonably practicable after the parties hereto so mutually agree.

Section 2.4 SpinCo Owned Properties. If the parties hereto mutually agree hereafter, SpinCo shall grant or cause its applicable Subsidiary to grant to Parent or its applicable Subsidiary a lease of part of the relevant SpinCo Owned Property and Parent or its applicable Subsidiary shall accept the same, subject to the other provisions of this Agreement and the terms of the Separation Agreement and the other Ancillary Agreements. Such lease shall be complete as soon as reasonably practicable after the parties hereto so mutually agree.

Section 2.5 Obtaining the Lease Consents

(a) Parent and SpinCo confirm that, with respect to each Parent Leased Property and SpinCo Leased Property, to the extent required by the Relevant Lease in connection with any action contemplated by this Agreement, an application will be made as soon as is reasonably practicable after the parties hereto mutually agree to take any such action to the relevant Landlord for the Lease Consents required with respect to the transactions contemplated by this Agreement. For purposes of this Section 2.5, (i) for any Property requiring Landlord Consent of which the tenant/subtenant/licensee before the Separation Time is Parent or its Subsidiaries (other than SpinCo and its Subsidiaries), Parent will have primary responsibility for requesting, negotiating and obtaining the Lease Consent and (ii) for any Property requiring Landlord Consent of which the tenant/subtenant/licensee before the Separation Time is SpinCo or its Subsidiaries, SpinCo will have primary responsibility for requesting, negotiating and obtaining the Lease Consent (each party having primary responsibility of a Relevant Lease being the "Responsible Party"). The Responsible Party shall also make all notices under, and take all other actions with respect to, any Parent Lease or SpinCo Lease to the extent required by such lease in connection with any action contemplated by this Agreement.

(b) Parent and SpinCo will each use commercially reasonable efforts to obtain the Lease Consents, but the Responsible Party shall not be required to commence judicial proceedings for a declaration that a Lease Consent has been unreasonably withheld or delayed, nor shall the Responsible Party be required to pay any consideration in excess of that required by the Relevant Lease or that which is typical in the open market to obtain the relevant Lease Consent.

(c) SpinCo and Parent will promptly satisfy the lawful requirements of the Landlord, and Parent and SpinCo, as applicable, will take all steps to assist the Responsible Party in obtaining the Lease Consents, including, without limitation:

(i) if properly required by the Landlord, entering into an agreement with the relevant Landlord to observe and perform the tenant's obligations contained in the Relevant Lease throughout the remainder of the term of the Relevant Lease, subject to any statutory limitations of such liability;

(ii) if properly required by the Landlord, providing a guarantee, surety or other security (including, without limitation, a security deposit) for the obligations of SpinCo or Parent, as applicable, or its applicable Subsidiary as tenant or subtenant under the Relevant Lease, and otherwise taking all steps that are necessary and that SpinCo or Parent, as applicable, is capable of doing to meet the lawful requirements of the Landlord so as to ensure that the Lease Consents are obtained; and

(iii) if applicable, using all commercially reasonable efforts to assist the Responsible Party with obtaining the Landlord's consent to the release of any guarantee, surety or other security (or portion thereof) that Responsible Party or its Subsidiary may have previously provided to the Landlord and, if required, offering the same or equivalent security to the Landlord to obtain such release.

Notwithstanding the foregoing, (1) except with respect to guarantees, sureties or other security referenced in Section 2.5(c)(ii), SpinCo or Parent, as applicable, shall not be required to obtain a release of any obligation entered into by the Responsible Party or its Subsidiary with any Landlord or other third party with respect to any Property, and (2) SpinCo or Parent, as applicable, shall not communicate directly with any of the Landlords for which it is not the Responsible Party unless SpinCo or Parent, as applicable, can show the Responsible Party reasonable grounds for doing so.

(d) If, with respect to any Leased Properties, Parent and SpinCo are unable to obtain a release by the Landlord of any guarantee, surety or other security (or a portion thereof) that the Responsible Party or its Subsidiary has previously provided to the Landlord, SpinCo or Parent, as applicable, shall indemnify, defend, protect and hold harmless the Responsible Party and its Subsidiary from and after the Separation Time against all losses, costs, claims, damages, or liabilities incurred by the Responsible Party or its Subsidiary as a result of such guarantee, surety or other security, but solely to the extent caused by or related to the acts or omissions of the Parent or SpinCo (or their respective Subsidiaries), as the case may, as subtenant or tenant of the Property or relating to that portion of the Property being subleased or leased by Parent or SpinCo (or their respective Subsidiaries), as the case may.

#### Section 2.6 Occupation by SpinCo.

(a) In the event the parties hereto are in the process of obtaining a Lease Consent such that SpinCo (or its Subsidiary) may occupy a property pursuant to this Agreement, subject to compliance with Section 2.6(b) and the applicable provision hereof governing the category of each Property to be occupied by SpinCo (or its Subsidiary) pursuant to this Agreement (including mutual agreement of the parties hereto) and the terms of the applicable Relevant Lease, SpinCo (or its Subsidiary) shall be entitled to occupy the relevant Property as a licensee upon the terms and conditions contained in the Parent Lease, if applicable, and upon the terms and conditions to be mutually agreed by Parent and SpinCo (for the avoidance of doubt, in such case, the Service Charges with respect to the services set forth on Exhibit 2 applicable to such relevant

Property shall remain as set forth on Exhibit 2). In such case, SpinCo will be responsible for all costs, expenses and liabilities incurred by Parent or its applicable Subsidiary as a consequence of such occupation, except for any losses, claims, costs, demands and liabilities incurred by Parent or its Subsidiary (other than SpinCo and its Subsidiaries) as a result of any enforcement action taken by the Landlord against Parent or its Subsidiary (other than SpinCo and its Subsidiaries) with respect to any breach by Parent or its Subsidiary (other than SpinCo and its Subsidiaries) of the Relevant Lease in permitting SpinCo (or its Subsidiary) to so occupy the Property without obtaining the required Lease Consent, for which Parent or its Subsidiary (other than SpinCo and its Subsidiaries) shall be solely responsible. In such case, SpinCo (or its Subsidiary) shall not be entitled to make any claim or demand against, or obtain reimbursement from, Parent or its applicable Subsidiary with respect to any costs, losses, claims, liabilities or damages incurred by SpinCo (or its Subsidiary) as a consequence of being obliged to vacate the Property or in obtaining alternative premises, including, without limitation, any enforcement action that a Landlord may take against SpinCo (or its Subsidiary).

(b) In the event Section 2.6(a) is applicable, SpinCo (or its Subsidiary) shall, effective as of its occupation of each Property, (i) pay Parent all rents, service charges, insurance premiums and other sums payable by Parent or its applicable Subsidiary under any such Relevant Lease or under the applicable sublease to be mutually agreed by Parent and SpinCo; (ii) observe the tenant's covenants, obligations and conditions contained in the Parent Lease or in the sublease to be mutually agreed by Parent and SpinCo; and (iii) indemnify, defend, protect and hold harmless Parent and its applicable Subsidiary from and against all losses, costs, claims, damages and liabilities arising on account of any breach thereof by SpinCo (or its Subsidiary).

(c) In the event Section 2.6(a) is applicable, Parent shall supply promptly to SpinCo copies of all invoices, demands, notices and other communications received by Parent or its applicable Subsidiaries or agents in connection with any of the matters for which SpinCo (or its Subsidiary) may be liable to make any payment or perform any obligation pursuant to Section 2.6(b), and shall, at SpinCo's cost, take any steps and pass on any objections that SpinCo (or its Subsidiary) may have in connection with any such matters. SpinCo (or its Subsidiary) shall promptly supply to Parent any notices, demands, invoices and other communications received by SpinCo or its Subsidiary or agents from any Landlord while SpinCo (or its Subsidiary) occupies any Property without the relevant Lease Consent.

#### Section 2.7 Occupation by Parent.

(a) In the event the parties hereto are in the process of obtaining a Lease Consent such that Parent (or its Subsidiary, other than SpinCo and its Subsidiaries) may occupy a property pursuant to this Agreement, subject to compliance with Section 2.7(b) below and the applicable provision hereof governing the category of each Property to be occupied by Parent (or its Subsidiary, other than SpinCo and its Subsidiaries) pursuant to this Agreement (including mutual agreement of the parties hereto) and the terms of the applicable Relevant Lease, Parent shall be entitled to occupy the relevant Property as a licensee upon the terms and conditions contained in the SpinCo Lease, if applicable, or upon the terms and conditions to be mutually agreed by Parent and SpinCo (for the avoidance of doubt, in such case, the Service Charges with respect to the services set forth on Exhibit 2 applicable to such relevant Property shall remain as set forth on Exhibit 2). In such case, Parent will be responsible for all costs, expenses and liabilities



incurred by SpinCo or its applicable Subsidiary as a consequence of such occupation, except for any losses, claims, costs, demands and liabilities incurred by SpinCo or its Subsidiary as a result of any enforcement action taken by the Landlord against SpinCo or its Subsidiary with respect to any breach by SpinCo or its Subsidiary of the Relevant Lease in permitting Parent (or its Subsidiary, other than SpinCo and its Subsidiaries) to so occupy the Property without obtaining the required Lease Consent, for which SpinCo or its Subsidiary shall be solely responsible. In such case, Parent (or its Subsidiary, other than SpinCo and its Subsidiaries) shall not be entitled to make any claim or demand against, or obtain reimbursement from, SpinCo or its applicable Subsidiary with respect to any costs, losses, claims, liabilities or damages incurred by Parent (or its Subsidiary, other than SpinCo and its Subsidiaries) as a consequence of being obliged to vacate the Property or in obtaining alternative premises, including, without limitation, any enforcement action that a Landlord may take against Parent (or its Subsidiary, other than SpinCo and its Subsidiaries).

(b) In the event Section 2.7(a) is applicable, Parent (or its Subsidiary, other than SpinCo and its Subsidiaries) shall, effective as of its occupation of each Property, (i) pay SpinCo all rents, service charges, insurance premiums and other sums payable by SpinCo or its applicable Subsidiary under any such Relevant Lease or under the sublease to be mutually agreed by Parent and SpinCo, as applicable; (ii) observe the tenant's covenants, obligations and conditions contained in the SpinCo Lease or in the sublease to be mutually agreed by Parent and SpinCo; and (iii) indemnify, defend, protect and hold harmless SpinCo and its applicable Subsidiary from and against all losses, costs, claims, damages and liabilities arising on account of any breach thereof by Parent (or its Subsidiary, other than SpinCo and its Subsidiaries).

(c) In the event Section 2.7(a) is applicable, SpinCo shall supply promptly to Parent copies of all invoices, demands, notices and other communications received by SpinCo or its or its applicable Subsidiaries or agents in connection with any of the matters for which Parent (or its Subsidiary, other than SpinCo and its Subsidiaries) may be liable to make any payment or perform any obligation pursuant to Section 2.7(b), and shall, at Parent's cost, take any steps and pass on any objections that Parent (or its Subsidiary, other than SpinCo and its Subsidiaries) may have in connection with any such matters. Parent (or its Subsidiary, other than SpinCo and its Subsidiaries) shall promptly supply to SpinCo any notices, demands, invoices and other communications received by Parent (or its Subsidiary, other than SpinCo and its Subsidiaries) or its agents from any Landlord while Parent (or its Subsidiary, other than SpinCo and its Subsidiaries) occupies any Property without the relevant Lease Consent.

**Section 2.8 Obligation to Complete.** If, with respect to any Parent Leased Property or SpinCo Leased Property, at any time a relevant Lease Consent is formally and unconditionally refused in writing, Parent and SpinCo shall commence good-faith negotiations and use commercially reasonable efforts to determine how to allocate the applicable Property, based on the relative importance of the applicable Property to the operations of each party, the size of the applicable Property, the number of employees of each party at the applicable Property, the value of assets associated with each business, the cost to relocate, and the potential risk and liability to each party if an enforcement action is brought by the applicable Landlord. Such commercially reasonable efforts shall include consideration of alternate structures to accommodate the needs of both parties and the allocation of the costs thereof, including entering into amendments of the size, term or other terms of the Relevant Lease, restructuring a proposed lease assignment to be

sublease and relocating one party. If the parties hereto cannot agree upon an allocation of the Property within fifteen (15) days after commencement of negotiations between the parties hereto as described above, then either party may, by delivering written notice to the other, require that the matter be referred to the Chief Financial Officers of both parties. In such event, the Chief Financial Officers shall use commercially reasonable efforts to determine the allocation of the Property, including having a meeting or telephone conference within ten (10) days thereafter. If the parties hereto are unable to agree upon the allocation of an applicable Property within fifteen (15) days after the matter is referred to the Chief Financial Officers as described above, the disposition of the applicable Property and the risks associated therewith shall be determined in accordance with Article VIII (Dispute Resolution) of the Separation Agreement.

Section 2.9 Form of Transfer.

(a) The leases to be granted to SpinCo or Parent with respect to the Parent Owned Property and the SpinCo Owned Property (if any) shall be on terms to be mutually agreed by Parent and SpinCo.

(b) The subleases to be granted to SpinCo or Parent with respect to the Parent Leased Property and the SpinCo Leased Property (if any) shall be on terms to be mutually agreed by Parent and SpinCo.

(c) Parent and SpinCo agree that to the extent either party hereto desires to pursue the separation of the master lease to a Parent Leased Property or SpinCo Leased Property instead of pursuing a sublease, the other party will cooperate in such separation of master lease; provided that all costs relating thereto will be the sole responsibility of the party requesting the separation of the master lease or, if both parties agree, split equally between both parties. To the extent that the parties hereto agree to pursue separation of a master lease rather than a sublease but such separation of master lease has not occurred by the time mutually agreed by the parties hereto, Parent and SpinCo will equitably share the space and cost of the space, pursuant to the process described in Section 2.6 or Section 2.7, as applicable, that have not yet received Landlord consent.

Section 2.10 Casualty; Lease Termination. The parties hereto shall grant and accept transfers, assignments, leases or subleases of the Properties as described in this Agreement, regardless of any casualty damage or other change in the condition of the Properties. In addition, in the event that a Parent Lease with respect to a Leased Property or a SpinCo Lease with respect to a SpinCo Leased Property is terminated before the time the parties mutually agree to assign or sublease such party, (a) Parent and SpinCo, respectively, shall not be required to assign or sublease such Property, (b) SpinCo and Parent, respectively, shall not be required to accept an assignment or sublease of such Property and (c) neither party shall have any further liability with respect to such Property hereunder.

Section 2.11 Fixtures and Fittings. The provisions of the Separation Agreement and the other Ancillary Agreements shall apply to any equipment, office equipment, trade fixtures, furniture and any other personal property located at each Property (excluding any equipment, office equipment, trade fixtures, furniture and any other personal property owned by third parties).

Section 2.12 Costs. Subject to Section 3.1, the Responsible Party shall pay all fees, costs and expenses incurred in connection with obtaining the Lease Consents, including, without limitation, Landlords' reasonable consent fees and attorneys' fees and any costs and expenses relating to re-negotiation of Parent Leases and SpinCo Leases, as applicable. Subject to Section 3.1, the owner of the relevant Property shall also pay all fees, costs and expenses in connection with the transfer of the Property, including title insurance premiums, escrow fees, recording fees, and any transfer taxes arising as a result of the transfers.

Section 2.13 Signing and Ratification. Parent and SpinCo hereby ratify and authorize all signatures to any document entered into in connection with this Agreement by Parent and SpinCo, or each's respective Subsidiaries, and the parties hereto agree that to the extent any challenges arise to the authority of any such signature from and after the date hereof, Parent and SpinCo will cooperate to ratify such signatures and prepare any corporate authorizations or resolutions necessary therefor.

### ARTICLE III

#### SERVICES; ALTERNATE ARRANGEMENTS

Section 3.1 Services. Parent and SpinCo each agree and acknowledge that, upon the Separation Time, in accordance with the Transition Services Agreement, each party hereto shall supply to, or perform for the benefit of, the other party hereto (and the other party hereto shall accept) certain services with respect to the Properties as further described on Exhibit 2 (the "Services Schedule"). The Service Charges with respect to the services set forth on Exhibit 2 shall be as set forth on Exhibit 2 and the services set forth on the Services Schedule and shall be invoiced monthly in accordance with the Transition Services Agreement as if such services were set forth on Schedule A or Schedule B of the Transition Services Agreement, as applicable.

Section 3.2 Non-Subleased or Leased Properties. Notwithstanding anything to the contrary herein, the parties hereto agree and acknowledge that there may be circumstances in which the parties hereto mutually agree that a formal lease or sublease will not be entered into in order to establish shared occupancy of a Property, in which case such occupancy shall be on the relevant terms and conditions set forth on Services Schedule and on arm's length terms to be mutually agreed by Parent and SpinCo.

Section 3.3 Transitional Nature of Services. The parties hereto acknowledge the transitional nature of the shared occupancy and services contemplated by the Services Schedule and agree to cooperate to use commercially reasonable efforts to provide for a formal separation as promptly as reasonably practicable and, in any event, by the deadline set forth in the column of the Services Schedule entitled "Exit Criteria". Specifically, the parties hereto acknowledge and agree that they intend to (and shall) discuss and negotiate, acting reasonably and in good faith, in order to reach agreement on long-term arrangements for each of the Properties. However, notwithstanding their good-faith efforts and reasonable negotiations, if the parties hereto are unable to come to agreement on the formal separation with respect to a Property by the deadline

set out above, then either party may, by delivering written notice to the other, require that the matter be referred to the Chief Financial Officers of both parties. In such event, the Chief Financial Officers shall use commercially reasonable efforts to determine the formal separation with respect to the Property, including having a meeting or telephone conference within ten (10) days thereafter. If the parties hereto are unable to agree upon a formal separation within fifteen (15) days after the matter is referred to the Chief Financial Officers as described above, the formal separation of the applicable Property shall be determined in accordance with Article VIII (Dispute Resolution) of the Separation Agreement. Notwithstanding the above, with respect to the Properties described on Exhibit 3 hereto, unless the parties agree otherwise, the long-term separation arrangements for such Properties shall be completed as described on such Exhibit 3.

Section 3.4 Service Extension. If, either (i) with respect to a Relevant Lease, notwithstanding the use of commercially reasonable efforts by SpinCo or Parent, as the case may be, to obtain the Lease Consent, the Landlord has not provided its Lease Consent by the deadline specified in the column of the Services Schedule entitled "Exit Criteria", but the Landlord has not formally and unconditionally refused its Lease Consent (as described in Section 2.8 herein), or (ii) the parties have agreed upon, but are continuing to implement the long-term arrangements for a Property (and have not completed the formal separation such that the extension of the services with respect to such Property is reasonably necessary), then, in either case, the duration of the services with respect to that Property may be extended for an additional three (3) months, at the request of either party (an "Extension Request"), and, for the avoidance of doubt, in such case, the Service Charges with respect to the services set forth on Exhibit 2 applicable to such relevant Property shall remain as set forth on Exhibit 2. Subject to the criteria in this Section 3.4 being met, each party may request up to two (2) Extension Requests per service set forth on the Services Schedule.

Section 3.5 Termination of Services. If the parties are able to come to agreement on the formal separation with respect to a Property prior to the deadline specified in the column of the Services Schedule entitled "Exit Criteria", then, unless otherwise agreed by the parties, the applicable services shall terminate upon the effectiveness of such early formal separation.

#### ARTICLE IV

##### MISCELLANEOUS

Section 4.1 Further Assurances. Each party hereto covenants and agrees that, without any additional consideration, it shall execute and deliver any further legal instruments and perform any acts that are or may become necessary to effectuate this Agreement.

Section 4.2 Notices. All notices, requests, claims, demands and other communications under this Agreement shall be in writing and shall be given or made (and shall be deemed to have been duly given or made upon receipt) by delivery in person, by overnight courier service, by facsimile or electronic transmission with receipt confirmed or by registered or certified mail (postage prepaid, return receipt requested) to the respective party hereto at the following addresses (or at such other address as shall be specified in a notice given in accordance with this Section 4.2):

If to Parent, to:

Bausch Health Companies Inc.  
2150 St. Elzéar Blvd. West  
Laval, Québec, Canada H7L 4A8  
Attention: General Counsel  
E-mail: [\*\*\*\*\*]

with a copy to:

Wachtell, Lipton, Rosen & Katz  
51 West 52nd Street  
New York, NY 10019  
Attention: Igor Kirman  
Mark F. Veblen

Facsimile: [\*\*\*\*\*]  
Email: [\*\*\*\*\*]

If to SpinCo, to:

Bausch + Lomb Corporation  
400 Somerset Corporate Blvd  
Bridgewater, NJ 08807 USA  
Attention: General Counsel  
E-mail: [\*\*\*\*\*]

with a copy to:

Wachtell, Lipton, Rosen & Katz  
51 West 52nd Street  
New York, New York 10019  
Attention: Igor Kirman  
Mark F. Veblen  
Facsimile: [\*\*\*\*\*]  
Email: [\*\*\*\*\*]

Either party hereto may, by notice to the other party hereto, change the address to which such notices are to be given.

Section 4.3 Severability. If any provision of this Agreement or the application thereof to any Person or circumstance is determined by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions hereof, or the application of such provision to Persons or circumstances or in jurisdictions other than those as to which it has been held invalid or unenforceable, shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby. Upon such determination, the parties hereto shall negotiate in good faith in an effort to agree upon such a suitable and equitable provision to effect the original intent of the parties hereto.

Section 4.4 Entire Agreement. This Agreement, the Separation Agreement, the other Ancillary Agreements and the Exhibits and Schedules referenced or attached hereto and thereto, constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and shall supersede all prior written and oral and all contemporaneous oral agreements and understandings with respect to the subject matter hereof.

Section 4.5 No Third-Party Beneficiaries. This Agreement is for the sole benefit of the parties hereto and their permitted successors and assigns, and nothing in this Agreement, express or implied, is intended to or shall confer upon any other Person, including any union or any employee or former employee of Parent or SpinCo, any legal or equitable right, benefit or remedy of any nature whatsoever, including any rights of employment for any specified period, under or by reason of this Agreement.

Section 4.6 Governing Law. This Agreement (and any claims or disputes arising out of or related hereto or thereto or to the transactions contemplated hereby and thereby or to the inducement of any party to enter herein and therein, whether for breach of contract, tortious conduct or otherwise and whether predicated on common law, statute or otherwise) shall be governed by and construed and interpreted in accordance with the Laws of the State of Delaware, irrespective of the choice of laws principles of the State of Delaware, including all matters of validity, construction, effect, enforceability, performance and remedies.

Section 4.7 Amendment. No provisions of this Agreement, including any Schedules to this Agreement, shall be deemed waived, amended, supplemented or modified by a party hereto, unless such waiver, amendment, supplement or modification is in writing and signed by the authorized representative of the party against whom it is sought to enforce such waiver, amendment, supplement or modification.

Section 4.8 Authority. Each of the parties hereto represents to the other that (a) it has the corporate or other requisite power and authority to execute, deliver and perform this Agreement, (b) the execution, delivery and performance of this Agreement by it have been duly authorized by all necessary corporate or other action, (c) it has duly and validly executed and delivered this Agreement, and (d) this Agreement is a legal, valid and binding obligation, enforceable against it in accordance with its terms subject to applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights generally and general equity principles.

Section 4.9 Rules of Construction. In this Agreement, (a) words in the singular shall be deemed to include the plural and vice versa and words of one gender shall be deemed to include the other genders as the context requires; (b) the terms "hereof," "herein," and "herewith" and words of similar import shall, unless otherwise stated, be construed to refer to this Agreement as a whole (including all of the Schedules, Exhibits and Appendices hereto) and not to any particular provision of this Agreement, (c) Article, Section, Schedule, Exhibit and Appendix references are to the Articles, Sections, Schedules, Exhibits and Appendices to this Agreement unless otherwise specified, (d) unless otherwise stated, all references to any agreement (including this Agreement) shall be deemed to include the exhibits, schedules and annexes (including all Schedules, Exhibits and Appendices) to such agreement, (e) the word "including" and words of similar import when used in this Agreement shall mean "including, without limitation," unless otherwise specified, (f)

the word "or" need not be exclusive; (g) unless otherwise specified in a particular case, the word "days" refers to calendar days; (h) references herein to this Agreement or any other agreement contemplated herein shall be deemed to refer to this Agreement or such other agreement as of the date on which it is executed and as it may be amended, modified or supplemented thereafter, unless otherwise specified; (i) unless expressly stated to the contrary in this Agreement, all references to "the date hereof," "the date of this Agreement" and words of similar import shall all be references to March 30, 2022; and (j) the word "extent" and the phrase "to the extent" shall mean the degree (if any) to which a subject or other thing extends, and such word or phrase shall not merely mean "if".

Section 4.10 Counterparts. This Agreement may be executed in one or more counterparts, all of which shall be considered one and the same agreement, and shall become effective when one or more counterparts have been signed by each of the parties hereto and delivered to the other party hereto.

Section 4.11 Assignability; Change of Control.

(a) This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns; provided that neither party hereto may assign its rights or delegate its obligations under this Agreement without the express prior written consent of the other party hereto. Notwithstanding the foregoing but subject to Section 4.11(b), no such consent shall be required for the assignment of a party's rights and obligations under this Agreement, the Separation Agreement and the other Ancillary Agreements (except as may be otherwise provided in any such other Ancillary Agreement) in whole (*i.e.*, the assignment of a party's rights and obligations under this Agreement, the Separation Agreement and all other Ancillary Agreements all at the same time) in connection with a change of control of a party hereto so long as the resulting, surviving or transferee Person assumes all the obligations of the relevant party thereto by operation of Law or pursuant to an agreement in form and substance reasonably satisfactory to the other Party.

(b) To the extent legally permissible, SpinCo shall notify Parent in writing at least ninety (90) calendar days prior to the completion of any SpinCo Change of Control. In the event of a SpinCo Change of Control, notwithstanding anything to the contrary herein, Parent shall be entitled to terminate this Agreement, in whole or in part, without any penalty, liability or further obligation with forty-five (45) calendar days' prior written notice to SpinCo, during which period any outstanding services will be unwound.

Section 4.12 Non-Recourse. No past, present or future director, officer, employee, incorporator, member, partner, shareholder, Affiliate, agent, attorney or representative of either Parent or SpinCo or their Affiliates shall have any liability for any obligations or liabilities of Parent or SpinCo, respectively, under this Agreement or for any claims based on, in respect of, or by reason of, the transactions contemplated by this Agreement.

Section 4.13 Mutual Drafting. This Agreement shall be deemed to be the joint work product of the parties and any rule of construction that a document shall be interpreted or construed against a drafter of such document shall not be applicable.

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Section 4.14 Ancillary Agreements. In the event of any conflict or inconsistency between the terms of this Agreement and the terms of the Separation Agreement, the terms of this Agreement shall control with respect to the subject matter addressed by this Agreement to the extent of such conflict or inconsistency. In the event of any conflict or inconsistency between the terms of this Agreement or the Separation Agreement, the Arrangement Agreement or any other Specified Ancillary Agreement, on the one hand, and any Transfer Document, on the other hand, including with respect to the allocation of Assets and Liabilities as among the parties or the members of their respective Groups, this Agreement, the Separation Agreement, the Arrangement Agreement, or such Specified Ancillary Agreement shall control.

*[The remainder of this page is intentionally left blank.]*



IN WITNESS WHEREOF, each of the parties hereto have caused this Real Estate Matters Agreement to be executed on its behalf by its officers thereunto duly authorized on the day and year first above written.

BAUSCH HEALTH COMPANIES INC.

By: /s/ Thomas J. Appio  
Name: Thomas J. Appio  
Title: Chief Executive Officer, Pharma Business

BAUSCH + LOMB CORPORATION

By: /s/ Joseph C. Papa  
Name: Joseph C. Papa  
Title: Chief Executive Officer

*[Signature Page to Real Estate Matters Agreement]*

## REDACTED

Certain identified information, indicated by [\*\*\*\*], has been excluded from the exhibit because it is both (i) not material and (ii) would likely cause competitive harm if publicly disclosed.

## REGISTRATION RIGHTS AGREEMENT

This REGISTRATION RIGHTS AGREEMENT, dated as of March 30, 2022 (this "Agreement"), is made by and between Bausch Health Companies Inc., a corporation continued under the laws of the Province of British Columbia, Canada ("Parent"), and Bausch + Lomb Corporation, a company incorporated under the laws of Canada ("SpinCo"). Unless otherwise defined in this Agreement, all capitalized terms used in this Agreement shall have the meaning set forth in the Master Separation Agreement, dated as of the date hereof, by and between Parent and SpinCo (as amended, modified or supplemented from time to time in accordance with its terms, the "Separation Agreement").

## WITNESSETH:

WHEREAS, SpinCo is presently a wholly-owned subsidiary of Parent;

WHEREAS, pursuant to the Separation Agreement, Parent will offer and sell to the public Initial Common Shares in an initial public offering (the "IPO"), immediately following which offering and sale Parent will own 80.1% or more of the outstanding Initial Common Shares;

WHEREAS, Parent currently intends to, after the IPO, effect the Distribution;

WHEREAS, Parent and SpinCo desire to enter into this Agreement to set forth the terms and conditions of the registration rights and obligations of Parent and SpinCo; and

WHEREAS, the Separation Agreement requires execution and delivery of this Agreement by Parent and SpinCo at or prior to the Separation Time.

NOW, THEREFORE, in consideration of the foregoing and the mutual agreements contained in this Agreement, Parent and SpinCo, intending to be legally bound, hereby agree as follows:

## Article I

## Definitions

Section 1.1 Definitions. As used in this Agreement, the following capitalized terms shall have the meanings ascribed to them below. Capitalized terms that are not defined in this Agreement shall have the meanings set forth in the Separation Agreement.

"Affiliate" shall mean, when used with respect to a specified Person, a Person that, directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with such specified Person. For the purpose of this definition, "control" (including, with correlative meanings, "controlled by" and "under common control with"), when used with respect to any specified Person, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities or other interests, by contract, agreement, obligation, indenture, instrument, lease, promise, arrangement, release, warranty, commitment, undertaking or otherwise. It is expressly agreed that, prior to, at and after the Separation Time, solely for purposes of the Separation Agreement, this Agreement and the other Ancillary Agreements, (a) no member of the SpinCo Group shall be deemed to be an Affiliate of any member of the Parent Group and (b) no member of the Parent Group shall be deemed to be an Affiliate of any member of the SpinCo Group.

"Agreement" shall have the meaning set forth in the Preamble.

"Article III Notice" shall have the meaning set forth in Section 3.1.

"Business Day" shall mean a day other than a Saturday, a Sunday or a day on which banking institutions located in Québec, Canada, Toronto, Ontario or New York, New York are authorized or obligated by Law or executive order to close.

"Canadian Long-Form Prospectus" means a prospectus prepared in accordance with the requirements of Canadian Securities Laws for an initial public offering of securities in Canada, or for any other offering of securities that is not eligible to use a Canadian Short-Form Prospectus, pursuant to National Instrument 41-101 – *General Prospectus Requirements* of the Canadian Securities Administrators, or any successor to that instrument.

"Canadian Prospectus" means a Canadian Long-Form Prospectus or a Canadian Short-Form Prospectus.

"Canadian Securities Authorities" means the Canadian securities authorities in each of the provinces or territories of Canada, and any of their successors.

"Canadian Securities Laws" means the applicable securities laws, regulations and rules of the provinces and territories of Canada, the forms and disclosure requirements made or promulgated under those laws, regulations or rules, the policy statements, rules, orders and companion policies of or administered by the Canadian Securities Authorities, and applicable discretionary rulings, blanket orders or orders issued by the Canadian Securities Authorities pursuant to such laws, regulations, rules and policy statements, all as amended and in effect from time to time.

"Canadian Shelf Prospectus" means a Canadian Short-Form Prospectus used to qualify a distribution of securities in Canada on a delayed or continuous basis, pursuant to National Instrument 44-102 – *Shelf Distributions* of the Canadian Securities Administrators, or any successor to that instrument.

"Canadian Short-Form Prospectus" means a prospectus prepared in accordance with the requirements of Canadian Securities Laws pursuant to rules and procedures that permit the incorporation by reference of previously filed Canadian continuous disclosure documents, pursuant to National Instrument 44-101 – *Short Form Prospectus Distributions* of the Canadian Securities Administrators, or any successor to that instrument, including, as applicable, a Canadian Shelf Prospectus and a Canadian Shelf Prospectus Supplement.

"Canadian Shelf Prospectus Supplement" means a shelf prospectus supplement prepared in accordance with National Instrument 44-102 – *Shelf Distributions* of the Canadian Securities Administrators, or any successor to that instrument, to supplement the disclosure of a Canadian Shelf Prospectus.

"Damages" shall have the meaning set forth in [Section 6.1](#).

"Demand Registration" shall have the meaning set forth in [Section 2.1](#).

"Demand Request" shall have the meaning set forth in [Section 2.1](#).

"Disclosure Package" shall mean, with respect to any offering of securities, (a) the preliminary Prospectus, (b) each Free Writing Prospectus (if any), (c) all other information prepared by or on behalf of SpinCo, in each case, that is deemed under Rule 159 promulgated under the Securities Act to have been conveyed to purchasers of securities at the time of sale of such securities (including a contract of sale), and (d) such other information or documents as may be required to be provided to purchasers of securities under applicable Canadian Securities Laws.

"Exchange Act" shall mean the U.S. Securities Exchange Act of 1934, as amended, together with the rules and regulations promulgated thereunder.

"Free Writing Prospectus" shall mean any "free writing prospectus" as defined in Rule 405 promulgated under the Securities Act.

"Governmental Authority" shall mean any nation or government, any state, municipality or other political subdivision thereof, and any entity, body, agency, commission, department, board, bureau, court, tribunal or other instrumentality, whether federal, state, local, domestic, foreign, multinational, supranational, territorial or provincial, exercising executive, legislative, judicial, regulatory, administrative or other similar functions of, or pertaining to, a government and any executive official thereof.

"Holder" shall mean any member of the Parent Group holding Registrable Securities.

"Holder Covered Persons" shall have the meaning set forth in [Section 6.1](#).

"Holder Free Writing Prospectus" shall mean each Free Writing Prospectus prepared by or on behalf of (unless prepared by SpinCo or on behalf of SpinCo) a Holder and used or referred to by such Holder in connection with the offering of Registrable Securities.

"Indemnified Party" shall have the meaning set forth in [Section 6.3](#).

"Indemnifying Party" shall have the meaning set forth in [Section 6.3](#).

"Initial Common Shares" shall mean the common shares of SpinCo (it being understood that, if the Initial Common Shares, as a class, shall be reclassified, exchanged or converted into another security (including as a result of a merger, consolidation or otherwise) or the right to receive such security, each reference to Initial Common Share in this Agreement shall refer to such other security into which the Initial Common Share was reclassified, exchanged or converted).

"IPCO" shall have the meaning set forth in the Recitals.

"Parent" shall have the meaning set forth in the Preamble.

"Parent Group" shall mean Parent and each Person that is a Subsidiary of Parent (other than SpinCo and any other member of the SpinCo Group).

"Parties" shall mean the parties to this Agreement.

"Person" shall mean an individual, a general or limited partnership, a corporation, a trust, a joint venture, an unincorporated organization, a limited liability entity, any other entity and any Governmental Authority.

"Piggy-back Registration" shall have the meaning set forth in Section 3.1.

"Prospectus" shall mean the prospectus included in any Registration Statement, as amended or supplemented by any prospectus supplement with respect to the terms of the offering of any portion of the Registrable Securities covered by such Registration Statement or any other amendments and supplements to such prospectus, including any preliminary prospectus, any pre-effective or post-effective amendment and all material incorporated by reference in any prospectus.

"Public Offering" shall have the meaning set forth in Section 3.1.

"Registrable Securities" shall mean Initial Common Shares, including Initial Common Shares issued or transferred or to be issued or transferred to any Holder pursuant to and in accordance with the Distribution and any other Initial Common Shares that may be acquired by any Holder. As to any particular Registrable Securities, once issued, such securities shall cease to be Registrable Securities when (a) a Registration Statement with respect to the sale of such securities shall have become effective under the Securities Act and such securities shall have been disposed of in accordance with such Registration Statement, (b) such securities shall have been sold to the public pursuant to Rule 144 (or any successor provision) under the Securities Act, (c) such securities shall have ceased to be outstanding, (d) such securities may be sold in the public market of the United States under Rule 144, without regard to the volume or manner of sale limitations of such rule, or (e) such securities shall have been disposed of in accordance with applicable Canadian Securities Laws and pursuant to a Canadian Prospectus or otherwise in accordance with available exemptions from the Canadian prospectus requirements; provided, that such securities shall only cease to constitute Registrable Securities in the case of this clause (e) if such securities also meet the requirements of any of clauses (a)-(d).

"Registration Expenses" shall have the meaning set forth in Section 5.1.

"Registration Statement" shall mean any registration statement of SpinCo that covers Registrable Securities pursuant to the provisions of this Agreement, all amendments and supplements to such registration statement, including post-effective amendments, and all exhibits and all material incorporated by reference in such registration statement.

"Rule 144" shall have the meaning set forth in Section 7.1.

"SEC" shall mean the U.S. Securities and Exchange Commission.

"Securities Act" shall mean the U.S. Securities Act of 1933, as amended, together with the rules and regulations promulgated thereunder.

"Selling Shareholders" shall have the meaning set forth in Section 3.2.

"Separation Agreement" shall have the meaning set forth in the Recitals.

"Shelf Registration" means a registration of the Registrable Securities under a Registration Statement or Canadian Shelf Prospectus of SpinCo for an offering to be made on a delayed or continuous basis of Initial Common Shares pursuant to Rule 415 under the Securities Act (or any successor or similar rule) and applicable Canadian Securities Laws.

"SpinCo" shall have the meaning set forth in the Preamble.

"SpinCo Covered Person" shall have the meaning set forth in Section 6.2.

"SpinCo Free Writing Prospectus" shall mean each Free Writing Prospectus prepared by or on behalf of SpinCo.

"SpinCo Group" shall mean (a) prior to the Separation Time, SpinCo and each Person that will be a Subsidiary of SpinCo immediately after the Separation Time, including the Transferred Entities and their respective Subsidiaries, even if, prior to the Separation Time, such Person is not a Subsidiary of SpinCo, and (b) on and after the Separation Time, SpinCo and each Person that is a Subsidiary of SpinCo.

"Underwritten Takedown" shall have the meaning set forth in Section 2.1(b).

## **Article II Demand Registrations**

### Section 2.1 Requests for Registration

(a) Subject to the provisions of this Article II, any Holder or group of Holders may at any time make a written request (a "Demand Request") for (i) registration under the Securities Act on Form S-1 or any similar long-form registration statement of all or any portion of its Registrable Securities and/or the filing of a Canadian Prospectus under applicable Canadian Securities Laws with respect to Registrable Securities or (ii) if the Company is then eligible to use Form S-3 or a Canadian Shelf Prospectus, a Shelf Registration of all or any portion of its Registrable Securities, as the case may be, in accordance with registration requirements under the Securities Act and/or applicable Canadian Securities Laws (a "Demand Registration"). Such Demand Requests shall specify the amount of Registrable Securities to be registered and/or qualified for issue and sale, the intended method or methods of disposition and the jurisdiction(s) in which such registration is to take place. SpinCo shall, subject to the provisions of this Article II and to the Holders' compliance with their obligations under the

provisions of this Agreement, use its commercially reasonable efforts to, as applicable, file with the SEC a Registration Statement registering all Registrable Securities included in such Demand Request, and/or file with, and obtain a receipt (if applicable) from, the applicable Canadian Securities Authorities a Canadian Prospectus with respect to all Registrable Securities included in such Demand Request, for disposition in accordance with the intended method or methods set forth therein as promptly as possible following receipt of a Demand Request; provided, that if the managing underwriter(s) for a Demand Registration in which Registrable Securities are proposed to be included pursuant to this Article II that involves an underwritten offering shall advise SpinCo that, in its reasonable opinion, the number of Registrable Securities to be sold is greater than the amount that can be offered without adversely affecting the success of the offering (taking into consideration the interests of SpinCo and the Holders), then SpinCo will be entitled to reduce the number of Registrable Securities included in such registration to the number that, in the opinion of the managing underwriter(s), can be sold without having the adverse effect referred to above; provided, further, that in the event of such a reduction in the number of Registrable Securities included in such registration, the number of Registrable Securities registered shall be allocated in the following priority: first, pro rata among the Holders participating in the Demand Registration, based on the number of Registrable Securities included by such Holder in the Demand Request; second, Initial Common Shares proposed to be registered for offer and sale by SpinCo; and third, Initial Common Shares proposed to be registered pursuant to any piggy-back registration rights of security holders of SpinCo other than any Holder. SpinCo shall (A) use its commercially reasonable efforts to cause such Registration Statement to be declared effective as soon as practicable after filing and to remain effective until the earlier of (1) ninety (90) days following the date on which it was declared effective and (2) the date on which all of the Registrable Securities covered thereby are disposed of in accordance with the method or methods of disposition stated therein and (B) with respect to a Demand Registration that relates to the filing of a Canadian Prospectus, from the period beginning on the date of a receipt obtained from the applicable Canadian Securities Authority until the completion of the distribution of all Registrable Securities covered by the Demand Request (or the closing date of the offering of such Registrable Securities thereunder, if later), comply with applicable Canadian Securities Laws, and prepare and file promptly any prospectus or marketing material amendment which, in the opinion of SpinCo, acting reasonably, may be necessary or advisable for the distribution of such Registrable Securities, and will otherwise comply with all legal requirements and take all actions necessary or advisable, and will otherwise comply with all legal requirements and take all actions necessary to continue to qualify such Registrable Securities for distribution in the applicable provinces and territories of Canada for as long as may be necessary to complete the distribution of such Registrable Securities.

(b) Notwithstanding the provisions of Section 2.1(a), Demand Registrations shall be Shelf Registrations whenever SpinCo is permitted to use any applicable short form Registration Statement on Form S-3 or Canadian Shelf Prospectus. SpinCo shall use its commercially reasonable efforts to promptly file the Canadian Shelf Prospectus in accordance with applicable Canadian Securities Laws and cause the Shelf Registration to be declared effective under the Securities Act as soon as reasonably practicable after the filing thereof and SpinCo shall use its commercially reasonable efforts to keep such shelf registration continuously effective following such registration until three (3) years after the registration statement is declared effective. Any Holder or group of Holders may request an underwritten offering using such Shelf Registration (an "Underwritten Takedown"), and any such request shall be deemed a

Demand Registration. The provisions of Section 2.1(a) shall apply *mutatis mutandis* to each Underwritten Takedown, with references to "filing of the Registration Statement" or such Registration Statement being declared "effective" being deemed references to filing of a prospectus or supplement for such offering and references to "registration" being deemed references to the offering, provided, that any Holder or group of Holders participating in the Underwritten Takedown shall only include any Holder or group of Holders whose Registrable Securities are included in such Shelf Registration or may be included therein without the need for a post-effective amendment to such Shelf Registration (other than an automatically effective amendment).

Section 2.2 Limitations on Demand Registration Requests

(a) Notwithstanding anything in this Article II to the contrary, SpinCo shall not be obligated to effect a Demand Registration, other than a Shelf Registration but including an Underwritten Takedown, (i) unless the aggregate proceeds expected to be received from the sale of the Registrable Securities requested to be included in such Demand Registration equals or exceeds \$50,000,000 or such lesser amount that constitutes all of such Holder's Registrable Securities, (ii) if a Piggy-back Registration had been available to any Holder within the ninety (90) days preceding the date of the Demand Request, (iii) within sixty (60) days after the effective date of a previous registration effected with respect to the Registrable Securities pursuant to Section 2.1 or (iv) during any period (not to exceed one hundred eighty days (180) days) (in case of IPO or otherwise 90 days) following the closing of the completion of an offering of securities by SpinCo if such Demand Registration would cause SpinCo to breach a "lock-up" or similar provision contained in the underwriting agreement for such offering. Furthermore, SpinCo shall not be obligated to effect more than four (4) Demand Registrations in any twelve (12)-month period.

(b) At any time prior to the effective date of the registration statement or the filing of a prospectus statement relating to such registration, the Holder making such Demand Registration may revoke such request, without liability to any of the other Holders, by providing a notice to SpinCo revoking such request. A request, so revoked, shall be considered to be a Demand Registration unless (i) such revocation arose out of the fault of the SpinCo (in which case SpinCo shall be obligated to pay all Registration Expenses in connection with such revoked request) or (ii) the Holder making such Demand Request reimburses the Company for all Registration Expenses (other than the expenses set forth under clause (f) of the definition of the term Registration Expenses) of such revoked request.

Section 2.3 Suspension of Registration. Notwithstanding the foregoing, if in the good faith judgment of the Board of Directors of SpinCo it would be materially detrimental to SpinCo and its shareholders for any Registration Statement or Canadian Prospectus to be filed or continued to be used or for any Registration Statement, Prospectus or Canadian Prospectus to be amended or supplemented because such filing, continued use, amendment or supplement would (a) require disclosure of material nonpublic information, the disclosure of which would be reasonably likely to materially and adversely affect SpinCo and its subsidiaries, taken as a whole, or (b) materially interfere with any existing or prospective business transaction or negotiation involving SpinCo, SpinCo shall have the right to suspend the use of the applicable Registration Statement and/or Canadian Prospectus or delay delivery or filing, but not the preparation, of the



applicable Registration Statement, Prospectus, Canadian Prospectus or any document incorporated therein by reference, in each case for a reasonable period of time, provided, however, that SpinCo shall not be able to exercise such suspension right more than twice in each twelve (12)-month period aggregating not more than one hundred twenty (120) days in such twelve (12)-month period. In the event that the ability of the Holders to sell shall be suspended for any reason, the period of such suspension shall not count towards compliance with the ninety (90)-day period referred to in clause (i) of Section 2.1(a).

**Article III**  
**Piggy-back Registrations**

Section 3.1 Right to Include Registrable Securities. If at any time SpinCo proposes to register (including for this purpose a registration effected by SpinCo for security holders of SpinCo other than any Holder) securities that may include any Initial Common Shares and to file a Registration Statement or Canadian Prospectus with respect thereto under the Securities Act and applicable Canadian Securities Laws, whether or not for sale for its own account (other than pursuant to a registration statement on Form S-4, Form S-8 or any successor or similar forms), in a manner that would permit registration or the offer and sale of Registrable Securities for resale to the public under (a) an effective Registration Statement under the Securities Act, (b) a Canadian Prospectus or (c) a combination of (a) and (b) (a "Public Offering"), SpinCo will at each such time promptly give written notice to the Holders of (i) its intention to do so, (ii) the form of registration statement of the SEC and Canadian Prospectus, as applicable, that has been selected by SpinCo and (iii) the rights of Holders under this Article III (the "Article III Notice"). SpinCo will include in any Public Offering all Registrable Securities that SpinCo is requested in writing, within seven (7) days after the date the Article III Notice is delivered by SpinCo, to register by the Holders thereof (each, a "Piggy-back Registration"); provided, however, that (A) if, at any time after giving the Article III Notice and prior to the effective date of the Registration Statement or the filing of a Canadian Prospectus filed in connection therewith, SpinCo shall determine to abandon such Public Offering, SpinCo may give written notice of such determination to all Holders who so requested registration, and thereafter SpinCo shall be relieved of its obligation to register or offer for sale any Registrable Securities in connection with such abandoned Public Offering (without prejudice to the other rights of Holders under this Article III), and (B) SpinCo shall be permitted to delay such Public Offering for the same period and under the same circumstances as set forth in Section 2.3. No Piggy-back Registration effected by SpinCo under this Article III shall relieve SpinCo of its obligations to effect Demand Registrations under Article II, except as otherwise set forth in Section 2.2.

Section 3.2 Priority, Registration Form. If the managing underwriter(s) for a Piggy-back Registration that involves an underwritten offering shall advise SpinCo in good faith that, in its opinion, the number of Initial Common Shares to be sold for the account of persons other than SpinCo (collectively, "Selling Shareholders") is greater than the amount that can be offered without adversely affecting the success of the offering (taking into consideration the interests of SpinCo and the Holders), then the number of Initial Common Shares to be sold for the account of Selling Shareholders (including Holders) may be reduced to a number that, in the reasonable opinion of the managing underwriter(s), may reasonably be sold without having the adverse effect referred to above. The reduced number of Initial Common Shares that may be registered in such Public Offering shall be allocated in the following priority: first, to Initial Common

Shares proposed to be registered for offer and sale by SpinCo; second, to Initial Common Shares proposed to be registered pursuant to any demand registration rights of security holders of SpinCo other than any Holder; and third, to Registrable Securities proposed to be registered by Holders as a Piggy-back Registration. If the number of Registrable Securities proposed to be registered by Holders as a Piggy-back Registration is reduced pursuant to this Section 3.2, such Registrable Securities included in the Registration Statement and/or qualified for issue and sale by the Canadian Prospectus shall be allocated pro rata among the Holders participating in the Piggy-back Registration based on the number of Registrable Securities beneficially owned by the respective Holders. If, as a result of the proration provisions of this Section 3.2, any Holder shall not be entitled to include all Registrable Securities in a registration pursuant to this Article III that such Holder has requested be included, such Holder may elect to withdraw its Registrable Securities from such registration.

#### **Article IV Registration Procedures**

Section 4.1 Use Commercially Reasonable Efforts. In connection with SpinCo's registration obligations pursuant to Article II and Article III, SpinCo shall use its commercially reasonable efforts to effect such registrations to permit the sale of such Registrable Securities in accordance with the intended method or methods of disposition thereof and pursuant thereto SpinCo shall as expeditiously as reasonably practicable, and as applicable:

(a) prepare and file with the SEC a Registration Statement or Registration Statements relating to the registration on any appropriate form under the Securities Act, and to cause such Registration Statement to become effective as soon as reasonably practicable and to remain continuously effective for the time period required by this Agreement to the extent permitted under the Securities Act;

(b) prepare and file with the applicable Canadian Securities Authorities a Canadian Prospectus (and obtain a receipt therefor from the applicable Canadian Securities Authorities) or file a Canadian Shelf Prospectus Supplement in accordance with applicable Canadian Securities Laws, and take all actions necessary to continue to qualify such Registrable Securities for distribution in the applicable provinces and territories of Canada as long as may be necessary to complete the distribution of such Registrable Securities;

(c) except in the case of a Shelf Registration effected on Form S-3 or pursuant to a Canadian Shelf Prospectus, prepare and file with the SEC, as applicable, such amendments and post-effective amendments to each Registration Statement as may be necessary to keep such Registration Statement effective for the time period required by this Agreement; cause the Registration Statement, the related Prospectus and the Canadian Prospectus, as applicable, to be supplemented by any required Prospectus supplement or supplement to such Canadian Prospectus, and as so supplemented to be filed in accordance with the Securities Act, applicable Canadian Securities Laws and any rules and regulations promulgated thereunder; and otherwise comply with the provisions of the Securities Act and applicable Canadian Securities Laws as may be necessary to facilitate the disposition of all Registrable Securities covered by such Registration Statement and/or Canadian Prospectus during the applicable period in accordance with the intended method or methods of disposition by the selling Holders thereof set forth in such Registration Statement, Prospectus, Prospectus supplement, Canadian Prospectus or supplement to such Canadian Prospectus;

(d) in the case of a Shelf Registration effected on Form S-3 or pursuant to a Canadian Shelf Prospectus, prepare and file with the SEC and the applicable Canadian Securities Authorities such amendments and supplements to such Registration Statement and the Prospectus used in connection with such Registration Statement, and, as applicable, to such Canadian Shelf Prospectus or Canadian Shelf Prospectus Supplement as may be necessary to keep such Registration Statement and Canadian Shelf Prospectus or Canadian Shelf Prospectus Supplement effective and to comply with the provisions of the Securities Act and applicable Canadian Securities Laws with respect to the disposition of all Registrable Securities subject thereto for a period ending on the earlier of (i) thirty-six (36) months after the effective date of such Registration Statement plus the number of days that any filing or effectiveness has been delayed under Section 2.3 and (ii) the date on which all the Registrable Securities subject thereto have been sold pursuant to such Registration Statement. Prior to the expiration of any Canadian Shelf Prospectus, unless otherwise directed by the selling Holders, SpinCo shall use commercially reasonable efforts to renew such Canadian Shelf Prospectus such that SpinCo shall at all relevant times required to comply with this Section 4.1(d) have an effective Canadian Shelf Prospectus with sufficient capacity to qualify the distribution of all the applicable Registrable Securities, subject to Section 2.3.

(e) notify the selling Holders and the managing underwriter(s), if any, promptly if at any time (i) any Prospectus, Registration Statement, Canadian Prospectus or amendment or supplement thereto is filed, (ii) any Registration Statement, or any post-effective amendment thereto, becomes effective, (iii) the SEC, a Canadian securities Authority or any other Governmental Authority requests any amendment or supplement to, or any additional information in respect of, any Registration Statement, Prospectus, Canadian Prospectus or Canadian Shelf Prospectus, (iv) the SEC, a Canadian Securities Authority or any other Governmental Authority issues any stop order suspending the effectiveness of a Registration Statement, Canadian Prospectus or initiates any proceedings for that purpose, (v) SpinCo receives any notice that the qualification of any Registrable Securities for sale in any jurisdiction has been suspended or that any proceeding has been initiated for the purpose of suspending such qualification, (vi) upon the discovery of any event which requires that any changes be made in such Registration Statement or any related Prospectus or any Canadian Prospectus so that such Registration Statement, Prospectus or Canadian Prospectus will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading, in light of the circumstances under which they were made (provided, however, that, in the case of this subclause (vi), such notice need only state that an event of such nature has occurred, without describing such event), (vii) of the determination by counsel of SpinCo that a post-effective amendment to a Registration Statement or Canadian Prospectus (including any amendment or supplement thereto) is advisable or (viii) if, at any time, the representations and warranties of SpinCo in any applicable underwriting agreement cease to be true and correct in all material respects. SpinCo hereby agrees to promptly reimburse any selling Holders for any reasonable out-of-pocket losses and expenses incurred in connection with any uncompleted sale of any Registrable Securities in the event that SpinCo fails to timely notify such Holder that the Registration Statement then on file with the SEC, or the Canadian Prospectus (including any amendment or supplement thereto) as filed with a Canadian Securities Authority, is no longer effective or qualifying the distribution of Registrable Securities, as applicable;

(f) make every reasonable effort to obtain the withdrawal of any order suspending the effectiveness of a Registration Statement or Canadian Prospectus (or any amendment or supplement thereto), or the qualification of any Registrable Securities for sale in any jurisdiction, at the earliest reasonably practicable time;

(g) if requested by the managing underwriter(s) or any Holder of Registrable Securities being sold in connection with an underwritten offering, incorporate into a Prospectus, or a supplement or a post-effective amendment to the Registration Statement, or into an amendment or supplement to a Canadian Prospectus any information that the managing underwriter(s), such Holder and SpinCo reasonably agree is required to be included therein relating to such sale of Registrable Securities; and file such supplement or amendment as soon as practicable in accordance with the Securities Act, applicable Canadian Securities Laws and the rules and regulations promulgated thereunder;

(h) upon the written request of a Holder or managing underwriter, if any, furnish to such Persons, one signed copy of the Registration Statement or Registration Statements, any SpinCo Free Writing Prospectus, or any Canadian Prospectus (and any amendments or supplements thereto) and any post-effective amendment thereto, including all financial statements and schedules thereto, all documents incorporated therein by reference and all exhibits thereto (including exhibits incorporated by reference) as promptly as practicable after filing such documents with the SEC and the Canadian Securities Authorities, as applicable;

(i) upon the written request of a Holder or managing underwriter, if any, deliver to such Persons, as many copies of the Prospectus or Prospectuses (including each preliminary Prospectus), or any Canadian Prospectus or Prospectuses and any amendment, supplement or exhibit thereto as such Persons may reasonably request; and consent to the use of such Prospectus, Canadian Prospectus or any amendment, supplement or exhibit thereto by each such selling Holder and underwriter, if any, in connection with the offering and sale of the Registrable Securities covered by such Prospectus, Canadian Prospectus, amendment, supplement or exhibit, in each case, in accordance with the intended method or methods of disposition thereof;

(j) prior to any public offering of Registrable Securities, register or qualify, or cooperate with the selling Holders, the underwriter(s), if any, and their respective counsel in connection with the registration or qualification of, such Registrable Securities for offer and sale under the securities or blue sky laws of such jurisdictions as may be requested by the Holders of a majority of the Registrable Securities included in such Registration Statement; keep each such registration or qualification effective during the period that the applicable Registration Statement is required to be maintained effective under this Agreement; and do any and all other acts or things necessary to enable the disposition in such jurisdictions of the Registrable Securities covered by such Registration Statement; provided, however, that SpinCo will not be required to qualify generally to do business in any jurisdiction where it is not then so qualified or to take any action that would subject it to general service of process in any jurisdiction where it is not then so subject;

(k) furnish to counsel selected by the Holders, prior to the filing of a Registration Statement, Prospectus, Canadian Prospectus or any supplement or post-effective amendment or any SpinCo Free Writing Prospectus thereto with the SEC and the applicable Canadian Securities Authorities, copies of such documents and with a reasonable and appropriate opportunity to review and comment on such documents, subject to such documents being under SpinCo's control;

(l) cooperate with the selling Holders and the underwriter(s), if any, in the preparation and delivery of certificates representing the Registrable Securities to be sold, such certificates to be in such denominations and registered in such names as such selling Holders or underwriter(s) may request at least five (5) Business Days prior to any sale of Registrable Securities represented by such certificates;

(m) subject to Section 4.3, upon the occurrence of any event described in Section 4.1(e)(vi), promptly prepare and file a supplement or post-effective amendment to the applicable Registration Statement, Prospectus, Canadian Prospectus or any supplement or amendment thereto, or any document incorporated therein by reference, and any other required documents, so that such Registration Statement, Prospectus, Canadian Prospectus, any amendment or supplement thereto, will not thereafter contain an untrue statement of a material fact or omit to state any material fact necessary to make the statements therein not misleading, in light of the circumstances under which they were made, and to cause such supplement or post-effective amendment to become effective as soon as practicable;

(n) take all other actions in connection therewith as are reasonably necessary or desirable to expedite or facilitate the disposition of the Registrable Securities included in such Registration Statement or Canadian Prospectus and, in the case of an underwritten offering: (i) enter into an underwriting agreement in customary form with the managing underwriter(s) (such agreement to contain standard and customary indemnities, representations, warranties and other agreements of or from SpinCo, as the case may be); (ii) obtain opinions of counsel to SpinCo (which, if reasonably acceptable to the underwriter(s), may be SpinCo's inside counsel) addressed to the underwriter(s), such opinions to be in customary form; and (iii) obtain "comfort" letters from SpinCo's independent certified public accountants addressed to the underwriter(s), such letters to be in customary form;

(o) with respect to each SpinCo Free Writing Prospectus or other materials to be included in the Disclosure Package, ensure that no Registrable Securities be sold "by means of" (as defined in Rule 159A(b) promulgated under the Securities Act) such SpinCo Free Writing Prospectus or other materials without the Holders whose Registrable Securities are being registered having first been provided with a reasonable opportunity to review and comment on such documents;

(p) within the deadlines specified by the Securities Act, make all required filings of all Prospectuses and SpinCo Free Writing Prospectuses with the SEC;

(q) within the deadlines specified under applicable Canadian Securities Laws, make all required filings of any Canadian Prospectus or any amendment or supplement thereto with the applicable Canadian Securities Authorities;

(r) make available for inspection by any selling Holder of Registrable Securities, any underwriter(s) participating in any disposition pursuant to such Registration Statement, and any attorney, accountant or other agent retained by any such selling Holder or underwriter(s) all reasonably requested financial and other records, pertinent corporate documents and properties of SpinCo; and cause SpinCo's officers, directors, employees, attorneys and independent accountants to supply all information reasonably requested by any such selling Holders, underwriter(s), attorneys, accountants or agents in connection with such Registration Statement (each selling Holder of Registrable Securities agrees, on its own behalf and on behalf of all its underwriter(s), accountants, attorneys and agents, that the information obtained by it as a result of such inspections shall be kept confidential by it and, except as required by law, not disclosed by it, in each case, unless and until such information is made generally available to the public other than by such selling Holder; and each selling Holder of Registrable Securities further agrees, on its own behalf and on behalf of all its underwriter(s), accountants, attorneys and agents, that it will, upon learning that disclosure of such information is sought in a court of competent jurisdiction, promptly give notice to SpinCo and allow SpinCo at its expense, to undertake appropriate action to prevent disclosure of the information deemed confidential);

(s) in the case of underwritten offerings, consider in good faith any reasonable request of the selling Holders and underwriters for the participation of management of SpinCo in "road shows" and similar sales events during normal business hours, upon reasonable notice and in a manner that does not unreasonably interfere with the operations of SpinCo's business;

(t) reasonably cooperate with the selling Holders and each underwriter or agent participating in the disposition of such Registrable Securities and their respective counsel, in connection with any filings required to be made with the Financial Industry Regulatory Authority or any similar authority in Canada;

(u) cause all Registrable Securities covered by the applicable Registration Statement to be listed on each securities exchange on which Initial Common Shares are then listed or quoted; and

(v) take all other customary steps reasonably necessary to effect the registration or to qualify for the offer and sale of the Registrable Securities contemplated hereby.

Section 4.2 Holder's Obligation to Furnish Information. SpinCo may require each Holder of Registrable Securities as to which any registration is being effected to furnish to SpinCo such information regarding the distribution of such Registrable Securities, and other customary certifications and agreements, as SpinCo may from time to time reasonably request in writing.

Section 4.3 Suspension of Sales Pending Amendment of Prospectus. Each Holder shall, upon receipt of any notice from SpinCo of the happening of any event of the kind described in clauses (iii) through (vi) of Section 4.1(e), suspend the disposition of any Registrable Securities covered by such Registration Statement, Prospectus, Canadian Prospectus (or any amendment or supplement thereto), until such Holder's receipt of the copies of a supplemented or amended Prospectus or supplemented or amended Canadian Prospectus or until

it is advised in writing by SpinCo that the use of the applicable Prospectus or Canadian Prospectus may be resumed, and, if so directed by SpinCo such Holder will deliver to SpinCo all copies, other than permanent file copies, then in such Holder's possession of any Prospectus or Canadian Prospectus covering such Registrable Securities. If SpinCo shall have given any such notice during a period when a Demand Registration is in effect, the ninety (90)-day period referred to in clause (i) of Section 2.1(a) shall be extended by the number of days of such suspension period.

**Article V**  
**Registration Expenses**

Section 5.1 Registration Expenses. Except as otherwise expressly provided herein to the contrary, all reasonable and documented expenses incident to SpinCo's performance of or compliance with its obligations under this Agreement, including without limitation all (a) registration and filing fees, (b) fees and expenses of compliance with securities or blue sky laws, (c) expenses in connection with the preparation, printing, mailing and delivery of any Registration Statements, Prospectuses or Canadian Prospectuses and other documents in connection therewith and any amendments or supplements thereto, (d) fees and disbursements of its counsel and its independent certified public accountants (including the expenses of any special audit or "comfort" letters required by or incident to such performance or compliance), (e) fees and disbursements of one counsel for the selling Holders, (f) internal expenses of the SpinCo Group (including all salaries and expenses of its officers and employees performing legal or accounting duties), (g) securities acts liability insurance (if SpinCo elects to obtain such insurance) and (h) the expenses and fees for listing securities to be registered on any securities exchange, shall be borne by SpinCo (all such expenses being herein referred to as "Registration Expenses"); provided, however, that Registration Expenses shall not include any underwriting discounts or commissions or transfer taxes, which underwriting discounts or commissions and transfer taxes shall in all cases be borne solely by the Holders.

**Article VI**  
**Indemnification**

Section 6.1 Indemnification by SpinCo. In the event of any registration of any securities of SpinCo under the Securities Act pursuant to Article II or Article III, SpinCo will indemnify and hold harmless each selling Holder of any Registrable Securities covered by such Registration Statement, its directors, officers and agents and each other Person, if any, who controls such selling Holder within the meaning of Section 15 of the Securities Act (each such selling Holder and such other Persons, collectively, "Holder Covered Persons"), against any and all out-of-pocket losses, claims, damages, liabilities and expenses (including reasonable attorneys' fees and expenses) (collectively, "Damages") actually and as incurred by such Holder Covered Person under the Securities Act, common law or otherwise, to the extent that such Damages (or actions or proceedings in respect thereof) arise out of or result from (a) any untrue statement or alleged untrue statement of a material fact contained in the Disclosure Package, any Registration Statement, Prospectus, Canadian Prospectus or in any amendment or supplement thereto, under which such securities were registered under the Securities Act or qualified for offer and sale under applicable Canadian Securities Laws or the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements

therein, in light of the circumstances under which they were made, not misleading, or (b) any untrue statement or alleged untrue statement of a material fact contained in any preliminary Prospectus or preliminary Canadian Prospectus, together with the documents incorporated by reference therein (as amended or supplemented if SpinCo shall have filed with the SEC or applicable Canadian Securities Authorities any amendment thereof or supplement thereto), if used prior to the effective date of such Registration Statement or prior to the filing of a final Canadian Prospectus (including a final Canadian Shelf Prospectus Supplement, as applicable), or contained in the Prospectus or the Canadian Prospectus, together with the documents incorporated by reference therein (as amended or supplemented if SpinCo shall have filed with the SEC or applicable Canadian Securities Authorities any amendment thereof or supplement thereto), or the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; provided, however, that SpinCo shall not be liable to any Holder Covered Person in any such case to the extent that any such Damage (or action or proceeding in respect thereof) arises out of or relates to any untrue statement or alleged untrue statement or omission or alleged omission made in such Registration Statement, Canadian Prospectus or amendment thereof or supplement thereto or in any such preliminary, final or summary Prospectus or Canadian Prospectus in reliance upon and in conformity with written information furnished to SpinCo by or on behalf of any such Holder Covered Person specifically for use in the preparation thereof.

Section 6.2 Indemnification by the Selling Holders. Each Holder selling Registrable Securities in any Registration Statement or Canadian Prospectus filed pursuant to Article II or Article III will indemnify and hold harmless, severally and not jointly, SpinCo, its directors, officers and agents and each Person controlling SpinCo within the meaning of Section 15 of the Securities Act (each, an "SpinCo Covered Person") against any and all Damages actually and as incurred by such SpinCo Covered Person under the Securities Act, applicable Canadian Securities Laws, common law or otherwise, to the extent that such Damages (or actions or proceedings in respect thereof) arise out of or result from any statement or alleged statement in or omission or alleged omission from the Disclosure Package, such Registration Statement, any preliminary, final or summary Prospectus or Canadian Prospectus contained therein, any Holder Free Writing Prospectus for such Holder or any amendment or supplement thereto, if such statement or alleged statement or omission or alleged omission was made in reliance upon and in conformity with written information furnished to SpinCo or its representatives in writing by or on behalf of any selling Holder specifically for use in the preparation of such Disclosure Package, Registration Statement, preliminary, final or summary Prospectus or Canadian Prospectus, Holder Free Writing Prospectus or amendment or supplement thereto. In no event shall the liability of any Holder hereunder be greater than the net proceeds received by such Holder under the sale of the Registrable Securities giving rise to such indemnification obligation. Such indemnity shall remain in full force and effect regardless of any investigation made by or on behalf of SpinCo or any of its directors, officers, agents or controlling Persons. SpinCo may require as a condition to its including Registrable Securities in any Registration Statement or Canadian Prospectus filed hereunder that each such selling Holder acknowledge its agreement to be bound by the provisions of this Agreement (including this Article VI) applicable to it.



Section 6.3 Notices of Claims. Promptly after receipt by a Holder Covered Person or a SpinCo Covered Person (each, an “Indemnified Party”) of written notice of the commencement of any action or proceeding with respect to which a claim for indemnification may be made pursuant to this Article VI, such Indemnified Party will, if a claim in respect thereof is to be made against, respectively, SpinCo, on the one hand, or any selling Holder, on the other hand (such Person or Persons, the “Indemnifying Party”), give written notice to the latter of the commencement of such action; provided, however, that the failure of any Indemnified Party to give notice as provided herein shall not relieve the Indemnifying Party of its or their obligations under this Article VI, except to the extent that the Indemnifying Party is actually materially prejudiced by such failure to give notice, and in no event shall such failure relieve the Indemnifying Party from any other liability that it may have to such Indemnified Party. If any such claim or action shall be brought against an Indemnified Party, and it shall notify the Indemnifying Party thereof in accordance with this Section 6.3, the Indemnifying Party shall be entitled to participate therein, and, to the extent that it wishes, to assume the defense thereof with counsel reasonably satisfactory to the Indemnified Party, and after notice from the Indemnifying Party to such Indemnified Party of its election to assume the defense thereof, the Indemnifying Party shall not be liable to such Indemnified Party under this Article VI for any legal or other expenses subsequently incurred by such Indemnified Party in connection with the defense thereof, other than reasonable cost of investigation; provided, further, that if, in the Indemnified Party’s reasonable judgment, a conflict of interest between the Indemnified Party and the Indemnifying Party exists in respect of such claim, then such Indemnified Party shall have the right to participate in the defense of such claim and to employ one firm of attorneys at the Indemnifying Party’s expense to represent such Indemnified Party. No Indemnified Party will consent to entry of any judgment or enter into any settlement without the Indemnifying Party’s written consent to such judgment or settlement, which shall not be unreasonably withheld, conditioned or delayed. No Indemnifying Party shall, without the prior written consent of the Indemnified Party, consent to entry of any judgment or enter into any settlement in respect of which the Indemnified Party is or could have been a party and indemnity could have been sought hereunder by such Indemnified Party, unless such settlement includes an unconditional release of such Indemnified Party from all liability arising out of such claim or proceeding.

Section 6.4 Contribution. If the indemnification provided for in this Article VI is unavailable or insufficient to hold harmless an Indemnified Party under this Article VI, then each Indemnifying Party shall have a several and not joint obligation to contribute to the amount paid or payable by such Indemnified Party as a result of the Damages referred to in this Article VI in such proportion as is appropriate to reflect the relative fault of the Indemnifying Party, on the one hand, and the Indemnified Party, on the other hand, in connection with the offering that resulted in such Damages, as well as any other relevant equitable considerations. The relative fault shall be determined by reference to, among other things, whether an untrue or alleged untrue statement of a material fact or an omission or alleged omission to state a material fact relates to information supplied by the Indemnifying Party or the Indemnified Party and the parties’ relative intent, knowledge, access to information and opportunity to correct or prevent such untrue statements or omission. Notwithstanding anything in this Section 6.4 to the contrary, no Holder shall be required to contribute any amount pursuant to this Section 6.4 in excess of the amount by which (a) the net proceeds received by such Holder from the sale of Registrable Securities in the offering to which the misstatement or omission relates exceeds, and (b) the amount of any Damages that such Holder has otherwise been required to pay by reason of such misstatement or omission. SpinCo and the Holders agree that it would not be just and equitable if contributions pursuant to this Section 6.4 were to be determined by pro rata

allocation or by any other method of allocation that does not take account of the equitable considerations referred to in this [Section 6.4](#). The amount paid by an Indemnified Party as a result of the Damages referred to in the first sentence of this [Section 6.4](#) shall be deemed to include any legal or other expenses reasonably incurred by such Indemnified Party in connection with investigating or defending any action or claim (which shall be limited as provided in [Section 6.3](#) if the Indemnifying Party has assumed the defense of any such action in accordance with the provisions thereof) that is the subject of this [Section 6.4](#). No Person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any Person who was not guilty of such fraudulent misrepresentation. Promptly after receipt by an Indemnified Party under this [Section 6.4](#) of notice of the commencement of any action against such party in respect of which a claim for contribution may be made against an Indemnifying Party under this [Section 6.4](#), such Indemnified Party shall notify the Indemnifying Party in writing of the commencement thereof if the notice specified in [Section 6.3](#) has not been given with respect to such action; provided, however, that the failure of any Indemnified Party to give notice as provided herein shall not relieve the Indemnifying Party of its or their obligations under this [Article VI](#), except to the extent that the Indemnifying Party is actually materially prejudiced by such failure to give notice, and in no event shall such failure relieve the Indemnifying Party from any other liability that it may have to such Indemnified Party.

**Article VII**  
**Rule 144**

Section 7.1 [Rule 144](#). SpinCo shall file the reports required to be filed by it under the Securities Act, the Exchange Act, applicable Canadian Securities Laws and the rules and regulations promulgated thereunder, so long as it is subject to such reporting requirements, all to the extent required from time to time to enable the Holders to sell Registrable Securities without registration under the Securities Act within the limits of the exemptions provided by Rule 144 (or any successor or similar provision) of the Securities Act ("[Rule 144](#)") and applicable Canadian Securities Laws. Upon the request of a Holder, SpinCo shall deliver to such Holder a written statement stating whether it has complied with such requirements and will take such further action as such Holder may reasonably request, all to the extent required from time to time to enable such Holder to sell Registrable Securities without registration under the Securities Act within the limits of the exemptions provided by Rule 144 and applicable Canadian Securities Laws.

**Article VIII**  
**Underwritten Registrations**

Section 8.1 [Selection of Underwriter\(s\)](#). In each registration under [Article II](#) or [Article III](#), the underwriter or underwriters and managing underwriter or managing underwriters that will administer the offering shall be selected by the Holders of a majority in aggregate amount of Registrable Securities included in such offering; provided, that such underwriter or underwriters and managing underwriter or managing underwriters shall also be approved by SpinCo, such approval not to be unreasonably withheld, conditioned or delayed.

Section 8.2 Agreements of Selling Holders. No Holder shall sell any of its Registrable Securities in any underwritten offering pursuant to a registration hereunder, unless such Holder (a) agrees to sell such Registrable Securities on a basis provided in any underwriting agreement in customary form, including the making of customary representations, warranties and indemnities and (b) completes and executes all questionnaires, powers of attorney, indemnities, underwriting agreements and other documents required under the terms of such underwriting agreements or as reasonably requested by SpinCo (whether or not such offering is underwritten).

**Article IX**  
**Holdback Agreements**

Section 9.1 Restrictions on Public Sales by Holders. To the extent not inconsistent with applicable law, each Holder that is timely notified in writing by the managing underwriter(s) or underwriter(s) shall not effect any public sale or distribution (including a sale pursuant to Rule 144 or under an available prospectus exemption pursuant to applicable Canadian Securities Laws) of any securities of SpinCo of the same class or series being registered in an underwritten offering (other than pursuant to an employee stock option, stock purchase, stock bonus or similar plan, or pursuant to a merger, exchange offer, plans of arrangement or transaction of the type specified in Rule 145(a) under the Securities Act or equivalent under applicable Canadian Securities Laws) or any securities of SpinCo convertible into or exchangeable or exercisable for securities of the same class or series, during the seven (7)-day period prior to the effective date of the applicable Registration Statement, if such date is known, or during the period beginning on such effective date and ending either (a) sixty (60) days after such effective date or (b) any such earlier date as may be requested by the managing underwriter(s) or underwriter(s) of such registration, except as part of such registration.

**Article X**  
**Representations and Warranties**

Section 10.1 Representations and Warranties of the Parties. SpinCo and Parent hereby represent and warrant to each other as follows:

(a) The execution, delivery and performance by such party of this Agreement and the consummation by such party of the transactions contemplated by this Agreement are within its corporate powers and have been duly authorized by all necessary corporate (or similar) action on its part. This Agreement constitutes a legal, valid and binding agreement of such party enforceable against it in accordance with its terms, subject, as to enforcement, to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar laws of general applicability relating to or affecting creditor's rights and to general equity principles (it being understood that such exception shall not in itself be construed to mean that this Agreement is not enforceable in accordance with its terms).

(b) The execution, delivery or performance of this Agreement by such party and the consummation by it of the transactions contemplated hereby do not and will not contravene or conflict with such party's certificate of incorporation, bylaws or similar governing documents, or conflict with, result in a breach or constitute a default under any statute, loan agreement, mortgage, indenture, deed or other agreement to which it is a party or to which any of its properties is subject, except in each case as would not reasonably be expected to have a material adverse effect on such party.

**Article XI**  
**Effectiveness and Termination**

Section 11.1 Effectiveness. This Agreement shall take effect on the date hereof and shall remain in effect until it is terminated pursuant to Section 11.2.

Section 11.2 Termination. Other than the termination provisions applicable to particular Sections of this Agreement that are specifically provided elsewhere in this Agreement, this Agreement shall terminate upon the earliest to occur of: (a) the mutual written agreement of each of the parties hereto to terminate this Agreement and (b) the date on which no Registrable Securities shall remain outstanding.

**Article XII**  
**Miscellaneous**

Section 12.1 Interpretation. In this Agreement, (a) words in the singular shall be deemed to include the plural and vice versa and words of one gender shall be deemed to include the other genders as the context requires; (b) the terms "hereof," "herein," and "herewith" and words of similar import shall, unless otherwise stated, be construed to refer to this Agreement as a whole (including all of the schedules, exhibits and appendices hereto and thereto) and not to any particular provision of this Agreement; (c) Article, Section, schedule, exhibit and appendix references are to the Articles, Sections, schedules, exhibits and appendices to this Agreement unless otherwise specified; (d) unless otherwise stated, all references to any agreement (including this Agreement) shall be deemed to include the exhibits, schedules and annexes (including all schedules, exhibits and appendices) to such agreement; (e) the word "including" and words of similar import when used in this Agreement shall mean "including, without limitation," unless otherwise specified; (f) the word "or" need not be exclusive; (g) unless otherwise specified in a particular case, the word "days" refers to calendar days; (h) references herein to this Agreement or any other agreement contemplated herein shall be deemed to refer to this Agreement or such other agreement as of the date on which it is executed and as it may be amended, modified or supplemented thereafter, unless otherwise specified; (i) unless expressly stated to the contrary in this Agreement, all references to "the date hereof," "the date of this Agreement," and words of similar import shall all be references to March 30, 2022; and (j) the word "extent" and the phrase "to the extent" shall mean the degree (if any) to which a subject or other thing extends, and such word or phrase shall not merely mean "if".

Section 12.2 Amendments and Waivers. No provisions of this Agreement shall be deemed waived, amended, supplemented or modified by a Party, unless such waiver, amendment, supplement or modification is in writing and signed by the authorized representative of the Party against whom it is sought to enforce such waiver, amendment, supplement or modification.

Section 12.3 Assignability. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns; provided, however, that neither Party may assign its rights or delegate its obligations under this Agreement without the express prior written consent of the other Party. Notwithstanding the foregoing, no such consent shall be required for the assignment of a Party's rights and obligations under the Separation Agreement, this Agreement and the other Ancillary Agreements (except as may be otherwise provided in any such other Ancillary Agreement) in whole (*i.e.*, the assignment of a Party's rights and obligations under the Separation Agreement, this Agreement and all other Ancillary Agreements all at the same time) in connection with a change of control of a Party so long as the resulting, surviving or transferee Person assumes all the obligations of the relevant Party thereto by operation of Law or pursuant to an agreement in form and substance reasonably satisfactory to the other Party.

Section 12.4 Third-Party Beneficiaries. Except for the indemnification rights under this Agreement of any Holder Covered Person or SpinCo Covered Person in their respective capacities as such, (a) the provisions of this Agreement are solely for the benefit of the Parties and are not intended to confer upon any Person, except the Parties any rights or remedies hereunder, and (b) there are no third-party beneficiaries of this Agreement and this Agreement shall not provide any third person with any remedy, claim, liability, reimbursement, claim of action or other right in excess of those existing without reference to this Agreement.

Section 12.5 Entire Agreement. The Separation Agreement, this Agreement, the other Ancillary Agreements and the exhibits, schedules and appendices hereto and thereto contain the entire agreement between the Parties with respect to the subject matter hereof, supersede all previous agreements, negotiations, discussions, writings, understandings, commitments and conversations with respect to such subject matter, and there are no agreements or understandings between the Parties other than those set forth or referred to herein or therein. The Separation Agreement, this Agreement and the other Ancillary Agreements together govern the arrangements in connection with the Transactions and would not have been entered independently.

Section 12.6 Notices. All notices, requests, claims, demands or other communications under this Agreement shall be in writing and shall be given or made (and shall be deemed to have been duly given or made upon receipt) by delivery in person, by overnight courier service, or by facsimile or electronic transmission with receipt confirmed, to the respective Parties at the following addresses (or at such other address for a Party as shall be specified in a notice given in accordance with this Section 12.6).

If to Parent, to:

Bausch Health Companies Inc.  
2150 St. Elzéar Blvd. West  
Laval, Québec, Canada H7L 4A8  
Attention: General Counsel  
E-mail: [\*\*\*\*\*]

with a copy to:

Wachtell, Lipton, Rosen & Katz  
51 West 52nd Street  
New York, New York 10019  
Attention: Igor Kirman  
Mark F. Veblen

Facsimile: [\*\*\*\*\*]  
Email: [\*\*\*\*\*]

If to SpinCo, to:

Bausch + Lomb Corporation  
400 Somerset Corporate Blvd  
Bridgewater, NJ 08807, USA  
Attention: General Counsel  
E-mail: [\*\*\*\*\*]

with a copy to:

Wachtell, Lipton, Rosen & Katz  
51 West 52nd Street  
New York, New York 10019  
Attention: Igor Kirman  
Mark F. Veblen

Facsimile: [\*\*\*\*\*]  
Email: [\*\*\*\*\*]

A Party may, by notice to the other Party, change the address to which such notices are to be given.

Section 12.7 Survival. The representations and warranties made herein shall survive through the term of this Agreement.

Section 12.8 Severability. If any provision of this Agreement or the application thereof to any Person or circumstance is determined by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions hereof, or the application of such provision to Persons or circumstances or in jurisdictions other than those as to which it has been held invalid or unenforceable, shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby. Upon such determination, the Parties shall negotiate in good faith in an effort to agree upon such a suitable and equitable provision to effect the original intent of the Parties.

Section 12.9 Governing Law. This Agreement (and any claims or disputes arising out of or related hereto or to the transactions contemplated hereby or to the inducement of any Party to enter herein, whether for breach of contract, tortious conduct or otherwise and whether predicated on common law, statute or otherwise) shall be governed by and construed and interpreted in accordance with the Laws of the State of Delaware irrespective of the choice of laws principles of the State of Delaware, including all matters of validity, construction, effect, enforceability, performance and remedies. Each Party agrees that all actions or proceedings arising out of or in connection with this Agreement, or for recognition and enforcement of any judgment arising out of or in connection with this Agreement, shall be determined exclusively in the state or federal courts in the State of Delaware, and each Party hereby irrevocably submits with regard to any such action or proceeding for itself and with respect to its property, generally and unconditionally, to the exclusive jurisdiction of the aforesaid courts. Each Party hereby expressly waives any right it may have to assert, and agrees not to assert, by way of motion, as a defense, counterclaim or otherwise, in any such action or proceeding: (a) any claim that it is not subject to personal jurisdiction in the aforesaid courts for any reason; (b) that it or its property is exempt or immune from jurisdiction of any such court or from any legal process commenced in such courts; and (c) that (i) any of the aforesaid courts is an inconvenient or inappropriate forum for such action or proceeding, (ii) venue is not proper in any of the aforesaid court, and (iii) this Agreement, or the subject matter hereof, may not be enforced in or by any of the aforesaid courts.

Section 12.10 Counterparts. This Agreement may be executed in one or more counterparts, all of which shall be considered one and the same agreement, and shall become effective when one or more counterparts have been signed by each of the Parties and delivered to the other Party. Each Party acknowledges that it and each other Party may execute this Agreement by facsimile, stamp or mechanical signature, and that delivery of an executed counterpart of a signature page to this Agreement (whether executed by manual, stamp or mechanical signature) by facsimile or by e-mail in portable document format (PDF) shall be effective as delivery of such executed counterpart of this Agreement. Each Party expressly adopts and confirms each such facsimile, stamp or mechanical signature (regardless of whether delivered in person, by mail, by courier, by facsimile or by e-mail in portable document format (PDF)) made in its respective name as if it were a manual signature delivered in person, agrees that it will not assert that any such signature or delivery is not adequate to bind such Party to the same extent as if it were signed manually and delivered in person and agrees that, at the reasonable request of the other Party at any time, it will as promptly as reasonably practicable cause this Agreement to be manually executed (any such execution to be as of the date of the initial date thereof) and delivered in person, by mail or by courier.

Section 12.11 Specific Performance. In the event of any actual or threatened default in, or breach of, any of the terms, conditions and provisions of this Agreement, the Party or Parties who are, or are to be, thereby aggrieved shall have the right to specific performance and injunctive or other equitable relief in respect of its or their rights under this Agreement, in addition to any and all other rights and remedies at law or in equity, and all such rights and remedies shall be cumulative. The Parties agree that the remedies at law for any breach or threatened breach, including monetary damages, are inadequate compensation for any loss and that any defense in any Action for specific performance that a remedy at law would be adequate is waived. Any requirements for the securing or posting of any bond with such remedy are waived by each of the Parties.

Section 12.12 Waivers of Default. Waiver by a Party of any default by the other Party of any provision of this Agreement shall not be deemed a waiver by the waiving Party of any subsequent or other default, nor shall it prejudice the rights of the other Party. No failure or delay by a Party in exercising any right, power or privilege under this Agreement shall operate as a waiver thereof, nor shall a single or partial exercise thereof prejudice any other or further exercise thereof or the exercise of any other right, power or privilege.

Section 12.13 Headings. The article, section and paragraph headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

Section 12.14 Mutual Drafting. This Agreement shall be deemed to be the joint work product of the Parties and any rule of construction that a document shall be interpreted or construed against a drafter of such document shall not be applicable.

Section 12.16 Ancillary Agreements. In the event of any conflict or inconsistency between the terms of this Agreement and the terms of the Separation Agreement, the terms of this Agreement shall control with respect to the subject matter addressed by this Agreement to the extent of such conflict or inconsistency. In the event of any conflict or inconsistency between the terms of this Agreement or the Separation Agreement, the Arrangement Agreement or any other Specified Ancillary Agreement, on the one hand, and any Transfer Document, on the other hand, including with respect to the allocation of Assets and Liabilities as among the Parties or the members of their respective Groups, this Agreement, the Separation Agreement, the Arrangement Agreement or such Specified Ancillary Agreement shall control.

*[Remainder of page left intentionally blank]*



IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as of the date set forth above.

BAUSCH HEALTH COMPANIES INC.

By: /s/ Thomas J. Appio  
Name: Thomas J. Appio  
Title: Chief Executive Officer, Pharma Business

BAUSCH + LOMB CORPORATION

By: /s/ Joseph C. Papa  
Name: Joseph C. Papa  
Title: Chief Executive Officer

*[Signature Page to Registration Rights Agreement]*