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

FORM 10-Q

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

For the Quarterly Period Ended September 30, 2013

OR

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

For the transition period from _____ to _____

Commission File Number: 001-14956

VALEANT PHARMACEUTICALS INTERNATIONAL, INC.
(Exact name of registrant as specified in its charter)

British Columbia, Canada (State or other jurisdiction of incorporation or organization)	**98-0448205** (I.R.S. Employer Identification No.)
2150 St. Elzéar Blvd. West, Laval, Quebec (Address of principal executive offices)	**H7L 4A8** (Zip Code)

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

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

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

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

Large accelerated filer ☒	Accelerated filer ☐	Non-accelerated filer ☐ (Do not check if a smaller reporting company)	Smaller reporting company ☐

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

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Common shares, no par value — 333,889,863 shares issued and outstanding as of October 29, 2013.

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VALEANT PHARMACEUTICALS INTERNATIONAL, INC.
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Introductory Note

Except where the context otherwise requires, all references in this Quarterly Report on Form 10-Q (this "Form 10-Q") to the "Company", "we", "us", "our" or similar words or phrases are to Valeant Pharmaceuticals International, Inc. and its subsidiaries.

In this Form 10-Q, references to "$" and "US$" are to United States ("U.S.") dollars, references to "€" are to Euros, references to "R$" are to Brazilian real, references to "MXN$" are to Mexican peso and references to "¥" are to Japanese yen.

Forward-Looking Statements

Caution regarding forward-looking information and statements and "Safe-Harbor" statements under the U.S. Private Securities Litigation Reform Act of 1995:

To the extent any statements made in this Form 10-Q contain information that is not historical, these statements are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and may be forward-looking information within the meaning defined under applicable Canadian securities legislation (collectively, "forward-looking statements").

These forward-looking statements relate to, among other things: the expected benefits of our acquisitions and other transactions, such as cost savings, operating synergies and growth potential of the Company; business plans and prospects, prospective products or product approvals, future performance or results of current and anticipated products; exposure to foreign currency exchange rate changes and interest rate changes; the outcome of contingencies, such as certain litigation and regulatory proceedings; general market conditions; and our expectations regarding our financial performance, including revenues, expenses, gross margins, liquidity and income taxes.

Forward-looking statements can generally be identified by the use of words such as "believe", "anticipate", "expect", "intend", "estimate", "plan", "continue", "will", "may", "could", "would", "target", "potential" and other similar expressions. In addition, any statements that refer to expectations, projections or other characterizations of future events or circumstances are forward-looking statements. These forward-looking statements may not be appropriate for other purposes. Although we have indicated above certain of these statements set out herein, all of the statements in this Form 10-Q that contain forward-looking statements are qualified by these cautionary statements. Although we believe that the expectations reflected in such forward-looking statements are reasonable, such statements involve risks and uncertainties, and undue reliance should not be placed on such statements. Certain material factors or assumptions are applied in making forward-looking statements, including, but not limited to, factors and assumptions regarding the items outlined above. Actual results may differ materially from those expressed or implied in such statements. Important factors that could cause actual results to differ materially from these expectations include, among other things, the following:

- *the challenges and difficulties associated with managing the rapid growth of our Company and a large, complex business;*
- *the introduction of generic competitors of our brand products;*
- *the introduction of products that compete against our products that do not have patent or data exclusivity rights, which products represent a significant portion of our revenues;*
- *our ability to compete against companies that are larger and have greater financial, technical and human resources than we do, as well as other competitive factors, such as technological advances achieved, patents obtained and new products introduced by our competitors;*
- *our ability to identify, acquire, close and integrate acquisition targets successfully and on a timely basis;*
- *factors relating to the integration of the companies, businesses and products acquired by the Company (including the integration relating to our recent acquisitions of Bausch & Lomb Holdings Incorporated ("B&L"), Medicis Pharmaceutical Corporation ("Medicis"), and Obagi Medical Products, Inc.), such as the time and resources required to integrate such companies, businesses and products, the difficulties associated with such integrations (including potential disruptions in sales activities and potential challenges with information technology systems integrations), the difficulties and challenges associated with entering into new business areas and new geographic markets, the difficulties, challenges and costs associated with managing and integrating new facilities, equipment and other assets, and the achievement of the anticipated benefits from such integrations;*

- *factors relating to our ability to achieve all of the estimated synergies from our acquisitions, including from our recent acquisition of B&L (which we anticipate will be greater than $850 million) and our recent acquisition of Medicis (which we anticipate will be approximately $300 million) as a result of cost-rationalization and integration initiatives. These factors may include greater than expected operating costs, the difficulty in eliminating certain duplicative costs, facilities and functions, and the outcome of many operational and strategic decisions, some of which have not yet been made;*
- *our ability to secure and maintain third party research, development, manufacturing, marketing or distribution arrangements;*
- *our eligibility for benefits under tax treaties and the continued availability of low effective tax rates for the business profits of certain of our subsidiaries;*
- *our substantial debt and debt service obligations and their impact on our financial condition and results of operations;*
- *our future cash flow, our ability to service and repay our existing debt and our ability to raise additional funds, if needed, in light of our current and projected levels of operations, acquisition activity and general economic conditions;*
- *interest rate risks associated with our floating debt borrowings;*
- *the risks associated with the international scope of our operations, including our presence in emerging markets and the challenges we face when entering new geographic markets (including the challenges created by new and different regulatory regimes in such countries);*
- *adverse global economic conditions and credit market and foreign currency exchange uncertainty in the countries in which we do business;*
- *economic factors over which the Company has no control, including changes in inflation, interest rates, foreign currency rates, and the potential effect of such factors on revenues, expenses and resulting margins;*
- *our ability to retain, motivate and recruit executives and other key employees;*
- *the outcome of legal proceedings, investigations and regulatory proceedings;*
- *the risk that our products could cause, or be alleged to cause, personal injury, leading to potential lawsuits and/or withdrawals of products from the market;*
- *the difficulty in predicting the expense, timing and outcome within our legal and regulatory environment, including, but not limited to, the U.S. Food and Drug Administration, Health Canada and European, Asian, Brazilian and Australian regulatory approvals, legal and regulatory proceedings and settlements thereof, the protection afforded by our patents and other intellectual and proprietary property, successful generic challenges to our products and infringement or alleged infringement of the intellectual property of others;*
- *the results of continuing safety and efficacy studies by industry and government agencies;*
- *the availability and extent to which our products are reimbursed by government authorities and other third party payors, as well as the impact of obtaining or maintaining such reimbursement on the price of our products;*
- *the inclusion of our products on formularies or our ability to achieve favorable formulary status, as well as the impact on the price of our products in connection therewith;*
- *the impact of price control restrictions on our products, including the risk of mandated price reductions;*
- *the success of preclinical and clinical trials for our drug development pipeline or delays in clinical trials that adversely impact the timely commercialization of our pipeline products, as well as factors impacting the commercial success of our currently marketed products, which could lead to material impairment charges;*
- *the results of management reviews of our research and development portfolio, conducted periodically and in connection with certain acquisitions, the decisions from which could result in terminations of specific projects which, in turn, could lead to material impairment charges;*
- *the uncertainties associated with the acquisition and launch of new products, including, but not limited to, the acceptance and demand for new pharmaceutical products, and the impact of competitive products and pricing;*
- *our ability to obtain components, raw materials or finished products supplied by third parties and other manufacturing and supply difficulties and delays;*

- *the disruption of delivery of our products and the routine flow of manufactured goods;*
- *the seasonality of sales of certain of our products;*
- *declines in the pricing and sales volume of certain of our products that are distributed by third parties, over which we have no or limited control;*
- *compliance with, or the failure to comply with, health care "fraud and abuse" laws and other extensive regulation of our marketing, promotional and pricing practices, worldwide anti-bribery laws (including the U.S. Foreign Corrupt Practices Act), worldwide environmental laws and regulation and privacy and security regulations;*
- *the impacts of the Patient Protection and Affordable Care Act and other legislative and regulatory healthcare reforms in the countries in which we operate; and*
- *other risks detailed from time to time in our filings with the U.S. Securities and Exchange Commission (the "SEC") and the Canadian Securities Administrators (the "CSA"), as well as our ability to anticipate and manage the risks associated with the foregoing.*

Additional information about these factors and about the material factors or assumptions underlying such forward-looking statements may be found under Item 1A. of Part II of the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2013, under Item 1A. "Risk Factors" of the Company's Annual Report on Form 10-K for the year ended December 31, 2012, and in the Company's other filings with the SEC and CSA. We caution that the foregoing list of important factors that may affect future results is not exhaustive. When relying on our forward-looking statements to make decisions with respect to the Company, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. These forward-looking statements speak only as of the date made. We undertake no obligation to update any of these forward-looking statements to reflect events or circumstances after the date of this Form 10-Q or to reflect actual outcomes.

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

VALEANT PHARMACEUTICALS INTERNATIONAL, INC.
CONSOLIDATED BALANCE SHEETS
(All dollar amounts expressed in thousands of U.S. dollars)
(Unaudited)

	As of September 30, 2013	As of December 31, 2012
Assets		
Current assets:		
Cash and cash equivalents	$ 596,347	$ 916,091
Accounts receivable, net	1,643,148	913,835
Inventories, net	1,076,088	531,256
Prepaid expenses and other current assets	257,389	130,279
Assets held for sale	53,457	90,983
Deferred tax assets, net	221,934	195,007
Total current assets	3,848,363	2,777,451
Property, plant and equipment, net	1,221,606	462,724
Intangible assets, net	13,090,339	9,308,669
Goodwill	9,742,003	5,141,366
Deferred tax assets, net	60,121	76,422
Other long-term assets, net	241,952	183,747
Total assets	$ 28,204,384	$ 17,950,379
Liabilities		
Current liabilities:		
Accounts payable	$ 412,943	$ 227,384
Accrued liabilities and other current liabilities	1,889,460	1,008,224
Acquisition-related contingent consideration	125,524	102,559
Current portion of long-term debt	360,964	480,182
Deferred tax liabilities, net	64,191	4,403
Total current liabilities	2,853,082	1,822,752
Acquisition-related contingent consideration	255,513	352,523
Long-term debt	17,043,750	10,535,443
Pension and other benefit liabilities	230,978	5,325
Liabilities for uncertain tax positions	159,673	103,658
Deferred tax liabilities, net	2,436,219	1,248,312
Other long-term liabilities	163,979	164,968
Total liabilities	23,143,194	14,232,981
Commitments and contingencies (note 19)		
Equity		
Common shares, no par value, unlimited shares authorized, 332,757,906 and 303,861,272 issued and outstanding at September 30, 2013 and December 31, 2012, respectively	8,260,010	5,940,652
Additional paid-in capital	251,654	267,118
Accumulated deficit	(3,402,294)	(2,370,976)
Accumulated other comprehensive loss	(160,257)	(119,396)
Total Valeant Pharmaceuticals International, Inc. shareholders' equity	4,949,113	3,717,398
Noncontrolling interest	112,077	—
Total equity	5,061,190	3,717,398
Total liabilities and equity	$ 28,204,384	$ 17,950,379

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

VALEANT PHARMACEUTICALS INTERNATIONAL, INC.
CONSOLIDATED STATEMENTS OF (LOSS) INCOME
(All dollar amounts expressed in thousands of U.S. dollars, except per share data)
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2013	**2012**	**2013**	**2012**
Revenues				
Product sales	$ 1,506,421	$ 852,747	$ 3,608,801	$ 2,346,599
Alliance and royalty	16,471	12,248	39,651	148,348
Service and other	18,839	19,145	57,396	65,386
	1,541,731	884,140	3,705,848	2,560,333
Expenses				
Cost of goods sold (exclusive of amortization and impairments of finite-lived intangible assets shown separately below)	560,855	216,494	1,128,942	633,618
Cost of alliance and service revenues	14,353	13,758	44,241	118,237
Selling, general and administrative	355,637	188,660	854,909	551,386
Research and development	49,009	19,170	97,273	58,887
Amortization and impairments of finite-lived intangible assets (see Note 10)	910,248	218,187	1,540,021	629,400
Restructuring, integration and other costs	295,890	42,872	398,540	135,213
In-process research and development impairments and other charges	123,981	145,300	128,811	149,868
Acquisition-related costs	8,650	4,605	24,428	25,977
Legal settlements and related fees	149,601	—	155,173	56,779
Acquisition-related contingent consideration	(34,995)	5,630	(33,511)	23,198
	2,433,229	854,676	4,338,827	2,382,563
Operating (loss) income	(891,498)	29,464	(632,979)	177,770
Interest income	2,686	1,156	5,336	3,299
Interest expense	(249,306)	(116,042)	(581,414)	(318,681)
Loss on extinguishment of debt	(8,161)	(2,322)	(29,540)	(2,455)
Foreign exchange and other	5,079	(1,603)	(3,564)	18,458
Gain on investments, net	—	—	5,822	2,024
Loss before recovery of income taxes	(1,141,200)	(89,347)	(1,236,339)	(119,585)
Recovery of income taxes	(169,225)	(96,992)	(247,700)	(92,702)
Net (loss) income	(971,975)	7,645	(988,639)	(26,883)
Less: Net income attributable to noncontrolling interest	1,268	—	1,268	—
Net (loss) income attributable to Valeant Pharmaceuticals International, Inc.	$ (973,243)	$ 7,645	$ (989,907)	$ (26,883)
(Loss) earnings per share attributable to Valeant Pharmaceuticals International, Inc.:				
Basic	$ (2.92)	$ 0.03	$ (3.13)	$ (0.09)
Diluted	$ (2.92)	$ 0.02	$ (3.13)	$ (0.09)
Weighted-average common shares (000s)				
Basic	333,643	304,075	316,462	305,550
Diluted	333,643	311,743	316,462	305,550

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

VALEANT PHARMACEUTICALS INTERNATIONAL, INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE (LOSS) INCOME
(All dollar amounts expressed in thousands of U.S. dollars)
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2013	**2012**	**2013**	**2012**
Net (loss) income	$ (971,975)	$ 7,645	$ (988,639)	$ (26,883)
Other comprehensive income (loss)				
Foreign currency translation adjustment	183,063	114,178	(41,063)	107,531
Unrealized holding gain on auction rate securities:				
Reclassification to net (loss) income	—	—	(1)	—
Net unrealized holding gain (loss) on available-for-sale equity securities:				
Arising in period	—	—	3,584	—
Reclassification to net (loss) income	—	—	(3,963)	(1,634)
Net unrealized holding gain (loss) on available-for-sale debt securities:				
Arising in period	—	—	—	7
Reclassification to net (loss) income	—	—	—	197
Pension adjustment	(5)	400	(4)	199
Other comprehensive income (loss)	183,058	114,578	(41,447)	106,300
Comprehensive (loss) income	(788,917)	122,223	(1,030,086)	79,417
Less: Comprehensive income attributable to noncontrolling interest	682	—	682	—
Comprehensive (loss) income attributable to Valeant Pharmaceuticals International, Inc.	$ (789,599)	$ 122,223	$ (1,030,768)	$ 79,417

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

VALEANT PHARMACEUTICALS INTERNATIONAL, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(All dollar amounts expressed in thousands of U.S. dollars)
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2013	2012	2013	2012
Cash Flows From Operating Activities				
Net (loss) income	$ (971,975)	$ 7,645	$ (988,639)	$ (26,883)
Adjustments to reconcile net (loss) income to net cash provided by operating activities:				
Depreciation and amortization, including impairments of finite-lived intangible assets	945,956	235,311	1,605,255	672,759
Amortization and write-off of debt discounts and debt issuance costs	27,572	8,979	70,498	14,335
In-process research and development impairments and other charges	123,981	145,300	128,811	149,868
Acquisition accounting adjustment on inventory sold	149,400	6,009	219,159	49,401
Loss on disposal of assets	625	229	625	10,780
Acquisition-related contingent consideration	(34,995)	5,630	(33,511)	23,198
Allowances for losses on accounts receivable and inventories	16,120	6,833	36,690	12,936
Deferred income taxes	(185,611)	(107,093)	(286,186)	(127,802)
Additions to accrued legal settlements	149,601	—	155,173	56,779
Payments of accrued legal settlements	(150)	(37,739)	(14,698)	(39,551)
Share-based compensation	16,000	18,547	32,476	52,855
Tax benefits from stock options exercised	(32,179)	(2,367)	(48,628)	(5,842)
Foreign exchange (gain) loss	(5,408)	356	3,358	(21,909)
Gain on sale of marketable securities	—	—	(5,822)	(2,024)
Loss on extinguishment of debt	8,161	2,322	29,540	2,455
Payment of accreted interest on contingent consideration	(3,347)	(552)	(6,219)	(1,450)
Other	(4,778)	(7,867)	(7,422)	(15,540)
Changes in operating assets and liabilities:				
Accounts receivable	52,961	(182,646)	(81,041)	(189,249)
Inventories	(46,150)	(9,787)	(105,058)	(61,300)
Prepaid expenses and other current assets	49,786	(6,324)	55,018	(9,457)
Accounts payable, accrued liabilities and other liabilities	(53,858)	84,041	2,710	44,300
Net cash provided by operating activities	201,712	166,827	762,089	588,659
Cash Flows From Investing Activities				
Acquisition of businesses, net of cash acquired	(4,439,325)	(245,367)	(5,190,385)	(972,199)
Acquisition of intangible assets and other assets	(4,852)	(6,305)	(38,068)	(8,865)
Purchases of property, plant and equipment	(24,932)	(57,069)	(51,735)	(81,786)
Proceeds from sales and maturities of marketable securities	—	—	17,020	9,412
Purchases of marketable securities and other investments	—	—	—	(7,200)
Proceeds from sale of assets	—	10,717	27,430	76,967
Increase in restricted cash	—	628	—	(8,245)
Net cash used in investing activities	(4,469,109)	(297,396)	(5,235,738)	(991,916)
Cash Flows From Financing Activities				
Issuance of long-term debt, net of discount	7,165,121	122,295	7,505,121	1,408,705
Repayments of long-term debt	(4,781,025)	(31,063)	(5,385,768)	(461,056)
Short-term debt borrowings	4,764	8,930	23,406	28,530
Short-term debt repayments	(25,258)	(4,820)	(37,530)	(26,402)
Issuance of common stock, net	(1,370)	—	2,269,880	—
Repurchases of convertible debt	—	—	—	(3,975)
Repurchases of common shares	—	—	(55,629)	(280,724)
Proceeds from exercise of stock options	2,538	5,209	7,109	12,228
Tax benefits from stock options exercised	32,179	2,367	48,628	5,842
Payments of employee withholding tax upon vesting of share-based awards	(14,387)	(7,376)	(35,918)	(21,110)
Cash settlement of convertible debt	—	(62,086)	—	(62,086)
Payments of contingent consideration	(15,130)	(18,826)	(98,069)	(79,844)
Distributions to noncontrolling interest	(2,101)	—	(2,101)	—
Payments of debt issuance costs	(46,853)	(22,562)	(80,489)	(25,104)
Net cash provided by (used in) financing activities	2,318,478	(7,932)	4,158,640	495,004
Effect of exchange rate changes on cash and cash equivalents	5,876	965	(4,735)	1,872
Net (decrease) increase in cash and cash equivalents	(1,943,043)	(137,536)	(319,744)	93,619
Cash and cash equivalents, beginning of period	2,539,390	395,266	916,091	164,111
Cash and cash equivalents, end of period	$ 596,347	$ 257,730	$ 596,347	$ 257,730
Non-Cash Investing and Financing Activities				
Acquisition of businesses, contingent consideration obligations at fair value	$ —	$ (17,257)	$ (67,355)	$ (143,285)
Acquisition of businesses, debt assumed	(4,222,142)	—	(4,264,725)	(46,336)

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

1. DESCRIPTION OF BUSINESS

The Company is a multinational, specialty pharmaceutical company that develops, manufactures and markets a broad range of pharmaceutical and over-the-counter ("OTC") products, primarily in the areas of eye health, dermatology, neurology and branded generics, as well as medical devices. Effective August 9, 2013, the Company continued from the federal jurisdiction of Canada to the Province of British Columbia, meaning that the Company became a company registered under the laws of the Province of British Columbia as if it had been incorporated under the laws of the Province of British Columbia. As a result of this continuance, the legal domicile of the Company became the Province of British Columbia, the Canada Business Corporations Act ceased to apply to the Company and the Company became subject to the British Columbia Business Corporations Act (BCBCA).

On August 5, 2013, the Company acquired Bausch & Lomb Holdings Incorporated ("B&L"), pursuant to an Agreement and Plan of Merger, as amended (the "Merger Agreement") dated May 24, 2013, with B&L surviving as a wholly-owned subsidiary of Valeant Pharmaceuticals International ("Valeant"), a wholly-owned subsidiary of the Company (the "B&L Acquisition").

On December 11, 2012, the Company completed the acquisition of Medicis Pharmaceutical Corporation ("Medicis") through a wholly-owned subsidiary pursuant to an Agreement and Plan of Merger, dated as of September 2, 2012, with Medicis surviving as a wholly-owned subsidiary of the Company (the "Medicis Acquisition").

For further information regarding the B&L Acquisition and the Medicis Acquisition, see note 3 titled "BUSINESS COMBINATIONS".

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying unaudited consolidated financial statements (the "unaudited consolidated financial statements") have been prepared by the Company in United States ("U.S.") dollars and in accordance with U.S. generally accepted accounting principles ("U.S. GAAP") for interim financial reporting, which do not conform in all respects to the requirements of U.S. GAAP for annual financial statements. Accordingly, these condensed notes to the unaudited consolidated financial statements should be read in conjunction with the audited consolidated financial statements and notes thereto prepared in accordance with U.S. GAAP that are contained in the Company's Annual Report on Form 10-K for the year ended December 31, 2012 (the "2012 Form 10-K"). The unaudited consolidated financial statements have been prepared using accounting policies that are consistent with the policies used in preparing the Company's audited consolidated financial statements for the year ended December 31, 2012. There have been no changes to the Company's significant accounting policies since December 31, 2012, except as described below under "Revenue Recognition" and "Adoption of New Accounting Standards". The unaudited consolidated financial statements reflect all normal and recurring adjustments necessary for a fair statement of the Company's financial position and results of operations for the interim periods presented.

Reclassifications and Revision

Certain reclassifications have been made to prior year amounts to conform with the current year presentation.

The Company has revised the consolidated statement of comprehensive (loss) income for the three-month and nine-month periods ended September 30, 2012 to correct the foreign currency translation adjustment, which resulted in an offsetting adjustment to Goodwill and Intangible assets, net. For the three-month and nine-month periods ended September 30, 2012, the Company increased comprehensive income by $7.4 million and $23.7 million, respectively, with an offsetting increase in Goodwill and Intangible assets, net. This revision did not have a material impact to the Company's previously reported financial position, results of operations or cash flows.

Use of Estimates

In preparing the unaudited consolidated financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the dates of the unaudited consolidated financial statements and the reported amounts of revenue and expenses during the reporting periods. Actual results could differ from these estimates and the operating results for the interim periods presented are not necessarily indicative of the results expected for the full year.

On an ongoing basis, management reviews its estimates to ensure that these estimates appropriately reflect changes in the Company's business and new information as it becomes available. If historical experience and other factors used by management to make these estimates do not reasonably reflect future activity, the Company's results of operations and financial position could be materially impacted.

Revenue Recognition

In connection with the Medicis Acquisition, which was completed in December 2012, the Company acquired several brands, including the following aesthetics products: Dysport®, Perlane®, and Restylane®. In 2012, consistent with legacy Medicis' historical approach, the Company recognized revenue on those products upon shipment from McKesson, the Company's primary U.S. distributor of aesthetics products, to physicians. As part of its integration efforts, the Company implemented new strategies and business practices in the first quarter of 2013, particularly as they relate to rebate and discount programs for these aesthetics products. As a result of these changes, the criteria for revenue recognition are achieved upon shipment of these products to McKesson, and, therefore, the Company began, in the first quarter of 2013, recognizing revenue upon shipment of these products to McKesson.

Adoption of New Accounting Standards

In July 2012, the Financial Accounting Standards Board ("FASB") issued guidance intended to simplify indefinite-lived intangible impairment testing, by allowing an entity to first assess qualitative factors to determine whether it is "more likely than not" that the fair value of an asset is less than its carrying amount as a basis for determining whether it is necessary to perform a quantitative impairment test. The more-likely-than-not threshold is defined as having a likelihood of more than 50%. This guidance was effective for annual and interim tests performed for fiscal years beginning after September 15, 2012. The adoption of this guidance did not impact the Company's financial position or results of operations.

In February 2013, the FASB issued guidance to improve the transparency of reporting reclassifications out of accumulated other comprehensive income, by requiring an entity to report the effect of significant reclassifications out of accumulated other comprehensive income on the respective line items in net income if the amount being reclassified is required under U.S. GAAP to be reclassified in its entirety to net income. For other amounts that are not required under U.S. GAAP to be reclassified in their entirety to net income in the same reporting period, an entity is required to cross-reference other disclosures required under U.S. GAAP that provide additional detail about those amounts. The guidance was effective prospectively for reporting periods beginning after December 15, 2012. As this guidance relates to presentation only, the adoption of this guidance did not impact the Company's financial position or results of operations.

In July 2013, the FASB issued guidance to eliminate the diversity in practice in presentation of unrecognized tax benefits when a net operating loss carryforward, a similar tax loss, or a tax credit carryforward exists at the reporting date. This new guidance requires the netting of unrecognized tax benefits against a deferred tax asset for a loss or other carryforward that would apply in settlement of the uncertain tax positions. Under the new guidance, unrecognized tax benefits will be netted against all available same-jurisdiction loss or other tax carryforward that would be utilized, rather than only against carryforwards that are created by the unrecognized tax benefits. The guidance is effective prospectively, but allows optional retrospective adoption (for all periods presented), for reporting periods beginning after December 15, 2013. As this guidance relates to presentation only, the adoption of this guidance will not impact the Company's financial position or results of operations.

3. BUSINESS COMBINATIONS

The Company focuses its business on core geographies and therapeutic classes through selective acquisitions, dispositions and strategic partnerships with other pharmaceutical and healthcare companies.

(a) Business combinations in 2013 include the following:

B&L

Description of the Transaction

On August 5, 2013, the Company acquired B&L, pursuant to the Merger Agreement dated May 24, 2013 (as amended), among the Company, Valeant, Stratos Merger Corp., a Delaware corporation and wholly-owned subsidiary of Valeant ("Merger Sub"), and B&L. Pursuant to the terms and conditions set forth in the Merger Agreement, B&L became a wholly-owned subsidiary of Valeant. At the effective time of this merger, each share of B&L common stock, par value $0.01 per share, issued and

(All tabular amounts expressed in thousands of U.S. dollars, except per share data)

outstanding immediately prior to such effective time, other than any dissenting shares and any shares held by B&L, Valeant, Merger Sub or any of their subsidiaries, was converted into the right to receive its pro rata share (the "Per Share Merger Consideration"), without interest, of an aggregate purchase price equal to $8.7 billion minus B&L's existing indebtedness for borrowed money (which was paid off by Valeant in accordance with the terms of the Merger Agreement) and related fees and costs, minus certain of B&L's transaction expenses, minus certain payments with respect to certain cancelled B&L performance-based options (which were not outstanding immediately prior to such effective time), plus the aggregate exercise price applicable to B&L's outstanding options immediately prior to such effective time, and plus certain cash amounts, all as further described in the Merger Agreement. The B&L Acquisition was financed with debt and equity issuances (see note 11 titled "LONG-TERM DEBT" for additional information). Each B&L restricted share and stock option, whether vested or unvested, that was outstanding immediately prior to such effective time, was cancelled and converted into the right to receive the Per Share Merger Consideration in the case of restricted shares or, in the case of stock options, the excess, if any, of the Per Share Merger Consideration over the exercise price of such stock option.

B&L is a global eye health company that focuses primarily on the development, manufacture and marketing of eye health products, including contact lenses, contact lens care solutions, ophthalmic pharmaceuticals and ophthalmic surgical products.

Fair Value of Consideration Transferred

The following table indicates the consideration transferred to effect the B&L Acquisition:

	Fair Value
Enterprise value	$ 8,700,000
Adjusted for the following:	
B&L's outstanding debt, including accrued interest	(4,248,310)
B&L's company expenses	(6,377)
Payment in B&L's performance-based option[(a)]	(48,478)
Payment for B&L's cash balance[(b)]	149,000
Additional cash payment[(b)]	75,000
Other	(3,189)
Equity purchase price	4,617,646
Less: Cash consideration paid for B&L's unvested stock options[(c)]	(4,320)
Total fair value of consideration transferred	$ 4,613,326

(a) The cash consideration paid for previously cancelled B&L's performance-based options was recognized as a post-combination expense within Restructuring, integration and other costs in the third quarter of 2013.

(b) As defined in the Merger Agreement.

(c) The cash consideration paid for B&L stock options and restricted stock attributable to pre-combination services has been included as a component of purchase price. The remaining $4.3 million balance related to the acceleration of unvested stock options for B&L employees was recognized as a post-combination expense within Restructuring, integration and other costs in the third quarter of 2013.

Assets Acquired and Liabilities Assumed

The transaction has been accounted for as a business combination under the acquisition method of accounting. The following table summarizes the estimated fair values of the assets acquired and liabilities assumed as of acquisition date. Due to the timing of this acquisition, these amounts are provisional and subject to change. The Company will finalize these amounts as it obtains the information necessary to complete the measurement process. Any changes resulting from facts and circumstances that existed as of the acquisition date may result in retrospective adjustments to the provisional amounts recognized at the acquisition date. These changes could be significant. The Company will finalize these amounts no later than one year from the acquisition date.

(All tabular amounts expressed in thousands of U.S. dollars, except per share data)

	Amounts Recognized as of Acquisition Date
Cash and cash equivalents	$ 209,522
Accounts receivable[(a)]	547,873
Inventories[(b)]	675,818
Other current assets[(c)]	146,574
Property, plant and equipment, net[(d)]	761,410
Identifiable intangible assets, excluding acquired IPR&D[(e)]	4,316,117
Acquired IPR&D[(f)]	398,130
Other non-current assets	58,757
Current liabilities[(g)]	(885,578)
Long-term debt, including current portion[(h)]	(4,209,852)
Deferred income taxes, net[(i)]	(1,410,931)
Other non-current liabilities[(j)]	(280,195)
Total identifiable net assets	327,645
Noncontrolling interest[(k)]	(102,300)
Goodwill[(l)]	4,387,981
Total fair value of consideration transferred	$ 4,613,326

(a) The fair value of trade accounts receivable acquired was $547.9 million, with the gross contractual amount being $556.4 million, of which the Company expects that $8.5 million will be uncollectible.

(b) Includes an estimated fair value adjustment to inventory of $285.5 million.

(c) Includes primarily prepaid expenses.

(d) The following table summarizes the provisional amounts and useful lives assigned to property, plant and equipment:

	Useful Lives (Years)	Amounts Recognized as of Acquisition Date
Land	NA	$ 47,407
Buildings	19	273,180
Machinery and equipment	6	273,509
Leasehold improvements	6	22,455
Equipment on operating lease	4	13,792
Construction in progress	NA	131,067
Total property, plant and equipment acquired		$ 761,410

(e) The following table summarizes the provisional amounts and useful lives assigned to identifiable intangible assets:

	Weighted-Average Useful Lives (Years)	Amounts Recognized as of Acquisition Date
Product brands	10	$ 1,770,164
Product rights	8	855,402
Corporate brand	Indefinite	1,690,551
Total identifiable intangible assets acquired	9	$ 4,316,117

The corporate brand represents the B&L corporate trademark and has an indefinite useful life as there are no legal, regulatory, contractual, competitive, economic, or other factors that limit the useful life of this intangible asset. The estimated fair value was determined using the relief from royalty method.

(All tabular amounts expressed in thousands of U.S. dollars, except per share data)

(f) The significant components of the acquired in-process research and development ("IPR&D") assets primarily relate to the development of (i) various vision care products ($193.4 million in the aggregate), such as a novel silicone hydrogel planned replacement lens, (ii) various pharmaceutical products ($170.5 million, in the aggregate), such as latanoprostene bunod, a nitric oxide-donating prostaglandin for reduction of elevated intraocular pressure in patients with glaucoma or ocular hypertension, and (iii) various surgical products ($34.2 million, in the aggregate). See note 5 titled "COLLABORATION AGREEMENTS" for further information related to the worldwide licensing agreement with NicOx, S.A. ("NicOx") for latanoprostene bunod. A multi-period excess earnings methodology (income approach) was used to determine the estimated fair values of the acquired IPR&D assets from market participant perspective. The projected cash flows from these assets were adjusted for the probabilities of successful development and commercialization of each project. A risk-adjusted discount rate of 10% was used to present value the projected cash flows. As of the acquisition date, the Company estimated that it will incur development costs, including certain milestone payments, of approximately $100 million, in the aggregate, to complete the development of the IPR&D assets. In determining fair value for latanoprostene bunod and the novel silicone hydrogel planned replacement lens, the Company assumed that material cash inflows for these products would commence in 2016 and 2014, respectively.

(g) Includes accrued liabilities, including reserves for sales returns, rebates and managed care, accounts payable and accrued compensation-related liabilities.

(h) The following table summarizes the fair value of long-term debt assumed as of the acquisition date:

	Amounts Recognized as of Acquisition Date
Holdco unsecured term loan[(1)]	$ 707,010
U.S. dollar-denominated senior secured term loan[(1)]	1,915,749
Euro-denominated senior secured term loan[(1)]	603,952
U.S. dollar-denominated delayed draw term loan[(1)]	398,003
U.S. dollar-denominated revolver loan[(1)]	170,000
9.875% senior notes[(1)]	350,000
Multi-currency denominated revolver loan[(1)]	15,000
Japanese revolving credit facility	33,835
Debentures	11,803
Other[(1)]	4,500
Total long-term debt assumed	$ 4,209,852

(1) The Company subsequently repaid these amounts in full in the third quarter of 2013. In connection with the redemption of the 9.875% senior notes, the Company recognized a loss on extinguishment of debt of $8.2 million in the third quarter of 2013.

(i) Comprises current deferred tax assets ($49.5 million) and non-current deferred tax liabilities ($1,460.4 million).

(j) Includes $223.0 million related to the estimated fair value of pension and other benefits liabilities.

(k) Represents the estimated fair value of B&L's noncontrolling interest related primarily to Chinese joint ventures. A discounted cash flow methodology was used to determine the estimated fair values as of the acquisition date.

(l) Goodwill is calculated as the difference between the acquisition date fair value of the consideration transferred and the values assigned to the assets acquired and liabilities assumed. None of the goodwill is expected to be deductible for tax purposes. The goodwill recorded represents the following:

- the Company's expectation to develop and market new product brands, product lines and technology;
- cost savings and operating synergies expected to result from combining the operations of B&L with those of the Company;
- the value of the continuing operations of B&L's existing business (that is, the higher rate of return on the assembled net assets versus if the Company had acquired all of the net assets separately); and
- intangible assets that do not qualify for separate recognition (for instance, B&L's assembled workforce).

The provisional amount of goodwill has been allocated to the Company's Developed Markets segment ($3,271.6 million) and Emerging Markets segment ($1,116.4 million).

Acquisition-Related Costs

The Company has incurred to date $8.3 million of transaction costs directly related to the B&L Acquisition, which includes expenditures for advisory, legal, valuation, accounting and other similar services. These costs have been expensed as acquisition-related costs.

Revenue and Net Loss of B&L

The revenues of B&L for the period from the acquisition date to September 30, 2013 were $500.9 million and net loss, net of tax, was $165.8 million. The net loss, net of tax, includes the effects of the acquisition accounting adjustments and acquisition-related costs.

Other Business Combinations

Description of the Transactions

In the nine-month period ended September 30, 2013, the Company completed other business combinations, which included the acquisition of the following businesses, for an aggregate purchase price of $848.4 million. The aggregate purchase price included contingent consideration payment obligations with an aggregate acquisition date fair value of $59.1 million.

- On April 25, 2013, the Company acquired all of the outstanding shares of Obagi Medical Products, Inc. ("Obagi") at a price of $24.00 per share in cash. The aggregate purchase price paid by the Company was approximately $437.1 million. Obagi is a specialty pharmaceutical company that develops, markets, and sells topical aesthetic and therapeutic skin-health systems with a product portfolio of dermatology brands including Obagi Nu-Derm®, Condition & Enhance®, Obagi-C® Rx, ELASTIDerm® and CLENZIDerm®.

- On February 20, 2013, the Company acquired certain assets from Eisai Inc. ("Eisai") relating to the U.S. rights to Targretin®, which is indicated for the treatment of Cutaneous T-Cell Lymphoma. The consideration includes up-front payments of $66.5 million and the Company may pay up to an additional $60.0 million of contingent consideration based on the occurrence of potential future events. The fair value of the contingent consideration was determined to be $50.8 million as of the acquisition date. As of September 30, 2013, the assumptions used for determining fair value of the contingent consideration have not changed significantly from those used at the acquisition date.

- On February 1, 2013, the Company acquired Natur Produkt International, JSC ("Natur Produkt"), a specialty pharmaceutical company in Russia, for a purchase price of $137.0 million, including a $20.0 million contingent refund of purchase price relating to the outcome of certain litigation involving AntiGrippin® that commenced prior to the acquisition. Subsequent to the acquisition, during the three-month period ended March 31, 2013, the litigation was resolved, and the $20.0 million was refunded back to the Company. Natur Produkt's key brand products include AntiGrippin®, Anti-Angin®, Sage™ and Eucalyptus MA™.

- During the nine-month period ended September 30, 2013, the Company completed other smaller acquisitions which are not material individually or in the aggregate. These acquisitions are included in the aggregated amounts presented below.

Assets Acquired and Liabilities Assumed

These transactions have been accounted for as business combinations under the acquisition method of accounting. The following table summarizes the estimated fair values of the assets acquired and liabilities assumed related to the business combinations, in the aggregate, as of the applicable acquisition dates. The following recognized amounts related to the Natur Produkt acquisition, as well as certain smaller acquisitions, are provisional and subject to change:

- amounts for intangible assets, property and equipment, inventories and working capital adjustments pending finalization of the valuation;

- amounts for income tax assets and liabilities, pending finalization of estimates and assumptions in respect of certain tax aspects of the transaction; and

- amount of goodwill pending the completion of the valuation of the assets acquired and liabilities assumed.

The Company will finalize these amounts as it obtains the information necessary to complete the measurement process. Any changes resulting from facts and circumstances that existed as of the acquisition dates may result in retrospective adjustments to the provisional amounts recognized at the acquisition dates. These changes could be significant. The Company will finalize these amounts no later than one year from the respective acquisition dates.

(All tabular amounts expressed in thousands of U.S. dollars, except per share data)

	Amounts Recognized as of Acquisition Dates
Cash	$ 43,069
Accounts receivable[(a)]	64,049
Inventories	33,108
Other current assets	13,965
Property, plant and equipment	13,950
Identifiable intangible assets, excluding acquired IPR&D[(b)]	689,302
Acquired IPR&D[(c)]	18,714
Indemnification assets	3,201
Other non-current assets	185
Current liabilities	(36,234)
Short-term borrowings[(d)]	(33,321)
Long-term debt[(d)]	(24,018)
Deferred tax liability, net	(147,801)
Other non-current liabilities	(1,453)
Total identifiable net assets	636,716
Noncontrolling interest[(e)]	(11,196)
Goodwill[(f)]	222,926
Total fair value of consideration transferred	$ 848,446

(a) The fair value of trade accounts receivable acquired was $64.0 million, with the gross contractual amount being $66.2 million, of which the Company expects that $2.2 million will be uncollectible.

(b) The following table summarizes the provisional amounts and useful lives assigned to identifiable intangible assets:

	Weighted-Average Useful Lives (Years)	Amounts Recognized as of Acquisition Dates
Product brands	7	$ 483,592
Corporate brand	13	86,129
Patents	3	71,676
Royalty Agreement	5	26,466
Partner relationships	5	16,000
Technology	10	5,439
Total identifiable intangible assets acquired	8	$ 689,302

(c) The acquired IPR&D assets relate to the Obagi and Natur Produkt acquisitions. Obagi's acquired IPR&D assets primarily relate to the development of dermatology products for anti-aging and suncare. Natur Produkt's acquired IPR&D assets include a product indicated for the prevention of viral diseases, specifically cold and flu, and a product indicated for the treatment of inflammation and muscular disorders.

(d) Short-term borrowings and long-term debt primarily relate to the Natur Produkt acquisition. In March 2013, the Company settled all of Natur Produkt's outstanding third party short-term borrowings and long-term debt.

(e) Represents the estimated fair value of noncontrolling interest related to a smaller acquisition completed in the third quarter of 2013.

(f) The goodwill relates primarily to the Obagi and Natur Produkt acquisitions. Goodwill is calculated as the difference between the acquisition date fair value of the consideration transferred and the values assigned to the assets acquired and liabilities assumed. None of Obagi's and Natur Produkt's goodwill is expected to be deductible for tax purposes. The goodwill recorded from the Obagi and the Natur Produkt acquisitions represents primarily the cost savings, operating synergies and other benefits expected to result from combining the operations with those of the Company.

The amount of goodwill from the Eisai acquisition has been allocated to the Company's Developed Markets segment. The provisional amount of goodwill from the Natur Produkt acquisition has been allocated to the Company's Emerging Markets segment. The amount of goodwill from the Obagi acquisition has been allocated primarily to the Company's Developed Markets segment.

Acquisition-Related Costs

The Company has incurred to date $10.0 million, in the aggregate, of transaction costs directly related to these business combinations, which includes expenditures for advisory, legal, valuation, accounting and other similar services. These costs have been expensed as acquisition-related costs.

Revenue and Earnings

The revenues of these business combinations for the period from the respective acquisition dates to September 30, 2013 were $168.9 million, in the aggregate, and earnings, net of tax, were $13.8 million, in the aggregate. The earnings, net of tax, include the effects of the acquisition accounting adjustments and acquisition-related costs.

(b) Business combinations in 2012 include the following:

Medicis

Description of the Transaction

On December 11, 2012, the Company acquired all of the outstanding common stock of Medicis for $44.00 per share ("Medicis Per Share Consideration") for cash. Pursuant to the Agreement and Plan of Merger, dated September 2, 2012, among the Company, the Company's subsidiary Valeant, Merlin Merger Sub, Inc. ("Merlin Merger Sub"), a Delaware corporation and wholly-owned subsidiary of Valeant, and Medicis, on December 11, 2012, Merlin Merger Sub merged with and into Medicis, with Medicis continuing as the surviving entity and wholly-owned subsidiary of Valeant. At the effective time of this merger, each share of Medicis Class A common stock, par value $0.014 per share, issued and outstanding immediately prior to such effective time, was converted into the right to receive the Medicis Per Share Consideration in cash, without interest. Each Medicis stock option and stock appreciation right, whether vested or unvested, that was outstanding immediately prior to such effective time, was cancelled and converted into the right to receive the excess, if any, of the Medicis Per Share Consideration over the exercise price of such stock option or stock appreciation right, as applicable. Each Medicis restricted share, whether vested or unvested, that was outstanding immediately prior to such effective time, was cancelled and converted into the right to receive the Medicis Per Share Consideration.

Medicis is a specialty pharmaceutical company that focuses primarily on the development and marketing in the U.S. and Canada of products for the treatment of dermatological and aesthetic conditions. Medicis offers a broad range of products addressing various conditions or aesthetics improvements, including acne, actinic keratosis, facial wrinkles, glabellar lines, fungal infections, hyperpigmentation, photoaging, psoriasis, bronchospasms, external genital and perianal warts/condyloma acuminate, seborrheic dermatitis and cosmesis (improvement in the texture and appearance of skin). Medicis' primary brands are Solodyn®, Restylane®, Perlane®, Ziana®, Dysport® and Zyclara®.

Fair Value of Consideration Transferred

The following table indicates the consideration transferred to effect the acquisition of Medicis:

(Number of shares, stock options and restricted share units in thousands)	Conversion Calculation	Fair Value
Number of common shares of Medicis outstanding as of acquisition date	57,135	
Multiplied by Medicis Per Share Consideration	$ 44.00	$ 2,513,946
Number of stock options of Medicis cancelled and exchanged for cash[(a)]	3,152	33,052
Number of outstanding restricted shares cancelled and exchanged for cash[(a)]	1,974	31,881
Total fair value of consideration transferred		$ 2,578,879

(a) The cash consideration paid for Medicis stock options and restricted shares attributable to pre-combination services has been included as a component of purchase price. The remaining $77.3 million balance related to the acceleration of unvested stock options, restricted stock awards, and share appreciation rights for Medicis employees that was triggered by the change in control was recognized as a post-combination expense within Restructuring, integration and other costs in the fourth quarter of 2012.

Assets Acquired and Liabilities Assumed

(All tabular amounts expressed in thousands of U.S. dollars, except per share data)

The transaction has been accounted for as business combination under the acquisition method of accounting. The following table summarizes the estimated fair values of the assets acquired and liabilities assumed as of the acquisition date.

	Amounts Recognized as of Acquisition Date (as previously reported)[a]	Measurement Period Adjustments[b]	Amounts Recognized as of September 30, 2013 (as adjusted)
Cash and cash equivalents	$ 169,583	$ —	$ 169,583
Accounts receivable[c]	81,092	9,116	90,208
Inventories[d]	145,157	(7,635)	137,522
Short-term and long-term investments[e]	626,559	—	626,559
Income taxes receivable	40,416	—	40,416
Other current assets[f]	74,622	—	74,622
Property and equipment, net	8,239	(5,625)	2,614
Identifiable intangible assets, excluding acquired IPR&D[g]	1,390,724	(21,843)	1,368,881
Acquired IPR&D[h]	153,817	5,992	159,809
Other non-current assets	616	—	616
Current liabilities[i]	(453,909)	(12,375)	(466,284)
Long-term debt, including current portion[j]	(777,985)	—	(777,985)
Deferred income taxes, net	(205,009)	12,204	(192,805)
Other non-current liabilities	(8,841)	—	(8,841)
Total identifiable net assets	1,245,081	(20,166)	1,224,915
Goodwill[k]	1,333,798	20,166	1,353,964
Total fair value of consideration transferred	$ 2,578,879	$ —	$ 2,578,879

(a) As previously reported in the 2012 Form 10-K.

(b) The measurement period adjustments primarily reflect: (i) reductions in the estimated fair value of a product brand intangible asset and property and equipment; (ii) changes in estimated inventory reserves; (iii) changes in certain assumptions impacting the fair value of acquired IPR&D; (iv) additional information obtained with respect to the valuation of certain pre-acquisition contingent assets, as well as legal and milestone obligations; and (v) the tax impact of pre-tax measurement period adjustments. The measurement period adjustments were made to reflect facts and circumstances existing as of the acquisition date, and did not result from intervening events subsequent to the acquisition date. These adjustments did not have a significant impact on the Company's previously reported consolidated financial statements and, therefore, the Company has not retrospectively adjusted those financial statements.

(c) The fair value of trade accounts receivable acquired was $90.2 million, with the gross contractual amount being $90.3 million, of which the Company expects that $0.1 million will be uncollectible.

(d) Includes an estimated fair value adjustment to inventory of $104.6 million.

(e) Short-term and long-term investments consist of corporate and various government agency and municipal debt securities, investments in auction rate floating securities (student loans), and investments in equity securities. Subsequent to the acquisition date, the Company liquidated these investments for proceeds of $615.4 million, $9.0 million and $8.0 million in the fourth quarter of 2012, the first quarter of 2013, and the second quarter of 2013, respectively.

(f) Includes prepaid expenses and an asset related to a supplemental executive retirement program. The supplemental executive retirement program was settled as of December 31, 2012.

(g) The following table summarizes the amounts and useful lives assigned to identifiable intangible assets:

(All tabular amounts expressed in thousands of U.S. dollars, except per share data)

	Weighted-Average Useful Lives (Years)	Amounts Recognized as of Acquisition Date (as previously reported)	Measurement Period Adjustments	Amounts Recognized as of September 30, 2013 (as adjusted)
In-licensed products	11	$ 633,429	$ 2,283	$ 635,712
Product brands	8	491,627	(24,877)	466,750
Patents	5	224,985	1,148	226,133
Corporate brands	14	40,683	(397)	40,286
Total identifiable intangible assets acquired	9	$ 1,390,724	$ (21,843)	$ 1,368,881

(h) The significant components of the acquired IPR&D assets primarily relate to the development of dermatology products, such as Luliconazole, a new imidazole, antimycotic cream for the treatment of tinea cruris, pedis and corporis, and Metronidazole 1.3%, a topical antibiotic for the treatment of bacterial vaginosis ($136.9 million, in the aggregate), and the development of aesthetics programs ($22.9 million). A New Drug Application ("NDA") for Luliconazole was submitted to the U.S. Food and Drug Administration ("FDA") on December 11, 2012. A multi-period excess earnings methodology (income approach) was primarily used to determine the estimated fair values of the acquired IPR&D assets. The projected cash flows from these assets were adjusted for the probabilities of successful development and commercialization of each project. Risk-adjusted discount rates of 10% - 11% were used to present value the projected cash flows. On April 30, 2013, the Company agreed to sell the worldwide rights in its Metronidazole 1.3% Vaginal Gel antibiotic development product, a topical antibiotic for the treatment of bacterial vaginosis, to Actavis Specialty Brands for approximately $55 million, which includes upfront and certain milestone payments, and minimum royalties for the first three years of commercialization. For further details, see note 21 titled "PENDING TRANSACTION".

(i) Includes accounts payable, a liability for a supplemental executive retirement program, a liability for stock appreciation rights, deferred revenue, accrued liabilities, and reserves for sales returns, rebates, managed care and Medicaid. The supplemental executive retirement program was settled as of December 31, 2012.

(j) The following table summarizes the fair value of long-term debt assumed as of the acquisition date:

	Amounts Recognized as of Acquisition Date
1.375% Convertible Senior Notes[(1)]	$ 546,668
2.50% Contingent Convertible Senior Notes[(1)]	231,111
1.50% Contingent Convertible Senior Notes[(1)]	206
Total long-term debt assumed	$ 777,985

(1) During the period from the acquisition date to September 30, 2013, the Company redeemed the 2.50% Contingent Convertible Senior Notes, the 1.50% Contingent Convertible Senior Notes and a portion of the 1.375% Convertible Senior Notes. For further details, see note 11 titled "LONG-TERM DEBT".

(k) Goodwill is calculated as the difference between the acquisition date fair value of the consideration transferred and the values assigned to the assets acquired and liabilities assumed. None of the goodwill is expected to be deductible for tax purposes. The goodwill recorded represents the following:

- cost savings, operating synergies and other benefits expected to result from combining the operations of Medicis with those of the Company;
- the value of the continuing operations of Medicis' existing business (that is, the higher rate of return on the assembled net assets versus if the Company had acquired all of the net assets separately); and
- intangible assets that do not qualify for separate recognition (for instance, Medicis' assembled workforce).

The goodwill has been allocated to the Company's Developed Markets segment.

OraPharma

Description of the Transaction

On June 18, 2012, the Company acquired all of the outstanding common stock and preferred stock of OraPharma Topco Holdings, Inc. ("OraPharma"), a specialty oral health company located in the U.S. that develops and commercializes products that improve and maintain oral health. Pursuant to the Agreement and Plan of Merger, dated June 14, 2012, by and among Valeant, Orange Acquisition, Inc. ("Orange Merger Sub"), a Delaware corporation and wholly-owned subsidiary of Valeant, OraPharma and a representative of the shareholder of Orapharma, Orange Merger Sub merged with and into OraPharma with OraPharma continuing as the surviving entity and wholly-owned subsidiary of Valeant. The Company made an up-front

payment of $289.3 million, and the Company may pay a series of contingent consideration payments of up to $114.0 million based on certain milestones, including certain revenue targets. The fair value of the contingent consideration was determined to be $99.2 million as of the acquisition date, for a total fair value of consideration transferred of $388.5 million. As of September 30, 2013, the assumptions used for determining fair value of the contingent consideration have not changed significantly from those used at the acquisition date. The Company also repaid at the closing $37.9 million of assumed debt. In June 2013, the Company made a contingent consideration payment of $38.3 million. In July 2013, the Company made a contingent consideration payment of $1.7 million.

OraPharma's lead product is Arestin®, a locally administered antibiotic for the treatment of periodontitis that utilizes an advanced controlled-release delivery system and is indicated for use in conjunction with scaling and root planing for the treatment of adult periodontitis.

Assets Acquired and Liabilities Assumed

The transaction has been accounted for as a business combination under the acquisition method of accounting. As of September 30, 2013, the Company has not recognized any additional measurement period adjustments to the amounts previously reported in the 2012 Form 10-K. The amount of goodwill of $120.1 million has been allocated to the Company's Developed Markets segment.

Other Business Combinations

Description of the Transactions

In the year ended December 31, 2012, the Company completed other business combinations, which included the acquisition of the following businesses, as well as other smaller acquisitions, for an aggregate purchase price of $807.5 million. The aggregate purchase price included contingent consideration obligations with an aggregate acquisition date fair value of $44.2 million.

- On October 2, 2012, the Company acquired certain assets from Johnson & Johnson Consumer Companies, Inc. ("J&J ROW") for a purchase price of $41.7 million, relating to the rights in various ex-North American territories to the OTC consumer brands Caladryl® and Shower to Shower®.

- On September 28, 2012, the Company acquired certain assets from Johnson & Johnson Consumer Companies, Inc. ("J&J North America") for a purchase price of $107.3 million, relating to the U.S. and Canadian rights to the OTC consumer brands Ambi®, Caladryl®, Corn Huskers®, Cortaid®, Purpose® and Shower to Shower®.

- On September 24, 2012, the Company acquired certain assets from QLT Inc. and QLT Ophthalmics, Inc. (collectively, "QLT") relating to Visudyne®, which is used to treat abnormal growth of leaky blood vessels in the eye caused by wet age-related macular degeneration. The consideration paid included up-front payments of $62.5 million for the assets related to the rights to the product in the U.S. and $50.0 million for the assets related to the rights to the product outside the U.S. The Company may pay a series of contingent payments of up to $20.0 million relating to non-U.S. royalties and development milestones for QLT's laser program in the U.S. In addition, the Company will pay royalties on sales of potential new indications for Visudyne® in the U.S. The fair value of the contingent consideration was determined to be $7.9 million as of the acquisition date. As of September 30, 2013, the assumptions used for determining fair value of the contingent consideration have not changed significantly from those used at the acquisition date.

- On May 23, 2012, the Company acquired certain assets from University Medical Pharmaceuticals Corp. ("University Medical"), a specialty pharmaceutical company located in the U.S. focused on skincare products, including the rights to University Medical's main brand AcneFree™, a retail OTC acne treatment. The consideration includes up-front payments of $65.0 million, and the Company may pay a series of contingent consideration payments of up to $40.0 million if certain net sales milestones are achieved. The fair value of the contingent consideration was determined to be $1.5 million as of the acquisition date. As of September 30, 2013, the assumptions used for determining fair value of the contingent consideration have not changed significantly from those used at the acquisition date.

- On May 2, 2012, the Company acquired certain assets from Atlantis Pharma ("Atlantis"), a branded generics pharmaceutical company located in Mexico, for up-front payments of $65.5 million (MXN$847.3 million), and the Company placed an additional $8.9 million (MXN$114.7 million) into an escrow account. The amounts in escrow will be paid to the sellers only if certain regulatory milestones are achieved and therefore such amounts were treated as contingent consideration. The fair value of the contingent consideration was determined to be $7.6 million as of the

(All tabular amounts expressed in thousands of U.S. dollars, except per share data)

acquisition date. As of September 30, 2013, the assumptions used for determining fair value of the contingent consideration have not changed significantly from those used at the acquisition date. Since the acquisition date, certain amounts have been released from escrow to the sellers, reducing the escrow balance to $7.9 million as of September 30, 2013. The escrow balance is treated as restricted cash and is included in Prepaid expenses and other current assets and Other long-term assets, net in the Company's consolidated balance sheets. Atlantis has a broad product portfolio, including products in gastro, analgesics and anti-inflammatory therapeutic categories.

- On March 13, 2012, the Company acquired certain assets from Gerot Lannach, a branded generics pharmaceutical company based in Austria. The Company made an up-front payment of $164.0 million (€125.0 million), and the Company may pay a series of contingent consideration payments of up to $19.7 million (€15.0 million) if certain net sales milestones are achieved. The fair value of the contingent consideration was determined to be $16.8 million as of the acquisition date. As of September 30, 2013, the assumptions used for determining fair value of the contingent consideration have not changed significantly from those used at the acquisition date. In June 2013, the Company made a contingent consideration payment of $6.5 million (€5.0 million). In September 2013, the Company made a contingent consideration payment of $6.7 million (€5.0 million). As part of the transaction, the Company also entered into a ten-year exclusive supply agreement with Gerot Lannach for the acquired products. Approximately 90% of sales relating to the acquired assets are in Russia, with sales also made in certain Commonwealth of Independent States (CIS) countries including Kazakhstan and Uzbekistan. Gerot Lannach's largest product is acetylsalicylic acid, a low dose aspirin.
- On February 1, 2012, the Company acquired Probiotica Laboratorios Ltda. ("Probiotica"), which markets OTC sports nutrition products and other food supplements in Brazil, for a purchase price of $90.5 million (R$158.0 million).
- During the year ended December 31, 2012, the Company completed other smaller acquisitions which are not material individually or in the aggregate. These acquisitions are included in the aggregated amounts presented below.

Assets Acquired and Liabilities Assumed

These transactions have been accounted for as business combinations under the acquisition method of accounting. The following table summarizes the estimated fair values of the assets acquired and liabilities assumed related to the other business combinations, in the aggregate, as of the acquisition dates.

	Amounts Recognized as of Acquisition Dates	Measurement Period Adjustments[a]	Amounts Recognized as of September 30, 2013 (as adjusted)
Cash and cash equivalents	$ 7,255	$ (258)	$ 6,997
Accounts receivable[b]	29,846	(17)	29,829
Assets held for sale[c]	15,566	—	15,566
Inventories	64,819	(8,091)	56,728
Other current assets	2,524	—	2,524
Property, plant and equipment	9,027	—	9,027
Identifiable intangible assets, excluding acquired IPR&D[d]	666,619	1,527	668,146
Acquired IPR&D	1,234	—	1,234
Indemnification assets[e]	27,901	—	27,901
Other non-current assets	21	—	21
Current liabilities	(32,146)	(350)	(32,496)
Long-term debt	(920)	—	(920)
Liability for uncertain tax position	(6,682)	6,682	—
Other non-current liabilities[e]	(28,523)	—	(28,523)
Deferred income taxes, net	(10,933)	373	(10,560)
Total identifiable net assets	745,608	(134)	745,474
Goodwill[f]	70,600	(8,587)	62,013
Total fair value of consideration transferred	$ 816,208	$ (8,721)	$ 807,487

(All tabular amounts expressed in thousands of U.S. dollars, except per share data)

(a) The measurement period adjustments primarily relate to the Probiotica acquisition and primarily reflect: (i) the elimination of the liability for uncertain tax positions; (ii) the changes in the estimated fair value of the corporate brand intangible asset; and (iii) a decrease in the total fair value of consideration transferred due to a working capital adjustment. The measurement period adjustments were made to reflect facts and circumstances existing as of the acquisition date, and did not result from intervening events subsequent to the acquisition date. These adjustments did not have a significant impact on the Company's previously reported consolidated financial statements and, therefore, the Company has not retrospectively adjusted those financial statements.

(b) The fair value of trade accounts receivable acquired was $29.8 million, with the gross contractual amount being $31.1 million, of which the Company expects that $1.3 million will be uncollectible.

(c) Assets held for sale relate to a product brand acquired in the Atlantis acquisition. Subsequent to that acquisition, the plan of sale changed, and the Company no longer intends to sell the asset. Consequently, the product brand is not classified as an asset held for sale as of September 30, 2013.

(d) The following table summarizes the amounts and useful lives assigned to identifiable intangible assets:

	Weighted-Average Useful Lives (Years)	Amounts Recognized as of Acquisition Date (as previously reported)	Measurement Period Adjustments	Amounts Recognized as of September 30, 2013 (as adjusted)
Product brands	10	$ 456,720	$ (1,325)	$ 455,395
Corporate brands	12	31,934	3,725	35,659
Product rights	10	109,274	(873)	108,401
Royalty agreement	9	36,277	—	36,277
Partner relationships	5	32,414	—	32,414
Total identifiable intangible assets acquired	10	$ 666,619	$ 1,527	$ 668,146

(e) Other non-current liabilities, and the corresponding indemnification assets, primarily relate to certain asserted and unasserted claims against Probiotica, which include potential tax-related obligations that existed at the acquisition date. The Company is indemnified by the sellers in accordance with indemnification provisions under its contractual arrangements. Indemnification assets and contingent liabilities were recorded at the same amount and classified in the same manner, as components of the purchase price, representing our best estimates of these amounts at the acquisition date, in accordance with guidance for loss contingencies and uncertain tax positions. Under the Company's contractual arrangement with Probiotica, there is no limitation on the amount or value of indemnity claims that can be made by the Company; however there is a time restriction of either two or five years, depending on the nature of the claim. Approximately $12.9 million (R$22.5 million) of the purchase price for the Probiotica transaction from the date of acquisition had been placed in escrow in accordance with the indemnification provisions. The escrow account will be maintained for two years, of which 50% was released to the sellers in February 2013 and the remaining balance will be released after the second year. The Company expects the total amount of such indemnification assets to be collectible from the sellers.

(f) The goodwill relates primarily to the Probiotica acquisition. Goodwill is calculated as the difference between the acquisition date fair value of the consideration transferred and the values assigned to the assets acquired and liabilities assumed. The Company expects that the Probiotica's goodwill will be deductible for tax purposes. The goodwill recorded from the J&J ROW, J&J North America, QLT, University Medical, Atlantis and Gerot Lannach acquisitions represents primarily the cost savings, operating synergies and other benefits expected to result from combining the operations with those of the Company. Probiotica's goodwill recorded represents the following:

- the Company's expectation to develop and market new product brands and product lines in the future;
- the value associated with the Company's ability to develop relationships with new customers;
- the value of the continuing operations of Probiotica's existing business (that is, the higher rate of return on the assembled net assets versus if the Company had acquired all of the net assets separately); and
- intangible assets that do not qualify for separate recognition (for instance, Probiotica's assembled workforce).

The amount of the goodwill from the J&J North America, QLT and University Medical acquisitions has been allocated to the Company's Developed Markets segment. The amount of goodwill from the J&J ROW, Probiotica, Atlantis and Gerot Lannach acquisitions has been allocated to the Company's Emerging Markets segment.

Pro Forma Impact of Business Combinations

The following table presents unaudited pro forma consolidated results of operations for the three-month and nine-month periods ended September 30, 2013 and 2012, as if the 2013 acquisitions had occurred as of January 1, 2012 and the 2012 acquisitions had occurred as of January 1, 2011.

(All tabular amounts expressed in thousands of U.S. dollars, except per share data)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2013	2012	2013	2012
Revenues	$ 1,805,197	$ 1,910,348	$ 5,602,093	$ 5,745,192
Net loss attributable to Valeant Pharmaceuticals International, Inc.	(960,328)	(113,069)	(1,045,224)	(543,133)
Loss per share attributable to Valeant Pharmaceuticals International, Inc.:				
Basic and diluted	$ (2.88)	$ (0.34)	$ (3.13)	$ (1.63)

The decline in pro forma revenues in the three-month period ended September 30, 2013 as compared to the three-month period ended September 30, 2012 was primarily due to lower sales of the Zovirax® franchise, Retin-A Micro® and BenzaClin® due to generic competition, partially offset by growth from the remaining business.

The decline in pro forma revenues in the nine-month period ended September 30, 2013 as compared to the nine-month period ended September 30, 2012 was primarily due to (i) lower sales of the Zovirax® franchise, Retin-A Micro®, BenzaClin® and Cesamet® due to generic competition and (ii) lower alliance and royalty revenue resulting from (a) alliance revenue recognized in the first quarter of 2012 related to the divestitures of 1% clindamycin and 5% benzoyl peroxide gel ("IDP-111"), a generic version of BenzaClin®, and 5% fluorouracil cream ("5-FU"), an authorized generic of Efudex® (see note 4 titled "DIVESTITURES" for further information), and (b) a milestone payment recognized in the second quarter of 2012 from GSK in connection with the launch of Potiga® (see note 5 titled "COLLABORATION AGREEMENTS" for further information). These declines were partially offset by growth from the remaining business.

The unaudited pro forma consolidated results of operations were prepared using the acquisition method of accounting and are based on the historical financial information of the Company and the acquired businesses described above. Except to the extent realized in the three-month and nine-month periods ended September 30, 2013, the unaudited pro forma information does not reflect any cost savings, operating synergies and other benefits that the Company may achieve as a result of these acquisitions, or the costs necessary to achieve these cost savings, operating synergies and other benefits. In addition, except to the extent recognized in the three-month and nine-month periods ended September 30, 2013, the unaudited pro forma information does not reflect the costs to integrate the operations of the Company with those of the acquired businesses.

The unaudited pro forma information is not necessarily indicative of what the Company's consolidated results of operations actually would have been had the 2013 acquisitions and the 2012 acquisitions been completed on January 1, 2012 and January 1, 2011, respectively. In addition, the unaudited pro forma information does not purport to project the future results of operations of the Company. The unaudited pro forma information reflects primarily the following adjustments:

- elimination of the historical intangible asset amortization expense of these acquisitions;
- additional amortization expense related to the fair value of identifiable intangible assets acquired;
- additional depreciation expense related to fair value adjustment to property, plant and equipment acquired;
- additional interest expense associated with the financing obtained by the Company in connection with the various acquisitions;
- the exclusion from pro forma earnings in the nine-month period ended September 30, 2013 of the acquisition accounting adjustments on these acquisitions' inventories that were sold subsequent to the acquisition date of $216.6 million, in the aggregate, and the exclusion of $19.6 million of acquisition-related costs, in the aggregate, incurred primarily for these acquisitions in the nine-month period ended September 30, 2013, and the inclusion of those amounts in pro forma earnings for the corresponding comparative periods; and
- the exclusion from pro forma earnings in the three-month period ended September 30, 2013 of the acquisition accounting adjustments on these acquisitions' inventories that were sold subsequent to the acquisition date of $148.7 million, in the aggregate, and the exclusion of $7.2 million of acquisition-related costs, in the aggregate, incurred primarily for these acquisitions in the three-month period ended September 30, 2013, and the inclusion of those amounts in pro forma earnings for the corresponding comparative periods.

In addition, all of the above adjustments were adjusted for the applicable tax impact.

4. DIVESTITURES

Divestiture of Buphenyl®

In connection with the Company's acquisition of Medicis in December 2012, the Company assumed an agreement with Hyperion Therapeutics, Inc. ("Hyperion"). Under the terms of this agreement, Hyperion exercised an option in the second quarter of 2013 to acquire worldwide rights to Buphenyl® from the Company for cash proceeds of $19.0 million. There was no gain or loss associated with this transaction.

Divestitures of IDP-111 and 5-FU

In connection with the acquisition of the Dermik business from Sanofi in December 2011, the Company was required by the FTC to divest IDP-111, a generic version of BenzaClin®, and 5-FU, an authorized generic of Efudex®.

On February 3, 2012, the Company sold the IDP-111 and 5-FU products. In connection with the sale of IDP-111 and 5-FU, the Company recognized $66.3 million of cash proceeds as alliance revenue in the first quarter of 2012 and expensed the carrying amounts of the IDP-111 and 5-FU assets of $69.2 million, in the aggregate, as cost of alliance revenue.

The cash proceeds from these transactions are classified within investing activities in the consolidated statements of cash flows.

5. COLLABORATION AGREEMENTS

GlaxoSmithKline ("GSK") Collaboration Agreement

In October 2008, Valeant closed the worldwide License and Collaboration Agreement (the "Collaboration Agreement") with GSK to develop and commercialize a first-in-class neuronal potassium channel opener for treatment of adult epilepsy patients with refractory partial onset seizures and its backup compounds, with a generic name of ezogabine in the U.S. and retigabine in all other countries. Pursuant to the terms of the Collaboration Agreement, Valeant granted co-development rights and worldwide commercialization rights to GSK.

In connection with the first sale of Potiga® in the U.S. (which occurred in April 2012), GSK paid the Company a $45.0 million milestone payment, and the Company is sharing up to 50% of the net profits from the sale of Potiga®. As substantive uncertainty existed at the inception of the Collaboration Agreement as to whether the milestone would be achieved because of the uncertainty involved with obtaining regulatory approval, no amounts were previously recognized for this potential milestone payment. The milestone payment (1) relates solely to past performance of the Company, (2) is reasonable relative to the other deliverables and payment terms within the Collaboration Agreement, and (3) is commensurate with the Company's efforts in collaboration with GSK to achieve the milestone events and the increase in value of ezogabine/retigabine. Accordingly, the milestone was considered substantive, and the milestone payment was recognized by the Company as alliance and royalty revenue upon achievement in the second quarter of 2012.

For information regarding asset impairment charges related to ezogabine/retigabine, see note 7 titled "FAIR VALUE MEASUREMENTS".

Zovirax Authorized Generic Agreement and Co-Promotion Agreements

On April 4, 2013, the Company entered into an agreement with Actavis, Inc. ("Actavis") to be the exclusive marketer and distributor of an authorized generic of the Company's Zovirax® ointment product (the "Zovirax® ointment agreement"). In addition, on April 4, 2013, the Company granted Actavis the exclusive right to co-promote Zovirax® cream to obstetricians and gynecologists in the U.S., and Actavis granted the Company the exclusive right to co-promote Actavis Specialty Brands' Cordran® Tape product in the U.S. Under the terms of the exclusive Zovirax® ointment agreement, the Company is supplying Actavis with a generic version of the Company's Zovirax® ointment product and Actavis is marketing and distributing the product in the U.S. and the Company receives a share of the economics. Under the terms of the agreement related to the co-promotion of Zovirax® cream, Actavis is utilizing its existing Specialty Brands sales and marketing structure to promote the product and receives a co-promotion fee from sales generated by prescriptions written by its targeted physician group. Under the terms of the Cordran® Tape co-promotion agreement, the Company is utilizing its existing dermatology sales and marketing structure to promote the product, and receives a co-promotion fee on sales.

Collaboration Agreements Assumed in Connection with the B&L Acquisition

In connection with the B&L Acquisition, the Company assumed several research and development licensing and collaboration agreements, including the arrangements described below. As part of the Company's integration efforts, these agreements will be evaluated, which could result in future contract termination costs incurred by the Company.

Worldwide Licensing Agreement for Latanoprostene Bunod

In March 2010, B&L entered into a licensing agreement with NicOx, which granted B&L exclusive worldwide rights to develop and commercialize latanoprostene bunod, a nitric oxide donating compound for the treatment of glaucoma and ocular hypertension. In January 2013, B&L initiated a global phase 3 development program for latanoprostene bunod. Under the terms of the agreement, the Company may be required to make potential regulatory, commercialization and sales success-based milestones payments over time up to $162.5 million, in the aggregate. In addition, NicOx will receive royalties on sales of latanoprostene bunod and will have the option to co-promote latanoprostene bunod products in the U.S.

Development Collaboration and Exclusive Option Agreement with Mimetogen

In July 2013, B&L entered into a Development Collaboration and Exclusive Option Agreement (the "Agreement") with Mimetogen Pharmaceuticals Inc. ("Mimetogen"), whereby Mimetogen granted B&L an exclusive option to obtain a worldwide license to the MIM-D3 compound for development and commercialization of products for the treatment and/or prevention of ocular conditions, disorders and/or diseases. Under the terms of the Agreement, depending on the results of clinical trials, the Company will have either the right or the obligation to exercise the option, which would trigger an initial license fee payment by the Company to Mimetogen of up to $95.0 million, plus additional potential milestones and royalty payments under the license agreement.

6. RESTRUCTURING, INTEGRATION AND OTHER COSTS

B&L Acquisition-Related Cost-Rationalization and Integration Initiatives

In connection with the B&L Acquisition, the Company has implemented cost-rationalization and integration initiatives to capture operating synergies and generate cost savings across the Company. These measures included:

- workforce reductions across the Company and other organizational changes;
- closing of duplicative facilities and other site rationalization actions company-wide, including research and development facilities, sales offices and corporate facilities;
- leveraging research and development spend; and
- procurement savings.

The Company estimates that it will incur total costs that are approximately half of the estimated annual synergies of greater than $850 million in connection with these cost-rationalization and integration initiatives, which are expected to be substantially completed by the end of 2014. Since the acquisition date, total costs of $271.4 million (including (i) $164.5 million of restructuring expenses, (ii) $8.3 million of acquisition-related costs, and (iii) $98.6 million of integration expenses) have been incurred through September 30, 2013. The estimate of total costs to be incurred primarily includes: employee termination costs payable to approximately 2,500 employees of the Company and B&L who have been or will be terminated as a result of the B&L Acquisition; IPR&D termination costs related to the transfer to other parties of product-development programs that did not align with our research and development model; costs to consolidate or close facilities and relocate employees; and contract termination and lease cancellation costs. These estimates do not include charges of $48.5 million and $4.3 million recognized and paid in the third quarter of 2013 related to B&L's previously cancelled performance-based options and the acceleration of unvested stock options for B&L employees as a result of the B&L Acquisition, respectively.

The following table summarizes the major components of restructuring costs incurred in connection with B&L Acquisition-related initiatives through September 30, 2013:

(All tabular amounts expressed in thousands of U.S. dollars, except per share data)

	Employee Termination Costs		IPR&D Termination Costs	Contract Termination, Facility Closure and Other Costs	Total
	Severance and Related Benefits	Share-Based Compensation[1]			
Balance, January 1, 2013	$ —	$ —	$ —	$ —	$ —
Costs incurred and/or charged to expense	160,486	52,798	—	4,026	217,310
Cash payments	(27,174)	(52,798)	—	(1,571)	(81,543)
Non-cash adjustments	8,284	—	—	1,897	10,181
Balance, September 30, 2013	$ 141,596	$ —	$ —	$ 4,352	$ 145,948

(1) Relates to B&L's previously cancelled performance-based options and the acceleration of unvested stock options for B&L employees as a result of the B&L Acquisition.

Medicis Acquisition-Related Cost-Rationalization and Integration Initiatives

In connection with the Medicis Acquisition, the Company has implemented cost-rationalization and integration initiatives to capture operating synergies and generate cost savings across the Company. These measures included:

- workforce reductions across the Company and other organizational changes;
- closing of duplicative facilities and other site rationalization actions company-wide, including research and development facilities, sales offices and corporate facilities;
- leveraging research and development spend; and
- procurement savings.

The Company estimates that it will incur total costs of less than $250 million in connection with these cost-rationalization and integration initiatives, which are expected to be substantially completed by the end of 2013. Since the acquisition date, total costs of $173.6 million (including (i) $108.7 million of restructuring expenses, (ii) $32.2 million of acquisition-related costs, which excludes $24.2 million of acquisition-related costs recognized in the fourth quarter of 2012 related to royalties to be paid to Galderma S.A. on sales of Sculptra®, and (iii) $32.7 million of integration expenses) have been incurred through September 30, 2013. The estimate of total costs to be incurred primarily includes: employee termination costs payable to approximately 750 employees of the Company and Medicis who have been or will be terminated as a result of the Medicis Acquisition; IPR&D termination costs related to the transfer to other parties of product-development programs that did not align with our research and development model; costs to consolidate or close facilities and relocate employees; and contract termination and lease cancellation costs. These estimates do not include a charge of $77.3 million recognized and paid in the fourth quarter of 2012 related to the acceleration of unvested stock options, restricted stock awards, and share appreciation rights for Medicis employees that was triggered by the change in control.

The following table summarizes the major components of restructuring costs incurred in connection with Medicis Acquisition-related initiatives through September 30, 2013:

(All tabular amounts expressed in thousands of U.S. dollars, except per share data)

	Employee Termination Costs		IPR&D Termination Costs	Contract Termination, Facility Closure and Other Costs	Total
	Severance and Related Benefits	Share-Based Compensation[1]			
Balance, January 1, 2012	$ —	$ —	$ —	$ —	$ —
Costs incurred and/or charged to expense	85,253	77,329	—	370	162,952
Cash payments	(77,975)	(77,329)	—	(5)	(155,309)
Non-cash adjustments	4,073	—	—	(162)	3,911
Balance, December 31, 2012	11,351	—	—	203	11,554
Costs incurred and/or charged to expense	12,902	—	—	2,870	15,772
Cash payments	(21,573)	—	—	(2,758)	(24,331)
Non-cash adjustments	151	—	—	(177)	(26)
Balance, March 31, 2013	2,831	—	—	138	2,969
Costs incurred and/or charged to expense	5,174	—	—	111	5,285
Cash payments	(7,407)	—	—	(166)	(7,573)
Non-cash adjustments	513	—	—	—	513
Balance, June 30, 2013	1,111	—	—	83	1,194
Costs incurred and/or charged to expense	1,559	—	—	506	2,065
Cash payments	(1,860)	—	—	(589)	(2,449)
Non-cash adjustments	(389)	—	—	—	(389)
Balance, September 30, 2013	$ 421	$ —	$ —	$ —	$ 421

(1) Relates to the acceleration of unvested stock options, restricted stock awards, and share appreciation rights for Medicis employees that was triggered by the change in control.

In addition to restructuring costs associated with the Company's B&L and Medicis Acquisition-related initiatives shown in the tables above, the Company incurred an additional $158.1 million of other restructuring, integration-related and other costs in the nine-month period ended September 30, 2013, including (i) $122.7 million of integration consulting, duplicate labor, transition service, and other costs, (ii) $14.9 million of facility closure costs, (iii) $12.4 million of severance costs and (iv) $8.1 million of other costs, including non-personnel manufacturing integration costs. These costs primarily related to (i) B&L and Medicis integration costs, as well as integration and restructuring costs for other acquisitions, (ii) intellectual property migration and the global consolidation of the Company's manufacturing facilities, and (iii) systems integration initiatives. The Company made payments of $197.4 million during the nine-month period ended September 30, 2013 (in addition to the $81.5 million and $34.4 million of payments related to B&L and Medicis restructuring, respectively, shown in the tables above).

In the nine-month period ended September 30, 2012, the Company incurred $135.2 million of restructuring, integration-related and other costs, in the aggregate, including costs of $14.2 million related to the September 28, 2010 merger between the Company (then named Biovail Corporation ("Biovail")) and Valeant, as well as $46.6 million of integration, consulting, duplicate labor, transition service, and other costs, and $44.8 million of other severance-related costs. The Company made payments of $134.2 million, in the aggregate, during the nine-month period ended September 30, 2012.

7. FAIR VALUE MEASUREMENTS

Assets and Liabilities Measured at Fair Value on a Recurring Basis

The following fair value hierarchy table presents the components and classification of the Company's financial assets and liabilities measured at fair value as of September 30, 2013 and December 31, 2012:

(All tabular amounts expressed in thousands of U.S. dollars, except per share data)

	As of September 30, 2013				As of December 31, 2012			
	Carrying Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Carrying Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets:								
Money market funds	$ 135,314	$ 135,314	$ —	$ —	$ 306,604	$ 306,604	$ —	$ —
Available-for-sale equity securities	—	—	—	—	4,410	4,410	—	—
Available-for-sale debt securities:								
Auction rate floating securities	—	—	—	—	7,167	—	—	7,167
Total financial assets	$ 135,314	$ 135,314	$ —	$ —	$ 318,181	$ 311,014	$ —	$ 7,167
Cash equivalents	$ 135,314	$ 135,314	$ —	$ —	$ 306,604	$ 306,604	$ —	$ —
Marketable securities	—	—	—	—	11,577	4,410	—	7,167
Total financial assets	$ 135,314	$ 135,314	$ —	$ —	$ 318,181	$ 311,014	$ —	$ 7,167
Liabilities:								
Acquisition-related contingent consideration	$ (381,037)	$ —	$ —	$ (381,037)	$ (455,082)	$ —	$ —	$ (455,082)

Fair value measurements are estimated based on valuation techniques and inputs categorized as follows:

- Level 1 — Quoted prices in active markets for identical assets or liabilities;
- Level 2 — Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities; and
- Level 3 — Unobservable inputs that are supported by little or no market activity and that are financial instruments whose values are determined using discounted cash flow methodologies, pricing models, or similar techniques, as well as instruments for which the determination of fair value requires significant judgment or estimation.

If the inputs used to measure the financial assets and liabilities fall within more than one level described above, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument.

There were no transfers between Level 1 and Level 2 during the nine-month period ended September 30, 2013.

Assets and Liabilities Measured at Fair Value on a Recurring Basis Using Significant Unobservable Inputs (Level 3)

The fair value measurement of contingent consideration obligations arising from business combinations is determined using unobservable (Level 3) inputs. These inputs include (i) the estimated amount and timing of projected cash flows; (ii) the probability of the achievement of the factor(s) on which the contingency is based; and (iii) the risk-adjusted discount rate used to present value the probability-weighted cash flows. Significant increases (decreases) in any of those inputs in isolation could result in a significantly lower (higher) fair value measurement.

The following table presents a reconciliation of contingent consideration obligations measured on a recurring basis using significant unobservable inputs (Level 3) for the nine-month period ended September 30, 2013:

	Balance, January 1, 2013	Issuances[a]	Payments[b]	Net Unrealized Gain[c]	Foreign Exchange[d]	Transfers Into Level 3	Transfers Out of Level 3	Balance, September 30, 2013
Acquisition-related contingent consideration	$ (455,082)	$ (67,355)	$ 104,288	$ 33,511	$ 3,601	$ —	$ —	$ (381,037)

(a) Relates primarily to the Eisai acquisition, and other smaller acquisitions, as described in note 3.

(b) Relates primarily to payments of acquisition-related contingent consideration related to the OraPharma acquisition, the Elidel®/Xerese®/Zovirax® agreement entered into with Meda Pharma SARL ("Meda") in June 2011 (the "Elidel®/Xerese®/Zovirax® agreement"), and the Gerot Lannach acquisition.

(c) For the nine months ended September 30, 2013, a net gain of $33.5 million was recognized as Acquisition-related contingent consideration in the consolidated statements of (loss) income. The acquisition-related contingent consideration net gain was primarily driven by a net gain related to the Elidel®/Xerese®/Zovirax® agreement. In April 2013, Mylan Inc. launched a generic Zovirax® ointment, which was earlier than we previously anticipated. Also, in April 2013, we entered into an agreement with Actavis to launch the authorized generic ointment for Zovirax®. Refer to note 5 titled "COLLABORATION AGREEMENTS" for further information regarding the agreement with Actavis. As a result of analysis in the third quarter of 2013 of performance trends since the generic entrant, the Company adjusted the projected revenue forecast, resulting in an acquisition-related contingent consideration net gain of $23.8 million in the first nine months of 2013.

Also contributing to the acquisition-related contingent consideration net gain was a net gain of $6.9 million which resulted from the termination, in the third quarter of 2013, of the A007 (Lacrisert®) development program acquired by Valeant as part of Aton Pharma, Inc. ("Aton") acquisition in May 2010, which impacted the probability associated with potential milestone payments. The termination of this program also resulted in an IPR&D impairment charge in the third quarter of 2013, as described in note 10 titled "INTANGIBLE ASSETS AND GOODWILL".

Refer to note 10 titled "INTANGIBLE ASSETS AND GOODWILL" for further information.

(d) Included in other comprehensive income (loss).

During the nine-month period ended September 30, 2013, the Company sold its entire investment in auction rate floating securities assumed in connection with the Medicis Acquisition in December 2012 and realized a gain of $1.9 million.

Assets and Liabilities Measured at Fair Value on a Non-Recurring Basis

As of September 30, 2013, the Company's assets measured at fair value on a non-recurring basis subsequent to initial recognition included:

(i) an intangible asset within the Company's Developed Markets segment, related to ezogabine/retigabine (immediate-release formulation) which is co-developed and marketed under a collaboration agreement with GSK. The Company recognized an impairment charge of $551.6 million in the three-month period ended September 30, 2013 in Amortization and impairments of finite-lived intangible assets in the consolidated statements of (loss) income. In addition, the Company fully impaired an IPR&D asset, within the Company's Developed Markets segment, relating to a modified-release formulation of ezogabine/retigabine, which resulted in a charge of $93.8 million. The $93.8 million write-off was recognized in the three-month period ended September 30, 2013 in In-process research and development impairments and other charges in the consolidated statements of (loss) income. These impairment charges were driven by analysis of expected future cash flows based on the communication received from the FDA in September 2013 regarding labeling changes and a required modification of the approved risk evaluation and mitigation strategy (REMS), which includes restrictions on distribution and additional patient monitoring. Further, as a result of this feedback received from the FDA, GSK decided that all sales force promotion for the product will be eliminated in the United States, and they will not launch the product in certain other planned territories. Per the terms of the collaboration agreement, GSK controls all sales force promotion for the product. Such changes are expected to have a significant impact on future cash flows of ezogabine/retigabine. The adjusted carrying amount of the ezogabine/retigabine (immediate-release formulation) of $45.1 million as of September 30, 2013 was equal to its estimated fair value, which was determined using discounted cash flows and represents Level 3 inputs. As a result of the events noted above, the Company believes that the value of the modified-release formulation of ezogabine/retigabine to a market participant would be zero.

(ii) assets held for sale within the Company's Developed Markets segment, related to certain suncare and skincare brands, including inventory on hand, sold primarily in Australia. The Company recognized additional impairment charges of $5.4 million and $31.5 million in the three-month and nine-month periods ended September 30, 2013, respectively, for these brands in Amortization and impairments of finite-lived intangible assets in the consolidated statements of (loss) income. The additional impairment charges were driven by assessment of offers received during the respective periods and analysis of updated market data. The adjusted carrying amount of $37.8 million, including inventory, is equal to the estimated fair values of these assets less costs to sell, which was determined using discounted cash flows and represents Level 3 inputs; and

(iii) an intangible asset within the Company's Developed Markets segment, related to Cortaid®, a dermatological product sold in the U.S. The Company recognized an impairment charge of $5.7 million in the three-month period ended March 31, 2013 for this brand in Amortization and impairments of finite-lived intangible assets in the consolidated statements of (loss) income. The impairment charge was driven by discontinuations of the product by certain retailers. The adjusted carrying amount as of March 31, 2013 of $1.0 million for this asset was equal to its estimated fair value, which was determined using discounted cash flows and represents Level 3 inputs.

There were no other significant assets or liabilities that were re-measured at fair value on a non-recurring basis subsequent to initial recognition in the nine-month period ended September 30, 2013.

(All tabular amounts expressed in thousands of U.S. dollars, except per share data)

For further information regarding asset impairment charges, see note 10 titled "INTANGIBLE ASSETS AND GOODWILL".

8. FAIR VALUE OF FINANCIAL INSTRUMENTS

The following table summarizes the estimated fair values of the Company's financial instruments as of September 30, 2013 and December 31, 2012:

	As of September 30, 2013		As of December 31, 2012	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Cash equivalents	$ 135,314	$ 135,314	$ 306,604	$ 306,604
Marketable securities[1]	—	—	11,577	11,577
Long-term debt (as described in note 11)[2]	(17,404,714)	(18,281,947)	(11,015,625)	(11,691,338)

(1) Marketable securities are classified within Prepaid expenses and other current assets and Other long-term assets, net in the consolidated balance sheets.

(2) Fair value measurement of long-term debt was estimated using the quoted market prices for the Company's debt issuances.

The following table summarizes the Company's marketable securities by major security type as of September 30, 2013 and December 31, 2012:

	As of September 30, 2013				As of December 31, 2012			
	Cost Basis	Fair Value	Gross Unrealized		Cost Basis	Fair Value	Gross Unrealized	
			Gains	Losses			Gains	Losses
Auction rate floating securities	$ —	$ —	$ —	$ —	$ 7,166	$ 7,167	$ 1	$ —
Equity securities	—	—	—	—	4,031	4,410	379	—
	$ —	$ —	$ —	$ —	$ 11,197	$ 11,577	$ 380	$ —

Gross gains and losses realized on the sale of marketable debt securities were not material in the three-month and nine-month periods ended September 30, 2013 and 2012.

9. INVENTORIES

The components of inventories as of September 30, 2013 and December 31, 2012 were as follows:

	As of September 30, 2013	As of December 31, 2012
Raw materials	$ 237,956	$ 120,885
Work in process	110,205	60,384
Finished goods	824,269	406,018
	1,172,430	587,287
Less allowance for obsolescence	(96,342)	(56,031)
	$ 1,076,088	$ 531,256

In the nine-month period ended September 30, 2013, the increase in inventories was primarily driven by (i) the 2013 acquisitions of businesses, primarily from the $675.8 million of inventory acquired in the B&L Acquisition and (ii) investments in inventory to support growth of the business, partially offset by $219.2 million of acquisition related adjustments included in cost of goods sold, primarily related to B&L and Medicis inventories that were sold in the first nine months of 2013.

For further information regarding the 2013 acquisitions of businesses, see note 3 titled "BUSINESS COMBINATIONS".

10. INTANGIBLE ASSETS AND GOODWILL

(All tabular amounts expressed in thousands of U.S. dollars, except per share data)

Intangible Assets

The major components of intangible assets as of September 30, 2013 and December 31, 2012 were as follows:

	As of September 30, 2013			As of December 31, 2012		
	Gross Carrying Amount	Accumulated Amortization, Including Impairments	Net Carrying Amount	Gross Carrying Amount	Accumulated Amortization, Including Impairments	Net Carrying Amount
Finite-lived intangible assets:						
Product brands	$ 10,199,918	$ (2,470,281)	$ 7,729,637	$ 7,968,318	$ (1,345,367)	$ 6,622,951
Corporate brands	363,482	(38,413)	325,069	284,287	(25,336)	258,951
Product rights	3,013,321	(811,998)	2,201,323	2,110,350	(525,186)	1,585,164
Partner relationships	190,489	(73,043)	117,446	187,012	(44,230)	142,782
Out-licensed technology and other	255,052	(76,114)	178,938	209,452	(57,507)	151,945
Total finite-lived intangible assets[1]	14,022,262	(3,469,849)	10,552,413	10,759,419	(1,997,626)	8,761,793
Indefinite-lived intangible assets:						
Acquired IPR&D[2]	847,375	—	847,375	546,876	—	546,876
Corporate brand[3]	1,690,551	—	1,690,551	—	—	—
	$ 16,560,188	$ (3,469,849)	$ 13,090,339	$ 11,306,295	$ (1,997,626)	$ 9,308,669

(1) In the third quarter of 2013, the Company recognized an impairment charge of $551.6 million related to ezogabine/retigabine (immediate-release formulation) which is co-developed and marketed under a collaboration agreement with GSK. For further information regarding this asset impairment charge, see note 7 titled "FAIR VALUE MEASUREMENTS".

In addition, in the third quarter of 2013, the Company recognized a write-off of $10.0 million related to certain OTC skincare products in the U.S. (included in the Company's Developed Markets segment) due to the discontinuation of the products. The Company does not believe these programs have value to a market participant.

In the first quarter of 2013, the Company recognized a write-off of $22.2 million related to Opana®, a pain relief medication approved in Canada (included in the Company's Developed Markets segment), due to production issues arising in the first quarter of 2013. These production issues resulted in higher spending projections and delayed commercialization timelines which, in turn, triggered the Company's decision to suspend its launch plans. The Company does not believe this program has value to a market participant.

These impairment charges were recognized in Amortization and impairments of finite-lived intangible assets in the consolidated statements of (loss) income.

(2) In the third quarter of 2013, the Company wrote off an IPR&D asset of $93.8 million relating to a modified-release formulation of ezogabine/retigabine. For further information regarding this write-off, see note 7 titled "FAIR VALUE MEASUREMENTS".

In addition, in the third quarter of 2013, the Company wrote-off IPR&D assets of $27.3 million, in the aggregate, due to the write-off of IPR&D assets acquired by Valeant as part of Aton acquisition in May 2010, mainly related to the termination of the A007 (Lacrisert®) development program in the third quarter of 2013. The Company does not believe these programs have value to a market participant.

In the third quarter of 2012, the Company recorded charges of (i) $133.4 million related to the write-off of an acquired IPR&D asset related to the IDP-107 dermatology program, which was acquired in September 2010 as part of merger between the Company (then named Biovail Corporation ("Biovail")) and Valeant, and (ii) $12.0 million related to a payment to terminate a research and development commitment with a third party. Through discussion with various internal and external Key Opinion Leaders, the Company completed its analysis of the Phase 2 study results for IDP-107 during the third quarter of 2012. This led to the Company's decision in the third quarter of 2012 to terminate the program and fully impair the asset. As attempts to identify a partner for the program were not successful, the Company does not believe the program has value to a market participant.

The write-offs of the IPR&D assets were recorded in In-process research and development impairments and other charges in the consolidated statements of (loss) income.

For further information regarding asset impairment charges, see note 7 titled "FAIR VALUE MEASUREMENTS".

(3) Represents the B&L corporate trademark, which has an indefinite useful life and is not amortizable. See note 3 "BUSINESS COMBINATIONS" for further information.

The increase in intangible assets, net primarily reflects the acquisition of the B&L, Obagi, Eisai and Natur Produkt identifiable intangible assets (as described in note 3) partially offset by amortization, the negative impact of foreign currency exchange, and the intangible impairments described above.

(All tabular amounts expressed in thousands of U.S. dollars, except per share data)

Amortization and impairments of finite-lived intangible assets were recorded as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2013	2012	2013	2012
Cost of goods sold	$ —	$ —	$ —	$ 2,557
Amortization and impairments of finite-lived intangible assets	910,248	218,187	1,540,021	629,400
	$ 910,248	$ 218,187	$ 1,540,021	$ 631,957

Amortization and impairments of finite-lived intangible assets in the nine-month period ended September 30, 2013 includes the $551.6 million impairment charge related to ezogabine/retigabine (described above), the $31.5 million of impairment charges related to suncare and skincare brands sold primarily in Australia (see note 7 titled "FAIR VALUE MEASUREMENTS" for additional information), the $22.2 million Opana® write-off (described above), $22.3 million of write-offs, in the aggregate, related to the discontinuation of certain products in the Brazilian, Canadian, and Polish markets, and the $10.0 million write-off related to certain OTC skincare products in the U.S. (described above).

Estimated aggregate amortization expense for each of the five succeeding years ending December 31 is as follows:

	2013	2014	2015	2016	2017
Amortization expense[(1)]	$ 1,243,488	$ 1,365,817	$ 1,317,121	$ 1,230,973	$ 1,177,238

(1) Amortization expense shown in the table above does not include impairments of finite-lived intangible assets.

Goodwill

The changes in the carrying amount of goodwill in the nine-month period ended September 30, 2013 were as follows:

	Developed Markets	Emerging Markets	Total
Balance, January 1, 2013[(a)]	$ 3,992,988	$ 1,148,378	$ 5,141,366
Additions[(b)]	3,440,237	1,170,563	4,610,800
Adjustments[(c)]	20,168	(316)	19,852
Foreign exchange and other	2,193	(32,208)	(30,015)
Balance, September 30, 2013	$ 7,455,586	$ 2,286,417	$ 9,742,003

(a) Effective in the first quarter of 2013, the Company has two reportable segments: Developed Markets and Emerging Markets. Accordingly, the Company has restated prior period segment information to conform to the current period presentation. For further details, see note 20 titled "SEGMENT INFORMATION".

(b) Primarily relates to the B&L, Obagi and Natur Produkt acquisitions (as described in note 3).

(c) Primarily reflects the impact of measurement period adjustments related to the Medicis Acquisition (as described in note 3).

As described in note 3, the allocation of the goodwill balance associated with the B&L and Natur Produkt acquisitions is provisional and subject to the completion of the valuation of the assets acquired and liabilities assumed.

11. LONG-TERM DEBT

A summary of the Company's consolidated long-term debt as of September 30, 2013 and December 31, 2012, respectively, is outlined in the table below:

(All tabular amounts expressed in thousands of U.S. dollars, except per share data)

	Maturity Date	As of September 30, 2013	As of December 31, 2012
New Revolving Credit Facility[1]	April 2018	$ —	$ —
New Term Loan A Facility[1]	April 2016	1,666,535	2,083,462
Tranche A Term Loans[1]	April 2016	742,528	—
New Term Loan B Facility[1][2]	February 2019	1,255,373	1,275,167
New Incremental Term Loan B Facility[1][2]	December 2019	965,790	973,988
Tranche B Term Loans[1]	August 2020	3,087,242	—
Japanese Revolving Credit Facility[5]	July 2014	34,192	—
Senior Notes:			
6.50%	July 2016	915,500	915,500
6.75%	October 2017	498,573	498,305
6.875%	December 2018	939,953	939,277
7.00%	October 2020	686,983	686,660
6.75%	August 2021	650,000	650,000
7.25%	July 2022	542,016	541,335
6.375%[3]	October 2020	2,220,346	1,724,520
6.375%[3]	October 2020	—	492,720
6.75%	August 2018	1,580,863	—
7.50%	July 2021	1,605,245	—
Convertible Notes:			
1.375% Convertible Notes[4]	June 2017	209	228,576
2.50% Convertible Notes[4]	June 2032	—	5,133
1.50% Convertible Notes[4]	June 2033	—	84
Other[5]	Various	13,366	898
		17,404,714	11,015,625
Less current portion		(360,964)	(480,182)
Total long-term debt		$ 17,043,750	$ 10,535,443

(1) Together, the "Senior Secured Credit Facilities" under the Company's Third Amended and Restated Credit and Guaranty Agreement (the "Credit Agreement").

(2) On February 21, 2013, the Company and certain of its subsidiaries, as guarantors, entered into an amendment to the Credit Agreement to effectuate a repricing of its existing senior secured term loan B facility (the "Term Loan B Facility") and its existing incremental term B loans (the "Incremental Term Loan B Facility") by the issuance of $1.3 billion and $1.0 billion in new incremental term loans (the "Repriced Term Loan B Facility" and the "Repriced Incremental Term Loan B Facility", respectively, and together, the "Repriced Term Loan B Facilities"). On September 17, 2013, the Company and certain of its subsidiaries, as guarantors, entered into an amendment to the Credit Agreement to effectuate a repricing of the Repriced Term Loan B Facilities by issuance of $1,287.0 million and $990.0 million in new incremental term loans (the "New Term Loan B Facility" and the "New Incremental Term Loan B Facility", respectively, and together, the "New Term Loan B Facilities").

(3) On March 29, 2013, the Company announced that its wholly-owned subsidiary, Valeant, commenced an offer to exchange (the "Exchange Offer") any and all of its outstanding $500.0 million aggregate principal amount of 6.375% senior notes due 2020 (the "Existing Notes") into the previously outstanding $1.75 billion 6.375% senior notes due 2020. Valeant conducted the Exchange Offer in order to satisfy its obligations under the indenture governing the Existing Notes with the anticipated result being that some or all of such notes would be part of a single series of 6.375% senior notes under one indenture. The Exchange Offer, which did not result in any changes to existing terms or to the total amount of the Company's debt outstanding, expired on April 26, 2013. $497.7 million of aggregate principal amount of the Existing Notes was exchanged as of such date. In the third quarter of 2013, the Company executed a private exchange of the remaining $2.3 million of aggregate principal amount of the Existing Notes into the previously outstanding $1.75 billion 6.375% senior notes due 2020.

(4) Represents obligations assumed from Medicis.

(5) Relates primarily to the obligations assumed from B&L (discussed below).

The total fair value of the Company's long-term debt, including current portion, with carrying values of $17.4 billion and $11.0 billion at September 30, 2013 and December 31, 2012, was $18.3 billion and $11.7 billion, respectively. The fair value of the Company's long-term debt is estimated using the quoted market prices for the Company's debt issuances.

Senior Secured Credit Facilities

On January 24, 2013, the Company and certain of its subsidiaries as guarantors entered into Amendment No. 3 to the Credit Agreement to reprice its senior secured term loan A facility (the "Term Loan A Facility", as so amended, the "New Term Loan A Facility") and its revolving credit facility (the "Revolving Credit Facility", as so amended, the "Amended Revolving Credit Facility"). As amended, the applicable margins for the New Term Loan A Facility and the Amended Revolving Credit Facility each were reduced by 0.75%. Interest rates for the Amended Revolving Credit Facility and the New Term Loan A Facility are subject to increase or decrease quarterly based on leverage ratios. As of September 30, 2013, the effective rate of interest on the Company's borrowings under the New Term Loan A Facility was 2.43% per annum. During the third quarter of 2013, the Company made two voluntary prepayments of the scheduled December 2013 and March 2014 amortization payments applicable to the New Term Loan A Facility, resulting in a principal reduction of $159.4 million.

On February 21, 2013, the Company and certain of its subsidiaries as guarantors entered into Amendment No. 4 to the Credit Agreement to effectuate a repricing of the Term Loan B Facility and the Incremental Term Loan B Facility (the "Term Loan B Repricing Transaction") by the issuance of the Repriced Term Loan B Facilities. Term loans under the Term Loan B Facility and the Incremental Term Loan B Facility were either exchanged for, or repaid with the proceeds of the Repriced Term Loan B Facilities. The applicable margins for borrowings under the Repriced Term Loan B Facilities are 1.75% with respect to base rate borrowings and 2.75% with respect to LIBO rate borrowings, subject to a 0.75% LIBO rate floor and a 1.75% base rate floor. The term loans under the Repriced Term Loan B Facility and the Repriced Incremental Term Loan B Facility mature on February 13, 2019 and December 11, 2019, respectively, began amortizing quarterly on March 31, 2013 at an annual rate of 1.0% and have terms consistent with the previous Term Loan B Facility and the Incremental Term Loan B Facility, respectively. In connection with the refinancing of the Term Loan B Facility and the Incremental Term Loan B Facility pursuant to the Term Loan B Repricing Transaction, the Company paid a prepayment premium of approximately $23.0 million, equal to 1.0% of the refinanced term loans under the Term Loan B Facility and Incremental Term Loan B Facility. In addition, repayments of outstanding loans under the Repriced Term Loan B Facilities in connection with certain refinancings on or prior to August 21, 2013 require a prepayment premium of 1.0% of such loans prepaid. In connection with the Term Loan B Repricing Transaction, the Company recognized a loss on extinguishment of debt of $21.4 million in the three-month period ended March 31, 2013.

On June 6, 2013, the Company and certain of its subsidiaries, as guarantors, entered into Amendment No. 5 to the Credit Agreement to implement certain revisions in connection with the B&L Acquisition. The amendment provided for certain revisions in connection with, among other things, the formation of VPII Escrow Corp., the offering of the senior unsecured notes by VPII Escrow Corp., the equity offering, the waiver of certain closing conditions and/or requirements in connection with the incurrence of incremental term loans and/or establishment of incremental revolving commitments related to the B&L Acquisition and the consummation of the B&L Acquisition.

On June 26, 2013, the Company and certain of its subsidiaries, as guarantors, entered into Amendment No. 6 to the Credit Agreement to, among other things, allow for the increase in commitments under the Amended Revolving Credit Facility and the extension of the maturity of the Amended Revolving Credit Facility to April 2018, and to amend certain other provisions of the Credit Agreement. On July 15, 2013, the increase in commitments and maturity extension under the Amended Revolving Credit Facility was completed, with commitments increased by $550.0 million to $1.0 billion (the "New Revolving Credit Facility"). As of September 30, 2013, the effective rate of interest on the Company's borrowings under the New Revolving Credit Facility was 2.42% per annum.

On June 27, 2013, the Company priced the incremental term loan facilities in the aggregate principal amount of $4,050.0 million (the "Incremental Term Loan Facilities") under its existing Senior Secured Credit Facilities. The Incremental Term Loan Facilities consist of (1) $850.0 million of tranche A term loans, maturing on April 20, 2016 (the "Tranche A Term Loans"), bearing interest at a rate per annum equal to, at the election of the Company, (i) the base rate plus 1.25% or (ii) LIBO rate plus 2.25% and having terms that are consistent with the Company's existing New Term Loan A Facility, and (2) $3,200.0 million of tranche B term loans maturing on August 5, 2020 (the "Tranche B Term Loans"), bearing interest at a rate per annum equal to, at the election of the Company, (i) the base rate plus 2.75%, subject to a 1.75% base rate floor or (ii) LIBO rate plus 3.75%, subject to a 0.75% LIBO rate floor and having terms that are consistent with the Company's New Term Loan B Facility. The Incremental Term Loan Facilities closed on August 5, 2013, concurrent with the closing of the B&L Acquisition.

Pursuant to the Credit Agreement, in connection with the funding of the Incremental Term Loan Facilities, the interest margins under the Repriced Term Loan B Facility and the Repriced Incremental Term Loan B Facility increased by 0.875% per annum. As of September 30, 2013, the effective rate of interest on the Company's borrowings under the Tranche A Term Loans and the Tranche B Term Loans was 2.47% and 4.5% per annum, respectively. During the third quarter of 2013, the Company made two voluntary prepayments of the scheduled December 2013 and March 2014 amortization payments applicable to the Tranche A Term Loans and the Tranche B Term Loans, resulting in a principal reduction of $63.8 million and $16.0 million, respectively.

On September 17, 2013, the Company and certain of its subsidiaries, as guarantors, entered into Amendment No. 7 to the Credit Agreement to effectuate a repricing of the Repriced Term Loan B Facilities by issuance of the New Term Loan B Facilities. Term loans under the Repriced Term Loan B Facility and the Repriced Incremental Term Loan B Facility were either exchanged for, or repaid with the proceeds of the New Term Loan B Facilities. The applicable margins for borrowings under the New Term Loan B Facilities are 2.0% with respect to base rate borrowings and 3.0% with respect to LIBO rate borrowings, subject to a 1.75% base rate floor and a 0.75% LIBO rate floor. The incremental term loans under the New Term Loan B Facility and the New Incremental Term Loan B Facility have terms consistent with the previous Repriced Term Loan B Facility and the Repriced Incremental Term Loan B Facility. As of September 30, 2013, the effective rate of interest on the Company's borrowings under both the New Term Loan B Facility and the New Incremental Term Loan B Facility was 3.83% per annum. During the third quarter of 2013, the Company made two voluntary prepayments of the scheduled December 2013 and March 2014 amortization payments applicable to the New Term Loan B Facility and the New Incremental Term Loan B Facility, resulting in a principal reduction of $6.5 million and $5.0 million, respectively.

2018 Senior Notes and 2021 Senior Notes

On July 12, 2013, VPII Escrow Corp. (the "Issuer"), a newly formed wholly-owned subsidiary of the Company, issued $1,600.0 million aggregate principal amount of the 6.75% senior notes due 2018 (the "2018 Senior Notes") and $1,625.0 million aggregate principal amount of the 7.50% senior notes due 2021 (the "2021 Senior Notes" and together with the 2018 Senior Notes, the "Notes") in a private placement. The 2018 Senior Notes mature on August 15, 2018 and bear interest at the rate of 6.75% per annum, payable semi-annually on February 15 and August 15 of each year, commencing on February 15, 2014. The 2021 Senior Notes mature on July 15, 2021 and bear interest at the rate of 7.50% per annum, payable semi-annually on January 15 and July 15 of each year, commencing on January 15, 2014. In connection with the issuances of the 2018 Senior Notes and the 2021 Senior Notes, the Company incurred approximately $20.0 million and $20.3 million in underwriting fees, respectively, which are recognized as debt issue discount and which resulted in net proceeds of $1,580.0 million and $1,604.7 million, respectively. At the time of the closing of the B&L Acquisition, (1) the Issuer was voluntarily liquidated and all of its obligations were assumed by, and all of its assets were distributed to the Company, (2) the Company assumed all of the Issuer's obligations under the Notes and the related indenture and (3) the funds previously held in escrow were released to the Company and were used to finance the B&L Acquisition.

The Notes are guaranteed by each of the Company's subsidiaries that is a guarantor of the Company's existing Senior Secured Credit Facilities.

The indenture governing the terms of the Notes provides that the 2018 Senior Notes and the 2021 Senior Notes, are redeemable at the option of the Company, in whole or in part, at any time on or after August 15, 2015 and July 15, 2016, respectively, plus accrued and unpaid interest, if any, to the applicable redemption date. In addition, the Company may redeem some or all of the 2018 Senior Notes prior to August 15, 2015 and some or all of the 2021 Senior Notes prior to July 15, 2016, in each case at a price equal to 100% of the principal amount thereof, plus a make-whole premium. Prior to August 15, 2015, the Company may redeem up to 35% of the aggregate principal amount of the 2018 Senior Notes and prior to July 15, 2016, the Company may redeem up to 35% of the aggregate principal amount of the 2021 Senior Notes, in each case using the proceeds of certain equity offerings at the respective redemption price equal to 106.75% and 107.50% of the principal amount of the 2018 Senior Notes and 2021 Senior Notes, respectively, plus accrued and unpaid interest to the applicable date of redemption.

If the Company experiences a change in control, the Company may be required to repurchase the Notes, as applicable, in whole or in part, at a purchase price equal to 101% of the aggregate principal amount of the Notes repurchased, plus accrued and unpaid interest to, but excluding the applicable purchase date of the Notes.

The Notes indenture contains covenants that limit the ability of the Company and certain of its subsidiaries to, among other things: incur or guarantee additional indebtedness, make certain investments and other restricted payments, create liens, enter into transactions with affiliates, engage in mergers, consolidations or amalgamations and transfer and sell assets.

Japanese Revolving Credit Facility and Debentures

In connection with the B&L Acquisition, the Company assumed B&L's outstanding long-term debt, including current portion, of approximately $4,209.9 million at the B&L Acquisition date. As described in note 3, subsequent to the acquisition date, the Company settled the majority of the assumed long-term debt. As of September 30, 2013, B&L's outstanding long-term debt, including current portion, is comprised of the following: (i) Japanese yen-denominated variable-rate backed secured revolving credit facility (the "Japanese Revolving Credit Facility") and (ii) debentures.

Japanese Revolving Credit Facility

The Japanese Revolving Credit Facility is available in amounts of up to ¥3.36 billion ($34.2 million at September 30, 2013), expiring on July 8, 2014 and bears an interest rate of the Tokyo Interbank Offered Rate plus 0.75% per annum. The Japanese Revolving Credit Facility had an initial term of one year and is renewable annually. Borrowings under the Japanese Revolving Credit Facility are secured by an interest in certain eligible accounts receivable and inventory of subsidiary as defined in the agreement. The terms of the Japanese Revolving Credit Facility contain covenants including requiring the Japanese subsidiary to maintain certain levels of net worth and a maximum inventory turnover ratio.

Debentures

The debentures outstanding as of September 30, 2013 that were assumed by the Company in connection with the B&L Acquisition consist of two tranches: (i) 7.125% senior notes, due August 1, 2028, with outstanding principal amount of $11.7 million and (ii) 6.56% senior notes, due August 12, 2026, with outstanding principal amount of less than $0.1 million.

1.375% Convertible Notes, 2.50% Convertible Notes and 1.50% Convertible Notes

In connection with the acquisition of Medicis, the Company assumed Medicis' outstanding long-term debt, including current portion, of approximately $778.0 million at the Medicis Acquisition date. As described in note 3, the Medicis long-term debt, including current portion, is comprised of the following: (i) 1.375% convertible senior notes due June 1, 2017 (the "1.375% Convertible Notes"), (ii) 2.50% contingent convertible senior notes due June 4, 2032 (the "2.50% Convertible Notes") and (iii) 1.50% contingent convertible senior notes due June 4, 2033 (the "1.50% Convertible Notes").

On February 11, 2013, all of the outstanding 2.50% Convertible Notes and 1.50% Convertible Notes were converted by holders and settled 100% in cash in the aggregate amount of $5.1 million and $0.1 million, respectively. In addition, during the nine-month period ended September 30, 2013, $228.4 million principal amount of the 1.375% Convertible Notes were converted by holders and settled 100% in cash.

Commitment Letter

In connection with the B&L Acquisition, the Company and its subsidiary, Valeant, entered into a commitment letter dated as of May 24, 2013 (as amended and restated as of June 4, 2013, the "Commitment Letter"), with Goldman Sachs Lending Partners LLC, Goldman Sachs Bank USA and other financial institutions to provide up to $9.275 billion of unsecured bridge loans. In connection with the effectiveness of Amendment No. 5, $4.3 billion of the commitments under the Commitment Letter were reallocated from unsecured bridge loans to a commitment in respect of incremental term loans under the Company's Senior Secured Credit Facilities and were not subject to a commitment fee. Subsequently, the Company obtained $9.575 billion in financing through a syndication of the Incremental Term Loan Facilities under the Company's existing Senior Secured Credit Facilities of $4.05 billion, the issuance of the 2018 Senior Notes in an aggregate principal amount of $1.6 billion, the issuance of the 2021 Senior Notes in an aggregate principal amount of $1.625 billion, and the issuance of new equity of approximately $2.3 billion (see note 15 titled "SHAREHOLDERS' EQUITY" for additional information). The proceeds from the issuance of the Incremental Term Loan Facilities, the 2018 Senior Notes, the 2021 Senior Notes and the equity were utilized to fund (i) the transactions contemplated by the Merger Agreement, (ii) B&L's obligation to repay all outstanding loans under certain of its existing credit facilities, (iii) B&L's tender offer for or discharge or irrevocable call for redemption and deposit of cash to effect such discharge or redemption of B&L's 9.875% Senior Notes due 2015 and (iv) certain transaction expenses. In connection with the Commitment Letter, the Company incurred approximately $37.3 million in fees, which were recognized as deferred financing costs. In the second quarter of 2013, the Company expensed $24.2 million of deferred financing costs associated with the Commitment Letter to Interest expense in the consolidated statements of (loss) income. The remaining $13.1 million of deferred financing costs was expensed to Interest expense in the third quarter of 2013 upon closing of the 2018 Senior Notes and 2021 Senior Notes on July 12, 2013.

12. SECURITIES REPURCHASE PROGRAM

On November 19, 2012, the Company announced that its Board of Directors had approved a new securities repurchase program (the "2012 Securities Repurchase Program"). Under the 2012 Securities Repurchase Program, which commenced on November 15, 2012, the Company may make purchases of up to $1.5 billion of senior notes, common shares and/or other future debt or shares, subject to any restrictions in the Company's financing agreements and applicable law. The 2012 Securities Repurchase Program will terminate on November 14, 2013 or at such time as the Company completes its purchases. The amount of securities to be purchased and the timing of purchases under the 2012 Securities Repurchase Program may be subject to various factors, which may include the price of the securities, general market conditions, corporate and regulatory requirements, alternate investment opportunities and restrictions under the Company's financing agreements and applicable law. The securities to be repurchased will be funded using the Company's cash resources.

On November 3, 2011, the Company announced that its Board of Directors had approved a securities repurchase program (the "2011 Securities Repurchase Program"). Under the 2011 Securities Repurchase Program, which commenced on November 8, 2011, the Company could make purchases of up to $1.5 billion of its convertible notes, senior notes, common shares and/or other future debt or shares. The 2011 Securities Repurchase Program terminated on November 7, 2012.

Repurchase of 5.375% Convertible Notes

In the nine-month period ended September 30, 2012, under the 2011 Securities Repurchase Program, the Company repurchased $1.1 million principal amount of the 5.375% senior convertible notes due 2014 (the "5.375% Convertible Notes") for a purchase price of $4.0 million. The carrying amount of the 5.375% Convertible Notes purchased was $1.0 million (net of related unamortized deferred financing costs) and the estimated fair value of the 5.375% Convertible Notes exclusive of the conversion feature was $1.1 million. The difference of $0.1 million between the net carrying amount and the estimated fair value was recognized as a loss on extinguishment of debt. The difference of $2.9 million between the estimated fair value of $1.1 million and the purchase price of $4.0 million resulted in charges to additional paid-in capital and accumulated deficit of $0.2 million and $2.7 million, respectively. The portion of the purchase price attributable to accreted interest on the debt discount amounted to $0.1 million, and is included as an operating activity in the consolidated statements of cash flows. The remaining portion of the payment of $3.9 million is presented in the consolidated statement of cash flows as an outflow from financing activities.

Share Repurchases

In the nine-month period ended September 30, 2013, under the 2012 Securities Repurchase Program, the Company repurchased 507,957 of its common shares for an aggregate purchase price of $35.7 million. The excess of the purchase price over the carrying value of the common shares repurchased of $25.8 million was charged to the accumulated deficit. These common shares were subsequently cancelled.

In the nine-month period ended September 30, 2012, under the 2011 Securities Repurchase Program, the Company repurchased 5,257,454 of its common shares for an aggregate purchase price of $280.7 million. The excess of the purchase price over the carrying value of the common shares repurchased of $178.4 million was charged to the accumulated deficit. These common shares were subsequently cancelled.

Total Repurchases under the 2012 Securities Repurchase Program

As of September 30, 2013, the Company had repurchased approximately $35.7 million, in the aggregate, of its common shares under the 2012 Securities Repurchase Program.

Additional Repurchases outside the 2012 Securities Repurchase Program

In addition to the repurchases made under the 2012 Securities Repurchase Program, during the second quarter of 2013, the Company repurchased an additional 217,294 of its common shares on behalf of certain members of the Company's Board of Directors, in connection with the share settlement of certain deferred stock units and restricted stock units held by such directors following the termination of the applicable equity program. These common shares were subsequently transferred to such directors. These common shares were repurchased for an aggregate purchase price of $19.9 million. The excess of the purchase price over the carrying value of the common shares repurchased of $15.6 million was charged to the accumulated deficit. As the common shares were repurchased on behalf of certain of the Company's directors, these repurchases were not made under the 2012 Securities Repurchase Program.

13. SHARE-BASED COMPENSATION

(All tabular amounts expressed in thousands of U.S. dollars, except per share data)

The following table summarizes the components and classification of share-based compensation expense related to stock options and restricted share units ("RSUs") for the three-month and nine-month periods ended September 30, 2013 and 2012:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2013	2012	2013	2012
Stock options	$ 4,579	$ 4,901	$ 12,731	$ 16,977
RSUs	11,421	13,646	19,745	35,878
Share-based compensation expense	$ 16,000	$ 18,547	$ 32,476	$ 52,855
Research and development expenses	$ —	$ 167	$ —	$ 607
Selling, general and administrative expenses	16,000	18,380	32,476	52,248
Share-based compensation expense	$ 16,000	$ 18,547	$ 32,476	$ 52,855

In the second quarter of 2013, certain equity awards held by current non-management directors were modified from units settled in common shares to units settled in cash, which changed the classification from equity awards to liability awards. The resulting reduction in share-based compensation expense of $5.8 million was more than offset by incremental compensation expense of $21.3 million recognized in the second quarter of 2013, which represents the fair value of the awards settled in cash. As the modified awards were fully vested and paid out, no additional compensation expense will be recognized in subsequent periods.

The decrease in share-based compensation expense for the nine-month period ended September 30, 2013 was also driven by the impact of forfeitures and the accelerated vesting that was triggered in the prior year related to certain performance-based RSU awards.

In the nine-month periods ended September 30, 2013 and 2012, the Company granted approximately 912,000 stock options with a weighted-average exercise price of $84.51 per option and approximately 435,000 stock options with a weighted-average exercise price of $53.41 per option, respectively. The weighted-average fair values of all stock options granted to employees in the nine-month periods ended September 30, 2013 and 2012 were $26.10 and $19.10, respectively.

In the nine-month periods ended September 30, 2013 and 2012, the Company granted approximately 95,000 time-based RSUs with a weighted-average grant date fair value of $73.90 per RSU and approximately 220,000 time-based RSUs with a weighted-average grant date fair value of $50.44 per RSU, respectively.

In the nine-month period ended September 30, 2013 and 2012, the Company granted approximately 338,000 performance-based RSUs with a weighted-average grant date fair value of $125.04 per RSU and approximately 201,000 performance-based RSUs with a weighted-average grant date fair value of $70.52 per RSU, respectively.

As of September 30, 2013, the total remaining unrecognized compensation expense related to non-vested stock options, time-based RSUs and performance-based RSUs amounted to $106.4 million, in the aggregate, which will be amortized over a weighted-average period of 2.51 years.

14. PENSION AND POSTRETIREMENT EMPLOYEE BENEFIT PLANS

In connection with the B&L Acquisition completed on August 5, 2013, the Company assumed all of B&L's defined benefit obligations and related plan assets. This includes defined benefit plans and a participatory defined benefit postretirement medical and life insurance plan, which covers a closed grandfathered group of legacy B&L U.S. employees and employees in certain other countries. The U.S. defined benefit accruals were frozen as of December 31, 2004 and benefits that were earned up to December 31, 2004 were preserved. Participants continue to earn interest credits on their cash balance. The most significant non-U.S. plans are two defined benefit plans in Ireland, which comprise approximately 80% of the benefit obligations of the non-U.S. defined benefit pension plans as of the B&L Acquisition date. Both Ireland plans were closed to future service benefit accruals in 2011. All of the pension benefits that were earned prior to the closure of the plans were preserved; however, the only additional benefits that accrue are annual salary and inflation increases. The postretirement benefit plan was amended effective January 1, 2005 to eliminate employer contributions after age 65 for participants who did not meet the minimum requirements of age and service on that date. The employer contributions for medical and prescription drug benefits for participants retiring after March 1, 1989 were frozen effective January 1, 2010.

(All tabular amounts expressed in thousands of U.S. dollars, except per share data)

The Company recognizes on its balance sheet an asset or liability equal to the over-or under-funded benefit obligation of each defined benefit pension plan and other postretirement benefit plan. Actuarial gains or losses and prior service costs or credits that arise during the period but are not recognized as components of net periodic benefit cost are recognized, net of tax, as a component of other comprehensive income. As of September 30, 2013 and December 31, 2012, the Company recognized the under-funded financial position of these plans in accrued liabilities and other current liabilities of $0.3 million and $0.4 million and other long-term liabilities of $231.0 million and $5.3 million, respectively. The increase in other long-term liabilities was driven by the plans assumed as part of the B&L Acquisition, as described above. The balances at December 31, 2012 relate to legacy Valeant defined benefit pension plans which cover certain employees in Mexico.

Net Periodic Benefit Cost

The following table provides the components of net periodic benefit cost for the Company's defined benefit pension plans and postretirement benefit plan for the three-month and nine-month periods ended September 30, 2013:

	Pension Benefit Plans		Postretirement Benefit Plan
	U.S. Plan	Non-U.S. Plans	
	Three Months Ended September 30, 2013		
Service cost	$ 53	$ 731	$ 350
Interest cost	1,799	1,406	642
Expected return on plan assets	(2,357)	(1,202)	(126)
Net periodic benefit cost	$ (505)	$ 935	$ 866

	Pension Benefit Plans		Postretirement Benefit Plan
	U.S. Plan	Non-U.S. Plans	
	Nine Months Ended September 30, 2013		
Service cost	$ 53	$ 1,211	$ 350
Interest cost	1,799	1,612	642
Expected return on plan assets	(2,357)	(1,244)	(126)
Amortization of net loss	—	1	—
Net periodic benefit cost	$ (505)	$ 1,580	$ 866

For the three-month and nine-month periods ended September 30, 2012, the net periodic cost, which relates to the legacy Valeant defined benefit pension plans in Mexico, was not material to the Company's results of operations. The Company's policy for funding its pension benefit plans is to make contributions that meet or exceed the minimum statutory funding requirements. These contributions are determined based upon recommendations made by the actuary under accepted actuarial principles. The Company expects to contribute $2.0 million and $3.3 million to the U.S and Non-U.S. pension benefit plans, respectively, during the fourth quarter of 2013.

The Company plans to use postretirement benefit plan assets to fund postretirement benefit plan benefit payments in 2013.

Estimated Future Benefit Payments

Future benefit payments for the pension benefit plans and the postretirement benefit plan, which reflect expected future service, as appropriate, are expected to be paid as follows:

	Pension Benefit Plans		Postretirement Benefit Plan
	U.S. Plan	Non-U.S. Plans	
2013 [1]	$ 4,168	$ 1,198	$ 2,032
2014	12,638	3,714	8,051
2015	19,443	4,328	7,922
2016	19,150	3,604	7,772
2017	19,285	4,403	7,491
Thereafter	90,377	30,849	33,212

(All tabular amounts expressed in thousands of U.S. dollars, except per share data)

(1) Covers the fourth quarter of 2013.

Assumptions

The weighted-average assumptions used to determine net periodic benefit costs and benefit obligations for all assumed B&L defined benefit obligations and related plan assets at the B&L Acquisition date were as follows:

	Pension Benefit Plans	Postretirement Benefit Plan[1]
For Determining Net Periodic Benefit Cost		
U.S. Plans:		
Discount rate	4.50%	4.50%
Expected rate of return on plan assets	7.50%	5.50%
Rate of compensation increase	—	—
Non-U.S. Plans:		
Discount rate	3.48%	
Expected rate of return on plan assets	5.57%	
Rate of compensation increase	2.80%	
For Determining Benefit Obligation		
U.S. Plans:		
Discount rate	4.50%	4.50%
Rate of compensation increase	—	—
Non-U.S. Plans:		
Discount rate	3.48%	
Rate of compensation increase	2.80%	

(1) The Company does not have non-U.S. postretirement benefit plans.

The benefit obligations for all assumed B&L defined benefit obligations at the B&L Acquisition date amounted to $555.7 million, in the aggregate, which includes $244.2 million, $224.0 million and $87.5 million related to the U.S. pension benefit plan, the non-U.S. pension benefit plans and the U.S. postretirement benefit plan, respectively. The expected long-term rate of return on plan assets was developed based on a capital markets model that uses expected asset class returns, variance and correlation assumptions. The expected asset class returns were developed starting with current Treasury (for the U.S. pension plan) or Eurozone (for the Ireland pension plans) government yields and then adding corporate bond spreads and equity risk premiums to develop the return expectations for each asset class. The expected asset class returns are forward-looking. The variance and correlation assumptions are also forward-looking. They take into account historical relationships, but are adjusted to reflect expected capital market trends. The expected return on plan assets for the Company's U.S. pension plan was 7.50% and for the postretirement benefit plan was 5.50%. The expected return for the postretirement plan is based on the expected return for the U.S. pension plan reduced by 2.0% to reflect an estimate of additional administrative expenses. The expected return on plan assets for the Company's Ireland pension plans was 6.0%.

The discount rate used to determine benefit obligations represents the current rate at which the benefit plan liabilities could be effectively settled considering the timing of expected payments for plan participants.

Plan Assets

Pension and postretirement benefit plan assets assumed in connection with the B&L Acquisition are invested in several asset categories. The following presents target asset allocations for 2013:

(All tabular amounts expressed in thousands of U.S. dollars, except per share data)

	Pension Benefit Plans	Postretirement Benefit Plan
U.S. Plan	**2013 Target Allocation**	
Equity securities	60.00%	70.00%
Fixed income securities	40.00%	30.00%
Non-U.S. Plans		
Equity securities	46.33%	
Fixed income securities	41.78%	
Other	11.89%	

The Company's pension plan assets are managed by outside investment managers using a total return investment approach, whereby a mix of equity and debt securities investments are used to maximize the long-term rate of return on plan assets. A significant portion of the assets of the U.S. and Ireland pension plans have been invested in equity securities, as equity portfolios have historically provided higher returns than debt and other asset classes over extended time horizons. Correspondingly, equity investments also entail greater risks than other investments. Equity risks are balanced by investing a significant portion of plan assets in broadly diversified fixed income securities.

Fair Value of Plan Assets

The Company measured the fair value of plan assets based on the prices that would be received to sell an asset or paid to transfer a liability in an olderly transaction between market participants at the measurement date. Fair value measurements are based on a three-tier hierarchy described in note 7 titled "FAIR VALUE MEASUREMENTS".

The table below presents total plan assets assumed in connection with the B&L Acquisition by investment category as of the B&L Acquisition date and the classification of each investment category within the fair value hierarchy with respect to the inputs used to measure fair value:

	Pension Benefit Plans - U.S. Plans			
	As of August 5, 2013			
Assets	**Quoted Prices in Active Markets for Identical Assets (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**	**Total**
Cash & cash equivalents	$ 1,117	$ —	$ —	$ 1,117
Commingled funds:				
Equity securities:				
U.S. broad market	—	72,387	—	72,387
Emerging markets	—	15,502	—	15,502
Non-U.S. developed markets	—	26,762	—	26,762
Fixed income securities:				
Investment grade	—	55,186	—	55,186
Global high yield	—	19,992	—	19,992
	$ 1,117	$ 189,829	$ —	$ 190,946

(All tabular amounts expressed in thousands of U.S. dollars, except per share data)

	Pension Benefit Plans - Non-U.S. Plans			
	As of August 5, 2013			
Assets	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Cash & cash equivalents	$ 4,975	$ —	$ —	$ 4,975
Commingled funds:				
Equity securities:				
Worldwide developed markets	—	64,204	—	64,204
Fixed income securities:				
Investment grade	—	5,216	—	5,216
Government bond funds	—	47,122	—	47,122
Other assets	—	4,125	—	4,125
	$ 4,975	$ 120,667	$ —	$ 125,642

	Postretirement Benefit Plan			
	As of August 5, 2013			
Assets	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Cash	$ 3,578	$ —	$ —	$ 3,578
Insurance policies[1]	—	12,517	—	12,517
	$ 3,578	$ 12,517	$ —	$ 16,095

(1) The insurance policies held by the postretirement benefit plan consist of variable life insurance contracts whose fair value is their cash surrender value. Cash surrender value is the amount currently payable by the insurance company upon surrender of the policy. The cash surrender value is based principally on the net asset values of the underlying trust funds, adjusted by annuity factors incorporating mortality, plan expenses and income reinvestment. The trust funds are commingled funds that are not publicly traded. The underlying assets in these funds are primarily publicly traded on exchanges and have readily available price quotes.

Health Care Cost Trend Rate

The health care cost trend rate assumptions for the postretirement benefit plan assumed in connection with the B&L Acquisition are as follows:

	As of August 5, 2013
Health care cost trend rate assumed in 2013	7.84%
Rate to which the cost trend rate is assumed to decline	4.50%
Year that the rate reaches the ultimate trend rate	2029

A one percentage point change in health care cost trend rate would have had the following effects:

	One Percentage Point	
	Increase	Decrease
Effect on benefit obligations	$ 918	$ 846

15. SHAREHOLDERS' EQUITY

	Valeant Pharmaceuticals International, Inc. Shareholders							
	Common Shares							
	Shares (000s)	Amount	Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive Loss	Valeant Pharmaceuticals International, Inc. Shareholders' Equity	Noncontrolling Interest	Total Equity
Balance, January 1, 2012	306,371	$ 5,963,621	$ 276,117	$ (2,030,292)	$ (279,616)	$ 3,929,830	$ —	$ 3,929,830
Settlement of 5.375% Convertible Notes	—	—	(175)	(43,593)	—	(43,768)	—	(43,768)
Repurchase of equity component of 5.375% Convertible Notes	—	—	(180)	(2,682)	—	(2,862)	—	(2,862)
Common shares issued under share-based compensation plans	1,785	55,390	(43,166)	—	—	12,224	—	12,224
Repurchase of common shares	(5,257)	(102,340)	—	(178,384)	—	(280,724)	—	(280,724)
Share-based compensation	—	—	52,855	—	—	52,855	—	52,855
Employee withholding taxes related to share-based awards	—	—	(21,110)	—	—	(21,110)	—	(21,110)
Tax benefits from stock options exercised	—	—	5,842	—	—	5,842	—	5,842
	302,899	5,916,671	270,183	(2,254,951)	(279,616)	3,652,287	—	3,652,287
Comprehensive income:								
Net loss	—	—	—	(26,883)	—	(26,883)	—	(26,883)
Other comprehensive income	—	—	—	—	106,300	106,300	—	106,300
Total comprehensive income						79,417	—	79,417
Balance, September 30, 2012	302,899	$ 5,916,671	$ 270,183	$ (2,281,834)	$ (173,316)	$ 3,731,704	$ —	$ 3,731,704
Balance, January 1, 2013	303,861	$ 5,940,652	$ 267,118	$ (2,370,976)	$ (119,396)	$ 3,717,398	$ —	$ 3,717,398
Issuance of common stock[1]	27,059	2,269,320	—	—	—	2,269,320	—	2,269,320
Common shares issued under share-based compensation plans[2]	2,563	64,256	(60,650)	—	—	3,606	—	3,606
Repurchase of common shares[2]	(725)	(14,218)	—	(41,411)	—	(55,629)	—	(55,629)
Share-based compensation	—	—	32,476	—	—	32,476	—	32,476
Employee withholding taxes related to share-based awards	—	—	(35,918)	—	—	(35,918)	—	(35,918)
Tax benefits from stock options exercised	—	—	48,628	—	—	48,628	—	48,628
Noncontrolling interest from business combinations	—	—	—	—	—	—	113,496	113,496
Noncontrolling interest distributions	—	—	—	—	—	—	(2,101)	(2,101)
	332,758	8,260,010	251,654	(2,412,387)	(119,396)	5,979,881	111,395	6,091,276
Comprehensive loss:								
Net loss	—	—	—	(989,907)	—	(989,907)	1,268	(988,639)
Other comprehensive loss	—	—	—	—	(40,861)	(40,861)	(586)	(41,447)
Total comprehensive loss						(1,030,768)	682	(1,030,086)
Balance, September 30, 2013	332,758	$ 8,260,010	$ 251,654	$ (3,402,294)	$ (160,257)	$ 4,949,113	$ 112,077	$ 5,061,190

(1) On June 24, 2013, the Company completed, pursuant to an Underwriting Agreement with Goldman Sachs & Co. and Goldman Sachs Canada, Inc., a public offering for the sale of 27,058,824 of its common shares, no par value, at a price of $85.00 per share, or aggregate gross proceeds of approximately $2.3 billion. In connection with the issuance of these new common shares, the Company incurred approximately $30.7 million of issuance costs, which has been reflected as reduction to the gross proceeds from the equity issuance.

(2) During the second quarter of 2013, 225,000 common shares were repurchased by the Company pursuant to a purchase agreement with Goldman, Sachs & Co. Under this purchase program, the repurchases were made by Goldman, Sachs & Co. in compliance with Rule 10b5-1(c)(1)(i) of the Securities Exchange Act of 1934. 217,294 of these common shares were repurchased on behalf of certain members of the Company's Board of Directors, and were subsequently transferred to such directors, in connection with the share settlement of certain deferred stock units and restricted stock units held by such directors following the termination of the applicable equity program. The remaining 7,706 common shares were repurchased on behalf of the Company pursuant to the 2012 Securities Repurchase Program (and therefore these shares are included in the 507,957 of total common shares repurchased under the 2012 Securities Repurchase Program as of September 30, 2013) and were subsequently cancelled (see note 12 titled "SECURITIES REPURCHASE PROGRAM" for further information).

16. ACCUMULATED OTHER COMPREHENSIVE LOSS

The components of accumulated other comprehensive loss as of September 30, 2013, were as follows:

(All tabular amounts expressed in thousands of U.S. dollars, except per share data)

	Foreign Currency Translation Adjustment	Unrealized Holding Gain (Loss) on Auction Rate Securities	Net Unrealized Holding Gain (Loss) on Available-For-Sale Equity Securities	Acquisition of Noncontrolling Interest	Pension Adjustment	Total
Balance, January 1, 2013	$ (121,696)	$ 1	$ 379	$ 2,206	$ (286)	$ (119,396)
Foreign currency translation adjustment	(40,477)	—	—	—	—	(40,477)
Reclassification to net (loss) income[1]	—	(1)	(3,963)	—	—	(3,964)
Net unrealized holding gain on available-for-sale equity securities	—	—	3,584	—	—	3,584
Pension adjustment[2]	—	—	—	—	(4)	(4)
Balance, September 30, 2013	$ (162,173)	$ —	$ —	$ 2,206	$ (290)	$ (160,257)

(1) Included in gain on investments, net.

(2) Reflects changes in defined benefit obligations and related plan assets of defined benefit pension plans.

Income taxes are not provided for foreign currency translation adjustments arising on the translation of the Company's operations having a functional currency other than the U.S. dollar, except to the extent of translation adjustments related to the Company's retained earnings for foreign jurisdictions in which the Company is not considered to be permanently reinvested. Income taxes allocated to other components of other comprehensive loss, including reclassification adjustments, were not material.

17. INCOME TAXES

In the three-month period ended September 30, 2013, the Company recognized an income tax benefit of $169.2 million, which comprised of $171.0 million related to the expected tax benefit in tax jurisdictions outside of Canada in addition to an income tax expense of $1.8 million related to Canadian income taxes. In the nine-month period ended September 30, 2013, the Company recognized an income tax benefit of $247.7 million, which comprised of $252.5 million related to the expected tax benefit in tax jurisdictions outside of Canada and an income tax expense of $4.8 million related to Canadian income taxes. In the three-month and nine-month periods ended September 30, 2013, the Company's effective tax rate was primarily impacted by (i) tax provision generated from the Company's annualized effective tax rate applied against the overall loss of the Company, (ii) the impairment of intangibles in the U.S. and Australia, (iii) recognition of U.S. research and development credits associated with a change in tax law, (iv) true-ups recorded for recently filed returns in the U.S. and Canada and (v) the establishment of a valuation allowance on our previously recorded "reported" foreign tax credits in the U.S. due to the expectation that they will expire before usage.

The Company records a valuation allowance against its deferred tax assets to reduce the net carrying value to an amount that it believes is more likely than not to be realized. When the Company establishes or reduces the valuation allowance against its deferred tax assets, the provision for income taxes will increase or decrease, respectively, in the period such determination is made. The valuation allowance against deferred tax assets was $353.5 million as of September 30, 2013 and $124.5 million as of December 31, 2012. The majority of the increase is due to acquired valuation allowances which were established on B&L before acquisition ($164.0 million) and an increase for the establishment of a valuation allowance on our previously recorded "reported" foreign tax credits in the U.S. ($65.0 million). The Company will continue to assess this amount for appropriateness on a go-forward basis associated with the B&L business. The Company has determined as of September 30, 2013 that a valuation allowance against its U.S. foreign tax credits is warranted as it has determined it is more likely than not the Company will not realize these deferred tax assets in the future.

As of September 30, 2013, the Company had $185.5 million of unrecognized tax benefits, which included $42.5 million relating to interest and penalties. Of the total unrecognized tax benefits, $145.0 million would reduce the Company's effective tax rate, if recognized. The Company anticipates that up to $14.3 million of unrecognized tax benefits may be resolved within the next 12 months.

The Company's continuing practice is to recognize interest and penalties related to income tax matters in income tax expense. As of September 30, 2013, the Company had accrued $2.0 million for interest and $0.3 million for penalties.

Valeant and its subsidiaries have closed the IRS audits through the 2009 tax year. Valeant is currently under examination for various state tax audits for years 2002 to 2010. Valeant Pharmaceuticals International, Inc. (f.k.a. Biovail Corporation) is under examination by the CRA for its 2005 to 2008 tax years. In 2013 the Company received updated reassessments for the 2005, 2006, 2007, and 2008 tax years which mainly relate to CRA's denial of deductions for legal and consulting fees. B&L (U.S.) has effectively closed IRS audits through the 2010 tax year. B&L is currently open to audit for various state tax audits for years 1999 to 2012.

18. (LOSS) EARNINGS PER SHARE

(Loss) earnings per share attributable to Valeant Pharmaceuticals International, Inc. for the three-month and nine-month periods ended September 30, 2013 and 2012 were calculated as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2013	2012	2013	2012
Net (loss) income attributable to Valeant Pharmaceuticals International, Inc.	$ (973,243)	$ 7,645	$ (989,907)	$ (26,883)
Basic weighted-average number of common shares outstanding (000s)	333,643	304,075	316,462	305,550
Diluted effect of stock options and RSUs (000s)[(a)]	—	7,361	—	—
Diluted effect of convertible debt (000s)[(a)]	—	307	—	—
Diluted weighted-average number of common shares outstanding (000s)	333,643	311,743	316,462	305,550
(Loss) earnings per share attributable to Valeant Pharmaceuticals International, Inc.:				
Basic	$ (2.92)	$ 0.03	$ (3.13)	$ (0.09)
Diluted	$ (2.92)	$ 0.02	$ (3.13)	$ (0.09)

(a) In the three-month and nine-month periods ended September 30, 2013 and the nine-month period ended September 30, 2012, all potential common shares issuable for stock options, RSUs and convertible debt were excluded from the calculation of diluted loss per share, as the effect of including them would have been anti-dilutive. The dilutive effect of potential common shares issuable for stock options, RSUs and convertible debt on the weighted-average number of common shares outstanding would have been as follows:

	Three Months Ended September 30,	Nine Months Ended September 30,	Nine Months Ended September 30,
	2013	2013	2012
Basic weighted-average number of common shares outstanding (000s)	333,643	316,462	305,550
Dilutive effect of stock options and RSUs (000s)	6,580	6,487	7,341
Dilutive effect of Convertible Notes (000s)	—	—	693
Diluted weighted-average number of common shares outstanding (000s)	340,223	322,949	313,584

In the three-month and nine-month periods ended September 30, 2013, stock options to purchase approximately 401,000 and 415,000 common shares of the Company, respectively, had exercise prices greater than the average trading price of the Company's common shares, and were not included in the computation of diluted earnings per share because the effect would have been anti-dilutive, compared with approximately 900,000 and 855,000 stock options in the corresponding periods of 2012.

19. LEGAL PROCEEDINGS

From time to time, the Company becomes involved in various legal and administrative proceedings, which include product liability, intellectual property, antitrust, governmental and regulatory investigations, and related private litigation. There are also ordinary course employment-related issues and other types of claims in which the Company routinely becomes involved, but which individually and collectively are not material.

Unless otherwise indicated, the Company cannot reasonably predict the outcome of these legal proceedings, nor can it estimate the amount of loss, or range of loss, if any, that may result from these proceedings. An adverse outcome in certain of these proceedings could have a material adverse effect on the Company's business, financial condition and results of operations, and could cause the market value of its common shares to decline.

From time to time, the Company also initiates actions or files counterclaims. The Company could be subject to counterclaims or other suits in response to actions it may initiate. The Company cannot reasonably predict the outcome of these proceedings, some of which may involve significant legal fees. The Company believes that the prosecution of these actions and counterclaims is important to preserve and protect the Company, its reputation and its assets.

Governmental and Regulatory Inquiries

On May 16, 2008, Biovail Pharmaceuticals, Inc. ("BPI"), the Company's former subsidiary, entered into a written plea agreement with the U.S. Attorney's Office ("USAO") for the District of Massachusetts whereby it agreed to plead guilty to violating the U.S. Anti-Kickback Statute and pay a fine of $22.2 million.

In addition, on May 16, 2008, the Company entered into a non-prosecution agreement with the USAO whereby the USAO agreed to decline prosecution of Biovail in exchange for continuing cooperation and a civil settlement agreement and pay a civil penalty of $2.4 million. A hearing before the U.S. District Court in Boston took place on September 14, 2009 and the plea was approved.

In addition, as part of the overall settlement, Biovail entered into a Corporate Integrity Agreement ("CIA") with the Office of the Inspector General and the Department of Health and Human Services on September 11, 2009. The CIA requires the Company to have a compliance program in place and to undertake a set of defined corporate integrity obligations for a five-year term. The CIA also includes requirements for an annual independent review of these obligations. Failure to comply with the obligations under the CIA could result in financial penalties.

Securities

Medicis Shareholder Class Actions

Prior to the Company's acquisition of Medicis, several purported holders of then public shares of Medicis filed putative class action lawsuits in the Delaware Court of Chancery and the Arizona Superior Court against Medicis and the members of its Board of Directors, as well as one or both of Valeant and Merlin Merger Sub (the wholly-owned subsidiary of Valeant formed in connection with the Medicis Acquisition). The Delaware actions (which were instituted on September 11, 2012 and October 1, 2012, respectively) were consolidated for all purposes under the caption In re Medicis Pharmaceutical Corporation Stockholders Litigation, C.A. No. 7857-CS (Del. Ch.). The Arizona action (which was instituted on September 11, 2012) bears the caption Swint v. Medicis Pharmaceutical Corporation, et. al., Case No. CV2012-055635 (Ariz. Sup. Ct.). The actions all alleged, among other things, that the Medicis directors breached their fiduciary duties because they supposedly failed to properly value Medicis and caused materially misleading and incomplete information to be disseminated to Medicis' public shareholders, and that Valeant and/or Merlin Merger Sub aided and abetted those alleged breaches of fiduciary duty. The actions also sought, among other things, injunctive and other equitable relief, and money damages. On November 20, 2012, Medicis and the other named defendants in the Delaware action signed a memorandum of understanding ("MOU") to settle the Delaware action and resolve all claims asserted by the purported class. In connection with the proposed settlement, the plaintiffs intend to seek an award of attorneys' fees and expenses in an amount to be determined by the Delaware Court of Chancery. The settlement is subject to court approval and further definitive documentation. The plaintiff in the Arizona action agreed to dismiss her complaint. On January 15, 2013, the Arizona Superior Court issued an order granting the parties' joint stipulation to dismiss the Arizona action.

Obagi Shareholder Class Actions

Prior to the acquisition of all of the outstanding common stock of Obagi, the following complaints were filed: (i) a complaint in the Court of Chancery of the State of Delaware, dated March 22, 2013, and amended on April 1, 2013 and on April 8, 2013, captioned Michael Rubin v. Obagi Medical Products, Inc., et al.; (ii) a complaint in the Superior Court of the State of California, County of Los Angeles, dated March 22, 2013, and amended on March 27, 2013, captioned Gary Haas v. Obagi Medical Products, Inc., et al.; and (iii) a complaint in the Superior Court of the State of California, County of Los Angeles, dated March 27, 2013, captioned Drew Leonard v. Obagi Medical Products, Inc., et al. Each complaint is a purported shareholder class action and names as defendants Obagi and the members of the Obagi Board of Directors. The two complaints filed in California also name Valeant and Odysseus Acquisition Corp. (the wholly-owned subsidiary of Valeant formed in connection

with the Obagi acquisition) as defendants. The plaintiffs' allegations in each action are substantially similar. The plaintiffs allege that the members of the Obagi Board of Directors breached their fiduciary duties to Obagi's stockholders in connection with the sale of the company, and the California complaints further allege that Obagi, Valeant and Odysseus Acquisition Corp. aided and abetted the purported breaches of fiduciary duties. In support of their purported claims, the plaintiffs allege that the proposed transaction undervalues Obagi, involves an inadequate sales process and includes preclusive deal protection devices. The plaintiffs in the *Rubin* case in Delaware and in the *Haas* case in California also filed amended complaints, which added allegations challenging the adequacy of the disclosures concerning the transaction. The plaintiffs sought damages and to enjoin the transaction, and also sought attorneys' and expert fees and costs. On April 12, 2013, the defendants entered into an MOU with the plaintiffs to the actions pending in the Court of Chancery of the State of Delaware and the Superior Court of the State of California, pursuant to which Obagi and such parties agreed in principle, and subject to certain conditions, to settle those stockholder lawsuits. The settlement is subject to the approval of the appropriate court and further definitive documentation. In connection with the proposed settlement, the plaintiffs intend to seek an award of attorneys' fees and expenses in an amount to be determined by the appropriate court. On April 24, 2013, having received notice that the parties had reached an agreement to settle the litigation, the California Court scheduled a "Hearing on Order to Show Cause Re Dismissal" for July 31, 2013. On July 31, 2013, the California Court continued the matter for six months, until January 29, 2014, pending completion of definitive documentation and approval proceedings in the Court of Chancery of the State of Delaware. If the MOU is not approved or the applicable conditions are not satisfied, the defendants will continue to vigorously defend these actions.

Antitrust

Wellbutrin XL® Antitrust Class Actions

On April 4, 2008, a direct purchaser plaintiff filed a class action antitrust complaint in the U.S. District Court for the District of Massachusetts against Biovail, its subsidiary Biovail Laboratories International SRL ("BLS") (now Valeant International Bermuda), GlaxoSmithKline plc, and SmithKline Beecham Inc. (the latter two of which are referred to here as "GSK") seeking damages and alleging that Biovail, BLS and GSK took actions to improperly delay FDA approval for generic forms of Wellbutrin XL®. In late May and early June 2008, additional direct and indirect purchaser class actions were also filed against Biovail, BLS and GSK in the Eastern District of Pennsylvania, all making similar allegations. After motion practice, the complaints were consolidated, resulting in a lead direct purchaser and a lead indirect purchaser action, and the Court ultimately denied defendants' motion to dismiss the consolidated complaints.

The Court granted direct purchasers' motion for class certification, and certified a class consisting of all persons or entities in the United States and its territories who purchased Wellbutrin XL® directly from any of the defendants at any time during the period of November 14, 2005 through August 31, 2009. Excluded from the class are defendants and their officers, directors, management, employees, parents, subsidiaries, and affiliates, and federal government entities. Further excluded from the class are persons or entities who have not purchased generic versions of Wellbutrin XL® during the class period after the introduction of generic versions of Wellbutrin XL®. The Court granted in part and denied in part the indirect purchaser plaintiffs' motion for class certification.

After extensive discovery, briefing and oral argument, the Court granted the defendants' motion for summary judgment on all but one of the plaintiffs' claims, and deferred ruling on the remaining claim. Following the summary judgment decision, the Company entered into binding settlement arrangements with both plaintiffs' classes to resolve all existing claims against the Company. The total settlement amount payable is $49.25 million. In addition, the Company will pay up to $500,000 toward settlement notice costs. These charges were recognized in the second quarter of 2012, within Legal settlements and related fees in the consolidated statements of (loss) income. The settlements require Court approval. The direct purchaser class filed its motion for preliminary approval of its settlement on July 23, 2012. The hearing on final approval of that settlement took place on November 7, 2012, with the Court granting final approval to the settlement on that day. The hearing on final approval of the settlement with the indirect purchasers took place in June 2013, with the Court granting final approval to the settlement on July 22, 2013.

Solodyn® Antitrust Class Actions

On July 22, 2013, United Food and Commercial Workers Local 1776 & Participating Employers Health and Welfare Fund, filed a civil antitrust class action complaint in the United States District Court for the Eastern District of Pennsylvania, Case No. 2:13-CV-04235-JCJ, against Medicis, the Company and various manufacturers of generic forms of Solodyn®, alleging that the defendants engaged in an anticompetitive scheme to exclude competition from the market for minocycline hydrochloride extended release tablets, a prescription drug for the treatment of acne marketed by Medicis under the brand name, Solodyn®. The plaintiff further alleges that the defendants orchestrated a scheme to improperly restrain trade, and

maintain, extend and abuse Medicis' alleged monopoly power in the market for minocycline hydrochloride extended release tablets to the detriment of plaintiff and the putative class of end-payor purchasers it seeks to represent, causing them to pay overcharges. Plaintiff alleges violations of Sections 1 and 2 of the Sherman Act, 15 U.S.C. §§ 1, 2, and of various state antitrust and consumer protection laws, and further alleges that defendants have been unjustly enriched through their alleged conduct. Plaintiff seeks declaratory and injunctive relief and, where applicable, treble, multiple, punitive and/or other damages, including attorneys' fees. Additional class action complaints making similar allegations against all defendants, including Medicis and the Company have been filed in various courts by other private plaintiffs purporting to represent certain classes of similarly-situated direct or end-payor purchasers of Solodyn® (*Rochester Drug Co-Operative, Inc.*, Case No. 2:13-CV-04270-JCJ (E.D. Pa. filed July 23, 2013); *Local 274 Health & Welfare Fund*, Case No. 2:13-CV-4642-JCJ (E.D.Pa. filed Aug. 9, 2013); *Sheet Metal Workers Local No. 25 Health & Welfare Fund*, Case No. 2:13-CV-4659-JCJ (E.D. Pa. filed Aug. 8, 2013); *Fraternal Order of Police, Fort Lauderdale Lodge 31, Insurance Trust Fund*, Case No. 2:13-CV-5021-JCJ (E.D. Pa. filed Aug. 27, 2013); *Heather Morgan*, Case No. 2:13-CV-05097 (E.D. Pa. filed Aug. 29, 2013); *Plumbers & Pipefitters Local 176 Health & Welfare Trust Fund*, Case No. 2:13-CV-05105 (E.D. Pa. filed Aug. 30, 2013); *Ahold USA, Inc.*, Case No. 1:13-cv-12225 (D. Mass. filed Sept. 9, 2013); *City of Providence, Rhode Island*, Case No. 2:13-cv-01952 (D. Ariz. filed Sept. 24, 2013); *International Union of Operating Engineers Stationary Engineers Local 39 Health & Welfare Trust Fund*, Case No. 1:13-cv-12435 (D. Mass. filed Oct. 2, 2013); *Painters District Council No. 30 Health and Welfare Fund et al.*, Case No. 1:13-cv-12517 (D. Mass. filed Oct. 7, 2013); *Man-U Service Contract Trust Fund*, Case No. 13-cv-06266-JCJ (E.D. Pa. filed Oct. 25, 2013)). On August 29, 2013, International Union of Operating Engineers Local 132 Health and Welfare Fund voluntarily dismissed the class action complaint it had originally filed on August 1, 2013, in the United States District Court for the Northern District of California, and on August 30, 2013, re-filed its class action complaint in the United States District Court for the Eastern District of Pennsylvania (Case No. 2:13-cv-05108). The International Union of Operating Engineers Local 132 Health and Welfare Fund complaint makes similar allegations against all defendants, including Medicis and the Company, and seeks similar relief, to the other end-payor plaintiff complaints. On October 11, 2013, Medicis and the Company filed a motion with the Judicial Panel for Multidistrict Litigation seeking an order transferring and consolidating the thirteen putative class action cases for coordinated pretrial proceedings. We are in the process of evaluating the claims and plan to vigorously defend these actions.

Intellectual Property

Watson APLENZIN® Litigation

On or about January 5, 2010, the Company's subsidiary, Valeant International (Barbados) SRL (now Valeant International Bermuda) ("VIB"), received a Notice of Paragraph IV Certification dated January 4, 2010 from Watson Laboratories, Inc.-Florida ("Watson"), related to Watson's Abbreviated New Drug Application ("ANDA") filing for bupropion hydrobromide extended-release tablets, 174 mg and 348 mg, which correspond to the Company's Aplenzin® Extended-release Tablets 174 mg and 348 mg products. Watson asserted that U.S. Patent Nos. 7,241,805, 7,569,610, 7,572,935 and 7,585,897 which are listed in the FDA's Orange Book for Aplenzin® are invalid or not infringed. VIB subsequently received from Watson a second Notice of Paragraph IV Certification for U.S. Patent Nos. 7,645,802 and 7,649,019, which were listed in the FDA's Orange Book after Watson's initial certification. Watson alleged these patents are invalid or not infringed. VIB filed suit pursuant to the Hatch-Waxman Act against Watson on February 18, 2010, in the U.S. District Court for the District of Delaware and on February 19, 2010, in the U.S. District Court for the Southern District of Florida, thereby triggering a 30-month stay of the approval of Watson's ANDA. The Delaware action dismissed without prejudice and the litigation proceeded in the Florida Court. VIB received a third Notice of Paragraph IV Certification from Watson dated March 5, 2010, seeking to market its products prior to the expiration of U.S. Patent Nos. 7,662,407 and 7,671,094. VIB received a fourth Notice of Paragraph IV Certification from Watson on April 9, 2010. VIB filed a second Complaint against Watson in Florida Court on the third and fourth Notices on April 16, 2010. The two actions were consolidated into the first-filed case before the same judge. In the course of discovery, the issues were narrowed and only five of the patents remained in the litigation. Mandatory mediation was completed unsuccessfully on December 17, 2010. The trial in this matter was held in June 2011 and closing arguments were heard in September 2011. A judgment in this matter was issued on November 8, 2011. The Court found that Watson had failed to prove that VIB's patents at suit were invalid and granted judgment in favor of VIB. On February 23, 2012, the Court granted VIB's request for declaratory injunctive relief under 35 U.S.C. 271(e)(4)(A). On July 9, 2012, the Court denied VIB's request for further injunctive relief under 35 U.S.C. 271(e)(4)(B) and/or 35 U.S.C. 283. Watson appealed the judgment. Oral arguments on the appeal were held on October 10, 2013. On October 16, 2013, the United States Court of Appeals for the Federal Circuit affirmed the decision of the District Court that Watson failed to prove that VIB's patents were invalid.

Cobalt TIAZAC® XC Litigation

On or about August 17, 2012, VIB and Valeant Canada received a Notice of Allegation from Cobalt Pharmaceuticals Company ("Cobalt") with respect to diltiazem hydrochloride 180 mg, 240 mg, 300 mg and 360 mg tablets, marketed in Canada by Valeant Canada as TIAZAC® XC. The patents in issue are Canadian Patent Nos. 2,242,224, and 2,307,547. Cobalt alleged that its generic form of TIAZAC® XC does not infringe the patents and, alternatively, that the patents are invalid. Following an evaluation of the allegations in the Notice of Allegation, an application for an order prohibiting the Minister of Health from issuing a Notice of Compliance to Cobalt was issued in the Federal Court of Canada on September 28, 2012. A motion to declare Cobalt's Notice of Allegation to be null and void due to a conflict of interest on the part of Cobalt's legal counsel was heard by a judge of the Federal Court on December 17, 2012. A decision was issued on June 12, 2013 dismissing the motion in part. In particular, VIB and Valeant were successful on their motion to disqualify Cobalt's counsel; however, a declaration that Cobalt's Notice of Allegation is null and void was not granted. Both parties have appealed the decision. Otherwise, the application is proceeding in the ordinary course. A hearing in this matter is expected to take place in June 2014.

Banner TARGRETIN® Litigation

On or about August 26, 2011, Eisai received a Notice of Paragraph IV Certification dated August 25, 2011 from Banner Pharmacaps Inc. ("Banner"), related to Banner's ANDA filing with the FDA for bexarotene capsules, 75 mg, which correspond to the Targretin® capsules. In the notice, Banner asserted that U.S. Patent Nos. 5,780,676 C1 (the "'676 Patent") and 5,962,731 (the "'731 Patent"), which are listed in the FDA's Orange Book for Targretin®, are either invalid, unenforceable and/or will not be infringed by Banner's manufacture, use, sale or offer to sale of Banner's generic product for which the ANDA was submitted. At that time, Eisai held the U.S. rights to the Targretin® product, including the '676 patent and the '731 patent and the NDA for the Targretin® product. Eisai filed suit pursuant to the Hatch-Waxman Act against Banner on October 4, 2011, in the U.S. District Court for the District of Delaware, thereby triggering a 30-month stay of the approval of Banner's ANDA. In the suit, Eisai alleged infringement by Banner of one or more claims of the '676 Patent and the '731 Patent. On December 18, 2012, Mylan Pharmaceuticals Inc. ("Mylan") was added as a defendant in the proceedings after Eisai was informed that Mylan had acquired certain rights in the ANDA. On February 20, 2013, the Company acquired from Eisai the U.S. rights to the Targretin® product, including the '676 patent and the '731 patent and the NDA for the Targretin® product, which were, in turn, transferred to the Company's indirect wholly-owned subsidiary, Valeant Pharmaceuticals Luxembourg S.a.r.l. ("Valeant Luxembourg"). On April 24, 2013, the parties entered into a stipulation to add Valeant Luxembourg as a plaintiff in the proceedings. Fact discovery closed in June 2013. Document production with respect to Eisai was completed on April 11, 2013. Expert discovery, which began in July 2013, has been completed. A four-day bench trial is set to begin on December 16, 2013. The matter is proceeding in the ordinary course.

AntiGrippin® Litigation

The Company is aware of two recent suits being brought against the Company's subsidiary, Natur Produkt, seeking lost profits in connection with the registration by Natur Produkt of its AntiGrippin trademark. The plaintiffs in these matters allege that Natur Produkt violated Russian competition law by preventing plaintiffs from producing and marketing their products under certain brand names. A hearing has been set for November 14, 2013 in one of these matters. Natur Produkt intends to vigorously defend these matters.

Watson ACANYA® Litigation

On or about September 10, 2013, the Company's subsidiary, Dow Pharmaceuticals Sciences, Inc. ("Dow"), received a Notice of Paragraph IV Certification dated September 9, 2013 from Watson Laboratories, Inc. ("Watson"), related to Watson's ANDA filing with the FDA for Clindamycin Phosphate and Benzoyl Peroxide Gel, 1.2%/2.5%, for topical use, which corresponds to the Company's Acanya® Gel product. In the notice, Watson asserted that U.S. Patent No. 8,288,434 (the "'434 Patent"), which is listed in the FDA's Orange Book for Acanya® Gel, is either invalid, unenforceable and/or will not be infringed by the commercial manufacture, use or sale of Watson's generic products for which the ANDA was submitted. Dow holds the NDA for Acanya® Gel and is owner of the '434 Patent. Dow and the Company's subsidiary, Valeant Pharmaceuticals North America LLC ("VPNA"), filed suit pursuant to the Hatch-Waxman Act against Watson on October 24, 2013, in the U.S. District Court for the District of New Jersey, thereby triggering a 30-month stay of the approval of Watson's ANDA. In the suit, Dow and VPNA allege infringement by Watson of one or more claims of the '434 Patent.

Allergan Patent Infringement Proceeding - Restylane-L® and Perlane-L®

On September 13, 2013, Allergan USA, Inc. and Allergan Industrie, SAS (collectively, "Allergan") filed a Complaint for Patent Infringement in the United States District Court for the Central District of California (Case No. SACV13-1436 AG (JPRX)) against the Company and certain of its affiliates, including Medicis. The complaint alleges that the Company and its

affiliates named in the complaint have infringed Allergan's US Patent No. 8,450,475 (the "'475 patent") by selling, offering to sell and importing in and into the United States the Company's Restylane-L® and Perlane-L® dermal filler products. Allergan is seeking a permanent injunction and unspecified damages. The Company is in the process of evaluating the claims and plans to vigorously defend this action.

General Civil Actions

AWP Complaints

Complaints have been filed by the City of New York, the State of Alabama, the State of Mississippi, the State of Louisiana and a number of counties within the State of New York, claiming that BPI, and numerous other pharmaceutical companies, made fraudulent misstatements concerning the "average wholesale price" ("AWP") of their prescription drugs, resulting in alleged overpayments by the plaintiffs for pharmaceutical products sold by the companies.

The City of New York and plaintiffs for all the counties in New York (other than Erie, Oswego and Schenectady) voluntarily dismissed BPI and certain others of the named defendants on a without prejudice basis. Similarly, the State of Mississippi voluntarily dismissed its claim against BPI and a number of defendants on a without prejudice basis.

In the case brought by the State of Alabama, the Company answered the State's Amended Complaint. On October 16, 2009, the Supreme Court of Alabama issued an opinion reversing judgments in favor of the State in the first three cases that were tried against co-defendant companies. The Alabama Supreme Court also rendered judgment in favor of those defendants, finding that the State's fraud-based theories failed as a matter of law. The court ordered all parties to this proceeding to attend mediation in December 2011. In February 2012, the matter settled for an all-inclusive payment in the amount of less than $0.1 million.

A Third Amending Petition for Damages and Jury Demand was filed on November 10, 2010 in Louisiana State Court by the State of Louisiana claiming that a former subsidiary of the Company, and numerous other pharmaceutical companies, knowingly inflated the AWP and "wholesale acquisition cost" of their prescription drugs, resulting in alleged overpayments by the State for pharmaceutical products sold by the companies. The State has subsequently filed additional amendments to its Petition, none of which materially affect the claims against the Company. In August 2013, the parties agreed to settle this matter for an all-inclusive payment in the amount of less than $0.3 million.

Afexa Class Action

On March 9, 2012, a Notice of Civil Claim was filed in the Supreme Court of British Columbia which seeks an order certifying a proposed class proceeding against the Company and a predecessor, Afexa. The proposed claim asserts that Afexa and the Company made false representations respecting Cold-FX® to residents of British Columbia who purchased the product during the applicable period and that the class has suffered damages as a result. The Company filed its certification materials on February 6, 2013 and a hearing on certification was held on September 3-6, 2013. An additional date was set for January 16, 2014 to finish the pleadings. The Company denies the allegations being made and is vigorously defending this matter.

Anacor Breach of Contract Proceeding

On or about October 29, 2012, the Company received notice from Anacor Pharmaceuticals, Inc. ("Anacor") seeking to commence arbitration of a breach of contract dispute under a master services agreement dated March 26, 2004 between Anacor and Dow Pharmaceuticals ("Dow") related to certain development services provided by Dow in connection with Anacor's efforts to develop its onychomycosis nail-penetrating anti-fungal product. Anacor has asserted claims for breach of contract, breach of fiduciary duty, intentional interference with prospective business advantage and unfair competition. Anacor is seeking injunctive relief (for a certain period ending after the approval of the Company's pending new drug application for efinaconazole, its topical product candidate for the treatment of onychomycosis) and damages of at least $215.0 million. Following a hearing in July on a motion brought by the Company, the Arbitrator dismissed Anacor's claim for breach of fiduciary duty. Prior to the hearing on that motion, Anacor voluntarily agreed to dismiss its claims for conversion and interference with prospective business advantage.

A motion for a preliminary injunction was filed and a hearing for such motion had been set to begin on May 6, 2013. However, as announced on May 2, 2013, the Company agreed that the launch of efinaconazole, would not occur until after the September 2013 arbitration hearing and, as a result, the preliminary injunction hearing was canceled. As also announced, the Company subsequently received a Complete Response Letter from the FDA regarding its NDA for efinaconazole (Jublia®). The Company is in the process of addressing the issues raised by the FDA in its letter and now expects to launch the product in 2014.

A hearing in the arbitration was held in September 2013. On October 17, 2013, the arbitrator issued an interim final award providing for the Company to make a one-time payment of $100.0 million in damages plus costs and fees to Anacor. Subsequently, on October 27, 2013, the Company and Anacor entered into a settlement agreement to resolve all outstanding disputes between them, including this arbitration with Dow and the arbitration and litigation with Medicis disclosed below. As part of the settlement agreement, Anacor and the Company agreed that the Company would pay Anacor a one-time payment of $142.5 million to settle all existing and future claims related to Anacor's intellectual property, confidential information and contractual rights, which payment includes the award of damages and legal fees previously ordered in this arbitration. The $142.5 million charge was recognized in the three-month period ended September 30, 2013 in Legal settlements and related fees in the consolidated statements of (loss) income. The Company has agreed to make payment to Anacor by no later than November 8, 2013. Following such payment, the arbitration will be withdrawn and the interim final award ordered by the arbitrator will be vacated. While still subject to regulatory approval, nothing in the arbitrator's interim final award or the settlement agreement prevents the launch of efinaconazole (Jublia®).

Legacy Medicis Litigation

Anacor Arbitration and Litigation

On November 28, 2012, Anacor filed a claim for arbitration, alleging that Medicis had breached the research and development agreement between the parties relating to the discovery and development of boron-based small molecule compounds directed against a target for the potential treatment of acne (the "Agreement"). Under the terms of the Agreement, Anacor is responsible for discovering and conducting the early development of product candidates which utilize Anacor's proprietary boron chemistry platform, and Medicis will have an option to obtain an exclusive license for products covered by the Agreement. Anacor alleges in its claim that it is entitled to a milestone payment from Medicis due to its identification and development of a suitable compound to be advanced in the research collaboration. Medicis believes Anacor failed to meet the milestone requirements and, on May 18, 2012, provided notice to Anacor that Anacor has breached the Agreement. On December 11, 2012, Medicis filed a suit against Anacor in the Delaware Chancery Court seeking declaratory and equitable relief, including specific performance under the Agreement, as well as a motion for preliminary injunction of the arbitration proceedings. Anacor filed a motion to dismiss this matter and a hearing was held on the motion on April 24, 2013. The Chancery Court rejected Anacor's motion on August 12, 2013. As indicated above (under "- General Civil Actions - Anacor Breach of Contract Proceeding"), on October 27, 2013, the Company and Anacor entered into a settlement agreement to resolve all outstanding disputes between them, including these proceedings with Medicis. As further described above, as part of the settlement agreement, Anacor and the Company agreed to settle all existing and future claims related to Anacor's intellectual property, confidential information and contractual rights in exchange for a one-time payment by the Company to Anacor, which payment is to be made by no later than November 8, 2013. Following such payment, the arbitration and litigation between Medicis and Anacor will be withdrawn.

Alkem Laboratories Limited Paragraph IV Patent Certification for Generic Versions of SOLODYN®

On October 29, 2012, Medicis received a Notice of Paragraph IV Patent Certification from Alkem Laboratories Limited ("Alkem") advising that Alkem had filed an ANDA with the FDA for generic versions of SOLODYN® (minocycline HCl, USP) Extended Release Tablets in 45mg, 65mg, 90mg, 115mg and 135mg strengths. Alkem's Paragraph IV Patent Certification alleges that Medicis' U.S. Patent Nos. 5,908,838, 7,541,347, 7,544,373, 7,790,705, 7,919,483, 8,252,776 and 8,268,804 are invalid, unenforceable and/or will not be infringed by Alkem's manufacture, use or sale of the products for which the ANDA was submitted. On December 5, 2012, Medicis filed suit against Alkem in the United States District Court for the District of Delaware. On December 7, 2012, Medicis filed suit against Alkem in the United States District Court for the District of New Jersey. The suits seek an adjudication that Alkem has infringed one or more claims of Medicis' U.S. Patent Nos. 5,908,838, 7,790,705 and 8,268,804 (the "Patents") by submitting to the FDA an ANDA for generic versions of SOLODYN® (minocycline HCl, USP) Extended Release Tablets in 45mg, 65mg, 90mg, 115mg and 135mg strengths. The relief requested includes requests for a permanent injunction preventing Alkem from infringing the asserted claims of the Patents by engaging in the manufacture, use, offer to sell, sale, importation or distribution of generic versions of SOLODYN before the expiration of the Patents. The matters are proceeding in the ordinary course.

Sidmak Laboratories (India) Pvt., Ltd. Paragraph IV Patent Certification for Generic Versions of SOLODYN®

On November 2, 2012, Medicis received a Notice of Paragraph IV Patent Certification from Sidmak Laboratories (India) Pvt., Ltd. ("Sidmak") advising that Sidmak had filed an ANDA with the FDA for generic versions of SOLODYN® (minocycline HCl, USP) Extended Release Tablets in 45mg, 55mg, 65mg, 80mg, 110mg, 115mg and 135mg strengths. Sidmak's Paragraph IV Patent Certification alleges that Medicis' U.S. Patent Nos. 5,908,838, 7,790,705, 7,919,483, 8,252,776 and 8,268,804 are

invalid and/or will not be infringed by Sidmak's manufacture, use or sale of the products for which the ANDA was submitted. On December 5, 2012, Medicis filed suit against Sidmak in the United States District Court for the District of Delaware. The suit seeks an adjudication that Sidmak has infringed one or more claims of Medicis' U.S. Patent Nos. 5,908,838, 7,790,705 and 8,268,804 (the "Patents") by submitting to the FDA an ANDA for generic versions of SOLODYN® (minocycline HCl, USP) Extended Release Tablets in 45mg, 65mg, 90mg, 115mg and 135mg strengths. The relief requested includes requests for a permanent injunction preventing Sidmak from infringing the asserted claims of the Patents by engaging in the manufacture, use, offer to sell, sale, importation or distribution of generic versions of SOLODYN before the expiration of the Patents. On July 9, 2013, the parties entered into a settlement agreement, under which Sidmak received a license under the Patents on entry date terms that are consistent with those previously provided to other generics. A corresponding consent judgment and permanent injunction against Sidmak was entered by the court on July 12, 2013.

Civil Investigative Demand from the U.S. Federal Trade Commission

Medicis entered into various settlement and other agreements with makers of generic SOLODYN® products following patent infringement claims and litigation. On May 2, 2012, Medicis received a civil investigative demand from the U.S. Federal Trade Commission (the "FTC") requiring that Medicis provide to the FTC information and documents relating to such agreements, each of which was previously filed with the FTC and the Antitrust Division of the Department of Justice, and other efforts principally relating to SOLODYN®. On June 7, 2013, Medicis received an additional civil investigative demand. Medicis is cooperating with this investigative process. If, at the conclusion of this process, the FTC believes that any of the agreements or efforts violates antitrust laws, it could challenge Medicis through a civil administrative or judicial proceeding. If the FTC ultimately challenges the agreements, we would expect to vigorously defend in any such action.

Employment Matter

In September, 2011, Medicis received a demand letter from counsel purporting to represent a class of female sales employees alleging gender discrimination in, among others things, compensation and promotion as well as claims that the former management group maintained a work environment that was hostile and offensive to female sales employees. Related charges of discrimination were filed prior to the end of 2011 by six former female sales employees with the Equal Employment Opportunity Commission (the "EEOC"). Three of those charges have been dismissed by the EEOC and the EEOC has made no findings of discrimination. Medicis engaged in mediation with such former employees. On March 19, 2013, Medicis and counsel for the former employees signed an MOU to settle this matter on a class-wide basis and resolve all claims with respect thereto. In connection with the agreed-upon settlement, Medicis would pay a specified sum and would pay the costs of the claims administration up to an agreed-upon fixed amount. Medicis would also implement certain specified programmatic relief. The parties have signed a definite settlement agreement in this matter. Approval of the settlement by the United States District Court for the District of Columbia is pending.

Legacy B&L Litigation

MoistureLoc Product Liability Lawsuits

Currently, B&L has been served or is aware that it has been named as a defendant in approximately 324 currently active product liability lawsuits (some with multiple plaintiffs) pending in a New York State Consolidated Proceeding described below as well as certain other U.S. state courts on behalf of individuals who claim they suffered personal injury as a result of using a contact lens solution with *MoistureLoc*. Two consolidated cases were established to handle *MoistureLoc* claims. First, on August 14, 2006, the Federal Judicial Panel on Multidistrict Litigation created a coordinated proceeding in the Federal District Court for the District of South Carolina. Second, on January 2, 2007, the New York State Litigation Coordinating Panel ordered the consolidation of cases filed in New York State, and assigned the coordination responsibilities to the Supreme Court of the State of New York, New York County. There are approximately 320 currently active non-fusarium cases pending in the New York Consolidated Proceeding. On July 15, 2009, the New York State Supreme Court overseeing the New York Consolidated Proceeding granted B&L's motion to exclude plaintiffs' general causation testimony with regard to non-fusarium infections, which effectively excluded plaintiffs from testifying that *MoistureLoc* caused non-fusarium infections. On September 15, 2011, the New York State Appellate Division, First Department, affirmed the Trial Court's ruling. On February 7, 2012, the New York Court of Appeals denied plaintiffs' additional appeal. Plaintiffs subsequently filed a motion to renew the trial court's ruling, and B&L cross-filed a motion for summary judgment to dismiss all remaining claims. On May 31, 2013, the Trial Court denied Plaintiffs' motion to renew, and granted B&L's motion for summary judgment, dismissing all remaining non-fusarium claims. On June 28, 2013, Plaintiffs filed a Notice of Appeal to the Trial Court's ruling. A scheduling order for briefs and oral argument has not been issued by the court yet.

All matters under jurisdiction of the coordinated proceedings in the Federal District Court for the District of South Carolina have been dismissed, including individual actions for personal injury and a class action purporting to represent a class of consumers who suffered economic claims as a result of purchasing a contact lens solution with *MoistureLoc*.

Currently B&L has settled approximately 629 cases in connection with *MoistureLoc* product liability suits. All but one U.S. based fusarium claims have now been resolved and there are less than five active fusarium claims involving claimants outside of the United States that remain pending. The parties in these active matters are involved in settlement discussions.

Subpoenas from the New York Office of Inspector General for the U.S. Department of Health and Human Services

On June 29, 2011, B&L received a subpoena from the New York Office of Inspector General for the U.S. Department of Health and Human Services regarding payments and communications between B&L and medical professionals related to its pharmaceutical products *Lotemax* and *Besivance*. The government has indicated that the subpoena was issued in connection with a civil investigation, and B&L is cooperating fully with the government's investigation. B&L has heard of no additional activity at this time, and whether the government's investigation is ongoing or will result in further requests for information is unknown. B&L and Valeant will continue to work with the U.S. Attorney's Office regarding the scope of the subpoena and any additional specific information that may be requested.

20. SEGMENT INFORMATION

Reportable Segments

As a result of the Company's acquisition strategy and continued growth, impacted most recently by the December 2012 Medicis Acquisition, the Company's Chief Executive Officer, who is the Company's Chief Operating Decision Maker ("CODM"), began to manage the business differently in 2013, which necessitated a realignment of the segment structure. Pursuant to this change, which was effective in the first quarter of 2013, the Company now has two reportable segments: (i) Developed Markets, and (ii) Emerging Markets. Accordingly, the Company has restated prior period segment information to conform to the current period presentation. The following is a brief description of the Company's segments as of September 30, 2013:

- ***Developed Markets*** consists of (i) sales in the U.S. of pharmaceutical products, OTC products, and medical device products, as well as alliance and contract service revenues, in the areas of eye health, dermatology and topical medication, aesthetics, dentistry, ophthalmology and podiatry, (ii) sales in the U.S. of pharmaceutical products indicated for the treatment of neurological and other diseases, as well as alliance revenue from the licensing of various products we developed or acquired, and (iii) pharmaceutical products, OTC products, and medical device products sold in Canada, Australia, New Zealand, Western Europe and Japan.

- ***Emerging Markets*** consists of branded generic pharmaceutical products, OTC products, and medical device products, including eye health products. This segment includes agency/in-licensing arrangements with other research-based pharmaceutical companies (where the Company distributes and markets branded, patented products under long-term, renewable contracts). Products are sold primarily in Central and Eastern Europe (primarily Poland, Russia and Serbia), Asia, Latin America (Mexico, Brazil and exports out of Mexico to other Latin American markets), Africa and the Middle East.

Segment (loss) profit is based on operating income after the elimination of intercompany transactions. Certain costs, such as restructuring and acquisition-related costs, legal settlements and related fees and in-process research and development impairments and other charges, are not included in the measure of segment (loss) profit, as management excludes these items in assessing financial performance.

Corporate includes the finance, treasury, tax and legal operations of the Company's businesses and maintains and/or incurs certain assets, liabilities, expenses, gains and losses related to the overall management of the Company, which are not allocated to the other business segments. In addition, share-based compensation is considered a corporate cost, since the amount of such expense depends on Company-wide performance rather than the operating performance of any single segment.

Segment Revenues and (Loss) Profit

Segment revenues and (loss) profit for the three-month and nine-month periods ended September 30, 2013 and 2012 were as follows:

(All tabular amounts expressed in thousands of U.S. dollars, except per share data)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2013	2012	2013	2012
Revenues:				
Developed Markets[1]	$ 1,142,712	$ 647,194	$ 2,722,834	$ 1,860,833
Emerging Markets[2]	399,019	236,946	983,014	699,500
Total revenues	1,541,731	884,140	3,705,848	2,560,333
Segment (loss) profit:				
Developed Markets[3]	(328,610)	242,314	106,316	610,274
Emerging Markets[4]	19,524	18,800	63,906	61,258
Total segment (loss) profit	(309,086)	261,114	170,222	671,532
Corporate[5]	(39,285)	(33,243)	(129,760)	(102,727)
Restructuring, integration and other costs	(295,890)	(42,872)	(398,540)	(135,213)
In-process research and development impairments and other charges	(123,981)	(145,300)	(128,811)	(149,868)
Acquisition-related costs	(8,650)	(4,605)	(24,428)	(25,977)
Legal settlements and related fees	(149,601)	—	(155,173)	(56,779)
Acquisition-related contingent consideration	34,995	(5,630)	33,511	(23,198)
Operating (loss) income	(891,498)	29,464	(632,979)	177,770
Interest income	2,686	1,156	5,336	3,299
Interest expense	(249,306)	(116,042)	(581,414)	(318,681)
Loss on extinguishment of debt	(8,161)	(2,322)	(29,540)	(2,455)
Foreign exchange and other	5,079	(1,603)	(3,564)	18,458
Gain on investments, net	—	—	5,822	2,024
Loss before recovery of income taxes	$ (1,141,200)	$ (89,347)	$ (1,236,339)	$ (119,585)

(1) Developed Markets segment revenues reflect incremental product sales revenue of $620.4 million and $1,154.3 million, in the aggregate, from all 2012 acquisitions and all 2013 acquisitions in the three-month and nine-month periods ended September 30, 2013, respectively, primarily from the Medicis, B&L, Obagi, OraPharma, Eisai, J&J North America and QLT acquisitions.

(2) Emerging Markets segment revenues reflect incremental product sales revenue of $136.8 million and $212.1 million, in the aggregate, from all 2012 acquisitions and all 2013 acquisitions in the three-month and nine-month periods ended September 30, 2013, respectively, primarily from the B&L, Natur Produkt, Gerot Lannach and Atlantis acquisitions.

(3) Developed Markets segment (loss) profit reflects (i) the addition of operations from all 2012 acquisitions and all 2013 acquisitions, including the impact of acquisition accounting adjustments related to the fair value adjustments to inventory and identifiable intangible assets of $339.6 million and $740.6 million, in the aggregate, in the three-month and nine-month periods ended September 30, 2013, respectively, primarily from legacy Valeant, Medicis and B&L operations and (ii) an impairment charge of $551.6 million related to ezogabine/retigabine in the third quarter of 2013 (see note 7 titled "FAIR VALUE MEASUREMENTS").

(4) Emerging Markets segment profit reflects the addition of operations from all 2012 acquisitions and all 2013 acquisitions, including the impact of acquisition accounting adjustments related to the fair value adjustments to inventory and identifiable intangible assets of $95.9 million and $210.2 million, in the aggregate, in the three-month and nine-month periods ended September 30, 2013, respectively, primarily from B&L, legacy Valeant and Medicis operations.

(5) Corporate reflects non-restructuring-related share-based compensation expense of $16.0 million and $32.5 million in the three-month and nine-month periods ended September 30, 2013, respectively, compared with $18.5 million and $52.9 million in the corresponding periods of 2012.

Segment Assets

Total assets by segment as of September 30, 2013 and December 31, 2012 were as follows:

(All tabular amounts expressed in thousands of U.S. dollars, except per share data)

	As of September 30, 2013	As of December 31, 2012
Assets:		
Developed Markets[1]	$ 20,774,549	$ 12,893,726
Emerging Markets[2]	6,502,205	4,022,039
	27,276,754	16,915,765
Corporate	927,630	1,034,614
Total assets	$ 28,204,384	$ 17,950,379

(1) Developed Markets segment assets as of September 30, 2013 reflect (i) the provisional amounts of identifiable intangible assets and goodwill of B&L of $3,945.0 million and $3,271.6 million, respectively, (ii) the amounts of identifiable intangible assets and goodwill of Obagi of $335.5 million and $158.5 million, respectively, and (iii) the amounts of identifiable intangible assets acquired from Eisai of $112.0 million.

(2) Emerging Markets segment assets as of September 30, 2013 reflect (i) the provisional amounts of identifiable intangible assets and goodwill of B&L of $769.2 million and $1,116.4 million, respectively, (ii) the provisional amounts of identifiable intangible assets and goodwill of Natur Produkt of $98.8 million and $34.7 million, respectively, and (iii) the amount of Obagi's goodwill of $21.6 million.

21. PENDING TRANSACTION

Sale of Metronidazole 1.3%

On April 30, 2013, the Company agreed to sell the worldwide rights in its Metronidazole 1.3% Vaginal Gel antibiotic development product, a topical antibiotic for the treatment of bacterial vaginosis, to Actavis Specialty Brands for approximately $55 million, which includes upfront and certain milestone payments, and minimum royalties for the first three years of commercialization. In addition, royalties are payable to the Company beyond the initial three-year commercialization period. In the event of generic competition on Metronidazole 1.3%, should Actavis Specialty Brands choose to launch an authorized generic product, Actavis Specialty Brands would share the gross profits of the authorized generic with the Company. The rights to Metronidazole 1.3% are expected to be transferred to Actavis Specialty Brands at or shortly following the time of FDA approval of the product NDA, when and if obtained. The Company acquired Metronidazole 1.3% as part of the acquisition of Medicis in December 2012, and the carrying amount of the related IPR&D asset is $66.6 million as of September 30, 2013, based on the fair value as of the acquisition date.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

INTRODUCTION

The following Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") should be read in conjunction with the unaudited consolidated financial statements, and notes thereto, prepared in accordance with United States ("U.S.") generally accepted accounting principles ("GAAP") for the interim period ended September 30, 2013 (the "unaudited consolidated financial statements"). This MD&A should also be read in conjunction with the annual MD&A and the audited consolidated financial statements and notes thereto prepared in accordance with U.S. GAAP that are contained in our Annual Report on Form 10-K for the year ended December 31, 2012 (the "2012 Form 10-K").

Additional information relating to the Company, including the 2012 Form 10-K, is available on SEDAR at www.sedar.com and on the U.S. Securities and Exchange Commission (the "SEC") website at www.sec.gov.

Unless otherwise indicated herein, the discussion and analysis contained in this MD&A is as of November 1, 2013.

All dollar amounts are expressed in U.S. dollars, unless otherwise noted.

COMPANY PROFILE

We are a multinational, specialty pharmaceutical company that develops, manufactures and markets a broad range of pharmaceutical and over-the-counter ("OTC") products, as well as medical devices. Our branded pharmaceutical products, generics and branded generics, devices (lenses, surgical, and aesthetics), and OTC products are sold in the U.S., Europe, Asia, Latin America, Canada, Australia/New Zealand, Africa, and the Middle East, where we focus most of our efforts on products in the eye health, dermatology and neurology therapeutic classes.

Effective August 9, 2013, we continued from the federal jurisdiction of Canada to the Province of British Columbia, meaning that we became a company registered under the laws of the Province of British Columbia as if we had been incorporated under the laws of the Province of British Columbia. As a result of this continuance, our legal domicile became the Province of British Columbia, the Canada Business Corporations Act ceased to apply to us and we became subject to the British Columbia Business Corporations Act (BCBCA).

On August 5, 2013, we acquired Bausch & Lomb Holdings Incorporated ("B&L"), pursuant to an Agreement and Plan of Merger (the "Merger Agreement") dated May 24, 2013. Subject to the terms and conditions set forth in the Merger Agreement, B&L became a wholly-owned subsidiary of Valeant Pharmaceuticals International ("Valeant"), our wholly-owned subsidiary (the "B&L Acquisition"). B&L is a global eye health company that focuses primarily on the development, manufacture and marketing of eye health products, including contact lenses, contact lens care solutions, ophthalmic pharmaceuticals and ophthalmic surgical products. To continue to grow the B&L business we intend to increase our global reach of the existing product portfolio, leverage the shared strengths of our business units, access and deliver innovative new products, build on existing strength in emerging markets, focus on our partnership with customers, and leverage infrastructure investments to improve operating margins and cash flow. For further information regarding the B&L Acquisition, see note 3 to the unaudited consolidated financial statements.

Our strategy is to focus our business on core geographies and therapeutic classes, manage pipeline assets either internally or through strategic partnerships with other pharmaceutical and healthcare companies and deploy cash with an appropriate mix of selective acquisitions, debt repayments and repurchases, and share buybacks. We believe this strategy will allow us to maximize both our growth rate and profitability and to enhance shareholder value.

BUSINESS DEVELOPMENT

We continue to focus the business on core geographies and therapeutic classes through selective acquisitions, dispositions and strategic partnerships with other pharmaceutical and healthcare companies. We have completed several transactions to expand our product portfolio, including, among others, the following acquisitions in 2013:

Acquisitions of businesses and product rights	Acquisition Date
B&L	August 5, 2013
Obagi Medical Products, Inc. ("Obagi")	April 25, 2013
Certain assets of Eisai Inc. ("Eisai")	February 20, 2013
Natur Produkt International, JSC ("Natur Produkt")	February 1, 2013

For more information regarding our acquisitions, see note 3 to the unaudited consolidated financial statements.

COLLABORATION AGREEMENTS

See note 5 to the unaudited consolidated financial statements for detailed information regarding our License and Collaboration Agreement with GlaxoSmithKline ("GSK"), our Zovirax® authorized generic and co-promotion agreements with Actavis, Inc. ("Actavis"), and license and collaboration agreements assumed in connection with the B&L Acquisition.

RESTRUCTURING AND INTEGRATION

B&L Acquisition-Related Cost-Rationalization and Integration Initiatives

The complementary nature of the Company and B&L businesses has provided an opportunity to capture significant operating synergies from reductions in sales and marketing, general and administrative expenses, and research and development. In total, we have identified greater than $850 million of cost synergies on an annual run rate basis that we expect to achieve by the end of 2014. This amount does not include potential revenue synergies or the potential benefits of incorporating B&L's operations into the Company's corporate structure.

We estimate that we will incur total costs that are approximately half of the estimated annual synergies of greater than $850 million in connection with these cost-rationalization and integration initiatives, which are expected to be substantially completed by the end of 2014. Since the acquisition date, total costs of $271.4 million (including (i) $164.5 million of restructuring expenses, (ii) $8.3 million of acquisition-related costs, and (iii) $98.6 million of integration expenses) have been incurred through September 30, 2013. The estimate of total costs to be incurred primarily includes: employee termination costs payable to approximately 2,500 employees of the Company and B&L who have been or will be terminated as a result of the B&L Acquisition; in-process research and development ("IPR&D") termination costs related to the transfer to other parties of product-development programs that did not align with our research and development model; costs to consolidate or close facilities and relocate employees; and contract termination and lease cancellation costs. These estimates do not include charges of $48.5 million and $4.3 million recognized and paid in the third quarter of 2013 related to the previously cancelled B&L's performance-based options and the acceleration of unvested stock options for B&L employees as a result of the B&L Acquisition, respectively.

Medicis Acquisition-Related Cost-Rationalization and Integration Initiatives

The complementary nature of the Company and Medicis Pharmaceutical Corporation ("Medicis") businesses has provided an opportunity to capture significant operating synergies from reductions in sales and marketing, general and administrative expenses, and research and development. In total, we have identified approximately $300 million of cost synergies on an annual run rate basis that we expect to achieve by the end of 2013. This amount does not include potential revenue synergies or the potential benefits of incorporating Medicis' operations into the Company's corporate structure.

We estimate that we will incur total costs of less than $250 million in connection with these cost-rationalization and integration initiatives, which are expected to be substantially completed by the end of 2013. Since the acquisition date, total costs of $173.6 million (including (i) $108.7 million of restructuring expenses, (ii) $32.2 million of acquisition-related costs, which excludes $24.2 million of acquisition-related costs recognized in the fourth quarter of 2012 related to royalties to be paid to Galderma S.A. on sales of Sculptra®, and (iii) $32.7 million of integration expenses) have been incurred through September 30, 2013. The estimate of total costs to be incurred primarily includes: employee termination costs payable to approximately 750 employees of the Company and Medicis who have been or will be terminated as a result of the Medicis Acquisition; IPR&D termination costs related to the transfer to other parties of product-development programs that did not align with our research and development model; costs to consolidate or close facilities and relocate employees; and contract termination and lease cancellation costs. These estimates do not include a charge of $77.3 million recognized and paid in the fourth quarter of 2012 related to the acceleration of unvested stock options, restricted stock awards, and share appreciation rights for Medicis employees that was triggered by the change in control.

See note 6 to the unaudited consolidated financial statements for detailed information summarizing the major components of costs incurred in connection with our B&L and Medicis Acquisition-related initiatives through September 30, 2013.

SELECTED FINANCIAL INFORMATION

The following table provides selected financial information for the periods indicated:

	Three Months Ended September 30,				Nine Months Ended September 30,			
	2013	2012	Change		2013	2012	Change	
($ in 000s, except per share data)	$	$	$	%	$	$	$	%
Revenues	1,541,731	884,140	657,591	74	3,705,848	2,560,333	1,145,515	45
Operating expenses	2,433,229	854,676	1,578,553	185	4,338,827	2,382,563	1,956,264	82
Net (loss) income attributable to Valeant Pharmaceuticals International, Inc.	(973,243)	7,645	(980,888)	NM	(989,907)	(26,883)	(963,024)	NM
(Loss) earnings per share attributable to Valeant Pharmaceuticals International, Inc.:								
Basic	(2.92)	0.03	(2.95)	NM	(3.13)	(0.09)	(3.04)	NM
Diluted	(2.92)	0.02	(2.94)	NM	(3.13)	(0.09)	(3.04)	NM

	As of September 30, 2013	As of December 31, 2012	Change	
	$	$	$	%
Total assets	28,204,384	17,950,379	10,254,005	57
Long-term debt, including current portion	17,404,714	11,015,625	6,389,089	58

NM — Not meaningful

Financial Performance

Changes in Revenues

Total revenues increased $657.6 million, or 74%, to $1,541.7 million in the third quarter of 2013, compared with $884.1 million in the third quarter of 2012 and increased $1,145.5 million, or 45%, to $3,705.8 million in the first nine months of 2013, compared with $2,560.3 million in the first nine months of 2012, primarily due to:

- incremental product sales revenue of $191.6 million and $701.2 million in the aggregate, from all 2012 acquisitions in the third quarter and first nine months of 2013, respectively, primarily from the Medicis, OraPharma Topco Holdings, Inc. (“OraPharma”), Johnson & Johnson Consumer Companies, Inc. (“J&J North America”) and QLT Inc. and QLT Ophthalmics, Inc. (collectively, “QLT”) acquisitions. We also recognized incremental product sales revenue of $565.6 million and $665.2 million, in the aggregate, from all 2013 acquisitions in the third quarter and first nine months of 2013, respectively, primarily from the B&L, Natur Produkt, Obagi and Eisai acquisitions. The incremental product sales revenue from the 2012 and 2013 acquisitions includes a negative foreign exchange impact of $9.1 million and $9.5 million, in the aggregate, in the third quarter and first nine months of 2013, respectively;
- incremental product sales revenue of $51.5 million and $185.9 million in the third quarter and first nine months of 2013, respectively, related to growth from the existing business, excluding the declines in Developed Markets described below. In the Developed Markets segment, the revenue increase was driven primarily by price, while volume was the main driver of growth in the Emerging Markets segment; and
- an increase in alliance revenue of $7.1 million in the first nine months of 2013, primarily related to Visudyne® royalty revenue.

Those factors were partially offset by:

- decrease in product sales in the Developed Markets segment of $124.4 million and $221.4 million, in the aggregate, in the third quarter and first nine months of 2013, respectively, primarily related to a decline in sales of the Zovirax® franchise, Retin-A Micro®, BenzaClin® and Cesamet® due to the impact of generic competition;

- alliance revenue of $66.3 million on the sale of 1% clindamycin and 5% benzoyl peroxide gel ("IDP-111") and 5% fluorouracil cream ("5-FU") products in the first nine months of 2012 that did not similarly occur in the first nine months of 2013;
- a negative impact from divestitures, discontinuations and supply interruptions of $19.5 million and $59.6 million, in the aggregate, in the third quarter and first nine months of 2013, respectively, including a decrease of $4.4 million in the first nine months of 2013, related to IDP-111 royalty revenue as a result of the sale of IDP-111 in February 2012;
- alliance revenue of $45.0 million recognized in the first nine months of 2012 related to the milestone payment received from GSK in connection with the launch of Potiga® that did not similarly occur in the first nine months of 2013;
- a negative foreign currency exchange impact on the existing business of $11.0 million and $13.3 million in the third quarter and first nine months of 2013, respectively; and
- a decrease in service revenue of $8.0 million in the first nine months of 2013, primarily due to lower contract manufacturing revenue from the Laval, Quebec facility, which was acquired as part of the acquisition of the Dermik business from Sanofi in December 2011.

Changes in Earnings Attributable to Valeant Pharmaceuticals International, Inc.

Net loss attributable to Valeant Pharmaceuticals International, Inc. was $973.2 million (basic and diluted loss per share attributable to Valeant Pharmaceuticals International, Inc. of $2.92) in the third quarter of 2013, compared with net income attributable to Valeant Pharmaceuticals International, Inc. of $7.6 million (basic and diluted earnings per share attributable to Valeant Pharmaceuticals International, Inc. of $0.03 and $0.02, respectively) in the third quarter of 2012, and net loss attributable to Valeant Pharmaceuticals International, Inc. increased $963.0 million to $989.9 million (basic and diluted loss per share attributable to Valeant Pharmaceuticals International, Inc. of $3.13) in the first nine months of 2013, compared with net loss attributable to Valeant Pharmaceuticals International, Inc. of $26.9 million (basic and diluted loss per share attributable to Valeant Pharmaceuticals International, Inc. of $0.09) in the first nine months of 2012, reflecting the following factors:

- an increase of $692.1 million and $910.6 million in amortization and impairments of finite-lived intangible assets in the third quarter and first nine months of 2013, respectively, as described below under "Results of Operations — Operating Expenses — Amortization and Impairments of Finite-Lived Intangible Assets";
- an increase of $167.0 million and $303.5 million in selling, general and administrative expense in the third quarter and first nine months of 2013, respectively, as described below under "Results of Operations — Operating Expenses — Selling, General and Administrative Expenses";
- an increase of $253.0 million and $263.3 million in restructuring, integration and other costs in the third quarter and first nine months of 2013, respectively, as described below under "Results of Operations — Operating Expenses — Restructuring, Integration and Other Costs";
- an increase of $133.3 million and $262.7 million in interest expense in the third quarter and first nine months of 2013, respectively, as described below under "Results of Operations — Non-Operating Income (Expense) — Interest Expense";
- an increase of $149.6 million and $98.4 million in legal settlements and related fees in the third quarter and first nine months of 2013, respectively, as described below under "Results of Operations — Operating Expenses — Legal Settlements and Related Fees";
- a decrease of $42.7 million in contribution from (i) alliance and royalty revenue and (ii) service revenue (alliance and royalty revenue and service revenue less cost of alliance and service revenue) in the first nine months of 2013, primarily due to $45.0 million recognized in the first nine months of 2012 related to the milestone payment received from GSK in connection with the launch of Potiga® that did not similarly occur in the first nine months of 2013;
- an increase of $5.8 million and $27.1 million in loss on extinguishment of debt in the third quarter and first nine months of 2013, respectively, as described below under "Results of Operations — Non-Operating Income (Expense) — Loss on Extinguishment of Debt"; and
- a decrease of $22.0 million in foreign exchange and other in the first nine months of 2013, as described below under "Results of Operations — Non-Operating Income (Expense) — Foreign Exchange and Other".

Those factors were partially offset by:

- an increase in contribution (product sales revenue less cost of goods sold, exclusive of amortization and impairments of finite-lived intangible assets) of $309.3 million and $766.9 million in the third quarter and first nine months of 2013, respectively, mainly related to the incremental contribution of Medicis, B&L, OraPharma, Obagi, Eisai, Natur Produkt and Gerot Lannach;

- an increase of $72.2 million and $155.0 million in recovery of income taxes in the third quarter and first nine months of 2013, respectively, as described below under "Results of Operations — Income Taxes";

- a decrease of $40.6 million and $56.7 million in acquisition-related contingent consideration losses in the third quarter and first nine months of 2013, respectively, as described below under "Results of Operations — Operating Expenses — Acquisition-Related Contingent Consideration"; and

- a decrease of $21.3 million and $21.1 million in in-process research and development impairments and other charges in the third quarter and first nine months of 2013, respectively, as described below under "Results of Operations — Operating Expenses — In-Process Research and Development Impairments and Other Charges".

Net Income Attributable to Noncontrolling Interest

Net income attributable to noncontrolling interest was $1.3 million in both the third quarter and first nine months of 2013, respectively, primarily related to the performance of joint ventures acquired in connection with the B&L Acquisition.

Cash Dividends

No dividends were declared or paid in the third quarters and first nine months of 2013 and 2012. While our Board of Directors will review our dividend policy from time to time, we currently do not intend to pay dividends in the foreseeable future. In addition, the covenants contained in the Third Amended and Restated Credit and Guaranty Agreement, as amended (the "Credit Agreement") include restrictions on the payment of dividends.

RESULTS OF OPERATIONS

Reportable Segments

As a result of our acquisition strategy and continued growth, impacted most recently by the December 2012 Medicis Acquisition, our Chief Executive Officer ("CEO"), who is our Chief Operating Decision Maker ("CODM"), began to manage the business differently in 2013, which necessitated a realignment of the segment structure. Pursuant to this change, which was effective in the first quarter of 2013, we now have two reportable segments: (i) Developed Markets, and (ii) Emerging Markets. Accordingly, we have restated prior period segment information to conform to the current period presentation. The following is a brief description of our segments as of September 30, 2013:

- ***Developed Markets*** consists of (i) sales in the U.S. of pharmaceutical products, OTC products, and medical device products, as well as alliance and contract service revenues, in the areas of eye health, dermatology and topical medication, aesthetics, dentistry, ophthalmology and podiatry, (ii) sales in the U.S. of pharmaceutical products indicated for the treatment of neurological and other diseases, as well as alliance revenue from the licensing of various products we developed or acquired, and (iii) pharmaceutical products, OTC products, and medical device products sold in Canada, Australia, New Zealand, Western Europe and Japan.

- ***Emerging Markets*** consists of branded generic pharmaceutical products, OTC products, and medical device products, including eye health products. This segment includes agency/in-licensing arrangements with other research-based pharmaceutical companies (where the Company distributes and markets branded, patented products under long-term, renewable contracts). Products are sold primarily in Central and Eastern Europe (primarily Poland, Russia and Serbia), Asia, Latin America (Mexico, Brazil and exports out of Mexico to other Latin American markets), Africa and the Middle East.

Revenues By Segment

The following table displays revenues by segment for the third quarters and first nine months of 2013 and 2012, the percentage of each segment's revenues compared with total revenues in the respective period, and the dollar and percentage change in the dollar amount of each segment's revenues. Percentages may not add due to rounding.

	Three Months Ended September 30,						Nine Months Ended September 30,					
	2013		2012		Change		2013		2012		Change	
($ in 000s)	$	%	$	%	$	%	$	%	$	%	$	%
Developed Markets	1,142,712	74	647,194	73	495,518	77	2,722,834	73	1,860,833	73	862,001	46
Emerging Markets	399,019	26	236,946	27	162,073	68	983,014	27	699,500	27	283,514	41
Total revenues	1,541,731	100	884,140	100	657,591	74	3,705,848	100	2,560,333	100	1,145,515	45

Total revenues increased $657.6 million, or 74%, to $1,541.7 million in the third quarter of 2013, compared with $884.1 million in the third quarter of 2012 and increased $1,145.5 million, or 45%, to $3,705.8 million in the first nine months of 2013, compared with $2,560.3 million in the first nine months of 2012, mainly attributable to the effect of the following factors:

- in the Developed Markets segment:
  - the incremental product sales revenue of $620.4 million and $1,154.3 million (which includes a negative foreign currency exchange impact of $6.0 million and $6.3 million in the third quarter and first nine months of 2013, respectively), in the aggregate, from all 2012 acquisitions and all 2013 acquisitions in the third quarter and first nine months of 2013, respectively, primarily from (i) the 2012 acquisitions of Medicis (mainly driven by Solodyn®, Restylane®, Dysport®, Vanos®, Ziana® and Perlane® product sales), OraPharma (mainly driven by Arestin® product sales), certain assets of J&J North America (mainly driven by Ambi®, Shower to Shower® and Purpose® product sales) and certain assets of QLT (Visudyne® product sales); and (ii) the 2013 acquisitions of B&L, Obagi (mainly driven by Nu-Derm® and Obagi-C® product sales) and certain assets of Eisai (Targretin® product sales); and
  - an increase in product sales from the existing business (excluding the declines described below) of $20.6 million or 3%, and $97.7 million or 6%, in the third quarter and first nine months of 2013, respectively, driven by growth of the core dermatology brands, including CeraVe® and Acanya®.

  Those factors were partially offset by:

  - decrease in product sales of $124.4 million and $221.4 million in the third quarter and first nine months of 2013, respectively, primarily related to a decline in sales of the Zovirax® franchise, Retin-A Micro®, BenzaClin® and Cesamet® due to generic competition. As a result of the approval of a generic Zovirax® ointment in April 2013, we anticipate a continuing decline in Zovirax® ointment revenues in the future, and such declines could be material. Refer to note 5 of notes to unaudited consolidated financial statements for details regarding Zovirax® agreements entered into in April 2013 with Actavis. We also anticipate a continuing decline in sales of Retin-A Micro®, BenzaClin® and Cesamet® due to continued generic erosion, however the rate of decline is expected to decrease in the future, and these brands are expected to represent a declining percentage of total revenues primarily due to anticipated growth in other parts of our business and recent acquisitions;
  - alliance revenue of $66.3 million on the sale of the IDP-111 and 5-FU products in the first nine months of 2012 that did not similarly occur in the first nine months of 2013;
  - alliance revenue of $45.0 million recognized in the first nine months of 2012 related to the milestone payment received from GSK in connection with the launch of Potiga® that did not similarly occur in the first nine months of 2013;
  - a negative impact from divestitures, discontinuations and supply interruptions of $13.9 million and $40.1 million in the third quarter and first nine months of 2013, respectively, including a decrease of $4.4 million in the first nine months of 2013, related to IDP-111 royalty revenue as a result of the sale of IDP-111 in February 2012;
  - a negative foreign currency exchange impact on the existing business of $8.4 million and $11.3 million in the third quarter and first nine months of 2013, respectively; and
  - a decrease in service revenue of $5.2 million in the first nine months of 2013, primarily due to lower contract manufacturing revenue from the Laval, Quebec facility, which was acquired as part of the acquisition of the Dermik business from Sanofi in December 2011.
- in the Emerging Markets segment:
  - the incremental product sales revenue of $136.8 million and $212.1 million (which includes a negative foreign currency exchange impact of $3.1 million and $3.2 million in the third quarter and first nine months of 2013,

respectively), in the aggregate, from all 2012 acquisitions and all 2013 acquisitions in the third quarter and the first nine months of 2013, respectively, primarily from (i) the 2012 acquisitions of certain assets of Gerot Lannach (mainly driven by Thrombo™ product sales) and Atlantis and (ii) the 2013 acquisition of B&L and Natur Produkt (mainly driven by AntiGrippin® and Sage™ product sales); and

- an increase in product sales from the existing business of $30.6 million, or 13%, and $88.3 million, or 13%, in the third quarter and first nine months of 2013, respectively.

Those factors were partially offset by:

- a negative impact from divestitures, discontinuations and supply interruptions of $5.6 million and $19.5 million in the third quarter and first nine months of 2013, respectively; and
- a negative foreign currency exchange impact on the existing business of $2.6 million and $2.0 million in the third quarter and first nine months of 2013, respectively.

Segment (Loss) Profit

Segment (loss) profit is based on operating income after the elimination of intercompany transactions. Certain costs, such as restructuring and acquisition-related costs, legal settlements and related fees and in-process research and development impairments and other charges, are not included in the measure of segment (loss) profit, as management excludes these items in assessing segment financial performance. In addition, share-based compensation is not allocated to segments, since the amount of such expense depends on company-wide performance rather than the operating performance of any single segment.

The following table displays (loss) profit by segment for the third quarters and first nine months of 2013 and 2012, the percentage of each segment's (loss) profit compared with corresponding segment revenues in the respective period, and the dollar and percentage change in the dollar amount of each segment's (loss) profit. Percentages may not add due to rounding.

	Three Months Ended September 30,						Nine Months Ended September 30,					
	2013		2012		Change		2013		2012		Change	
($ in 000s)	$	%(1)	$	%(1)	$	%	$	%(1)	$	%(1)	$	%
Developed Markets	(328,610)	(29)	242,314	37	(570,924)	NM	106,316	4	610,274	33	(503,958)	(83)
Emerging Markets	19,524	5	18,800	8	724	4	63,906	7	61,258	9	2,648	4
Total segment (loss) profit	(309,086)	(20)	261,114	30	(570,200)	NM	170,222	5	671,532	26	(501,310)	(75)

(1) — Represents profit as a percentage of the corresponding revenues.

Total segment profit decreased $570.2 million to segment loss of $309.1 million in the third quarter of 2013, compared with segment profit of $261.1 million in the third quarter of 2012, and decreased $501.3 million, or 75%, to $170.2 million in the first nine months of 2013, compared with $671.5 million in the first nine months of 2012, mainly attributable to the effect of the following factors:

- in the Developed Markets segment:
  - an increase in contribution of $354.9 million and $748.1 million, in the aggregate, from all 2012 acquisitions and all 2013 acquisitions in the third quarter and first nine months of 2013, respectively, primarily from the product sales of Medicis, B&L, OraPharma, Obagi and Eisai, including expenses for acquisition accounting adjustments related to inventory of $122.2 million and $187.8 million, in the aggregate, in the third quarter and first nine months of 2013, respectively;
  - an increase in contribution from product sales from the existing business (excluding the favorable impact related to the acquisition accounting adjustments related to inventory in the third quarter and first nine months of 2012 that did not similarly occur in the third quarter and first nine months of 2013 and the declines described below) of $5.3 million and $76.6 million in the third quarter and first nine months of 2013, respectively, driven by growth of the core dermatology brands, including CeraVe® and Acanya®; and

- a favorable impact of $4.7 million and $47.3 million related to the existing business acquisition accounting adjustments related to inventory in the third quarter and first nine months of 2012, respectively, that did not similarly occur in the third quarter and first nine months of 2013.

Those factors were more than offset by:

- an increase in operating expenses (including amortization and impairments of finite-lived intangible assets) of $804.8 million and $1,074.6 million in the third quarter and first nine months of 2013, respectively, primarily due to an impairment charge of $551.6 million related to ezogabine/retigabine in the third quarter of 2013 and the acquisitions of new businesses within the segment. See note 7 to the unaudited consolidated financial statements for additional information regarding the ezogabine/retigabine impairment;
- a decrease in contribution of $113.9 million and $215.1 million in the third quarter and first nine months of 2013, respectively, primarily related to the lower sales of the Zovirax® franchise, Retin-A Micro®, BenzaClin® and Cesamet ® as a result of the continued impact of generic competition;
- alliance revenue of $45.0 million recognized in the first nine months of 2012, related to the milestone payment received from GSK in connection with the launch of Potiga® that did not similarly occur in the first nine months of 2013;
- a decrease in contribution of $10.2 million and $33.2 million in the third quarter and first nine months of 2013, respectively, primarily related to divestitures, discontinuations and supply interruptions, including a reduction in IDP-111 royalty revenue of $4.4 million in the first nine months of 2013 as a result of the sale of IDP-111 in February 2012; and
- a negative foreign currency exchange impact on the existing business contribution of $6.6 million and $8.9 million in the third quarter and first nine months of 2013, respectively.

- in the Emerging Markets segment:
  - an increase in contribution of $61.2 million and $107.4 million, in the aggregate, from all 2012 acquisitions and all 2013 acquisitions, in the third quarter and first nine months of 2013, respectively, primarily from the sale of B&L, Natur Produkt and Gerot Lannach products, including expenses for acquisition accounting adjustments related to inventory of $27.2 million and $31.4 million, in the aggregate, in the third quarter and first nine months of 2013, respectively;
  - an increase in contribution from product sales from the existing business of $23.5 million and $53.9 million in the third quarter and first nine months of 2013, respectively; and
  - an increase in alliance contribution of $5.9 million in the first nine months of 2013.

  Those factors were partially offset by:

  - an increase in operating expenses (including amortization and impairments of finite-lived intangible assets) of $80.6 million and $153.6 million in the third quarter and first nine months of 2013, respectively, primarily associated with the acquisitions of new businesses within the segment;
  - a decrease in contribution of $3.4 million and $9.9 million in the third quarter and first nine months of 2013 related to divestitures, discontinuations and supply interruptions; and
  - a negative foreign currency exchange impact on the existing business contribution of $1.1 million in the first nine months of 2013.

Operating Expenses

The following table displays the dollar amount of each operating expense category for the third quarters and first nine months of 2013 and 2012, the percentage of each category compared with total revenues in the respective period, and the dollar and percentage changes in the dollar amount of each category. Percentages may not add due to rounding.

	Three Months Ended September 30,						Nine Months Ended September 30,					
	2013		2012		Change		2013		2012		Change	
($ in 000s)	$	%[1]	$	%[1]	$	%	$	%[1]	$	%[1]	$	%
Cost of goods sold (exclusive of amortization and impairments of finite-lived intangible assets shown separately below)	560,855	36	216,494	24	344,361	159	1,128,942	30	633,618	25	495,324	78
Cost of alliance and service revenues	14,353	1	13,758	2	595	4	44,241	1	118,237	5	(73,996)	(63)
Selling, general and administrative	355,637	23	188,660	21	166,977	89	854,909	23	551,386	22	303,523	55
Research and development	49,009	3	19,170	2	29,839	156	97,273	3	58,887	2	38,386	65
Amortization and impairments of finite-lived intangible assets	910,248	59	218,187	25	692,061	NM	1,540,021	42	629,400	25	910,621	145
Restructuring, integration and other costs	295,890	19	42,872	5	253,018	NM	398,540	11	135,213	5	263,327	195
In-process research and development impairments and other charges	123,981	8	145,300	16	(21,319)	(15)	128,811	3	149,868	6	(21,057)	(14)
Acquisition-related costs	8,650	1	4,605	1	4,045	88	24,428	1	25,977	1	(1,549)	(6)
Legal settlements and related fees	149,601	10	—	—	149,601	NM	155,173	4	56,779	2	98,394	173
Acquisition-related contingent consideration	(34,995)	(2)	5,630	1	(40,625)	NM	(33,511)	(1)	23,198	1	(56,709)	NM
Total operating expenses	2,433,229	158	854,676	97	1,578,553	185	4,338,827	117	2,382,563	93	1,956,264	82

(1) — Represents the percentage for each category as compared to total revenues.

NM — Not meaningful

Cost of Goods Sold

Cost of goods sold, which excludes the amortization and impairments of finite-lived intangible assets described separately below under "— Amortization and Impairments of Finite-Lived Intangible Assets", increased $344.4 million, or 159%, to $560.9 million in the third quarter of 2013, compared with $216.5 million in the third quarter of 2012, and increased $495.3 million, or 78%, to $1,128.9 million in the first nine months of 2013, compared with $633.6 million in the first nine months of 2012. As a percentage of revenue, Cost of goods sold (excluding the amortization and impairments of finite-lived intangible assets) increased to 36% and 30% for the third quarter and first nine months of 2013, respectively, as compared to 24% and 25% in third quarter and first nine months of 2012, respectively, primarily due to:

- the impact of higher acquisition accounting adjustments of $143.4 million and $169.8 million in the third quarter and first nine months of 2013, respectively, related to acquired inventories that were sold in the third quarter and first nine months of 2013; and
- an unfavorable impact from product mix related to (i) the product portfolio acquired as part of the B&L Acquisition and (ii) decreased sales of the Zovirax® franchise, Retin-A Micro®, BenzaClin® and Cesamet ® which have a higher gross profit margin than our overall margin.

These factors were partially offset by:

- a favorable impact from product mix related to the Medicis product portfolio; and
- the benefits realized from worldwide manufacturing rationalization initiatives.

Cost of Alliance and Service Revenues

Cost of alliance and service revenues increased $0.6 million, or 4%, to $14.4 million in the third quarter of 2013, compared with $13.8 million in the third quarter of 2012. Cost of alliance and service revenues decreased $74.0 million, or 63%, to $44.2 million in the first nine months of 2013, compared with $118.2 million in the first nine months of 2012, primarily due to the inclusion of the carrying amounts of the IDP-111 and 5-FU intangible assets of $69.2 million, in the aggregate, which were expensed on the sale of these products in the first quarter of 2012.

Selling, General and Administrative Expenses

Selling, general and administrative expenses increased $167.0 million, or 89%, to $355.6 million in the third quarter of 2013, compared with $188.7 million in the third quarter of 2012, and increased $303.5 million, or 55%, to $854.9 million in the first nine months of 2013, compared with $551.4 million in the first nine months of 2012, primarily due to:

- increased expenses in our Developed Markets segment ($109.9 million and $191.6 million in the third quarter and first nine months of 2013, respectively) primarily driven by the acquisitions of new businesses within the segment, including the B&L and Medicis Acquisitions, partially offset by the realization of cost synergies;
- increased expenses in our Emerging Markets segment ($55.2 million and $88.6 million in the third quarter and first nine months of 2013, respectively), primarily driven by the acquisitions of new businesses within this segment, including B&L Acquisition, partially offset by the realization of cost synergies; and
- net incremental compensation expense of $15.5 million in the second quarter of 2013 related to certain equity awards held by current non-management directors which were modified from units settled in common shares to units settled in cash. See note 13 to the unaudited consolidated financial statements for additional information.

As a percentage of revenue, Selling, general and administrative expenses increased to 23% in the third quarter and first nine months of 2013 as compared to 21% and 22% in third quarter and first nine months of 2012, respectively, primarily due to timing of realization of synergies from the B&L Acquisition. The increase in the first nine months was also impacted by the net incremental compensation expense of $15.5 million recognized in the second quarter of 2013 (equates to 0.4% of revenue for the first nine months of 2013) described in the preceding paragraph.

Research and Development Expenses

Research and development expenses increased $29.8 million, or 156%, to $49.0 million in the third quarter of 2013, compared with $19.2 million in the third quarter of 2012, and increased $38.4 million, or 65%, to $97.3 million in the first nine months of 2013, compared with $58.9 million in the first nine months of 2012, primarily due to spending on new programs acquired in the B&L and Medicis acquisitions, partially offset by lower spending on ezogabine/retigabine reflecting the U.S. launch in the second quarter of 2012. See note 3 to the unaudited consolidated financial statements for additional information relating to the B&L and Medicis acquisitions.

Amortization and Impairments of Finite-Lived Intangible Assets

Amortization and impairments of finite-lived intangible assets increased $692.1 million to $910.2 million in the third quarter of 2013, compared with $218.2 million in the third quarter of 2012, and increased $910.6 million, or 145%, to $1,540.0 million in the first nine months of 2013, compared with $629.4 million in the first nine months of 2012, primarily due to (i) an impairment charge of $551.6 million related to ezogabine/retigabine in the third quarter of 2013, (ii) the amortization of the Medicis, B&L, Eisai, OraPharma and Obagi identifiable intangible assets of $110.5 million and $227.5 million, in the aggregate, in the third quarter and first nine months of 2013, respectively, (iii) impairment charges of $5.4 million and $31.5 million related to the write-down of the carrying values of assets held for sale related to certain suncare and skincare brands sold primarily in Australia, to their estimated fair value less costs to sell in the third quarter and first nine months of 2013, respectively, (iv) $22.2 million related to the write-off of the carrying value of the Opana® intangible asset in the first quarter of 2013, (v) write-offs of $2.9 million and $22.3 million, in the aggregate, in the third quarter and first nine months of 2013, respectively, related to the discontinuation of certain products in the Brazilian, Canadian, and Polish markets, and (vi) $10.0 million related to the write-off of certain OTC skincare products in the U.S. in the third quarter of 2013.

As part of our ongoing assessment of potential impairment indicators related to our finite-lived and indefinite-lived intangible assets, we will closely monitor the performance of our product portfolio. If our ongoing assessments reveal indications of impairment, we may determine that an impairment charge is necessary and such charge could be material.

Restructuring, Integration and Other Costs

We recognized restructuring, integration and other costs of $295.9 million and $398.5 million in the third quarter and first nine months of 2013, respectively, primarily related to the B&L and Medicis Acquisitions and other acquisitions. Refer to note 6 of notes to unaudited consolidated financial statements for further details.

In-Process Research and Development Impairments and Other Charges

In the third quarter of 2013, we recorded charges of $124.0 million primarily due to the write-off of (i) $93.8 million of IPR&D assets relating to the modified-release formulation of ezogabine/retigabine, and (ii) $27.3 million of IPR&D assets

acquired by Valeant as part of Aton Pharma, Inc. ("Aton") acquisition in May 2010, mainly related to the termination of the A007 (Lacrisert®) development program. Refer note 7 to the unaudited consolidated financial statements for additional information.

In the third quarter of 2012, we recorded charges of (i) $133.4 million related to the write-off of an acquired IPR&D asset related to the IDP-107 dermatology program, which was acquired in September 2010 as part of merger between the Company (then named Biovail Corporation ("Biovail")) and Valeant, and (ii) $12.0 million related to a payment to terminate a research and development commitment with a third party. Through discussion with various internal and external Key Opinion Leaders, we completed our analysis of the Phase 2 study results for IDP-107 during the third quarter of 2012. This led to our decision in the third quarter of 2012 to terminate the program and fully impair the asset. As attempts to identify a partner for the program were not successful, we do not believe the program has value to a market participant.

Acquisition-Related Costs

Acquisition-related costs increased $4.0 million, or 88%, to $8.7 million in the third quarter of 2013 as compared with $4.6 million in the third quarter of 2012, primarily reflecting acquisition activities in the third quarter of 2013 primarily related to the B&L acquisition, partially offset by higher expenses incurred in the third quarter of 2012 related to other 2012 acquisitions. Acquisition-related costs decreased $1.5 million, or 6%, to $24.4 million in the first nine months of 2013, compared with $26.0 million in the first nine months of 2012, reflecting higher expenses incurred in the first nine months of 2012 related to the OraPharma acquisition and other 2012 acquisitions, partially offset by acquisition activities in the first nine months of 2013 primarily related to the B&L and Obagi acquisitions. See note 3 to the unaudited consolidated financial statements for additional information regarding business combinations.

Legal Settlements and Related Fees

Legal settlements and related fees increased to $149.6 million in the third quarter of 2013, and increased $98.4 million, or 173%, to $155.2 million in the first nine months of 2013, compared with $56.8 million in the first nine months of 2012, primarily due to a charge of $142.5 million in the third quarter of 2013 related to a settlement agreement with Anacor Pharmaceuticals, Inc., partially offset by a settlement of antitrust litigation and the associated legal fees in the second quarter of 2012. Refer to note 19 of notes to unaudited consolidated financial statements for further details.

Acquisition-Related Contingent Consideration

In the third quarter and first nine months of 2013, we recognized an acquisition-related contingent consideration gain of $35.0 million and $33.5 million, respectively. The net gain was primarily driven by a net gain related to the Elidel®/Xerese®/Zovirax® agreement entered into with Meda Pharma SARL ("Meda") in June 2011. In April 2013, Mylan Inc. launched a generic Zovirax® ointment, which was earlier than we previously anticipated. Also, in April 2013, we entered into an agreement with Actavis, Inc. ("Actavis") to launch the authorized generic ointment for Zovirax®. Refer to note 5 of notes to unaudited consolidated financial statements for further information regarding the agreement with Actavis. As a result of analysis in the third quarter of 2013 of performance trends since the generic entrant, we adjusted the projected revenue forecast, resulting in an acquisition-related contingent consideration net gain of $25.6 million and $23.8 million in the third quarter and first nine months of 2013, respectively. Also contributing to the acquisition-related contingent consideration net gain was a net gain of $6.9 million, which resulted from the termination, in the third quarter of 2013, of the A007 (Lacrisert®) development program, which impacted the probability associated with potential milestone payments. Refer to note 7 of notes to unaudited consolidated financial statements for further information.

In the third quarter and first nine months of 2012, we recognized an acquisition-related contingent consideration loss of $5.6 million and $23.2 million, respectively, primarily driven by accretion for the time value of money for the Elidel®/Xerese®/Zovirax® agreement with Meda and the iNova acquisition, partially offset by a gain related to a shift in timing which impacted the revenue assumptions associated with potential milestone payments for the A007 (Lacrisert®) development program.

Non-Operating Income (Expense)

The following table displays the dollar amounts of each non-operating income or expense category in the third quarters and first nine months of 2013 and 2012 and the dollar and percentage changes in the dollar amount of each category.

	Three Months Ended September 30,				Nine Months Ended September 30,			
	2013	2012	Change		2013	2012	Change	
($ in 000s; Income (Expense))	$	$	$	%	$	$	$	%
Interest income	2,686	1,156	1,530	132	5,336	3,299	2,037	62
Interest expense	(249,306)	(116,042)	(133,264)	115	(581,414)	(318,681)	(262,733)	82
Loss on extinguishment of debt	(8,161)	(2,322)	(5,839)	NM	(29,540)	(2,455)	(27,085)	NM
Foreign exchange and other	5,079	(1,603)	6,682	NM	(3,564)	18,458	(22,022)	(119)
Gain on investments, net	—	—	—	NM	5,822	2,024	3,798	188
Total non-operating expense	(249,702)	(118,811)	(130,891)	110	(603,360)	(297,355)	(306,005)	103

NM — Not meaningful

Interest Expense

Interest expense increased $133.3 million, or 115%, to $249.3 million in the third quarter of 2013, compared with $116.0 million in the third quarter of 2012, and increased $262.7 million, or 82%, to $581.4 million in the first nine months of 2013, compared with $318.7 million in the first nine months of 2012, primarily reflecting the following:

- an increase of $114.2 million and $205.3 million, in the aggregate, in the third quarter and first nine months of 2013, respectively, primarily related to higher debt balances, driven by the new borrowings during the period. Refer to note 11 of notes to unaudited consolidated financial statements for further details; and
- an increase of $18.6 million and $56.2 million, in the aggregate, in the third quarter and first nine months of 2013, respectively, related to the non-cash amortization of debt discounts and deferred financing costs, including the write-off of deferred financing costs related to the commitment letter entered into in connection with the financing of the B&L Acquisition. Refer to note 11 of notes to unaudited consolidated financial statements for further details.

As a result of the financing obtained in connection with the B&L Acquisition, we expect an increase in interest expense in the fourth quarter of 2013 and in future years. Refer to note 11 of notes to unaudited consolidated financial statements for further details.

Loss on Extinguishment of Debt

In the third quarter and first nine months of 2013, we recognized losses of $8.2 million and $29.5 million, respectively, related primarily to (i) the refinancing of our term loan B facility and our incremental term loan B facility on February 21, 2013 (as described below under “Financial Condition, Liquidity and Capital Resources — Financial Assets (Liabilities)”), and (ii) the redemption of 9.875% senior notes assumed in connection with the B&L Acquisition in the third quarter of 2013 (see note 3 to the unaudited consolidated financial statements for additional information).

In the third quarter and first nine months of 2012, we recognized losses of $2.3 million and $2.5 million, respectively, mainly on the settlement of the 5.375% senior convertible notes due 2014 (the “5.375% Convertible Notes”) in the third quarter of 2012.

Foreign Exchange and Other

Foreign exchange and other increased $6.7 million to a gain of $5.1 million in the third quarter of 2013, compared with a loss of $1.6 million in the third quarter of 2012, primarily due to the translation gains from our European operations in the third quarter of 2013. Foreign exchange and other decreased $22.0 million, or 119%, to a loss of $3.6 million in the first nine months of 2013, compared with a gain of $18.5 million in the first nine months of 2012, primarily due to (i) the $29.2 million gain realized in the first nine months of 2012 on an intercompany loan that was not designated as permanent in nature that did not similarly occur in the first nine months of 2013, (ii) an unrealized foreign exchange loss of $8.3 million on an intercompany financing arrangement in the first quarter of 2013, partially offset by (iii) the translation gains from our European operations in the first nine months of 2013.

Gain on Investments, Net

In the first nine months of 2013, we recognized gain on investment, net of $5.8 million. The gain on investment, net was primarily driven by a realized gain of $4.0 million on the sale of an equity investment assumed in connection with the Medicis Acquisition in December 2012.

Income Taxes

The following table displays the dollar amounts of the current and deferred recovery of income taxes in the third quarters and first nine months of 2013 and 2012 and the dollar and percentage changes in the dollar amount of each provision. Percentages may not add due to rounding.

	Three Months Ended September 30,				Nine Months Ended September 30,			
	2013	2012	Change		2013	2012	Change	
($ in 000s; (Income) Expense)	$	$	$	%	$	$	$	%
Current income tax expense	16,400	10,100	6,300	62	38,500	35,100	3,400	10
Deferred income tax recovery	(185,625)	(107,092)	(78,533)	73	(286,200)	(127,802)	(158,398)	124
Total recovery of income taxes	(169,225)	(96,992)	(72,233)	74	(247,700)	(92,702)	(154,998)	167

NM — Not meaningful

In the three-month period ended September 30, 2013, we recognized an income tax benefit of $169.2 million, which comprised of $171.0 million related to the expected tax provision in tax jurisdictions outside of Canada in addition to an income tax provision of $1.8 million related to Canadian income taxes. In the nine-month period ended September 30, 2013, we recognized an income tax benefit of $247.7 million, which comprised of $252.5 million related to the expected tax benefit in tax jurisdictions outside of Canada and an income tax expense of $4.8 million related to Canadian income taxes. In the three-month and nine-month periods ended September 30, 2013, our effective tax rate was primarily impacted by (i) tax provision generated from our annualized effective tax rate applied against our overall loss for the nine months ended September 30, 2013, (ii) the impairment of intangibles in the U.S. and Australia, (iii) recognition of U.S. research and development credits associated with a change in tax law, (iv) true-ups recorded for recently filed returns in the U.S. and Canada and (v) the establishment of a valuation allowance on our previously recorded "reported" foreign tax credits in the U.S. due to the expectation that they will expire before usage.

FINANCIAL CONDITION, LIQUIDITY AND CAPITAL RESOURCES

Selected Measures of Financial Condition

The following table displays a summary of our financial condition as of September 30, 2013 and December 31, 2012:

	As of September 30, 2013	As of December 31, 2012	Change	
($ in 000s; Asset (Liability))	$	$	$	%
Cash and cash equivalents	596,347	916,091	(319,744)	(35)
Long-lived assets[(1)]	24,053,948	14,912,759	9,141,189	61
Long-term debt, including current portion	(17,404,714)	(11,015,625)	(6,389,089)	58
Valeant Pharmaceuticals International, Inc. shareholders' equity	4,949,113	3,717,398	1,231,715	33

(1) Long-lived assets comprise property, plant and equipment, intangible assets and goodwill.

Cash and Cash Equivalents

Cash and cash equivalents decreased $319.7 million, or 35%, to $596.3 million as of September 30, 2013, compared with $916.1 million at December 31, 2012, which primarily reflected the following uses of cash:

- $5,228.5 million paid, in the aggregate, in connection with the purchases of businesses and intangible assets, mainly in respect of the B&L, Obagi, Natur Produkt and Eisai acquisitions in the first nine months of 2013;

- $4,163.9 million repayment of long-term debt assumed in connection with the B&L Acquisition in August 2013;
- $418.8 million repayment under our senior secured term loan A facility (as described below under "Financial Condition, Liquidity and Capital Resources — Financial Assets (Liabilities)");
- $233.6 million repayment of long-term debt assumed in connection with the Medicis Acquisition in December 2012;
- contingent consideration payments within financing activities of $98.1 million primarily related to the OraPharma acquisition and the Elidel®/Xerese®/Zovirax® agreement entered into in June 2011;
- $80.5 million related to debt issue costs paid primarily due to the issuance of senior notes and the incremental term loan facilities in the third quarter of 2013 and the repricing of our senior secured term loan A facility, our senior secured term loan B facility and our incremental term loan B facility, in the aggregate (as described below under "Financial Condition, Liquidity and Capital Resources — Financial Assets (Liabilities)");
- $55.6 million related to the repurchase of our common shares;
- purchases of property, plant and equipment of $51.7 million;
- $37.6 million repayment of short-term borrowings and long-term debt, in the aggregate, assumed in connection with the Natur Produkt acquisition; and
- $28.8 million repayments under our senior secured term loan B facility and our incremental term loan B facility, in the aggregate, (as described below under "Financial Condition, Liquidity and Capital Resources — Financial Assets (Liabilities)").

Those factors were partially offset by the following sources of cash:

- $3,826.4 million of net borrowings under our incremental term loan facilities in the third quarter of 2013 (as described below under "Financial Condition, Liquidity and Capital Resources — Financial Assets (Liabilities)");
- $3,184.7 million of net proceeds on the issuance of senior notes in the third quarter of 2013 (as described below under "Financial Condition, Liquidity and Capital Resources — Financial Assets (Liabilities)");
- the net proceeds of $2,269.9 million related to the issuance of common stock in June 2013, which were utilized to fund the B&L Acquisition;
- $762.1 million in operating cash flows; and
- the proceeds of $17.0 million on the sale of marketable securities assumed in connection with the Medicis Acquisition.

Long-Lived Assets

Long-lived assets increased $9,141.2 million, or 61%, to $24,053.9 million as of September 30, 2013, compared with $14,912.8 million at December 31, 2012, primarily due to:

- the inclusion of the identifiable intangible assets, goodwill and property, plant and equipment from the 2013 acquisitions of $10,808.9 million, in the aggregate, primarily related to the B&L, Obagi, Natur Produkt and Eisai acquisitions; and
- purchases of property, plant and equipment of $51.7 million.

Those factors were partially offset by:

- the depreciation of property, plant and equipment and amortization of $962.1 million, in the aggregate;
- the impairments of finite-lived intangible assets of $611.7 million, in the aggregate, which includes an impairment charge of $551.6 million related to ezogabine/retigabine in the third quarter of 2013. For more information regarding these impairment charges, see notes 7 and 10 to the unaudited consolidated financial statements;
- the write-off of acquired IPR&D assets of $122.9 million, in the aggregate, primarily due to the write-off of (i) IPR&D assets relating to the modified-release formulation of ezogabine/retigabine, and (ii) IPR&D assets acquired by Valeant as part of Aton acquisition in May 2010, mainly related to the termination of the A007 (Lacrisert®) development program. Refer note 7 to the unaudited consolidated financial statements for additional information; and

- a decrease from foreign currency exchange of $27.2 million.

Long-Term Debt

Long-term debt (including the current portion) increased $6,389.1 million, or 58%, to $17,404.7 million as of September 30, 2013, compared with $11,015.6 million at December 31, 2012, primarily due to:

- the inclusion of the assumed long-term debt of B&L of $4,209.9 million (as described in the note 3 of notes to unaudited consolidated financial statements);
- $3,826.4 million of net borrowings under our incremental term loan facilities in the third quarter of 2013 (as described below under "Financial Condition, Liquidity and Capital Resources — Financial Assets (Liabilities)"); and
- $3,184.7 million of net proceeds on the issuance of senior notes in the third quarter of 2013 (as described below under "Financial Condition, Liquidity and Capital Resources — Financial Assets (Liabilities)").

Those factors were partially offset by:

- $4,163.9 million repayment of long-term debt assumed in connection with the B&L Acquisition in August 2013 (as described below under "Financial Condition, Liquidity and Capital Resources — Financial Assets (Liabilities)");
- $418.8 million repayment under our senior secured term loan A facility (as described below under "Financial Condition, Liquidity and Capital Resources — Financial Assets (Liabilities)");
- $233.6 million repayment of long-term debt assumed in connection with the Medicis Acquisition in December 2012; and
- $28.8 million repayments under our senior secured term loan B facility and our incremental term loan B facility, in the aggregate (as described below under "Financial Condition, Liquidity and Capital Resources — Financial Assets (Liabilities)").

Valeant Pharmaceuticals International, Inc. Shareholders' Equity

Valeant Pharmaceuticals International, Inc. shareholders' equity increased $1,231.7 million, or 33%, to $4,949.1 million as of September 30, 2013, compared with $3,717.4 million at December 31, 2012, primarily due to:

- an increase of $2,269.3 million related to the issuance of our common stock in June 2013 in connection with the B&L Acquisition; and
- $32.5 million of share-based compensation recorded in additional paid-in capital.

Those factors were partially offset by:

- a net loss attributable to the Company of $989.9 million;
- a decrease of $55.6 million related to the repurchase of our common shares in the first nine months of 2013; and
- a negative foreign currency translation adjustment of $40.5 million to other comprehensive income (loss), mainly due to the impact of a strengthening of the U.S. dollar relative to a number of other currencies, including the Canadian dollar, Brazilian real, Mexican peso and Australian dollar, which decreased the reported value of our net assets denominated in those currencies, partially offset by the impact of weakening of the U.S. dollar relative to the Euro.

Cash Flows

Our primary sources of cash include: cash collected from customers, funds available from our revolving credit facility, issuances of long-term debt and issuances of equity. Our primary uses of cash include: business development transactions, interest and principal payments, securities repurchases, restructuring activities, salaries and benefits, inventory purchases, research and development spending, sales and marketing activities, capital expenditures, legal costs, and litigation and regulatory settlements. The following table displays cash flow information for the third quarters and first nine months of 2013 and 2012:

	Three Months Ended September 30,				Nine Months Ended September 30,			
	2013	2012	Change		2013	2012	Change	
($ in 000s)	$	$	$	%	$	$	$	%
Net cash provided by operating activities	201,712	166,827	34,885	21	762,089	588,659	173,430	29
Net cash used in investing activities	(4,469,109)	(297,396)	(4,171,713)	NM	(5,235,738)	(991,916)	(4,243,822)	NM
Net cash provided by (used in) financing activities	2,318,478	(7,932)	2,326,410	NM	4,158,640	495,004	3,663,636	NM
Effect of exchange rate changes on cash and cash equivalents	5,876	965	4,911	NM	(4,735)	1,872	(6,607)	NM
Net (decrease) increase in cash and cash equivalents	(1,943,043)	(137,536)	(1,805,507)	NM	(319,744)	93,619	(413,363)	NM
Cash and cash equivalents, beginning of period	2,539,390	395,266	2,144,124	NM	916,091	164,111	751,980	NM
Cash and cash equivalents, end of period	596,347	257,730	338,617	NM	596,347	257,730	338,617	NM

NM — Not meaningful

Operating Activities

Net cash provided by operating activities increased $34.9 million, or 21%, to $201.7 million in the third quarter of 2013, compared with $166.8 million in the third quarter of 2012, primarily due to:

- the inclusion of cash flows in the third quarter of 2013 from all 2012 acquisitions, primarily the Medicis and OraPharma acquisitions, as well as all 2013 acquisitions, primarily the B&L, Natur Produkt and Obagi acquisitions;
- incremental cash flows from continued growth in the existing business; and
- a decreased investment in working capital of $117.5 million in the third quarter of 2013, primarily related to accounts receivable, reflecting (i) a positive impact from the timing of sales and related collections in the U.S. in 2013 and (ii) the increase in receivables in the prior year period reflecting strong sales in September 2012, partially offset by (iii) an increase in receivables related to the B&L business in the post-acquisition period. The working capital comparisons were also positively impacted by timing of certain B&L restructuring costs which had been accrued, but not yet paid, as of September 30, 2013, more than offset by (i) payments, in the post-acquisition period, of interest on debt assumed in the B&L Acquisition and certain compensation-related costs related to the B&L business and (ii) the impact of changes related to timing of other payments and receipts in the ordinary course of business.

Those factors were partially offset by:

- higher payments of $180.6 million related to restructuring, integration and other costs in the third quarter of 2013; and
- a decrease in contribution of $113.9 million in the third quarter of 2013 related to the lower sales of the Zovirax® franchise, Retin-A Micro® and BenzaClin® as a result of generic competition.

Net cash provided by operating activities increased $173.4 million, or 29%, to $762.1 million in the first nine months of 2013, compared with $588.7 million in the first nine months of 2012, primarily due to:

- the inclusion of cash flows in the first nine months of 2013 from all 2012 acquisitions, primarily the Medicis, OraPharma, University Medical, Atlantis, Probiotica and Gerot Lannach acquisitions, as well as all 2013 acquisitions, primarily the B&L, Natur Produkt and Obagi acquisitions;
- incremental cash flows from continued growth in the existing business; and
- a decreased investment in working capital of $87.3 million in the first nine months of 2013, primarily related to accounts receivable, reflecting (i) a positive impact from the timing of sales and related collections in the U.S. in 2013 and (ii) the increase in receivables in the prior year period reflecting strong sales in September 2012, partially offset by (iii) an increase in receivables related to the B&L business in the post-acquisition period. The working capital comparisons were also positively impacted by timing of certain B&L restructuring costs which had been accrued, but not yet paid, as of September 30, 2013, more than offset by (i) payments, in the post-acquisition period, of interest on debt assumed in the B&L Acquisition and certain compensation-related costs related to the B&L business and (ii) the impact of changes related to timing of other payments and receipts in the ordinary course of business.

Those factors were partially offset by:

- a decrease in contribution of $215.1 million in the first nine months of 2013, primarily related to the lower sales of the Zovirax® franchise, Retin-A Micro®, BenzaClin® and Cesamet® as a result of generic competition;
- higher payments of $179.1 million related to restructuring, integration and other costs in the first nine months of 2013; and
- the receipt of the $45.0 million milestone payment from GSK in connection with the launch of Potiga® in the first nine months of 2012 that did not similarly occur in the first nine months of 2013.

Investing Activities

Net cash used in investing activities increased $4,171.7 million to $4,469.1 million in the third quarter of 2013, compared with $297.4 million in the third quarter of 2012, primarily due to:

- an increase of $4,192.5 million, in the aggregate, related to the purchases of businesses (net of cash acquired) and intangible assets in the aggregate.

This factor was partially offset by:

- a decrease of $32.1 million in purchases of property, plant and equipment.

Net cash used in investing activities increased $4,243.8 million to $5,235.7 million in the first nine months of 2013, compared with $991.9 million in the first nine months of 2012, primarily due to:

- an increase of $4,247.4 million, in the aggregate, related to the purchases of businesses (net of cash acquired) and intangible assets in the aggregate; and
- an increase of $49.5 million, related to lower proceeds from sales of assets, primarily attributable to the cash proceeds of $66.3 million for the sale of the IDP-111 and 5-FU products in the first quarter of 2012, partially offset by the proceeds related to the sale of Buphenyl® in the second quarter of 2013.

Those factors were partially offset by:

- a decrease of $30.1 million in purchases of property, plant and equipment;
- a decrease of $8.2 million related to a transfer to restricted cash in the second quarter of 2012 related to the acquisition of certain assets from Atlantis in May 2012;
- a decrease of $7.6 million related to higher proceeds from the sale of marketable securities; and
- a decrease of $7.2 million related to purchases of marketable securities in the first quarter of 2012.

Financing Activities

Net cash provided by financing activities was $2,318.5 million in the third quarter of 2013, compared with net cash used in financing activities of $7.9 million in the third quarter of 2012, reflecting an increase of $2,326.4 million, primarily due to:

- an increase of $3,826.4 million of net borrowings under our incremental term loan facilities in the third quarter of 2013 (as described below under "Financial Condition, Liquidity and Capital Resources — Financial Assets (Liabilities)");
- an increase related to net proceeds of $3,184.7 million from the issuance of senior notes in the third quarter of 2013 (as described below under "Financial Condition, Liquidity and Capital Resources — Financial Assets (Liabilities)"); and
- an increase of $62.1 million related to the settlement of the 5.375% Convertible Notes in the third quarter of 2012 that did not similarly occur in the third quarter of 2013.

Those factors were partially offset by:

- a decrease of $4,163.9 million related to the repayment of long-term debt assumed in connection with the B&L Acquisition in August 2013;
- a decrease of $250.0 million of borrowings under our revolving credit facility in the third quarter of 2013;

- a decrease of $184.2 million related to the higher repayments under our senior secured term loan A facility in the third quarter of 2013 (as described below under "Financial Condition, Liquidity and Capital Resources — Financial Assets (Liabilities)");
- a decrease of $103.6 million in net borrowings under our senior secured term loan B facility in the third quarter of 2013; and
- a decrease of $24.3 million related to the higher debt issue costs paid primarily due to the issuance of senior notes and the incremental term loan facilities in the third quarter of 2013 (as described below under "Financial Condition, Liquidity and Capital Resources — Financial Assets (Liabilities)").

Net cash provided by financing activities increased $3,663.6 million to $4,158.6 million in the first nine months of 2013, compared with $495.0 million in the first nine months of 2012, primarily due to:

- an increase of $3,826.4 million of net borrowings under our incremental term loan facilities in the third quarter of 2013 (as described below under "Financial Condition, Liquidity and Capital Resources — Financial Assets (Liabilities)");
- an increase related to net proceeds of $3,184.7 million from the issuance of senior notes in the third quarter of 2013 (as described below under "Financial Condition, Liquidity and Capital Resources — Financial Assets (Liabilities)");
- the net proceeds of $2,269.9 million related to the issuance of common stock in June 2013, which were utilized to fund the B&L Acquisition;
- an increase of $225.1 million related to lower repurchases of common shares in the first nine months of 2013;
- an increase of $195.0 million related to lower repayments under our revolving credit facility in the first nine months of 2013 (as described below under "Financial Condition, Liquidity and Capital Resources — Financial Assets (Liabilities)"); and
- an increase of $62.1 million related to the settlement of the 5.375% Convertible Notes in the third quarter of 2012 that did not similarly occur in the third quarter of 2013.

Those factors were partially offset by:

- a decrease of $4,163.9 million related to the repayment of long-term debt assumed in connection with the B&L Acquisition in August 2013;
- a decrease of $1,285.6 million in net borrowings under our senior secured term loan B facility in the first nine months of 2013;
- a decrease of $340.4 million related to the higher repayments under our senior secured term loan A facility in the first nine months of 2013 (as described below under "Financial Condition, Liquidity and Capital Resources — Financial Assets (Liabilities)");
- $233.6 million related to the repayment of long-term debt assumed in connection with the Medicis Acquisition in December 2012;
- a decrease of $55.4 million related to the higher debt issue costs paid primarily due to the issuance of senior notes and the incremental term loan facilities in the third quarter of 2013 and the repricing of our senior secured term loan A facility, our senior secured term loan B facility and our incremental term loan B facility in the first quarter of 2013 (as described below under "Financial Condition, Liquidity and Capital Resources — Financial Assets (Liabilities)");
- $37.6 million in repayments of short-term borrowings and long-term debt, in the aggregate, assumed in connection with the Natur Produkt acquisition; and
- a decrease due to higher contingent consideration payments of $18.2 million, in the first nine months of 2013, primarily due to a payment of $40.0 million related to the OraPharma acquisition, partially offset by (i) a contingent consideration payment in the second quarter of 2012 related to the PharmaSwiss S.A. acquisition in March 2011 and (ii) lower contingent consideration payments related to the Elidel®/Xerese®/Zovirax® agreement entered into with Meda in June 2011.

Financial Assets (Liabilities)

The following table displays our net financial liability position as of September 30, 2013 and December 31, 2012:

($ in 000s; Asset (Liability))	Maturity Date	As of September 30, 2013	As of December 31, 2012	Change	
		$	$	$	%
Financial assets:					
Cash and cash equivalents		596,347	916,091	(319,744)	(35)
Marketable securities		—	11,577	(11,577)	(100)
Total financial assets		596,347	927,668	(331,321)	(36)
Financial liabilities:					
New Revolving Credit Facility[1]	April 2018	—	—	—	—
New Term Loan A Facility[1]	April 2016	(1,666,535)	(2,083,462)	416,927	(20)
Tranche A Term Loans[1]	April 2016	(742,528)	—	(742,528)	—
New Term Loan B Facility[1]	February 2019	(1,255,373)	(1,275,167)	19,794	(2)
New Incremental Term Loan B Facility[1]	December 2019	(965,790)	(973,988)	8,198	(1)
Tranche B Term Loans[1]	August 2020	(3,087,242)	—	(3,087,242)	—
Japanese Revolving Credit Facility	July 2014	(34,192)	—	(34,192)	—
Senior Notes:					
6.50%[2]	July 2016	(915,500)	(915,500)	—	—
6.75%[2]	October 2017	(498,573)	(498,305)	(268)	—
6.875%[2]	December 2018	(939,953)	(939,277)	(676)	—
7.00%[2]	October 2020	(686,983)	(686,660)	(323)	—
6.75%[2]	August 2021	(650,000)	(650,000)	—	—
7.25%[2]	July 2022	(542,016)	(541,335)	(681)	—
6.375%[2][3]	October 2020	(2,220,346)	(1,724,520)	(495,826)	29
6.375%[2][3]	October 2020	—	(492,720)	492,720	(100)
6.75%[4]	August 2018	(1,580,863)	—	(1,580,863)	—
7.50%[4]	July 2021	(1,605,245)	—	(1,605,245)	—
Convertible Notes:					
1.375% Convertible Notes	June 2017	(209)	(228,576)	228,367	(100)
2.50% Convertible Notes	June 2032	—	(5,133)	5,133	(100)
1.50% Convertible Notes	June 2033	—	(84)	84	(100)
Other	Various	(13,366)	(898)	(12,468)	NM
Total financial liabilities		(17,404,714)	(11,015,625)	(6,389,089)	58
Net financial liabilities		(16,808,367)	(10,087,957)	(6,720,410)	67

NM — Not meaningful

(1) Together, the "Senior Secured Credit Facilities" under our Credit Agreement.

(2) The senior notes issued by our wholly-owned subsidiary, Valeant.

(3) On March 29, 2013, we announced that our wholly-owned subsidiary, Valeant, commenced an offer to exchange (the "Exchange Offer") any and all of its outstanding $500.0 million aggregate principal amount of 6.375% senior notes due 2020 (the "Existing Notes") into the previously outstanding $1.75 billion 6.375% senior notes due 2020. Valeant conducted the Exchange Offer in order to satisfy its obligations under the indenture governing the Existing Notes with the anticipated result being that some or all of such notes would be part of a single series of 6.375% senior notes under one indenture. The Exchange Offer, which did not result in any changes to existing terms or to the total amount of our debt outstanding, expired on April 26, 2013. $497.7 million of aggregate principal amount of the Existing Notes was exchanged as of such date. In the third quarter of 2013, we executed a private exchange of the remaining $2.3 million of aggregate principal amount of the Existing Notes into the previously outstanding $1.75 billion 6.375% senior notes due 2020.

(4) The senior notes issued by us.

On January 24, 2013, we and certain of our subsidiaries as guarantors entered into Amendment No. 3 to the Credit Agreement to reprice our senior secured term loan A facility (the "Term Loan A Facility", as so amended, the "New Term Loan A Facility")

and our revolving credit facility (the "Revolving Credit Facility", as so amended, the "Amended Revolving Credit Facility"). As amended, the applicable margins for the New Term Loan A Facility and the Amended Revolving Credit Facility each were reduced by 0.75%.

On February 21, 2013, we and certain of our subsidiaries as guarantors entered into Amendment No. 4 to the Credit Agreement to effectuate a repricing of our existing senior secured term loan B facility and incremental term loan B loans (the "Term Loan B Facility" and the "Incremental Term Loan B Facility", respectively, and the "Term Loan B Repricing Transaction") by the issuance of $1.3 billion and $1.0 billion in new incremental term loans (the "Repriced Term Loan B Facility" and the "Repriced Incremental Term Loan B Facility", respectively, and together, the "Repriced Term Loan B Facilities"). Term loans under the Term Loan B Facility and the Incremental Term Loan B Facility were either exchanged for, or repaid with the proceeds of the Repriced Term Loan B Facilities. The applicable margins for borrowings under the Repriced Term Loan B Facilities are 1.75% with respect to base rate borrowings and 2.75% with respect to LIBO rate borrowings, subject to a 0.75% LIBO rate floor and a 1.75% base rate floor. The term loans under the Repriced Term Loan B Facility and the Repriced Incremental Term Loan Facility mature on February 13, 2019 and December 11, 2019, respectively, began amortizing quarterly on March 31, 2013 at an annual rate of 1.0% and have terms consistent with the previous Term Loan B Facility and the Incremental Term Loan B Facility, respectively. In connection with the refinancing of the Term Loan B Facility and the Incremental Term Loan B Facility pursuant to the Term Loan B Repricing Transaction, we paid a prepayment premium of approximately $23.0 million, equal to 1.0% of the refinanced term loans under the Term Loan B Facility and Incremental Term Loan B Facility. In addition, repayments of outstanding loans under the Repriced Term Loan B Facilities in connection with certain refinancings on or prior to August 21, 2013 require a prepayment premium of 1.0% of such loans prepaid. In connection with the Term Loan B Repricing Transaction, we recognized a loss on extinguishment of debt of $21.4 million in the three-month period ended March 31, 2013.

On June 6, 2013, we and certain of our subsidiaries, as guarantors, entered into Amendment No. 5 to the Credit Agreement to implement certain revisions in connection with the B&L Acquisition. The amendment provided for certain revisions in connection with, among other things, the formation of VPII Escrow Corp., the offering of the senior unsecured notes by VPII Escrow Corp., the equity offering, the waiver of certain closing conditions and/or requirements in connection with the incurrence of incremental term loans and/or establishment of incremental revolving commitments related to the B&L Acquisition and the consummation of the B&L Acquisition.

On June 26, 2013, we and certain of our subsidiaries, as guarantors, entered into Amendment No. 6 to the Credit Agreement to, among other things, allow for the increase in commitments under the Amended Revolving Credit Facility and the extension of the maturity of the Amended Revolving Credit Facility to April 2018, and to amend certain other provisions of the Credit Agreement. On July 15, 2013, the increase in commitments and maturity extension under the Amended Revolving Credit Facility was completed, with commitments increased by $550.0 million to $1.0 billion (the "New Revolving Credit Facility").

In connection with the B&L Acquisition, we and our subsidiary, Valeant, entered into a commitment letter dated as of May 24, 2013 (as amended and restated as of June 4, 2013, the "Commitment Letter"), with Goldman Sachs Lending Partners LLC, Goldman Sachs Bank USA and other financial institutions to provide up to $9.275 billion of unsecured bridge loans. In connection with the effectiveness of Amendment No. 5, $4.3 billion of the commitments under the Commitment Letter were reallocated from unsecured bridge loans to a commitment in respect of incremental term loans under our Senior Secured Credit Facilities and were not subject to a commitment fee. Subsequently, we obtained $9.575 billion in financing through a syndication of incremental term loan facilities under our existing Senior Secured Credit Facilities of $4.05 billion (the "Incremental Term Loan Facilities"), the issuance of the 6.75% senior notes due 2018 (the "2018 Senior Notes") in an aggregate principal amount of $1.6 billion, the issuance of the 7.50% senior notes due 2021 (the "2021 Senior Notes") in an aggregate principal amount of $1.625 billion, and the issuance of new equity of approximately $2.3 billion. The proceeds from the issuance of the Incremental Term Loan Facilities, the 2018 Senior Notes, the 2021 Senior Notes and the equity were utilized to fund (i) the transactions contemplated by the Merger Agreement, (ii) B&L's obligation to repay all outstanding loans under certain of its existing credit facilities, (iii) B&L's tender offer for or discharge or irrevocable call for redemption and deposit of cash to effect such discharge or redemption of B&L's 9.875% Senior Notes due 2015 and (iv) certain transaction expenses. In connection with the Commitment Letter, we incurred approximately $37.3 million in fees, which were recognized as deferred financing costs. In the second quarter of 2013, we expensed $24.2 million of deferred financing costs associated with the Commitment Letter. The remaining $13.1 million of deferred financing costs was expensed in the third quarter of 2013 upon closing of the 2018 Senior Notes and 2021 Senior Notes on July 12, 2013.

On June 27, 2013, we priced the Incremental Term Loan Facilities in the aggregate principal amount of $4,050.0 million under our existing Senior Secured Credit Facilities. The Incremental Term Loan Facilities consist of (1) $850.0 million of tranche A term loans, maturing on April 20, 2016 (the "Tranche A Term Loans"), bearing interest at a rate per annum equal to, at our election, (i) the base rate plus 1.25% or (ii) LIBO rate plus 2.25% and having terms that are consistent with our existing New

Term Loan A Facility, and (2) $3,200.0 million of tranche B term loans maturing on August 5, 2020 (the "Tranche B Term Loans"), bearing interest at a rate per annum equal to, at our election, (i) the base rate plus 2.75%, subject to a 1.75% base rate floor or (ii) LIBO rate plus 3.75%, subject to a 0.75% LIBO rate floor and having terms that are consistent with our New Term Loan B Facility. The Incremental Term Loan Facilities closed on August 5, 2013, concurrent with the closing of the B&L Acquisition. Pursuant to the Credit Agreement, in connection with the funding of the Incremental Term Loan Facilities, the interest margins under the Repriced Term Loan B Facility and the Repriced Incremental Term Loan B Facility increased by 0.875% per annum.

On July 12, 2013, VPII Escrow Corp. (the "Issuer"), our newly formed wholly-owned subsidiary, issued $1,600.0 million aggregate principal amount of the 2018 Senior Notes and $1,625.0 million aggregate principal amount of the 2021 Senior Notes (collectively, the "Notes") in a private placement. The 2018 Senior Notes mature on August 15, 2018 and bear interest at the rate of 6.75% per annum, payable semi-annually on February 15 and August 15 of each year, commencing on February 15, 2014. The 2021 Senior Notes mature on July 15, 2021 and bear interest at the rate of 7.50% per annum, payable semi-annually on January 15 and July 15 of each year, commencing on January 15, 2014. In connection with the issuances of the 2018 Senior Notes and the 2021 Senior Notes, we incurred approximately $20.0 million and $20.3 million in underwriting fees, respectively, which are recognized as debt issue discount and which resulted in net proceeds of $1,580.0 million and $1,604.7 million, respectively. At the time of the closing of the B&L Acquisition, (1) the Issuer was voluntarily liquidated and all of its obligations were assumed by, and all of its assets were distributed to us, (2) we assumed all of the Issuer's obligations under the Notes and the related indenture and (3) the funds previously held in escrow were released to us and were used to finance the B&L Acquisition as described above.

On September 17, 2013, we and certain of our subsidiaries, as guarantors, entered into Amendment No. 7 to the Credit Agreement to effectuate a repricing of the Repriced Term Loan B Facilities by issuance of $1,287.0 million and $990.0 million in new incremental term loans (the "New Term Loan B Facility" and the "New Incremental Term Loan B Facility", respectively, and together, the "New Term Loan B Facilities"). Term loans under the Repriced Term Loan B Facility and the Repriced Incremental Term Loan B Facility were either exchanged for, or repaid with the proceeds of the New Term Loan B Facilities. The applicable margins for borrowings under the New Term Loan B Facilities are 2.0% with respect to base rate borrowings and 3.0% with respect to LIBO rate borrowings, subject to a 1.75% base rate floor and a 0.75% LIBO rate floor. The incremental term loans under the New Term Loan B Facility and the New Incremental Term Loan B Facility have terms consistent with the previous Repriced Term Loan B Facility and the Repriced Incremental Term Loan B Facility.

In connection with the B&L Acquisition, we assumed B&L's outstanding long-term debt, including current portion, of approximately $4,209.9 million at the B&L acquisition date. Subsequent to the acquisition date, the Company settled the majority of the assumed long-term debt. As of September 30, 2013, the B&L's outstanding long-term debt, including current portion, is comprised of the following: (i) Japanese yen-denominated variable-rate backed secured revolving credit facility (the "Japanese Revolving Credit Facility") and (ii) debentures.

Japanese Revolving Credit Facility

The Japanese Revolving Credit Facility is available in amounts of up to ¥3.36 billion ($34.2 million at September 30, 2013), expiring on July 8, 2014 and bears an interest rate of the Tokyo Interbank Offered Rate plus 0.75% per annum. The Japanese Revolving Credit Facility had an initial term of one year and is renewable annually.

Debentures

The debentures outstanding as of September 30, 2013 that were assumed by us in connection with the B&L Acquisition consist of two tranches: (i) 7.125% senior notes, due August 1, 2028, with outstanding principal amount of $11.7 million and (ii) 6.56% senior notes, due August 12, 2026, with outstanding principal amount of less than $0.1 million.

The senior notes issued by us are our senior unsecured obligations and are jointly and severally guaranteed on a senior unsecured basis by each of our subsidiaries that is a guarantor under our Senior Secured Credit Facilities. The senior notes issued by our subsidiary Valeant are senior unsecured obligations of Valeant and are jointly and severally guaranteed on a senior unsecured basis by us and each of our subsidiaries (other than Valeant) that is a guarantor under our Senior Secured Credit Facilities. Certain of the future subsidiaries of the Company and Valeant may be required to guarantee the senior notes. The non-guarantor subsidiaries had total assets of $5,759.6 million and total liabilities of $2,948.6 million as of September 30, 2013, and net revenues of $929.6 million and net loss from operations of $369.3 million for the nine-month period ended September 30, 2013.

Our primary sources of liquidity are our cash, cash collected from customers, funds available from our New Revolving Credit Facility, issuances of long-term debt and issuances of equity. We believe these sources will be sufficient to meet our

current liquidity needs. We have no material commitments for expenditures related to property, plant and equipment. Since part of our business strategy is to expand through strategic acquisitions, we may be required to seek additional debt financing, issue additional equity securities or sell assets, as necessary, to finance future acquisitions or for other general corporate purposes. Our current corporate credit rating is Ba3 for Moody's Investors Service and BB- for Standard and Poor's. A downgrade would increase our cost of borrowing and may negatively impact our ability to raise additional debt capital.

As of September 30, 2013, we were in compliance with all of our covenants related to our outstanding debt. As of September 30, 2013, our short-term portion of long-term debt consisted of $361.0 million, in the aggregate, primarily in term loans outstanding under the New Term Loan A Facility, the Incremental Term Loan Facilities, the New Term Loan B Facility and the New Incremental Term Loan B Facility, due in quarterly installments. We believe our existing cash and cash generated from operations will be sufficient to cover these short-term debt maturities as they become due.

2011 Securities Repurchase Program

On November 3, 2011, we announced that our Board of Directors had approved a new securities repurchase program (the "2011 Securities Repurchase Program"). Under the 2011 Securities Repurchase Program, which commenced on November 8, 2011, we could make purchases of up to $1.5 billion of our convertible notes, senior notes, common shares and/or other future debt or shares, subject to any restrictions in our financing agreements and applicable law. The 2011 Securities Repurchase Program terminated on November 7, 2012.

In the nine-month period ended September 30, 2012, under the 2011 Securities Repurchase Program, we repurchased $1.1 million principal amount of the 5.375% Convertible Notes for an aggregate purchase price of $4.0 million.

In the nine-month period ended September 30, 2012, under the 2011 Securities Repurchase Program, we also repurchased 5,257,454 of our common shares for an aggregate purchase price of $280.7 million. These common shares were subsequently cancelled.

2012 Securities Repurchase Program

On November 19, 2012, we announced that our Board of Directors had approved a new securities repurchase program (the "2012 Securities Repurchase Program"). Under the 2012 Securities Repurchase Program, which commenced on November 15, 2012, we may make purchases of up to $1.5 billion of senior notes, common shares and/or other future debt or shares, subject to any restrictions in our financing agreements and applicable law. The 2012 Securities Repurchase Program will terminate on November 14, 2013 or at such time as we complete our purchases. The amount of securities to be purchased and the timing of purchases under the 2012 Securities Repurchase Program may be subject to various factors, which may include the price of the securities, general market conditions, corporate and regulatory requirements, alternate investment opportunities and restrictions under our financing agreements and applicable law. The securities to be repurchased will be funded using our cash resources.

In the nine-month period ended September 30, 2013, under the 2012 Securities Repurchase Program, we repurchased 507,957 of our common shares for an aggregate purchase price of $35.7 million. These common shares were subsequently cancelled.

Since the commencement of the 2012 Securities Repurchase Program through October 29, 2013, we have repurchased $35.7 million, in the aggregate, of our common shares.

Additional Repurchases

In addition to the repurchases made under the 2012 Securities Repurchase Program, during the second quarter of 2013, we repurchased an additional 217,294 of our common shares on behalf of certain members of our Board of Directors, in connection with the share settlement of certain deferred stock units and restricted stock units held by such directors following the termination of the applicable equity program. These common shares were subsequently transferred to such directors. These common shares were repurchased for an aggregate purchase price of $19.9 million. As the common shares were repurchased on behalf of certain of our directors, these repurchases were not made under the 2012 Securities Repurchase Program.

OFF-BALANCE SHEET ARRANGEMENTS AND CONTRACTUAL OBLIGATIONS

We have no off-balance sheet arrangements that have a material current effect or that are reasonably likely to have a material future effect on our results of operations, financial condition, capital expenditures, liquidity, or capital resources.

The following table summarizes our contractual obligations related to our long-term debt, including interest as of September 30, 2013:

	Payments Due by Period				
	Total	2013	2014 and 2015	2016 and 2017	Thereafter
($ in 000s)	$	$	$	$	$
Long-term debt obligations, including interest[(1)]	23,347,820	224,119	3,080,292	5,046,101	14,997,308

(1) Expected interest payments assume repayment of the principal amount of the debt obligations at maturity.

The above table does not reflect contingent milestone payments to third parties as part of certain product development and license agreements assumed in connection with the B&L Acquisition. These milestones include contingent milestone payments of up to $162.5 million and $95.0 million related to licensing agreement with NicOx, which granted B&L exclusive worldwide rights to develop and commercialize latanoprostene bunod, and a Development Collaboration and Exclusive Option Agreement with Mimetogen Pharmaceuticals Inc., respectively. See note 5 to the unaudited consolidated financial statements for information related to these license and collaboration agreements assumed in connection with the B&L Acquisition.

There have been no other material changes outside the normal course of business to the items specified in the contractual obligations table and related disclosures under the heading "Off-Balance Sheet Arrangements and Contractual Obligations" in the annual MD&A contained in the 2012 Form 10-K.

OUTSTANDING SHARE DATA

Our common shares are listed on the TSX and the NYSE under the ticker symbol "VRX".

On June 24, 2013, we issued 27,058,824 of our common shares. See note 15 to the unaudited consolidated financial statements for additional information relating to the equity issuance.

At October 29, 2013, we had 333,889,863 issued and outstanding common shares. In addition, we had 8,128,823 stock options and 950,109 time-based RSUs that each represent the right of a holder to receive one of the Company's common shares, and 929,177 performance-based RSUs that represent the right of a holder to receive up to 400% of the RSUs granted. A maximum of 2,369,417 common shares could be issued upon vesting of the performance-based RSUs outstanding.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

Critical accounting policies and estimates are those policies and estimates that are most important and material to the preparation of our consolidated financial statements, and which require management's most subjective and complex judgment due to the need to select policies from among alternatives available, and to make estimates about matters that are inherently uncertain. There have been no material changes to our critical accounting policies and estimates disclosed under the heading "Critical Accounting Policies and Estimates" in the annual MD&A contained in the 2012 Form 10-K, except as described below.

Revenue Recognition

In connection with the Medicis Acquisition, which was completed in December 2012, we acquired several brands, including the following aesthetics products: Dysport®, Perlane®, and Restylane®. In 2012, consistent with legacy Medicis' historical approach, we recognized revenue on those products upon shipment from McKesson, our primary U.S. distributor of aesthetics products, to physicians. As part of our integration efforts, we implemented new strategies and business practices in the first quarter of 2013, particularly as they relate to rebate and discount programs for these aesthetics products. As a result of these changes, the criteria for revenue recognition are achieved upon shipment of these products to McKesson, and, therefore, we began, in the first quarter of 2013, recognizing revenue upon shipment of these products to McKesson.

NEW ACCOUNTING STANDARDS

Adoption of New Accounting Standards

Information regarding the adoption of new accounting guidance is contained in note 2 to the unaudited consolidated financial statements.

Recently Issued Accounting Standards, Not Adopted as of September 30, 2013

In July 2013, the Financial Accounting Standards Board ("FASB") issued guidance to eliminate the diversity in practice in presentation of unrecognized tax benefits when a net operating loss carryforward, a similar tax loss, or a tax credit carryforward exists at the reporting date. This new guidance requires the netting of unrecognized tax benefits against a deferred tax asset for a loss or other carryforward that would apply in settlement of the uncertain tax positions. Under the new guidance, unrecognized tax benefits will be netted against all available same-jurisdiction loss or other tax carryforward that would be utilized, rather than only against carryforwards that are created by the unrecognized tax benefits. The guidance is effective prospectively, but allows optional retrospective adoption (for all periods presented), for reporting periods beginning after December 15, 2013. As this guidance relates to presentation only, the adoption of this guidance will not impact our financial position or results of operations.

FORWARD-LOOKING STATEMENTS

Caution regarding forward-looking information and statements and "Safe-Harbor" statements under the U.S. Private Securities Litigation Reform Act of 1995:

To the extent any statements made in this MD&A contain information that is not historical, these statements are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and may be forward-looking information within the meaning defined under applicable Canadian securities legislation (collectively, "forward-looking statements").

These forward-looking statements relate to, among other things: the expected benefits of our acquisitions and other transactions, such as cost savings, operating synergies and growth potential of the Company; business plans and prospects, prospective products or product approvals, future performance or results of current and anticipated products; exposure to foreign currency exchange rate changes and interest rate changes; the outcome of contingencies, such as certain litigation and regulatory proceedings; general market conditions; and our expectations regarding our financial performance, including revenues, expenses, gross margins, liquidity and income taxes.

Forward-looking statements can generally be identified by the use of words such as "believe", "anticipate", "expect", "intend", "estimate", "plan", "continue", "will", "may", "could", "would", "target", "potential" and other similar expressions. In addition, any statements that refer to expectations, projections or other characterizations of future events or circumstances are forward-looking statements. These forward-looking statements may not be appropriate for other purposes. Although we have indicated above certain of these statements set out herein, all of the statements in this Form 10-Q that contain forward-looking statements are qualified by these cautionary statements. Although we believe that the expectations reflected in such forward-looking statements are reasonable, such statements involve risks and uncertainties, and undue reliance should not be placed on such statements. Certain material factors or assumptions are applied in making forward-looking statements, including, but not limited to, factors and assumptions regarding the items outlined above. Actual results may differ materially from those expressed or implied in such statements. Important factors that could cause actual results to differ materially from these expectations include, among other things, the following:

- the challenges and difficulties associated with managing the rapid growth of our Company and a large, complex business;
- the introduction of generic competitors of our brand products;
- the introduction of products that compete against our products that do not have patent or data exclusivity rights, which products represent a significant portion of our revenues;
- our ability to compete against companies that are larger and have greater financial, technical and human resources than we do, as well as other competitive factors, such as technological advances achieved, patents obtained and new products introduced by our competitors;
- our ability to identify, acquire, close and integrate acquisition targets successfully and on a timely basis;
- factors relating to the integration of the companies, businesses and products acquired by the Company (including the integration relating to our recent acquisitions of B&L, Medicis, and Obagi), such as the time and resources required to integrate such companies, businesses and products, the difficulties associated with such integrations (including potential disruptions in sales activities and potential challenges with information technology systems integrations), the difficulties and challenges associated with entering into new business areas and new geographic markets, the difficulties, challenges

and costs associated with managing and integrating new facilities, equipment and other assets, and the achievement of the anticipated benefits from such integrations;

- factors relating to our ability to achieve all of the estimated synergies from our acquisitions, including from our recent acquisition of B&L (which we anticipate will be greater than $850 million) and our recent acquisition of Medicis (which we anticipate will be approximately $300 million) as a result of cost-rationalization and integration initiatives. These factors may include greater than expected operating costs, the difficulty in eliminating certain duplicative costs, facilities and functions, and the outcome of many operational and strategic decisions, some of which have not yet been made;
- our ability to secure and maintain third party research, development, manufacturing, marketing or distribution arrangements;
- our eligibility for benefits under tax treaties and the continued availability of low effective tax rates for the business profits of certain of our subsidiaries;
- our substantial debt and debt service obligations and their impact on our financial condition and results of operations;
- our future cash flow, our ability to service and repay our existing debt and our ability to raise additional funds, if needed, in light of our current and projected levels of operations, acquisition activity and general economic conditions;
- interest rate risks associated with our floating debt borrowings;
- the risks associated with the international scope of our operations, including our presence in emerging markets and the challenges we face when entering new geographic markets (including the challenges created by new and different regulatory regimes in such countries);
- adverse global economic conditions and credit market and foreign currency exchange uncertainty in the countries in which we do business;
- economic factors over which the Company has no control, including changes in inflation, interest rates, foreign currency rates, and the potential effect of such factors on revenues, expenses and resulting margins;
- our ability to retain, motivate and recruit executives and other key employees;
- the outcome of legal proceedings, investigations and regulatory proceedings;
- the risk that our products could cause, or be alleged to cause, personal injury, leading to potential lawsuits and/or withdrawals of products from the market;
- the difficulty in predicting the expense, timing and outcome within our legal and regulatory environment, including, but not limited to, the U.S. Food and Drug Administration, Health Canada and European, Asian, Brazilian and Australian regulatory approvals, legal and regulatory proceedings and settlements thereof, the protection afforded by our patents and other intellectual and proprietary property, successful generic challenges to our products and infringement or alleged infringement of the intellectual property of others;
- the results of continuing safety and efficacy studies by industry and government agencies;
- the availability and extent to which our products are reimbursed by government authorities and other third party payors, as well as the impact of obtaining or maintaining such reimbursement on the price of our products;
- the inclusion of our products on formularies or our ability to achieve favorable formulary status, as well as the impact on the price of our products in connection therewith;
- the impact of price control restrictions on our products, including the risk of mandated price reductions;
- the success of preclinical and clinical trials for our drug development pipeline or delays in clinical trials that adversely impact the timely commercialization of our pipeline products, as well as factors impacting the commercial success of our currently marketed products, which could lead to material impairment charges;
- the results of management reviews of our research and development portfolio, conducted periodically and in connection with certain acquisitions, the decisions from which could result in terminations of specific projects which, in turn, could lead to material impairment charges;

- the uncertainties associated with the acquisition and launch of new products, including, but not limited to, the acceptance and demand for new pharmaceutical products, and the impact of competitive products and pricing;
- our ability to obtain components, raw materials or finished products supplied by third parties and other manufacturing and supply difficulties and delays;
- the disruption of delivery of our products and the routine flow of manufactured goods;
- the seasonality of sales of certain of our products;
- declines in the pricing and sales volume of certain of our products that are distributed by third parties, over which we have no or limited control;
- compliance with, or the failure to comply with, health care "fraud and abuse" laws and other extensive regulation of our marketing, promotional and pricing practices, worldwide anti-bribery laws (including the U.S. Foreign Corrupt Practices Act), worldwide environmental laws and regulation and privacy and security regulations;
- the impacts of the Patient Protection and Affordable Care Act and other legislative and regulatory healthcare reforms in the countries in which we operate; and
- other risks detailed from time to time in our filings with the U.S. Securities and Exchange Commission (the "SEC") and the Canadian Securities Administrators (the "CSA"), as well as our ability to anticipate and manage the risks associated with the foregoing.

Additional information about these factors and about the material factors or assumptions underlying such forward-looking statements may be found elsewhere in this MD&A, as well as under Item 1A. of Part II of this Form 10-Q for the quarter ended June 30, 2013, under Item 1A. "Risk Factors" of the Company's Annual Report on Form 10-K for the year ended December 31, 2012, and in the Company's other filings with the SEC and CSA. We caution that the foregoing list of important factors that may affect future results is not exhaustive. When relying on our forward-looking statements to make decisions with respect to the Company, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. These forward-looking statements speak only as of the date made. We undertake no obligation to update any of these forward-looking statements to reflect events or circumstances after the date of this Form 10-Q or to reflect actual outcomes.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

There have been no material changes to our exposures to market risks as disclosed under the heading "Quantitative and Qualitative Disclosures About Market Risks" in the annual MD&A contained in the 2012 Form 10-K.

Interest Rate Risk

As of September 30, 2013, we had $9,737.1 million and $7,908.8 million principal amount of issued fixed rate debt and variable rate debt, respectively, that requires U.S. dollar repayment and $34.2 million principal amount of variable rate debt that requires Japanese yen repayment. The estimated fair value of our issued fixed rate debt as of September 30, 2013 was $10,327.1 million. If interest rates were to increase by 100 basis-points, the fair value of our long-term debt would decrease by approximately $376.3 million. We are subject to interest rate risk on our variable rate debt as changes in interest rates could adversely affect earnings and cash flows. A 100 basis-points increase in interest rates would have an annualized pre-tax effect of approximately $52.1 million in our consolidated statements of (loss) income and cash flows, based on current outstanding borrowings and effective interest rates on our variable rate debt. While our variable-rate debt may impact earnings and cash flows as interest rates change, it is not subject to changes in fair value.

Item 4. Controls and Procedures

Disclosure Controls and Procedures

Our management, with the participation of our CEO and Chief Financial Officer ("CFO"), has evaluated the effectiveness of our disclosure controls and procedures as of September 30, 2013. Based on this evaluation, our CEO and CFO concluded that our disclosure controls and procedures were effective as of September 30, 2013.

Changes in Internal Control Over Financial Reporting

There were no changes in our internal controls over financial reporting that occurred during the three-month period ended September 30, 2013 that have materially affected, or are reasonably likely to materially affect, our internal controls over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

For information concerning legal proceedings, reference is made to note 19 to the unaudited consolidated financial statements included under Part I, Item 1, of this Quarterly Report on Form 10-Q.

Item 1A. Risk Factors

There have been no material changes to the risk factors disclosed in Part I, Item 1A. of our Annual Report on Form 10-K for the fiscal year ended December 31, 2012, as supplemented by risk factors disclosed in Item 1A. of Part II of our Quarterly Report on Form 10-Q for the quarter ended June 30, 2013.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

On November 19, 2012, we announced that our board of directors had approved a new securities repurchase program (the "2012 Securities Repurchase Program"). Under the 2012 Securities Repurchase Program, which commenced on November 15, 2012, we may make purchases of up to $1.5 billion of senior notes, common shares and/or other future debt or shares, subject to any restrictions in our financing agreements and applicable law. The 2012 Securities Repurchase Program will terminate on November 14, 2013 or at such time as we complete our purchases.

In the three-month period ended September 30, 2013, we did not make any purchases of our senior notes or common shares under the 2012 Securities Repurchase Program.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

None.

Item 5. Other Information

None.

Item 6. Exhibits

2.1*	Amendment No. 1, dated August 2, 2013, to the Agreement and Plan of Merger, dated as of May 24, 2013, by and among Valeant Pharmaceuticals International, Inc., Valeant Pharmaceuticals International, Stratos Merger Corp. and Bausch & Lomb Holdings Incorporated.
2.2*	Amendment No. 2, dated August 5, 2013, to the Agreement and Plan of Merger, dated as of May 24, 2013, by and among Valeant Pharmaceuticals International, Inc., Valeant Pharmaceuticals International, Stratos Merger Corp. and Bausch & Lomb Holdings Incorporated.
3.1	Certificate of Continuation, dated August 9, 2013, originally filed as Exhibit 3.1 to the Company's Current Report on Form 8-K filed on August 13, 2013, which is incorporated by reference herein.
3.2	Notice of Articles of Valeant Pharmaceuticals International, Inc., dated August 9, 2013, originally filed as Exhibit 3.2 to the Company's Current Report on Form 8-K filed on August 13, 2013, which is incorporated by reference herein.
3.3	Articles of Valeant Pharmaceuticals International, Inc., dated August 8, 2013, originally filed as Exhibit 3.3 to the Company's Current Report on Form 8-K filed on August 13, 2013, which is incorporated by reference herein.
4.1	Indenture, dated as of July 12, 2013, between VPII Escrow Corp. and the Bank of New York Mellon Trust Company, N.A., as trustee, respecting the 6.75% Senior Notes due 2018 and the 7.50% Senior Notes due 2021, originally filed as Exhibit 4.1 to the Company's Current Report on Form 8-K filed on July 12, 2013, which is incorporated by reference herein.

4.2	Supplemental Indenture to the Indenture, dated as of July 12, 2013, among Valeant Pharmaceuticals International, Inc., the guarantors named therein and the Bank of New York Mellon Trust Company, N.A., as trustee, respecting the 6.75% Senior Notes due 2018 and the 7.50% Senior Notes due 2021, originally filed as Exhibit 4.2 to the Company's Current Report on Form 8-K filed on July 12, 2013, which is incorporated by reference herein.
4.3*	Second Supplemental Indenture, dated as of July 26, 2013, by and among Obagi Medical Products, Inc., OMP, Inc., Valeant Pharmaceuticals International Inc. and The Bank of New York Mellon Trust Company, N.A. as trustee, to the Indenture, dated as of July 12, 2013, between VPII Escrow Corp. and the Bank of New York Mellon Trust Company, N.A., as trustee.
4.4*	Second Supplemental Indenture, dated as of July 26, 2013, by and among Obagi Medical Products, Inc., OMP, Inc., Valeant Pharmaceuticals International and The Bank of New York Mellon Trust Company, N.A. as trustee, to the Indenture, dated as of October 4, 2012, by and among Valeant Pharmaceuticals International, Valeant Pharmaceuticals International, Inc., the guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as trustee.
4.5*	Third Supplemental Indenture, dated as of July 26, 2013, by and among Obagi Medical Products, Inc., OMP, Inc., Valeant Pharmaceuticals International and The Bank of New York Mellon Trust Company, N.A. as trustee, to the Indenture, dated as of October 4, 2012, between VPI Escrow Corp. and The Bank of New York Mellon Trust Company, N.A., as trustee.
4.6*	Sixth Supplemental Indenture, dated as of July 26, 2013, by and among Obagi Medical Products, Inc., OMP, Inc., Valeant Pharmaceuticals International and The Bank of New York Mellon Trust Company, N.A. as trustee, to the Indenture, dated as of March 8, 2011, by and among Valeant Pharmaceuticals International, Valeant Pharmaceuticals International, Inc., the guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as trustee.
4.7*	Sixth Supplemental Indenture, dated as of July 26, 2013, by and among Obagi Medical Products, Inc., OMP, Inc., Valeant Pharmaceuticals International and The Bank of New York Mellon Trust Company, N.A. as trustee, to the Indenture, dated as of February 8, 2011, by and among Valeant Pharmaceuticals International, Valeant Pharmaceuticals International, Inc., the guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as trustee.
4.8*	Seventh Supplemental Indenture, dated as of July 26, 2013, by and among Obagi Medical Products, Inc., OMP, Inc., Valeant Pharmaceuticals International and The Bank of New York Mellon Trust Company, N.A. as trustee, to the Indenture, dated as of November 23, 2010, by and among Valeant Pharmaceuticals International, Valeant Pharmaceuticals International, Inc., the guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as trustee.
4.9*	Eighth Supplemental Indenture, dated as of July 26, 2013, by and among Obagi Medical Products, Inc., OMP, Inc., Valeant Pharmaceuticals International and The Bank of New York Mellon Trust Company, N.A. as trustee, to the Indenture, dated as of September 28, 2010, by and among Valeant Pharmaceuticals International, Valeant Pharmaceuticals International, Inc., the guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as trustee.
4.10*	Third Supplemental Indenture, dated as of August 30, 2013, by and among Bausch & Lomb Holdings Incorporated, Bausch & Lomb Incorporated, Valeant Pharmaceuticals International Inc. and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture, dated as of July 12, 2013, between VPII Escrow Corp. and the Bank of New York Mellon Trust Company, N.A., as trustee.
4.11*	Fourth Supplemental Indenture, dated as of August 30, 2013, by and among Bausch & Lomb Holdings Incorporated, Bausch & Lomb Incorporated, Valeant Pharmaceuticals International and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture, dated as of October 4, 2012, between VPI Escrow Corp. and The Bank of New York Mellon Trust Company, N.A., as trustee.
4.12*	Seventh Supplemental Indenture, dated as of August 30, 2013, by and among Bausch & Lomb Holdings Incorporated, Bausch & Lomb Incorporated, Valeant Pharmaceuticals International and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture, dated as of March 8, 2011, by and among Valeant Pharmaceuticals International, Valeant Pharmaceuticals International, Inc., the guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as trustee.
4.13*	Seventh Supplemental Indenture, dated as of August 30, 2013, by and among Bausch & Lomb Holdings Incorporated, Bausch & Lomb Incorporated, Valeant Pharmaceuticals International and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture, dated as of February 8, 2011, by and among Valeant Pharmaceuticals International, Valeant Pharmaceuticals International, Inc., the guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as trustee.
4.14*	Eighth Supplemental Indenture, dated as of August 30, 2013, by and among Bausch & Lomb Holdings Incorporated, Bausch & Lomb Incorporated, Valeant Pharmaceuticals International and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture, dated as of November 23, 2010, by and among Valeant Pharmaceuticals International, Valeant Pharmaceuticals International, Inc., the guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as trustee.
4.15*	Ninth Supplemental Indenture, dated as of August 30, 2013, by and among Bausch & Lomb Holdings Incorporated, Bausch & Lomb Incorporated, Valeant Pharmaceuticals International and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture, dated as of September 28, 2010, by and among Valeant Pharmaceuticals International, Valeant Pharmaceuticals International, Inc., the guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as trustee.

4.16*	Fourth Supplemental Indenture, dated as of September 9, 2013, by and among Valeant Pharmaceuticals Australia Pty Limited, DermaTech Pty Limited, Private Formula International Holdings Pty Ltd, Private Formula International Pty Ltd, Ganehill Pty Ltd, Valeant Pharmaceuticals International Inc. and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture, dated as of July 12, 2013, between VPII Escrow Corp. and the Bank of New York Mellon Trust Company, N.A., as trustee.
4.17*	Fifth Supplemental Indenture, dated as of September 9, 2013, by and among Valeant Pharmaceuticals Australia Pty Limited, DermaTech Pty Limited, Private Formula International Holdings Pty Ltd, Private Formula International Pty Ltd, Ganehill Pty Ltd, Valeant Pharmaceuticals International and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture, dated as of October 4, 2012, between VPI Escrow Corp. and The Bank of New York Mellon Trust Company, N.A., as trustee.
4.18*	Eighth Supplemental Indenture, dated as of September 9, 2013, by and among Valeant Pharmaceuticals Australia Pty Limited, DermaTech Pty Limited, Private Formula International Holdings Pty Ltd, Private Formula International Pty Ltd, Ganehill Pty Ltd, Valeant Pharmaceuticals International and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture, dated as of March 8, 2011, by and among Valeant Pharmaceuticals International, Valeant Pharmaceuticals International, Inc., the guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as trustee.
4.19*	Eighth Supplemental Indenture, dated as of September 9, 2013, by and among Valeant Pharmaceuticals Australia Pty Limited, DermaTech Pty Limited, Private Formula International Holdings Pty Ltd, Private Formula International Pty Ltd, Ganehill Pty Ltd, Valeant Pharmaceuticals International and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture, dated as of February 8, 2011, by and among Valeant Pharmaceuticals International, Valeant Pharmaceuticals International, Inc., the guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as trustee.
4.20*	Ninth Supplemental Indenture, dated as of September 9, 2013, by and among Valeant Pharmaceuticals Australia Pty Limited, DermaTech Pty Limited, Private Formula International Holdings Pty Ltd, Private Formula International Pty Ltd, Ganehill Pty Ltd, Valeant Pharmaceuticals International and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture, dated as of November 23, 2010, by and among Valeant Pharmaceuticals International, Valeant Pharmaceuticals International, Inc., the guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as trustee.
4.21*	Tenth Supplemental Indenture, dated as of September 9, 2013, by and among Valeant Pharmaceuticals Australia Pty Limited, DermaTech Pty Limited, Private Formula International Holdings Pty Ltd, Private Formula International Pty Ltd, Ganehill Pty Ltd, Valeant Pharmaceuticals International and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture, dated as of September 28, 2010, by and among Valeant Pharmaceuticals International, Valeant Pharmaceuticals International, Inc., the guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as trustee.
4.22*	Fifth Supplemental Indenture, dated as of September 9, 2013, by and among Ucyclyd Pharma, Inc., Valeant Pharmaceuticals International, Inc. and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture, dated as of July 12, 2013, between VPII Escrow Corp. and the Bank of New York Mellon Trust Company, N.A., as trustee.
4.23*	Sixth Supplemental Indenture, dated as of September 9, 2013, by and among Ucyclyd Pharma, Inc., Valeant Pharmaceuticals International and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture, dated as of October 4, 2012, between VPI Escrow Corp. and The Bank of New York Mellon Trust Company, N.A., as trustee.
4.24*	Ninth Supplemental Indenture, dated as of September 9, 2013, by and among Ucyclyd Pharma, Inc., Valeant Pharmaceuticals International and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture, dated as of March 8, 2011, by and among Valeant Pharmaceuticals International, Valeant Pharmaceuticals International, Inc., the guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as trustee.
4.25*	Ninth Supplemental Indenture, dated as of September 9, 2013, by and among Ucyclyd Pharma, Inc., Valeant Pharmaceuticals International and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture, dated as of February 8, 2011, by and among Valeant Pharmaceuticals International, Valeant Pharmaceuticals International, Inc., the guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as trustee.
4.26*	Tenth Supplemental Indenture, dated as of September 9, 2013, by and among Ucyclyd Pharma, Inc., Valeant Pharmaceuticals International and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture, dated as of November 23, 2010, by and among Valeant Pharmaceuticals International, Valeant Pharmaceuticals International, Inc., the guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as trustee.
4.27*	Eleventh Supplemental Indenture, dated as of September 9, 2013, by and among Ucyclyd Pharma, Inc., Valeant Pharmaceuticals International and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture, dated as of September 28, 2010, by and among Valeant Pharmaceuticals International, Valeant Pharmaceuticals International, Inc., the guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as trustee.
4.28*	Sixth Supplemental Indenture, dated as of September 17, 2013, by and among Przedsiębiorstwo Farmaceutyczne Jelfa S.A., Valeant Europe B.V., Valeant Pharmaceuticals International, Inc. and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture, dated as of July 12, 2013, between VPII Escrow Corp. and the Bank of New York Mellon Trust Company, N.A., as trustee.

4.29*	Seventh Supplemental Indenture, dated as of September 17, 2013, by and among Przedsiębiorstwo Farmaceutyczne Jelfa S.A., Valeant Europe B.V., Valeant Pharmaceuticals International and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture, dated as of October 4, 2012, between VPI Escrow Corp. and The Bank of New York Mellon Trust Company, N.A., as trustee.
4.30*	Tenth Supplemental Indenture, dated as of September 17, 2013, by and among Przedsiębiorstwo Farmaceutyczne Jelfa S.A., Valeant Europe B.V., Valeant Pharmaceuticals International and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture, dated as of March 8, 2011, by and among Valeant Pharmaceuticals International, Valeant Pharmaceuticals International, Inc., the guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as trustee.
4.31*	Tenth Supplemental Indenture, dated as of September 17, 2013, by and among Przedsiębiorstwo Farmaceutyczne Jelfa S.A., Valeant Europe B.V., Valeant Pharmaceuticals International and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture, dated as of February 8, 2011, by and among Valeant Pharmaceuticals International, Valeant Pharmaceuticals International, Inc., the guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as trustee.
4.32*	Eleventh Supplemental Indenture, dated as of September 17, 2013, by and among Przedsiębiorstwo Farmaceutyczne Jelfa S.A., Valeant Europe B.V., Valeant Pharmaceuticals International and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture, dated as of November 23, 2010, by and among Valeant Pharmaceuticals International, Valeant Pharmaceuticals International, Inc., the guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as trustee.
4.33*	Twelfth Supplemental Indenture, dated as of September 17, 2013, by and among Przedsiębiorstwo Farmaceutyczne Jelfa S.A., Valeant Europe B.V., Valeant Pharmaceuticals International and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture, dated as of September 28, 2010, by and among Valeant Pharmaceuticals International, Valeant Pharmaceuticals International, Inc., the guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as trustee.
4.34*	Seventh Supplemental Indenture, dated as of September 24, 2013, by and among Valeant Sp. z o.o., VP Valeant spółka z ograniczoną odpowiedzialnością sp.j., Valeant Pharmaceuticals International, Inc. and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture, dated as of July 12, 2013, between VPII Escrow Corp. and the Bank of New York Mellon Trust Company, N.A., as trustee.
4.35*	Eighth Supplemental Indenture, dated as of September 24, 2013, by and among Valeant Sp. z o.o., VP Valeant spółka z ograniczoną odpowiedzialnością sp.j., Valeant Pharmaceuticals International and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture, dated as of October 4, 2012, between VPI Escrow Corp. and The Bank of New York Mellon Trust Company, N.A., as trustee.
4.36*	Eleventh Supplemental Indenture, dated as of September 24, 2013, by and among Valeant Sp. z o.o., VP Valeant spółka z ograniczoną odpowiedzialnością sp.j., Valeant Pharmaceuticals International and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture, dated as of March 8, 2011, by and among Valeant Pharmaceuticals International, Valeant Pharmaceuticals International, Inc., the guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as trustee.
4.37*	Eleventh Supplemental Indenture, dated as of September 24, 2013, by and among Valeant Sp. z o.o., VP Valeant spółka z ograniczoną odpowiedzialnością sp.j., Valeant Pharmaceuticals International and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture, dated as of February 8, 2011, by and among Valeant Pharmaceuticals International, Valeant Pharmaceuticals International, Inc., the guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as trustee.
4.38*	Twelfth Supplemental Indenture, dated as of September 24, 2013, by and among Valeant Sp. z o.o., VP Valeant spółka z ograniczoną odpowiedzialnością sp.j., Valeant Pharmaceuticals International and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture, dated as of November 23, 2010, by and among Valeant Pharmaceuticals International, Valeant Pharmaceuticals International, Inc., the guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as trustee.
4.39*	Thirteenth Supplemental Indenture, dated as of September 24, 2013, by and among Valeant Sp. z o.o., VP Valeant spółka z ograniczoną odpowiedzialnością sp.j., Valeant Pharmaceuticals International and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture, dated as of September 28, 2010, by and among Valeant Pharmaceuticals International, Valeant Pharmaceuticals International, Inc., the guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as trustee.
4.40*	Eighth Supplemental Indenture, dated as of September 25, 2013, by and among Labenne Participações Ltda., Probiótica Laboratórios Ltda., Valeant Pharmaceuticals International, Inc. and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture, dated as of July 12, 2013, between VPII Escrow Corp. and the Bank of New York Mellon Trust Company, N.A., as trustee.
4.41*	Ninth Supplemental Indenture, dated as of September 25, 2013, by and among Labenne Participações Ltda., Probiótica Laboratórios Ltda., Valeant Pharmaceuticals International and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture, dated as of October 4, 2012, between VPI Escrow Corp. and The Bank of New York Mellon Trust Company, N.A., as trustee.
4.42*	Twelfth Supplemental Indenture, dated as of September 25, 2013, by and among Labenne Participações Ltda., Probiótica Laboratórios Ltda., Valeant Pharmaceuticals International and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture, dated as of March 8, 2011, by and among Valeant Pharmaceuticals International, Valeant Pharmaceuticals International, Inc., the guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as trustee.

4.43*	Twelfth Supplemental Indenture, dated as of September 25, 2013, by and among Labenne Participações Ltda., Probiótica Laboratórios Ltda., Valeant Pharmaceuticals International and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture, dated as of February 8, 2011, by and among Valeant Pharmaceuticals International, Valeant Pharmaceuticals International, Inc., the guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as trustee.
4.44*	Thirteenth Supplemental Indenture, dated as of September 25, 2013, by and among Labenne Participações Ltda., Probiótica Laboratórios Ltda., Valeant Pharmaceuticals International and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture, dated as of November 23, 2010, by and among Valeant Pharmaceuticals International, Valeant Pharmaceuticals International, Inc., the guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as trustee.
4.45*	Fourteenth Supplemental Indenture, dated as of September 25, 2013, by and among Labenne Participações Ltda., Probiótica Laboratórios Ltda., Valeant Pharmaceuticals International and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture, dated as of September 28, 2010, by and among Valeant Pharmaceuticals International, Valeant Pharmaceuticals International, Inc., the guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as trustee.
4.46*	Ninth Supplemental Indenture, dated as of October 23, 2013, by and among Akcinė bendrovė SANITAS, Valeant Pharmaceuticals International, Inc. and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture, dated as of July 12, 2013, between VPII Escrow Corp. and the Bank of New York Mellon Trust Company, N.A., as trustee.
4.47*	Tenth Supplemental Indenture, dated as of October 23, 2013, by and among Akcinė bendrovė SANITAS, Valeant Pharmaceuticals International and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture, dated as of October 4, 2012, between VPI Escrow Corp. and The Bank of New York Mellon Trust Company, N.A., as trustee.
4.48*	Thirteenth Supplemental Indenture, dated as of October 23, 2013, by and among Akcinė bendrovė SANITAS, Valeant Pharmaceuticals International and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture, dated as of March 8, 2011, by and among Valeant Pharmaceuticals International, Valeant Pharmaceuticals International, Inc., the guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as trustee.
4.49*	Thirteenth Supplemental Indenture, dated as of October 23, 2013, by and among Akcinė bendrovė SANITAS, Valeant Pharmaceuticals International and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture, dated as of February 8, 2011, by and among Valeant Pharmaceuticals International, Valeant Pharmaceuticals International, Inc., the guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as trustee.
4.50*	Fourteenth Supplemental Indenture, dated as of October 23, 2013, by and among Akcinė bendrovė SANITAS, Valeant Pharmaceuticals International and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture, dated as of November 23, 2010, by and among Valeant Pharmaceuticals International, Valeant Pharmaceuticals International, Inc., the guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as trustee.
4.51*	Fifteenth Supplemental Indenture, dated as of October 23, 2013, by and among Akcinė bendrovė SANITAS, Valeant Pharmaceuticals International and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture, dated as of September 28, 2010, by and among Valeant Pharmaceuticals International, Valeant Pharmaceuticals International, Inc., the guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as trustee.
10.1	Joinder Agreement dated August 5, 2013 relating to the Series A-2 Tranche A Term Loans, among Valeant Pharmaceuticals International, Inc., the guarantors named therein, the lenders party thereto, and GSLP, as the Administrative Agent and the Collateral Agent, originally filed as Exhibit 10.5 to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2013 filed on August 7, 2013, which is incorporated by reference herein.
10.2	Joinder Agreement dated August 5, 2013 relating to the Series E Tranche B Term Loans, among Valeant Pharmaceuticals International, Inc., the guarantors named therein, the lenders party thereto, and GSLP as the Administrative Agent and the Collateral Agent, originally filed as Exhibit 10.6 to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2013 filed on August 7, 2013, which is incorporated by reference herein.
10.3*	Amendment No. 7, dated September 17, 2013, to the Third Amended and Restated Credit and Guaranty Agreement, dated as of February 13, 2012, among Valeant Pharmaceuticals International, Inc., certain subsidiaries of Valeant Pharmaceuticals International, Inc. as Guarantors, each of the lenders named therein, J.P. Morgan Securities LLC, Goldman Sachs Lending Partners LLC and Morgan Stanley Senior Funding, Inc., as Joint Lead Arrangers and Joint Bookrunners, JPMorgan Chase Bank, N.A. and Morgan Stanley, as Co-Syndication Agents, JPMorgan, as Issuing Bank, GSLP, as Administrative Agent and Collateral Agent, and the other agents party thereto.
31.1*	Certification of the Chief Executive Officer pursuant to Rule 13a-14(a) as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of the Chief Financial Officer pursuant to Rule 13a-14(a) as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1*	Certification of the Chief Executive Officer pursuant to 18 U.S.C. § 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2*	Certification of the Chief Financial Officer pursuant to 18 U.S.C. § 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

*101.INS	XBRL Instance Document
*101.SCH	XBRL Taxonomy Extension Schema
*101.CAL	XBRL Taxonomy Extension Calculation Linkbase
*101.LAB	XBRL Taxonomy Extension Label Linkbase
*101.PRE	XBRL Taxonomy Extension Presentation Linkbase
*101.DEF	XBRL Taxonomy Extension Definition Linkbase

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* Filed herewith.

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, thereunto duly authorized.

Valeant Pharmaceuticals International, Inc.
(Registrant)

Date: November 1, 2013

/s/ J. MICHAEL PEARSON
J. Michael Pearson
Chairman of the Board and Chief Executive Officer
(Principal Executive Officer)

Date: November 1, 2013

/s/ HOWARD B. SCHILLER
Howard B. Schiller
Executive Vice-President and
Chief Financial Officer
(Principal Financial Officer and
Principal Accounting Officer) and Director

INDEX TO EXHIBITS

Exhibit Number	Exhibit Description
2.1*	Amendment No. 1, dated August 2, 2013, to the Agreement and Plan of Merger, dated as of May 24, 2013, by and among Valeant Pharmaceuticals International, Inc., Valeant Pharmaceuticals International, Stratos Merger Corp. and Bausch & Lomb Holdings Incorporated.
2.2*	Amendment No. 2, dated August 5, 2013, to the Agreement and Plan of Merger, dated as of May 24, 2013, by and among Valeant Pharmaceuticals International, Inc., Valeant Pharmaceuticals International, Stratos Merger Corp. and Bausch & Lomb Holdings Incorporated.
3.1	Certificate of Continuation, dated August 9, 2013, originally filed as Exhibit 3.1 to the Company's Current Report on Form 8-K filed on August 13, 2013, which is incorporated by reference herein.
3.2	Notice of Articles of Valeant Pharmaceuticals International, Inc., dated August 9, 2013, originally filed as Exhibit 3.2 to the Company's Current Report on Form 8-K filed on August 13, 2013, which is incorporated by reference herein.
3.3	Articles of Valeant Pharmaceuticals International, Inc., dated August 8, 2013, originally filed as Exhibit 3.3 to the Company's Current Report on Form 8-K filed on August 13, 2013, which is incorporated by reference herein.
4.1	Indenture, dated as of July 12, 2013, between VPII Escrow Corp. and the Bank of New York Mellon Trust Company, N.A., as trustee, respecting the 6.75% Senior Notes due 2018 and the 7.50% Senior Notes due 2021, originally filed as Exhibit 4.1 to the Company's Current Report on Form 8-K filed on July 12, 2013, which is incorporated by reference herein.
4.2	Supplemental Indenture to the Indenture, dated as of July 12, 2013, among Valeant Pharmaceuticals International, Inc., the guarantors named therein and the Bank of New York Mellon Trust Company, N.A., as trustee, respecting the 6.75% Senior Notes due 2018 and the 7.50% Senior Notes due 2021, originally filed as Exhibit 4.2 to the Company's Current Report on Form 8-K filed on July 12, 2013, which is incorporated by reference herein.
4.3*	Second Supplemental Indenture, dated as of July 26, 2013, by and among Obagi Medical Products, Inc., OMP, Inc., Valeant Pharmaceuticals International Inc. and The Bank of New York Mellon Trust Company, N.A. as trustee, to the Indenture, dated as of July 12, 2013, between VPII Escrow Corp. and the Bank of New York Mellon Trust Company, N.A., as trustee.
4.4*	Second Supplemental Indenture, dated as of July 26, 2013, by and among Obagi Medical Products, Inc., OMP, Inc., Valeant Pharmaceuticals International and The Bank of New York Mellon Trust Company, N.A. as trustee, to the Indenture, dated as of October 4, 2012, by and among Valeant Pharmaceuticals International, Valeant Pharmaceuticals International, Inc., the guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as trustee.
4.5*	Third Supplemental Indenture, dated as of July 26, 2013, by and among Obagi Medical Products, Inc., OMP, Inc., Valeant Pharmaceuticals International and The Bank of New York Mellon Trust Company, N.A. as trustee, to the Indenture, dated as of October 4, 2012, between VPI Escrow Corp. and The Bank of New York Mellon Trust Company, N.A., as trustee.
4.6*	Sixth Supplemental Indenture, dated as of July 26, 2013, by and among Obagi Medical Products, Inc., OMP, Inc., Valeant Pharmaceuticals International and The Bank of New York Mellon Trust Company, N.A. as trustee, to the Indenture, dated as of March 8, 2011, by and among Valeant Pharmaceuticals International, Valeant Pharmaceuticals International, Inc., the guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as trustee.
4.7*	Sixth Supplemental Indenture, dated as of July 26, 2013, by and among Obagi Medical Products, Inc., OMP, Inc., Valeant Pharmaceuticals International and The Bank of New York Mellon Trust Company, N.A. as trustee, to the Indenture, dated as of February 8, 2011, by and among Valeant Pharmaceuticals International, Valeant Pharmaceuticals International, Inc., the guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as trustee.
4.8*	Seventh Supplemental Indenture, dated as of July 26, 2013, by and among Obagi Medical Products, Inc., OMP, Inc., Valeant Pharmaceuticals International and The Bank of New York Mellon Trust Company, N.A. as trustee, to the Indenture, dated as of November 23, 2010, by and among Valeant Pharmaceuticals International, Valeant Pharmaceuticals International, Inc., the guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as trustee.
4.9*	Eighth Supplemental Indenture, dated as of July 26, 2013, by and among Obagi Medical Products, Inc., OMP, Inc., Valeant Pharmaceuticals International and The Bank of New York Mellon Trust Company, N.A. as trustee, to the Indenture, dated as of September 28, 2010, by and among Valeant Pharmaceuticals International, Valeant Pharmaceuticals International, Inc., the guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as trustee.

4.10*	Third Supplemental Indenture, dated as of August 30, 2013, by and among Bausch & Lomb Holdings Incorporated, Bausch & Lomb Incorporated, Valeant Pharmaceuticals International Inc. and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture, dated as of July 12, 2013, between VPII Escrow Corp. and the Bank of New York Mellon Trust Company, N.A., as trustee.
4.11*	Fourth Supplemental Indenture, dated as of August 30, 2013, by and among Bausch & Lomb Holdings Incorporated, Bausch & Lomb Incorporated, Valeant Pharmaceuticals International and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture, dated as of October 4, 2012, between VPI Escrow Corp. and The Bank of New York Mellon Trust Company, N.A., as trustee.
4.12*	Seventh Supplemental Indenture, dated as of August 30, 2013, by and among Bausch & Lomb Holdings Incorporated, Bausch & Lomb Incorporated, Valeant Pharmaceuticals International and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture, dated as of March 8, 2011, by and among Valeant Pharmaceuticals International, Valeant Pharmaceuticals International, Inc., the guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as trustee.
4.13*	Seventh Supplemental Indenture, dated as of August 30, 2013, by and among Bausch & Lomb Holdings Incorporated, Bausch & Lomb Incorporated, Valeant Pharmaceuticals International and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture, dated as of February 8, 2011, by and among Valeant Pharmaceuticals International, Valeant Pharmaceuticals International, Inc., the guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as trustee.
4.14*	Eighth Supplemental Indenture, dated as of August 30, 2013, by and among Bausch & Lomb Holdings Incorporated, Bausch & Lomb Incorporated, Valeant Pharmaceuticals International and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture, dated as of November 23, 2010, by and among Valeant Pharmaceuticals International, Valeant Pharmaceuticals International, Inc., the guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as trustee.
4.15*	Ninth Supplemental Indenture, dated as of August 30, 2013, by and among Bausch & Lomb Holdings Incorporated, Bausch & Lomb Incorporated, Valeant Pharmaceuticals International and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture, dated as of September 28, 2010, by and among Valeant Pharmaceuticals International, Valeant Pharmaceuticals International, Inc., the guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as trustee.
4.16*	Fourth Supplemental Indenture, dated as of September 9, 2013, by and among Valeant Pharmaceuticals Australia Pty Limited, DermaTech Pty Limited, Private Formula International Holdings Pty Ltd, Private Formula International Pty Ltd, Ganehill Pty Ltd, Valeant Pharmaceuticals International Inc. and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture, dated as of July 12, 2013, between VPII Escrow Corp. and the Bank of New York Mellon Trust Company, N.A., as trustee.
4.17*	Fifth Supplemental Indenture, dated as of September 9, 2013, by and among Valeant Pharmaceuticals Australia Pty Limited, DermaTech Pty Limited, Private Formula International Holdings Pty Ltd, Private Formula International Pty Ltd, Ganehill Pty Ltd, Valeant Pharmaceuticals International and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture, dated as of October 4, 2012, between VPI Escrow Corp. and The Bank of New York Mellon Trust Company, N.A., as trustee.
4.18*	Eighth Supplemental Indenture, dated as of September 9, 2013, by and among Valeant Pharmaceuticals Australia Pty Limited, DermaTech Pty Limited, Private Formula International Holdings Pty Ltd, Private Formula International Pty Ltd, Ganehill Pty Ltd, Valeant Pharmaceuticals International and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture, dated as of March 8, 2011, by and among Valeant Pharmaceuticals International, Valeant Pharmaceuticals International, Inc., the guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as trustee.
4.19*	Eighth Supplemental Indenture, dated as of September 9, 2013, by and among Valeant Pharmaceuticals Australia Pty Limited, DermaTech Pty Limited, Private Formula International Holdings Pty Ltd, Private Formula International Pty Ltd, Ganehill Pty Ltd, Valeant Pharmaceuticals International and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture, dated as of February 8, 2011, by and among Valeant Pharmaceuticals International, Valeant Pharmaceuticals International, Inc., the guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as trustee.
4.20*	Ninth Supplemental Indenture, dated as of September 9, 2013, by and among Valeant Pharmaceuticals Australia Pty Limited, DermaTech Pty Limited, Private Formula International Holdings Pty Ltd, Private Formula International Pty Ltd, Ganehill Pty Ltd, Valeant Pharmaceuticals International and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture, dated as of November 23, 2010, by and among Valeant Pharmaceuticals International, Valeant Pharmaceuticals International, Inc., the guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as trustee.
4.21*	Tenth Supplemental Indenture, dated as of September 9, 2013, by and among Valeant Pharmaceuticals Australia Pty Limited, DermaTech Pty Limited, Private Formula International Holdings Pty Ltd, Private Formula International Pty Ltd, Ganehill Pty Ltd, Valeant Pharmaceuticals International and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture, dated as of September 28, 2010, by and among Valeant Pharmaceuticals International, Valeant Pharmaceuticals International, Inc., the guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as trustee.

4.22*	Fifth Supplemental Indenture, dated as of September 9, 2013, by and among Ucyclyd Pharma, Inc., Valeant Pharmaceuticals International, Inc. and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture, dated as of July 12, 2013, between VPII Escrow Corp. and the Bank of New York Mellon Trust Company, N.A., as trustee.
4.23*	Sixth Supplemental Indenture, dated as of September 9, 2013, by and among Ucyclyd Pharma, Inc., Valeant Pharmaceuticals International and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture, dated as of October 4, 2012, between VPI Escrow Corp. and The Bank of New York Mellon Trust Company, N.A., as trustee.
4.24*	Ninth Supplemental Indenture, dated as of September 9, 2013, by and among Ucyclyd Pharma, Inc., Valeant Pharmaceuticals International and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture, dated as of March 8, 2011, by and among Valeant Pharmaceuticals International, Valeant Pharmaceuticals International, Inc., the guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as trustee.
4.25*	Ninth Supplemental Indenture, dated as of September 9, 2013, by and among Ucyclyd Pharma, Inc., Valeant Pharmaceuticals International and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture, dated as of February 8, 2011, by and among Valeant Pharmaceuticals International, Valeant Pharmaceuticals International, Inc., the guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as trustee.
4.26*	Tenth Supplemental Indenture, dated as of September 9, 2013, by and among Ucyclyd Pharma, Inc., Valeant Pharmaceuticals International and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture, dated as of November 23, 2010, by and among Valeant Pharmaceuticals International, Valeant Pharmaceuticals International, Inc., the guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as trustee.
4.27*	Eleventh Supplemental Indenture, dated as of September 9, 2013, by and among Ucyclyd Pharma, Inc., Valeant Pharmaceuticals International and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture, dated as of September 28, 2010, by and among Valeant Pharmaceuticals International, Valeant Pharmaceuticals International, Inc., the guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as trustee.
4.28*	Sixth Supplemental Indenture, dated as of September 17, 2013, by and among Przedsiębiorstwo Farmaceutyczne Jelfa S.A., Valeant Europe B.V., Valeant Pharmaceuticals International, Inc. and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture, dated as of July 12, 2013, between VPII Escrow Corp. and the Bank of New York Mellon Trust Company, N.A., as trustee.
4.29*	Seventh Supplemental Indenture, dated as of September 17, 2013, by and among Przedsiębiorstwo Farmaceutyczne Jelfa S.A., Valeant Europe B.V., Valeant Pharmaceuticals International and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture, dated as of October 4, 2012, between VPI Escrow Corp. and The Bank of New York Mellon Trust Company, N.A., as trustee.
4.30*	Tenth Supplemental Indenture, dated as of September 17, 2013, by and among Przedsiębiorstwo Farmaceutyczne Jelfa S.A., Valeant Europe B.V., Valeant Pharmaceuticals International and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture, dated as of March 8, 2011, by and among Valeant Pharmaceuticals International, Valeant Pharmaceuticals International, Inc., the guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as trustee.
4.31*	Tenth Supplemental Indenture, dated as of September 17, 2013, by and among Przedsiębiorstwo Farmaceutyczne Jelfa S.A., Valeant Europe B.V., Valeant Pharmaceuticals International and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture, dated as of February 8, 2011, by and among Valeant Pharmaceuticals International, Valeant Pharmaceuticals International, Inc., the guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as trustee.
4.32*	Eleventh Supplemental Indenture, dated as of September 17, 2013, by and among Przedsiębiorstwo Farmaceutyczne Jelfa S.A., Valeant Europe B.V., Valeant Pharmaceuticals International and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture, dated as of November 23, 2010, by and among Valeant Pharmaceuticals International, Valeant Pharmaceuticals International, Inc., the guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as trustee.
4.33*	Twelfth Supplemental Indenture, dated as of September 17, 2013, by and among Przedsiębiorstwo Farmaceutyczne Jelfa S.A., Valeant Europe B.V., Valeant Pharmaceuticals International and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture, dated as of September 28, 2010, by and among Valeant Pharmaceuticals International, Valeant Pharmaceuticals International, Inc., the guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as trustee.
4.34*	Seventh Supplemental Indenture, dated as of September 24, 2013, by and among Valeant Sp. z o.o., VP Valeant spółka z ograniczoną odpowiedzialnością sp.j., Valeant Pharmaceuticals International, Inc. and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture, dated as of July 12, 2013, between VPII Escrow Corp. and the Bank of New York Mellon Trust Company, N.A., as trustee.

4.35*	Eighth Supplemental Indenture, dated as of September 24, 2013, by and among Valeant Sp. z o.o., VP Valeant spółka z ograniczoną odpowiedzialnością sp.j., Valeant Pharmaceuticals International and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture, dated as of October 4, 2012, between VPI Escrow Corp. and The Bank of New York Mellon Trust Company, N.A., as trustee.
4.36*	Eleventh Supplemental Indenture, dated as of September 24, 2013, by and among Valeant Sp. z o.o., VP Valeant spółka z ograniczoną odpowiedzialnością sp.j., Valeant Pharmaceuticals International and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture, dated as of March 8, 2011, by and among Valeant Pharmaceuticals International, Valeant Pharmaceuticals International, Inc., the guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as trustee.
4.37*	Eleventh Supplemental Indenture, dated as of September 24, 2013, by and among Valeant Sp. z o.o., VP Valeant spółka z ograniczoną odpowiedzialnością sp.j., Valeant Pharmaceuticals International and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture, dated as of February 8, 2011, by and among Valeant Pharmaceuticals International, Valeant Pharmaceuticals International, Inc., the guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as trustee.
4.38*	Twelfth Supplemental Indenture, dated as of September 24, 2013, by and among Valeant Sp. z o.o., VP Valeant spółka z ograniczoną odpowiedzialnością sp.j., Valeant Pharmaceuticals International and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture, dated as of November 23, 2010, by and among Valeant Pharmaceuticals International, Valeant Pharmaceuticals International, Inc., the guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as trustee.
4.39*	Thirteenth Supplemental Indenture, dated as of September 24, 2013, by and among Valeant Sp. z o.o., VP Valeant spółka z ograniczoną odpowiedzialnością sp.j., Valeant Pharmaceuticals International and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture, dated as of September 28, 2010, by and among Valeant Pharmaceuticals International, Valeant Pharmaceuticals International, Inc., the guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as trustee.
4.40*	Eighth Supplemental Indenture, dated as of September 25, 2013, by and among Labenne Participações Ltda., Probiótica Laboratórios Ltda., Valeant Pharmaceuticals International, Inc. and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture, dated as of July 12, 2013, between VPII Escrow Corp. and the Bank of New York Mellon Trust Company, N.A., as trustee.
4.41*	Ninth Supplemental Indenture, dated as of September 25, 2013, by and among Labenne Participações Ltda., Probiótica Laboratórios Ltda., Valeant Pharmaceuticals International and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture, dated as of October 4, 2012, between VPI Escrow Corp. and The Bank of New York Mellon Trust Company, N.A., as trustee.
4.42*	Twelfth Supplemental Indenture, dated as of September 25, 2013, by and among Labenne Participações Ltda., Probiótica Laboratórios Ltda., Valeant Pharmaceuticals International and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture, dated as of March 8, 2011, by and among Valeant Pharmaceuticals International, Valeant Pharmaceuticals International, Inc., the guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as trustee.
4.43*	Twelfth Supplemental Indenture, dated as of September 25, 2013, by and among Labenne Participações Ltda., Probiótica Laboratórios Ltda., Valeant Pharmaceuticals International and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture, dated as of February 8, 2011, by and among Valeant Pharmaceuticals International, Valeant Pharmaceuticals International, Inc., the guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as trustee.
4.44*	Thirteenth Supplemental Indenture, dated as of September 25, 2013, by and among Labenne Participações Ltda., Probiótica Laboratórios Ltda., Valeant Pharmaceuticals International and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture, dated as of November 23, 2010, by and among Valeant Pharmaceuticals International, Valeant Pharmaceuticals International, Inc., the guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as trustee.
4.45*	Fourteenth Supplemental Indenture, dated as of September 25, 2013, by and among Labenne Participações Ltda., Probiótica Laboratórios Ltda., Valeant Pharmaceuticals International and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture, dated as of September 28, 2010, by and among Valeant Pharmaceuticals International, Valeant Pharmaceuticals International, Inc., the guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as trustee.
4.46*	Ninth Supplemental Indenture, dated as of October 23, 2013, by and among Akcinė bendrovė SANITAS, Valeant Pharmaceuticals International, Inc. and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture, dated as of July 12, 2013, between VPII Escrow Corp. and the Bank of New York Mellon Trust Company, N.A., as trustee.
4.47*	Tenth Supplemental Indenture, dated as of October 23, 2013, by and among Akcinė bendrovė SANITAS, Valeant Pharmaceuticals International and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture, dated as of October 4, 2012, between VPI Escrow Corp. and The Bank of New York Mellon Trust Company, N.A., as trustee.

4.48*	Thirteenth Supplemental Indenture, dated as of October 23, 2013, by and among Akcinė bendrovė SANITAS, Valeant Pharmaceuticals International and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture, dated as of March 8, 2011, by and among Valeant Pharmaceuticals International, Valeant Pharmaceuticals International, Inc., the guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as trustee.
4.49*	Thirteenth Supplemental Indenture, dated as of October 23, 2013, by and among Akcinė bendrovė SANITAS, Valeant Pharmaceuticals International and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture, dated as of February 8, 2011, by and among Valeant Pharmaceuticals International, Valeant Pharmaceuticals International, Inc., the guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as trustee.
4.50*	Fourteenth Supplemental Indenture, dated as of October 23, 2013, by and among Akcinė bendrovė SANITAS, Valeant Pharmaceuticals International and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture, dated as of November 23, 2010, by and among Valeant Pharmaceuticals International, Valeant Pharmaceuticals International, Inc., the guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as trustee.
4.51*	Fifteenth Supplemental Indenture, dated as of October 23, 2013, by and among Akcinė bendrovė SANITAS, Valeant Pharmaceuticals International and The Bank of New York Mellon Trust Company, N.A., as trustee, to the Indenture, dated as of September 28, 2010, by and among Valeant Pharmaceuticals International, Valeant Pharmaceuticals International, Inc., the guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as trustee.
10.1	Joinder Agreement dated August 5, 2013 relating to the Series A-2 Tranche A Term Loans, among Valeant Pharmaceuticals International, Inc., the guarantors named therein, the lenders party thereto, and GSLP, as the Administrative Agent and the Collateral Agent, originally filed as Exhibit 10.5 to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2013 filed on August 7, 2013, which is incorporated by reference herein.
10.2	Joinder Agreement dated August 5, 2013 relating to the Series E Tranche B Term Loans, among Valeant Pharmaceuticals International, Inc., the guarantors named therein, the lenders party thereto, and GSLP as the Administrative Agent and the Collateral Agent, originally filed as Exhibit 10.6 to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2013 filed on August 7, 2013, which is incorporated by reference herein.
10.3*	Amendment No. 7, dated September 17, 2013, to the Third Amended and Restated Credit and Guaranty Agreement, dated as of February 13, 2012, among Valeant Pharmaceuticals International, Inc., certain subsidiaries of Valeant Pharmaceuticals International, Inc. as Guarantors, each of the lenders named therein, J.P. Morgan Securities LLC, Goldman Sachs Lending Partners LLC and Morgan Stanley Senior Funding, Inc., as Joint Lead Arrangers and Joint Bookrunners, JPMorgan Chase Bank, N.A. and Morgan Stanley, as Co-Syndication Agents, JPMorgan, as Issuing Bank, GSLP, as Administrative Agent and Collateral Agent, and the other agents party thereto.
31.1*	Certification of the Chief Executive Officer pursuant to Rule 13a-14(a) as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of the Chief Financial Officer pursuant to Rule 13a-14(a) as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1*	Certification of the Chief Executive Officer pursuant to 18 U.S.C. § 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2*	Certification of the Chief Financial Officer pursuant to 18 U.S.C. § 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
*101.INS	XBRL Instance Document
*101.SCH	XBRL Taxonomy Extension Schema
*101.CAL	XBRL Taxonomy Extension Calculation Linkbase
*101.LAB	XBRL Taxonomy Extension Label Linkbase
*101.PRE	XBRL Taxonomy Extension Presentation Linkbase
*101.DEF	XBRL Taxonomy Extension Definition Linkbase

* Filed herewith.

Exhibit 2.1

AMENDMENT NO. 1 TO AGREEMENT AND PLAN OF MERGER

This Amendment No. 1, dated as of August 2, 2013 (this "Amendment"), to the Agreement and Plan of Merger (the "Agreement"), dated as of May 24, 2013, by and among Valeant Pharmaceuticals International, a Delaware corporation ("Parent"), Stratos Merger Corp., a Delaware corporation ("Merger Sub"), and Bausch & Lomb Holdings Incorporated, a Delaware corporation (the "Company"), and, with respect to certain provisions in the Agreement, Valeant Pharmaceuticals International, Inc., a Canadian corporation ("Parent Holdco").

WHEREAS, Parent, Merger Sub, the Company and Parent Holdco have previously entered into the Agreement pursuant to which, among other things, Merger Sub will merge with and into the Company, with the Company surviving as a wholly owned subsidiary of Parent; and

WHEREAS, Parent, Merger Sub, the Company and Parent Holdco desire to amend the Agreement.

NOW, THEREFORE, in consideration of the foregoing, the representations, warranties, covenants and agreements set forth in this Amendment, and other good and valuable consideration, the adequacy and receipt of which hereby are acknowledged, the parties hereby agree as follows:

Section 1.1 All capitalized terms used herein shall have the meanings set forth in the Agreement, unless the context indicates otherwise.

Section 1.2 In the event that the Closing Date is August 5, 2013, the Per Share Merger Consideration shall be $42.00 and the payments required to be made at the Closing pursuant to Section 2.12(c) and Section 2.14 (as amended hereby) are as reflected in the final funds flow memorandum agreed to by the parties on the date hereof. It is understood and agreed that in the event that the Closing Date is after August 5, 2013, the Per Share Merger Consideration and the payments required to be made at the Closing under the Agreement (including the amount of the Performance Option Payment as set forth in Section 1.4 below) shall be re-calculated in accordance with the terms of the Agreement.

Section 1.3. Section 2.14(a) of the Agreement is hereby deleted in its entirety and replaced with the following:

(a) Payment for Company Shares. To the Paying Agent, by wire transfer of immediately available funds to the account or accounts designated in writing by the Paying Agent no later than two (2) Business Days prior to the Closing Date, an amount equal to the aggregate Per Share Merger Consideration payable in respect of the Company Shares (but, for the avoidance of doubt, excluding any Restricted Shares) minus the amount of the aggregate Per Share Merger Consideration that Parent will pay directly to holders of such Company Shares at the Closing pursuant to Section 2.12(c).

Section 1.4 Section 2.14(b) of the Agreement is hereby deleted in its entirety and replaced with the following:

(b) Options/Restricted Shares. To the Company, by wire transfer of immediately available funds to the account or accounts designated in writing by the Company no later than two (2) Business Days prior to the Closing Date, (i) the aggregate amount to which the holders of Options and Restricted Shares are entitled as provided in Section 2.08 and (ii) $48,602,089.07 in order to fully satisfy the Performance Option Payment. The Surviving Corporation shall deliver to each holder of an Option or a Restricted Share the amount to which such holder is entitled as provided in Section 2.08 or in respect of the Performance Option Payment, as applicable, as promptly as practicable after the Effective Time (but in no event later than the 10th Business Day following the Closing).

Section 1.5 Clause (b) of Section 8.07 of the Agreement is hereby deleted in its entirety and replaced with the following:

(b) Section 2.08 and Section 2.14, to the extent they apply to holders of Options (including, for the avoidance of doubt, holders of the cancelled Options in respect of which the Performance Option Payment is being made), which holders shall be express third party beneficiaries of, and shall be entitled to rely on, such sections,

Section 1.6 This Amendment and the Agreement (including all Schedules and Exhibits thereto and the Sponsors Agreement) contain the entire agreement among the parties hereto with respect to the subject matter hereof and supersedes all prior agreements and understandings, oral or written, with respect to such matters.

Section 1.7 This Amendment shall be governed by and construed in accordance with the laws of the State of Delaware, without giving effect to any choice or conflict of law provision or rule (whether of the State of Delaware or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of Delaware.

Section 1.8 This Amendment may be executed in one or more counterparts, each of which shall be deemed an original, and all of which shall constitute 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. Delivery of an executed counterpart of a signature page to this Amendment by facsimile, email in "portable document format" (".pdf") form, or by other electronic means intended to preserve the original graphic and pictorial appearance of a document, will have the same effect as physical delivery of the paper document bearing the original signature.

Section 1.9 Except as otherwise provided herein, the Agreement shall remain unchanged and in full force and effect.

Section 1.10 From and after the execution of this Amendment by the parties hereto, any reference to the Agreement shall be deemed to be a reference to the Agreement as amended by this Amendment.

Section 2.0 Article VIII of the Agreement shall, to the extent not already set forth in this Amendment, apply *mutatis mutandis* to this Amendment.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, each of the parties has caused this Amendment to be executed and delivered on its behalf by its officers thereunto duly authorized, all at or on the date and year first above written.

BAUSCH & LOMB HOLDINGS INCORPORATED

By: */s/ Brian J. Harris*
Name: Brian J. Harris
Title: Executive Vice President-Finance

VALEANT PHARMACEUTICALS INTERNATIONAL

By: */s/ Howard. B. Schiller*
Name: Howard B. Schiller
Title: Executive Vice President & Chief Financial Officer

VALEANT PHARMACEUTICALS INTERNATIONAL, INC.

By: */s/ Howard. B. Schiller*
Name: Howard B. Schiller
Title: Executive Vice President & Chief Financial Officer

STRATOS MERGER CORP.

By: */s/ Howard. B. Schiller*
Name: Howard B. Schiller
Title: Vice President, Treasurer

Exhibit 2.2

AMENDMENT NO. 2 TO AGREEMENT AND PLAN OF MERGER

This Amendment No. 2, dated as of August 5, 2013 (this "Amendment"), to the Agreement and Plan of Merger (as amended on August 2, 2013, the "Agreement"), dated as of May 24, 2013, by and among Valeant Pharmaceuticals International, a Delaware corporation ("Parent"), Stratos Merger Corp., a Delaware corporation ("Merger Sub"), and Bausch & Lomb Holdings Incorporated, a Delaware corporation (the "Company"), and, with respect to certain provisions in the Agreement, Valeant Pharmaceuticals International, Inc., a Canadian corporation ("Parent Holdco").

WHEREAS, Parent, Merger Sub, the Company and Parent Holdco have previously entered into the Agreement pursuant to which, among other things, Merger Sub will merge with and into the Company, with the Company surviving as a wholly owned subsidiary of Parent; and

WHEREAS, Parent, Merger Sub, the Company and Parent Holdco desire to amend the Agreement.

NOW, THEREFORE, in consideration of the foregoing, the representations, warranties, covenants and agreements set forth in this Amendment, and other good and valuable consideration, the adequacy and receipt of which hereby are acknowledged, the parties hereby agree as follows:

Section 1.1 All capitalized terms used herein shall have the meanings set forth in the Agreement, unless the context indicates otherwise.

Section 1.2 In the event that the Closing Date is August 5, 2013, the Per Share Merger Consideration shall be $41.9318156681191 and the payments required to be made at the Closing pursuant to Section 2.12(c) and Section 2.14 (as amended hereby) are as reflected in the final funds flow memorandum agreed to by the parties on the date hereof. It is understood and agreed that in the event that the Closing Date is after August 5, 2013, the Per Share Merger Consideration and the payments required to be made at the Closing under the Agreement (including the amount of the Performance Option Payment as set forth in Section 1.3 below) shall be re-calculated in accordance with the terms of the Agreement.

Section 1.3 Section 2.14(b) of the Agreement is hereby deleted in its entirety and replaced with the following:

(b) Options/Restricted Shares. To the Company, by wire transfer of immediately available funds to the account or accounts designated in writing by the Company no later than two (2) Business Days prior to the Closing Date, (i) the aggregate amount to which the holders of Options and Restricted Shares are entitled as provided in Section 2.08 and (ii) $48,477,768.28 in order to fully satisfy the Performance Option Payment. The Surviving Corporation shall deliver to each holder of an Option or a Restricted Share the amount to which such holder is entitled as provided in Section 2.08 or in respect of the Performance Option Payment, as applicable, as

promptly as practicable after the Effective Time (but in no event later than the 10th Business Day following the Closing).

Section 1.4 This Amendment and the Agreement (including all, Schedules and Exhibits thereto and the Sponsors Agreement) contain the entire agreement among the parties hereto with respect to the subject matter hereof and supersedes all prior agreements and understandings, oral or written, with respect to such matters.

Section 1.5 This Amendment shall be governed by and construed in accordance with the laws of the State of Delaware, without giving effect to any choice or conflict of law provision or rule (whether of the State of Delaware or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of Delaware.

Section 1.6 This Amendment may be executed in one or more counterparts, each of which shall be deemed an original, and all of which shall constitute 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. Delivery of an executed counterpart of a signature page to this Amendment by facsimile, email in "portable document format" (".pdf") form, or by other electronic means intended to preserve the original graphic and pictorial appearance of a document, will have the same effect as physical delivery of the paper document bearing the original signature.

Section 1.7 Except as otherwise provided herein, the Agreement shall remain unchanged and in full force and effect.

Section 1.8 From and after the execution of this Amendment by the parties hereto, any reference to the Agreement shall be deemed to be a reference to the Agreement as amended by this Amendment.

Section 2.0 Article VIII of the Agreement shall, to the extent not already set forth in this Amendment, apply *mutatis mutandis* to this Amendment.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, each of the parties has caused this Amendment to be executed and delivered on its behalf by its officers thereunto duly authorized, all at or on the date and year first above written.

BAUSCH & LOMB HOLDINGS INCORPORATED

By: */s/ A. Robert Bailey*
Name: A. Robert Bailey
Title: Exec. Vice President

VALEANT PHARMACEUTICALS INTERNATIONAL

By: */s/ Howard B. Schiller*
Name: Howard B. Schiller
Title: Executive Vice President and Chief Financial Officer

VALEANT PHARMACEUTICALS INTERNATIONAL, INC.

By: */s/ J. Michael Pearson*
Name: J. Michael Pearson
Title: Chairman and Chief Executive Officer

STRATOS MERGER CORP.

By: */s/ J. Michael Pearson*
Name: J. Michael Pearson
Title: President, Chief Executive Officer

Exhibit 4.3

SECOND SUPPLEMENTAL INDENTURE

SECOND SUPPLEMENTAL INDENTURE, dated as of July 26, 2013 (the "Second Supplemental Indenture"), by and among Obagi Medical Products, Inc. ("Obagi"), OMP, Inc. ("OMP"), Valeant Pharmaceuticals International, Inc., a corporation continued under the federal laws of Canada (the "Company"), and The Bank of New York Mellon Trust Company, N.A., a national banking association, as trustee (the "Trustee").

WHEREAS, VPII Escrow Corp., a corporation organized under the federal laws of Canada (the "Escrow Issuer"), has heretofore executed and delivered to the Trustee an Indenture, dated as of July 12, 2013 (the "Indenture"), providing for the issuance of the Escrow Issuer's 6.75% Senior Notes due 2018 (the "2018 Notes") and 7.50% Senior Notes due 2021 (the "2021 Notes" and, together with the 2018 Notes, the "Securities");

WHEREAS, Obagi desires to provide a full and unconditional guarantee (the "Obagi Guarantee") of the obligations of the Company under the Securities and the Indenture on the terms and conditions set forth herein;

WHEREAS, OMP desires to provide a full and unconditional guarantee (together with the Obagi Guarantee, the "Guarantee") of the obligations of the Company under the Securities and the Indenture on the terms and conditions set forth herein;

WHEREAS, pursuant to Section 9.1 of the Indenture, the Company, the Trustee, Obagi and OMP are authorized to execute and deliver this Second Supplemental Indenture; and

WHEREAS, the Company has complied with all conditions precedent provided for in the Indenture relating to the Second Supplemental Indenture.

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto mutually covenant and agree for the equal and ratable benefit of the Holders as follows:

1. Definitions. Capitalized terms used but not defined herein have the meanings ascribed to such terms in the Indenture.

2. Guarantee. Effective upon the Escrow Release, Obagi and OMP hereby agree, jointly and severally, to provide a full and unconditional guarantee on the terms and subject to the conditions set forth in the Note Guarantee and in the Indenture including, but not limited to, Article 10 thereof.

3. Effectiveness of Second Supplemental Indenture. This Second Supplemental Indenture shall become effective upon the execution and delivery of this Second Supplemental Indenture by the Company, Obagi, OMP and the Trustee.

4. Indenture Remains in Full Force and Effect. This Second Supplemental Indenture shall form a part of the Indenture for all purposes and, except as supplemented or amended hereby, all other provisions in the Indenture and the Securities, to the extent not inconsistent with the terms and provisions of this Second Supplemental Indenture, shall remain in full force and effect.

5. No Recourse Against Others. No stockholder, officer, director or incorporator, as such, past, present or future of Obagi or OMP shall have any personal liability under this Guarantee, the Securities, the Indenture or this Second Supplemental Indenture by reason of his, her or its status as such stockholder, officer, director or incorporator.

6. Headings. The headings of the Articles and Sections of this Second Supplemental Indenture are inserted for convenience of reference and shall not be deemed a part thereof.

7. Counterparts. This Second Supplemental Indenture may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

8. Governing Law. This Second Supplemental Indenture shall be governed by, and construed in accordance with, the laws of the State of New York, without regard to principles of conflicts of laws.

9. Trustee Disclaimer. The Trustee is not responsible for the validity or sufficiency of this Second Supplemental Indenture nor for the recitals herein.

[Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have caused this Second Supplemental Indenture to be duly executed as of the day and year first written above.

Company: **VALEANT PHARMACEUTICALS INTERNATIONAL, INC.**

By: /s/ Howard B. Schiller
Name: Howard B. Schiller
Title: Executive Vice President and Chief Financial Officer

Obagi: **OBAGI MEDICAL PRODUCTS, INC.**

By: /s/ Linda LaGorga
Name: Linda LaGorga
Title: Treasurer

OMP: **OMP, INC.**

By: /s/ Linda LaGorga
Name: Linda LaGorga
Title: Treasurer

Trustee: **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A. as Trustee**

By: /s/ Teresa Petta
Name: Teresa Petta
Title: Authorized Signatory

Acknowledged and Agreed by:

VPII ESCROW CORP.

By: /s/ Robert R. Chai-Onn
Name: Robert R. Chai-Onn
Title: President and Chief Executive Officer

Exhibit 4.4

SECOND SUPPLEMENTAL INDENTURE

SECOND SUPPLEMENTAL INDENTURE, dated as of July 26, 2013 (the "Second Supplemental Indenture"), by and among Obagi Medical Products, Inc. ("Obagi"), OMP, Inc. ("OMP"), Valeant Pharmaceuticals International, a Delaware corporation (the "Company"), and The Bank of New York Mellon Trust Company, N.A., a national banking association, as trustee (the "Trustee").

WHEREAS, each of the Company, Valeant Pharmaceuticals International, Inc. ("Parent"), the indirect parent of the Company, and the Subsidiary Guarantors (as defined in the Indenture referred to below) has heretofore executed and delivered to the Trustee an Indenture, dated as of October 4, 2012 (the "Indenture"), providing for the issuance of 6.375% Senior Notes due 2020 (the "Securities");

WHEREAS, Obagi desires to provide a full and unconditional guarantee (the "Obagi Guarantee") of the obligations of the Company under the Securities and the Indenture on the terms and conditions set forth herein;

WHEREAS, OMP desires to provide a full and unconditional guarantee (together with the Obagi Guarantee, the "Guarantee) of the obligations of the Company under the Securities and the Indenture on the terms and conditions set forth herein;

WHEREAS, pursuant to Section 9.1 of the Indenture, the Company, the Trustee, Obagi and OMP are authorized to execute and deliver this Second Supplemental Indenture; and

WHEREAS, the Company has complied with all conditions precedent provided for in the Indenture relating to the Second Supplemental Indenture.

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto mutually covenant and agree for the equal and ratable benefit of the Holders as follows:

1. Definitions. Capitalized terms used but not defined herein have the meanings ascribed to such terms in the Indenture.

2. Guarantee. Obagi and OMP hereby agree, jointly and severally, to provide a full and unconditional guarantee on the terms and subject to the conditions set forth in the Note Guarantee and in the Indenture including, but not limited to, Article 10 thereof.

3. Effectiveness of Second Supplemental Indenture. This Second Supplemental Indenture shall become effective upon the execution and delivery of this Second Supplemental Indenture by the Company, Obagi, OMP and the Trustee.

4. Indenture Remains in Full Force and Effect. This Second Supplemental Indenture shall form a part of the Indenture for all purposes and, except as supplemented or amended hereby, all other provisions in the Indenture and the Securities, to the extent not inconsistent with the terms and provisions of this Second Supplemental Indenture, shall remain in full force and effect.

5. No Recourse Against Others. No stockholder, officer, director or incorporator, as such, past, present or future of Obagi or OMP shall have any personal liability under this Guarantee, the Securities, the Indenture or this Second Supplemental Indenture by reason of his, her or its status as such stockholder, officer, director or incorporator.

6. Headings. The headings of the Articles and Sections of this Second Supplemental Indenture are inserted for convenience of reference and shall not be deemed a part thereof.

7. Counterparts. This Second Supplemental Indenture may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

8. Governing Law. This Second Supplemental Indenture shall be governed by, and construed in accordance with, the laws of the State of New York, without regard to principles of conflicts of laws.

9. Trustee Disclaimer. The Trustee is not responsible for the validity or sufficiency of this Second Supplemental Indenture nor for the recitals herein.

[Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have caused this Second Supplemental Indenture to be duly executed as of the day and year first written above.

Company: **VALEANT PHARMACEUTICALS INTERNATIONAL**

By: /s/ Howard B. Schiller
Name: Howard B. Schiller
Title: Executive Vice President and Chief Financial Officer

Obagi: **OBAGI MEDICAL PRODUCTS, INC.**

By: /s/ Linda LaGorga
Name: Linda LaGorga
Title: Treasurer

OMP: **OMP, INC.**

By: /s/ Linda LaGorga
Name: Linda LaGorga
Title: Treasurer

Trustee: **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A. as Trustee**

By: /s/ Teresa Petta
Name: Teresa Petta
Title: Authorized Signatory

Exhibit 4.5

THIRD SUPPLEMENTAL INDENTURE

THIRD SUPPLEMENTAL INDENTURE, dated as of July 26, 2013 (the "Third Supplemental Indenture"), by and among Obagi Medical Products, Inc. ("Obagi"), OMP, Inc. ("OMP"), Valeant Pharmaceuticals International, a Delaware corporation (the "Company"), and The Bank of New York Mellon Trust Company, N.A., a national banking association, as trustee (the "Trustee").

WHEREAS, each of VPI Escrow Corp., a Delaware corporation, the Company, Valeant Pharmaceuticals International, Inc., a corporation continued under the federal laws of Canada ("Parent") and the Subsidiary Guarantors (as defined in the Indenture referred to below) then party hereto, has heretofore executed and delivered to the Trustee an Indenture, dated as of October 4, 2012 (the "Indenture"), providing for the issuance of 6.375% Senior Notes due 2020 (the "Securities");

WHEREAS, pursuant to a supplemental indenture (the "Supplemental Indenture") dated as of October 4, 2012, among the Company, Parent, the Subsidiary Guarantors (as defined in the Supplemental Indenture) party thereto, and the Trustee, the Company has unconditionally assumed all of VPI Escrow Corp.'s obligations under the Securities;

WHEREAS, Obagi desires to provide a full and unconditional guarantee (the "Obagi Guarantee") of the obligations of the Company under the Securities and the Indenture on the terms and conditions set forth herein;

WHEREAS, OMP desires to provide a full and unconditional guarantee (together with the Obagi Guarantee, the "Guarantee") of the obligations of the Company under the Securities and the Indenture on the terms and conditions set forth herein;

WHEREAS, pursuant to Section 9.1 of the Indenture, the Company, the Trustee, Obagi and OMP are authorized to execute and deliver this Third Supplemental Indenture; and

WHEREAS, the Company has complied with all conditions precedent provided for in the Indenture relating to the Third Supplemental Indenture.

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto mutually covenant and agree for the equal and ratable benefit of the Holders as follows:

1. Definitions. Capitalized terms used but not defined herein have the meanings ascribed to such terms in the Indenture.

2. Guarantee. Obagi and OMP hereby agree, jointly and severally, to provide a full and unconditional guarantee on the terms and subject to the conditions set forth in the Note Guarantee and in the Indenture including, but not limited to, Article 10 thereof.

3. Effectiveness of Third Supplemental Indenture. This Third Supplemental Indenture shall become effective upon the execution and delivery of this Third Supplemental Indenture by the Company, Obagi, OMP and the Trustee.

4. Indenture Remains in Full Force and Effect. This Third Supplemental Indenture shall form a part of the Indenture for all purposes and, except as supplemented or amended hereby, all other provisions in the Indenture and the Securities, to the extent not inconsistent with the terms and provisions of this Third Supplemental Indenture, shall remain in full force and effect.

5. No Recourse Against Others. No stockholder, officer, director or incorporator, as such, past, present or future of Obagi or OMP shall have any personal liability under this Guarantee, the Securities, the Indenture or this Third Supplemental Indenture by reason of his, her or its status as such stockholder, officer, director or incorporator.

6. Headings. The headings of the Articles and Sections of this Third Supplemental Indenture are inserted for convenience of reference and shall not be deemed a part thereof.

7. Counterparts. This Third Supplemental Indenture may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

8. Governing Law. This Third Supplemental Indenture shall be governed by, and construed in accordance with, the laws of the State of New York, without regard to principles of conflicts of laws.

9. Trustee Disclaimer. The Trustee is not responsible for the validity or sufficiency of this Third Supplemental Indenture nor for the recitals herein.

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IN WITNESS WHEREOF, the parties hereto have caused this Third Supplemental Indenture to be duly executed as of the day and year first written above.

Company: **VALEANT PHARMACEUTICALS INTERNATIONAL**

By: /s/ Howard B. Schiller
Name: Howard B. Schiller
Title: Executive Vice President and Chief Financial Officer

Obagi: **OBAGI MEDICAL PRODUCTS, INC.**

By: /s/ Linda LaGorga
Name: Linda LaGorga
Title: Treasurer

OMP: **OMP, INC.**

By: /s/ Linda LaGorga
Name: Linda LaGorga
Title: Treasurer

Trustee: **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A. as Trustee**

By: /s/ Teresa Petta
Name: Teresa Petta
Title: Authorized Signatory

Exhibit 4.6

SIXTH SUPPLEMENTAL INDENTURE

SIXTH SUPPLEMENTAL INDENTURE, dated as of July 26, 2013 (the "Sixth Supplemental Indenture"), by and among Obagi Medical Products, Inc. ("Obagi"), OMP, Inc. ("OMP"), Valeant Pharmaceuticals International, a Delaware corporation (the "Company"), and The Bank of New York Mellon Trust Company, N.A., a national banking association, as trustee (the "Trustee").

WHEREAS, each of the Company, Valeant Pharmaceuticals International, Inc. ("Parent"), the indirect parent of the Company, and the Subsidiary Guarantors (as defined in the Indenture referred to below) has heretofore executed and delivered to the Trustee an Indenture, dated as of March 8, 2011 (the "Indenture"), providing for the issuance of 6.50% Senior Notes due 2016 and 7.25% Senior Notes due 2022 (collectively, the "Securities");

WHEREAS, Obagi desires to provide a full and unconditional guarantee (the "Obagi Guarantee") of the obligations of the Company under the Securities and the Indenture on the terms and conditions set forth herein;

WHEREAS, OMP desires to provide a full and unconditional guarantee (together with the Obagi Guarantee, the "Guarantee") of the obligations of the Company under the Securities and the Indenture on the terms and conditions set forth herein;

WHEREAS, pursuant to Section 9.1 of the Indenture, the Company, the Trustee, Obagi and OMP are authorized to execute and deliver this Sixth Supplemental Indenture; and

WHEREAS, the Company has complied with all conditions precedent provided for in the Indenture relating to the Sixth Supplemental Indenture.

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto mutually covenant and agree for the equal and ratable benefit of the Holders as follows:

1. Definitions. Capitalized terms used but not defined herein have the meanings ascribed to such terms in the Indenture.

2. Guarantee. Obagi and OMP hereby agree, jointly and severally, to provide a full and unconditional guarantee on the terms and subject to the conditions set forth in the Note Guarantee and in the Indenture including, but not limited to, Article 10 thereof.

3. Effectiveness of Sixth Supplemental Indenture. This Sixth Supplemental Indenture shall become effective upon the execution and delivery of this Sixth Supplemental Indenture by the Company, Obagi, OMP and the Trustee.

4. Indenture Remains in Full Force and Effect. This Sixth Supplemental Indenture shall form a part of the Indenture for all purposes and, except as supplemented or amended hereby, all other provisions in the Indenture and the Securities, to the extent not inconsistent with the terms and provisions of this Sixth Supplemental Indenture, shall remain in full force and effect.

5. No Recourse Against Others. No stockholder, officer, director or incorporator, as such, past, present or future of Obagi or OMP shall have any personal liability under this Guarantee, the Securities, the Indenture or this Sixth Supplemental Indenture by reason of his, her or its status as such stockholder, officer, director or incorporator.

6. Headings. The headings of the Articles and Sections of this Sixth Supplemental Indenture are inserted for convenience of reference and shall not be deemed a part thereof.

7. Counterparts. This Sixth Supplemental Indenture may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

8. Governing Law. This Sixth Supplemental Indenture shall be governed by, and construed in accordance with, the laws of the State of New York, without regard to principles of conflicts of laws.

9. Trustee Disclaimer. The Trustee is not responsible for the validity or sufficiency of this Sixth Supplemental Indenture nor for the recitals herein.

[Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have caused this Sixth Supplemental Indenture to be duly executed as of the day and year first written above.

Company: **VALEANT PHARMACEUTICALS INTERNATIONAL**

By: /s/ Howard B. Schiller
Name: Howard B. Schiller
Title: Executive Vice President and Chief Financial Officer

Obagi: **OBAGI MEDICAL PRODUCTS, INC.**

By: /s/ Linda LaGorga
Name: Linda LaGorga
Title: Treasurer

OMP: **OMP, INC.**

By: /s/ Linda LaGorga
Name: Linda LaGorga
Title: Treasurer

Trustee: **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A. as Trustee**

By: /s/ Teresa Petta
Name: Teresa Petta
Title: Authorized Signatory

Exhibit 4.7

SIXTH SUPPLEMENTAL INDENTURE

SIXTH SUPPLEMENTAL INDENTURE, dated as of July 26, 2013 (the "Sixth Supplemental Indenture"), by and among Obagi Medical Products, Inc. ("Obagi"), OMP, Inc. ("OMP"), Valeant Pharmaceuticals International, a Delaware corporation (the "Company"), and The Bank of New York Mellon Trust Company, N.A., a national banking association, as trustee (the "Trustee").

WHEREAS, each of the Company, Valeant Pharmaceuticals International, Inc. ("Parent"), the indirect parent of the Company, and the Subsidiary Guarantors (as defined in the Indenture referred to below) has heretofore executed and delivered to the Trustee an Indenture, dated as of February 8, 2011 (the "Indenture"), providing for the issuance of 6.75% Senior Notes due 2021 (the "Securities");

WHEREAS, Obagi desires to provide a full and unconditional guarantee (the "Obagi Guarantee") of the obligations of the Company under the Securities and the Indenture on the terms and conditions set forth herein;

WHEREAS, OMP desires to provide a full and unconditional guarantee (together with the Obagi Guarantee, the "Guarantee") of the obligations of the Company under the Securities and the Indenture on the terms and conditions set forth herein;

WHEREAS, pursuant to Section 9.1 of the Indenture, the Company, the Trustee, Obagi and OMP are authorized to execute and deliver this Sixth Supplemental Indenture; and

WHEREAS, the Company has complied with all conditions precedent provided for in the Indenture relating to the Sixth Supplemental Indenture.

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto mutually covenant and agree for the equal and ratable benefit of the Holders as follows:

1. Definitions. Capitalized terms used but not defined herein have the meanings ascribed to such terms in the Indenture.

2. Guarantee. Obagi and OMP hereby agree, jointly and severally, to provide a full and unconditional guarantee on the terms and subject to the conditions set forth in the Note Guarantee and in the Indenture including, but not limited to, Article 10 thereof.

3. Effectiveness of Sixth Supplemental Indenture. This Sixth Supplemental Indenture shall become effective upon the execution and delivery of this Sixth Supplemental Indenture by the Company, Obagi, OMP and the Trustee.

4. Indenture Remains in Full Force and Effect. This Sixth Supplemental Indenture shall form a part of the Indenture for all purposes and, except as supplemented or amended hereby, all other provisions in the Indenture and the Securities, to the extent not inconsistent with the terms and provisions of this Sixth Supplemental Indenture, shall remain in full force and effect.

5. No Recourse Against Others. No stockholder, officer, director or incorporator, as such, past, present or future of Obagi or OMP shall have any personal liability under this Guarantee, the Securities, the Indenture or this Sixth Supplemental Indenture by reason of his, her or its status as such stockholder, officer, director or incorporator.

6. Headings. The headings of the Articles and Sections of this Sixth Supplemental Indenture are inserted for convenience of reference and shall not be deemed a part thereof.

7. Counterparts. This Sixth Supplemental Indenture may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

8. Governing Law. This Sixth Supplemental Indenture shall be governed by, and construed in accordance with, the laws of the State of New York, without regard to principles of conflicts of laws.

9. Trustee Disclaimer. The Trustee is not responsible for the validity or sufficiency of this Sixth Supplemental Indenture nor for the recitals herein.

[Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have caused this Sixth Supplemental Indenture to be duly executed as of the day and year first written above.

Company: **VALEANT PHARMACEUTICALS INTERNATIONAL**

By: /s/ Howard B. Schiller
Name: Howard B. Schiller
Title: Executive Vice President and Chief Financial Officer

Obagi: **OBAGI MEDICAL PRODUCTS, INC.**

By: /s/ Linda LaGorga
Name: Linda LaGorga
Title: Treasurer

OMP: **OMP, INC.**

By: /s/ Linda LaGorga
Name: Linda LaGorga
Title: Treasurer

Trustee: **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.**
as Trustee

By: /s/ Teresa Petta
Name: Teresa Petta
Title: Authorized Signatory

Exhibit 4.8

SEVENTH SUPPLEMENTAL INDENTURE

SEVENTH SUPPLEMENTAL INDENTURE, dated as of July 26, 2013 (the "Seventh Supplemental Indenture"), by and among Obagi Medical Products, Inc. ("Obagi"), OMP, Inc. ("OMP"), Valeant Pharmaceuticals International, a Delaware corporation (the "Company"), and The Bank of New York Mellon Trust Company, N.A., a national banking association, as trustee (the "Trustee").

WHEREAS, each of the Company, Valeant Pharmaceuticals International, Inc. ("Parent"), the indirect parent of the Company, and the Subsidiary Guarantors (as defined in the Indenture referred to below) has heretofore executed and delivered to the Trustee an Indenture, dated as of November 23, 2010 (the "Indenture"), providing for the issuance of 6.875% Senior Notes due 2018 (the "Securities");

WHEREAS, Obagi desires to provide a full and unconditional guarantee (the "Obagi Guarantee") of the obligations of the Company under the Securities and the Indenture on the terms and conditions set forth herein;

WHEREAS, OMP desires to provide a full and unconditional guarantee (together with the Obagi Guarantee, the "Guarantee") of the obligations of the Company under the Securities and the Indenture on the terms and conditions set forth herein;

WHEREAS, pursuant to Section 9.1 of the Indenture, the Company, the Trustee, Obagi and OMP are authorized to execute and deliver this Seventh Supplemental Indenture; and

WHEREAS, the Company has complied with all conditions precedent provided for in the Indenture relating to the Seventh Supplemental Indenture.

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto mutually covenant and agree for the equal and ratable benefit of the Holders as follows:

1. Definitions. Capitalized terms used but not defined herein have the meanings ascribed to such terms in the Indenture.

2. Guarantee. Obagi and OMP hereby agree, jointly and severally, to provide a full and unconditional guarantee on the terms and subject to the conditions set forth in the Note Guarantee and in the Indenture including, but not limited to, Article 10 thereof.

3. Effectiveness of Seventh Supplemental Indenture. This Seventh Supplemental Indenture shall become effective upon the execution and delivery of this Seventh Supplemental Indenture by the Company, Obagi, OMP and the Trustee.

4. Indenture Remains in Full Force and Effect. This Seventh Supplemental Indenture shall form a part of the Indenture for all purposes and, except as supplemented or amended hereby, all other provisions in the Indenture and the Securities, to the extent not inconsistent with the terms and provisions of this Seventh Supplemental Indenture, shall remain in full force and effect.

5. No Recourse Against Others. No stockholder, officer, director or incorporator, as such, past, present or future of Obagi or OMP shall have any personal liability under this Guarantee, the Securities, the Indenture or this Seventh Supplemental Indenture by reason of his, her or its status as such stockholder, officer, director or incorporator.

6. Headings. The headings of the Articles and Sections of this Seventh Supplemental Indenture are inserted for convenience of reference and shall not be deemed a part thereof.

7. Counterparts. This Seventh Supplemental Indenture may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

8. Governing Law. This Seventh Supplemental Indenture shall be governed by, and construed in accordance with, the laws of the State of New York, without regard to principles of conflicts of laws.

9. Trustee Disclaimer. The Trustee is not responsible for the validity or sufficiency of this Seventh Supplemental Indenture nor for the recitals herein.

[Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have caused this Seventh Supplemental Indenture to be duly executed as of the day and year first written above.

Company: **VALEANT PHARMACEUTICALS INTERNATIONAL**

By: /s/ Howard B. Schiller
Name: Howard B. Schiller
Title: Executive Vice President and Chief Financial Officer

Obagi: **OBAGI MEDICAL PRODUCTS, INC.**

By: /s/ Linda LaGorga
Name: Linda LaGorga
Title: Treasurer

OMP: **OMP, INC.**

By: /s/ Linda LaGorga
Name: Linda LaGorga
Title: Treasurer

Trustee: **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A. as Trustee**

By: /s/ Teresa Petta
Name: Teresa Petta
Title: Authorized Signatory

Exhibit 4.9

EIGHTH SUPPLEMENTAL INDENTURE

EIGHTH SUPPLEMENTAL INDENTURE, dated as of July 26, 2013 (the "Eighth Supplemental Indenture"), by and among Obagi Medical Products, Inc. ("Obagi"), OMP, Inc. ("OMP"), Valeant Pharmaceuticals International, a Delaware corporation (the "Company") and The Bank of New York Mellon Trust Company, N.A., a national banking association, as trustee (the "Trustee").

WHEREAS, each of the Company, Valeant Pharmaceuticals International, Inc. ("Parent"), the indirect parent of the Company, and the Subsidiary Guarantors (as defined in the Indenture referred to below) has heretofore executed and delivered to the Trustee an Indenture, dated as of September 28, 2010 (the "Indenture"), providing for the issuance of 6.75% Senior Notes due 2017 and 7.00% Senior Notes due 2020 (collectively, the "Securities");

WHEREAS, Obagi desires to provide a full and unconditional guarantee (the "Obagi Guarantee") of the obligations of the Company under the Securities and the Indenture on the terms and conditions set forth herein;

WHEREAS, OMP desires to provide a full and unconditional guarantee (together with the Obagi Guarantee, the "Guarantee") of the obligations of the Company under the Securities and the Indenture on the terms and conditions set forth herein;

WHEREAS, pursuant to Section 9.1 of the Indenture, the Company, the Trustee, Obagi and OMP are authorized to execute and deliver this Eighth Supplemental Indenture; and

WHEREAS, the Company has complied with all conditions precedent provided for in the Indenture relating to the Eighth Supplemental Indenture.

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto mutually covenant and agree for the equal and ratable benefit of the Holders as follows:

1. Definitions. Capitalized terms used but not defined herein have the meanings ascribed to such terms in the Indenture.

2. Guarantee. Obagi and OMP hereby agree, jointly and severally, to provide a full and unconditional guarantee on the terms and subject to the conditions set forth in the Note Guarantee and in the Indenture including, but not limited to, Article 10 thereof.

3. Effectiveness of Eighth Supplemental Indenture. This Eighth Supplemental Indenture shall become effective upon the execution and delivery of this Eighth Supplemental Indenture by the Company, Obagi, OMP and the Trustee.

4. Indenture Remains in Full Force and Effect. This Eighth Supplemental Indenture shall form a part of the Indenture for all purposes and, except as supplemented or amended hereby, all other provisions in the Indenture and the Securities, to the extent not inconsistent with the terms and provisions of this Eighth Supplemental Indenture, shall remain in full force and effect.

5. No Recourse Against Others. No stockholder, officer, director or incorporator, as such, past, present or future of Obagi or OMP shall have any personal liability under this Guarantee, the Securities, the Indenture or this Eighth Supplemental Indenture by reason of his, her or its status as such stockholder, officer, director or incorporator.

6. Headings. The headings of the Articles and Sections of this Eighth Supplemental Indenture are inserted for convenience of reference and shall not be deemed a part thereof.

7. Counterparts. This Eighth Supplemental Indenture may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

8. Governing Law. This Eighth Supplemental Indenture shall be governed by, and construed in accordance with, the laws of the State of New York, without regard to principles of conflicts of laws.

9. Trustee Disclaimer. The Trustee is not responsible for the validity or sufficiency of this Eighth Supplemental Indenture nor for the recitals herein.

[Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have caused this Eighth Supplemental Indenture to be duly executed as of the day and year first written above.

Company: **VALEANT PHARMACEUTICALS INTERNATIONAL**

By: /s/ Howard B. Schiller
Name: Howard B. Schiller
Title: Executive Vice President and Chief Financial Officer

Obagi: **OBAGI MEDICAL PRODUCTS, INC.**

By: /s/ Linda LaGorga
Name: Linda LaGorga
Title: Treasurer

OMP: **OMP, INC.**

By: /s/ Linda LaGorga
Name: Linda LaGorga
Title: Treasurer

Trustee: **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A. as Trustee**

By: /s/ Teresa Petta
Name: Teresa Petta
Title: Authorized Signatory

Exhibit 4.10

THIRD SUPPLEMENTAL INDENTURE

THIRD SUPPLEMENTAL INDENTURE, dated as of August 30, 2013 (the "Third Supplemental Indenture"), by and among Bausch & Lomb Holdings Incorporated ("BLH"), Bausch & Lomb Incorporated ("BLI"), Valeant Pharmaceuticals International, Inc., a corporation continued under the British Columbia *Business Corporations Act* (the "Company"), and The Bank of New York Mellon Trust Company, N.A., a national banking association, as trustee (the "Trustee").

WHEREAS, VPII Escrow Corp., a corporation organized under the federal laws of Canada (the "Escrow Issuer"), has heretofore executed and delivered to the Trustee an Indenture, dated as of July 12, 2013 (the "Indenture"), providing for the issuance of the Escrow Issuer's 6.75% Senior Notes due 2018 (the "2018 Notes") and 7.50% Senior Notes due 2021 (the "2021 Notes" and, together with the 2018 Notes, the "Securities");

WHEREAS, BLH desires to provide a full and unconditional guarantee (the "BLH Guarantee") of the obligations of the Company under the Securities and the Indenture on the terms and conditions set forth herein;

WHEREAS, BLI desires to provide a full and unconditional guarantee (together with the BLH Guarantee, the "Guarantee") of the obligations of the Company under the Securities and the Indenture on the terms and conditions set forth herein;

WHEREAS, pursuant to Section 9.1 of the Indenture, the Company, the Trustee, BLH and BLI are authorized to execute and deliver this Third Supplemental Indenture; and

WHEREAS, the Company has complied with all conditions precedent provided for in the Indenture relating to the Third Supplemental Indenture.

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto mutually covenant and agree for the equal and ratable benefit of the Holders as follows:

1. Definitions. Capitalized terms used but not defined herein have the meanings ascribed to such terms in the Indenture.

2. Guarantee. BLH and BLI hereby agree, jointly and severally, to provide a full and unconditional guarantee on the terms and subject to the conditions set forth in the Note Guarantee and in the Indenture including, but not limited to, Article 10 thereof.

3. Effectiveness of Third Supplemental Indenture. This Third Supplemental Indenture shall become effective upon the execution and delivery of this Third Supplemental Indenture by the Company, BLH, BLI and the Trustee.

4. Indenture Remains in Full Force and Effect. This Third Supplemental Indenture shall form a part of the Indenture for all purposes and, except as supplemented or amended hereby, all other provisions in the Indenture and the Securities, to the extent not inconsistent with the terms and provisions of this Third Supplemental Indenture, shall remain in full force and effect.

5. No Recourse Against Others. No stockholder, officer, director or incorporator, as such, past, present or future of BLH or BLI shall have any personal liability under this Guarantee, the Securities, the Indenture or this Third Supplemental Indenture by reason of his, her or its status as such stockholder, officer, director or incorporator.

6. Headings. The headings of the Articles and Sections of this Third Supplemental Indenture are inserted for convenience of reference and shall not be deemed a part thereof.

7. Counterparts. This Third Supplemental Indenture may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

8. Governing Law. This Third Supplemental Indenture shall be governed by, and construed in accordance with, the laws of the State of New York, without regard to principles of conflicts of laws.

9. Trustee Disclaimer. The Trustee is not responsible for the validity or sufficiency of this Third Supplemental Indenture nor for the recitals herein.

[Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have caused this Third Supplemental Indenture to be duly executed as of the day and year first written above.

Company: **VALEANT PHARMACEUTICALS INTERNATIONAL, INC.**

By: /s/ Howard B. Schiller
Name: Howard B. Schiller
Title: Executive Vice President and Chief Financial Officer

BLH: **BAUSCH & LOMB HOLDINGS INCORPORATED**

By: /s/ Howard B. Schiller
Name: Howard B. Schiller
Title: Vice President, Treasurer

BLI: **BAUSCH & LOMB INCORPORATED**

By: /s/ Howard B. Schiller
Name: Howard B. Schiller
Title: Executive Vice President and Chief Financial Officer

Trustee: **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A. as Trustee**

By: /s/ Teresa Petta
Name: Teresa Petta
Title: Authorized Signatory

Exhibit 4.11

FOURTH SUPPLEMENTAL INDENTURE

FOURTH SUPPLEMENTAL INDENTURE, dated as of August 30, 2013 (the "Fourth Supplemental Indenture"), by and among Bausch & Lomb Holdings Incorporated ("BLH"), Bausch & Lomb Incorporated ("BLI"), Valeant Pharmaceuticals International, a Delaware corporation (the "Company"), and The Bank of New York Mellon Trust Company, N.A., a national banking association, as trustee (the "Trustee").

WHEREAS, each of VPI Escrow Corp., a Delaware corporation, the Company, Valeant Pharmaceuticals International, Inc., a corporation continued under the federal laws of Canada ("Parent") and the Subsidiary Guarantors (as defined in the Indenture referred to below) then party hereto, has heretofore executed and delivered to the Trustee an Indenture, dated as of October 4, 2012 (the "Indenture"), providing for the issuance of 6.375% Senior Notes due 2020 (the "Securities");

WHEREAS, pursuant to a supplemental indenture (the "Supplemental Indenture") dated as of October 4, 2012, among the Company, Parent, the Subsidiary Guarantors (as defined in the Supplemental Indenture) party thereto, and the Trustee, the Company has unconditionally assumed all of VPI Escrow Corp.'s obligations under the Securities;

WHEREAS, BLH desires to provide a full and unconditional guarantee (the "BLH Guarantee") of the obligations of the Company under the Securities and the Indenture on the terms and conditions set forth herein;

WHEREAS, BLI desires to provide a full and unconditional guarantee (together with the BLH Guarantee, the "Guarantee") of the obligations of the Company under the Securities and the Indenture on the terms and conditions set forth herein;

WHEREAS, pursuant to Section 9.1 of the Indenture, the Company, the Trustee, BLH and BLI are authorized to execute and deliver this Fourth Supplemental Indenture; and

WHEREAS, the Company has complied with all conditions precedent provided for in the Indenture relating to the Fourth Supplemental Indenture.

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto mutually covenant and agree for the equal and ratable benefit of the Holders as follows:

1. Definitions. Capitalized terms used but not defined herein have the meanings ascribed to such terms in the Indenture.

2. Guarantee. BLH and BLI hereby agree, jointly and severally, to provide a full and unconditional guarantee on the terms and subject to the conditions set forth in the Note Guarantee and in the Indenture including, but not limited to, Article 10 thereof.

3. Effectiveness of Fourth Supplemental Indenture. This Fourth Supplemental Indenture shall become effective upon the execution and delivery of this Fourth Supplemental Indenture by the Company, BLH, BLI and the Trustee.

4. Indenture Remains in Full Force and Effect. This Fourth Supplemental Indenture shall form a part of the Indenture for all purposes and, except as supplemented or amended hereby, all other provisions in the Indenture and the Securities, to the extent not inconsistent with the terms and provisions of this Fourth Supplemental Indenture, shall remain in full force and effect.

5. No Recourse Against Others. No stockholder, officer, director or incorporator, as such, past, present or future of BLH or BLI shall have any personal liability under this Guarantee, the Securities, the Indenture or this Fourth Supplemental Indenture by reason of his, her or its status as such stockholder, officer, director or incorporator.

6. Headings. The headings of the Articles and Sections of this Fourth Supplemental Indenture are inserted for convenience of reference and shall not be deemed a part thereof.

7. Counterparts. This Fourth Supplemental Indenture may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

8. Governing Law. This Fourth Supplemental Indenture shall be governed by, and construed in accordance with, the laws of the State of New York, without regard to principles of conflicts of laws.

9. Trustee Disclaimer. The Trustee is not responsible for the validity or sufficiency of this Fourth Supplemental Indenture nor for the recitals herein.

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IN WITNESS WHEREOF, the parties hereto have caused this Fourth Supplemental Indenture to be duly executed as of the day and year first written above.

Company: **VALEANT PHARMACEUTICALS INTERNATIONAL**

By: /s/ Howard B. Schiller
Name: Howard B. Schiller
Title: Executive Vice President and Chief Financial Officer

BLH: **BAUSCH & LOMB HOLDINGS INCORPORATED**

By: /s/ Howard B. Schiller
Name: Howard B. Schiller
Title: Vice President, Treasurer

BLI: **BAUSCH & LOMB INCORPORATED**

By: /s/ Howard B. Schiller
Name: Howard B. Schiller
Title: Executive Vice President and Chief Financial Officer

Trustee: **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A. as Trustee**

By: /s/ Teresa Petta
Name: Teresa Petta
Title: Authorized Signatory

Exhibit 4.12

SEVENTH SUPPLEMENTAL INDENTURE

SEVENTH SUPPLEMENTAL INDENTURE, dated as of August 30, 2013 (the "Seventh Supplemental Indenture"), by and among Bausch & Lomb Holdings Incorporated ("BLH"), Bausch & Lomb Incorporated ("BLI"), Valeant Pharmaceuticals International, a Delaware corporation (the "Company"), and The Bank of New York Mellon Trust Company, N.A., a national banking association, as trustee (the "Trustee").

WHEREAS, each of the Company, Valeant Pharmaceuticals International, Inc. ("Parent"), the indirect parent of the Company, and the Subsidiary Guarantors (as defined in the Indenture referred to below) has heretofore executed and delivered to the Trustee an Indenture, dated as of March 8, 2011 (the "Indenture"), providing for the issuance of 6.50% Senior Notes due 2016 and 7.25% Senior Notes due 2022 (collectively, the "Securities");

WHEREAS, BLH desires to provide a full and unconditional guarantee (the "BLH Guarantee") of the obligations of the Company under the Securities and the Indenture on the terms and conditions set forth herein;

WHEREAS, BLI desires to provide a full and unconditional guarantee (together with the BLH Guarantee, the "Guarantee") of the obligations of the Company under the Securities and the Indenture on the terms and conditions set forth herein;

WHEREAS, pursuant to Section 9.1 of the Indenture, the Company, the Trustee, BLH and BLI are authorized to execute and deliver this Seventh Supplemental Indenture; and

WHEREAS, the Company has complied with all conditions precedent provided for in the Indenture relating to the Seventh Supplemental Indenture.

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto mutually covenant and agree for the equal and ratable benefit of the Holders as follows:

1. Definitions. Capitalized terms used but not defined herein have the meanings ascribed to such terms in the Indenture.

2. Guarantee. BLH and BLI hereby agree, jointly and severally, to provide a full and unconditional guarantee on the terms and subject to the conditions set forth in the Note Guarantee and in the Indenture including, but not limited to, Article 10 thereof.

3. Effectiveness of Seventh Supplemental Indenture. This Seventh Supplemental Indenture shall become effective upon the execution and delivery of this Seventh Supplemental Indenture by the Company, BLH, BLI and the Trustee.

4. Indenture Remains in Full Force and Effect. This Seventh Supplemental Indenture shall form a part of the Indenture for all purposes and, except as supplemented or amended hereby, all other provisions in the Indenture and the Securities, to the extent not inconsistent with the terms and provisions of this Seventh Supplemental Indenture, shall remain in full force and effect.

5. No Recourse Against Others. No stockholder, officer, director or incorporator, as such, past, present or future of BLH or BLI shall have any personal liability under this Guarantee, the Securities, the Indenture or this Seventh Supplemental Indenture by reason of his, her or its status as such stockholder, officer, director or incorporator.

6. Headings. The headings of the Articles and Sections of this Seventh Supplemental Indenture are inserted for convenience of reference and shall not be deemed a part thereof.

7. Counterparts. This Seventh Supplemental Indenture may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

8. Governing Law. This Seventh Supplemental Indenture shall be governed by, and construed in accordance with, the laws of the State of New York, without regard to principles of conflicts of laws.

9. Trustee Disclaimer. The Trustee is not responsible for the validity or sufficiency of this Seventh Supplemental Indenture nor for the recitals herein.

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IN WITNESS WHEREOF, the parties hereto have caused this Seventh Supplemental Indenture to be duly executed as of the day and year first written above.

Company: **VALEANT PHARMACEUTICALS INTERNATIONAL**

By: /s/ Howard B. Schiller
Name: Howard B. Schiller
Title: Executive Vice President and Chief Financial Officer

BLH: **BAUSCH & LOMB HOLDINGS INCORPORATED**

By: /s/ Howard B. Schiller
Name: Howard B. Schiller
Title: Vice President, Treasurer

BLI: **BAUSCH & LOMB INCORPORATED**

By: /s/ Howard B. Schiller
Name: Howard B. Schiller
Title: Executive Vice President and Chief Financial Officer

Trustee: **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A. as Trustee**

By: /s/ Teresa Petta
Name: Teresa Petta
Title: Authorized Signatory

Exhibit 4.13

SEVENTH SUPPLEMENTAL INDENTURE

SEVENTH SUPPLEMENTAL INDENTURE, dated as of August 30, 2013 (the "Seventh Supplemental Indenture"), by and among Bausch & Lomb Holdings Incorporated ("BLH"), Bausch & Lomb Incorporated ("BLI"), Valeant Pharmaceuticals International, a Delaware corporation (the "Company"), and The Bank of New York Mellon Trust Company, N.A., a national banking association, as trustee (the "Trustee").

WHEREAS, each of the Company, Valeant Pharmaceuticals International, Inc. ("Parent"), the indirect parent of the Company, and the Subsidiary Guarantors (as defined in the Indenture referred to below) has heretofore executed and delivered to the Trustee an Indenture, dated as of February 8, 2011 (the "Indenture"), providing for the issuance of 6.75% Senior Notes due 2021 (the "Securities");

WHEREAS, BLH desires to provide a full and unconditional guarantee (the "BLH Guarantee") of the obligations of the Company under the Securities and the Indenture on the terms and conditions set forth herein;

WHEREAS, BLI desires to provide a full and unconditional guarantee (together with the BLH Guarantee, the "Guarantee") of the obligations of the Company under the Securities and the Indenture on the terms and conditions set forth herein;

WHEREAS, pursuant to Section 9.1 of the Indenture, the Company, the Trustee, BLH and BLI are authorized to execute and deliver this Seventh Supplemental Indenture; and

WHEREAS, the Company has complied with all conditions precedent provided for in the Indenture relating to the Seventh Supplemental Indenture.

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto mutually covenant and agree for the equal and ratable benefit of the Holders as follows:

1. Definitions. Capitalized terms used but not defined herein have the meanings ascribed to such terms in the Indenture.

2. Guarantee. BLH and BLI hereby agree, jointly and severally, to provide a full and unconditional guarantee on the terms and subject to the conditions set forth in the Note Guarantee and in the Indenture including, but not limited to, Article 10 thereof.

3. Effectiveness of Seventh Supplemental Indenture. This Seventh Supplemental Indenture shall become effective upon the execution and delivery of this Seventh Supplemental Indenture by the Company, BLH, BLI and the Trustee.

4. Indenture Remains in Full Force and Effect. This Seventh Supplemental Indenture shall form a part of the Indenture for all purposes and, except as supplemented or amended hereby, all other provisions in the Indenture and the Securities, to the extent not inconsistent with the terms and provisions of this Seventh Supplemental Indenture, shall remain in full force and effect.

5. No Recourse Against Others. No stockholder, officer, director or incorporator, as such, past, present or future of BLH or BLI shall have any personal liability under this Guarantee, the Securities, the Indenture or this Seventh Supplemental Indenture by reason of his, her or its status as such stockholder, officer, director or incorporator.

6. Headings. The headings of the Articles and Sections of this Seventh Supplemental Indenture are inserted for convenience of reference and shall not be deemed a part thereof.

7. Counterparts. This Seventh Supplemental Indenture may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

8. Governing Law. This Seventh Supplemental Indenture shall be governed by, and construed in accordance with, the laws of the State of New York, without regard to principles of conflicts of laws.

9. Trustee Disclaimer. The Trustee is not responsible for the validity or sufficiency of this Seventh Supplemental Indenture nor for the recitals herein.

[Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have caused this Seventh Supplemental Indenture to be duly executed as of the day and year first written above.

Company: **VALEANT PHARMACEUTICALS INTERNATIONAL**

By: /s/ Howard B. Schiller
Name: Howard B. Schiller
Title: Executive Vice President and Chief Financial Officer

BLH: **BAUSCH & LOMB HOLDINGS INCORPORATED**

By: /s/ Howard B. Schiller
Name: Howard B. Schiller
Title: Vice President, Treasurer

BLI: **BAUSCH & LOMB INCORPORATED**

By: /s/ Howard B. Schiller
Name: Howard B. Schiller
Title: Executive Vice President and Chief Financial Officer

Trustee: **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A. as Trustee**

By: /s/ Teresa Petta
Name: Teresa Petta
Title: Authorized Signatory

Exhibit 4.14

EIGHTH SUPPLEMENTAL INDENTURE

EIGHTH SUPPLEMENTAL INDENTURE, dated as of August 30, 2013 (the "Eighth Supplemental Indenture"), by and among Bausch & Lomb Holdings Incorporated ("BLH"), Bausch & Lomb Incorporated ("BLI"), Valeant Pharmaceuticals International, a Delaware corporation (the "Company"), and The Bank of New York Mellon Trust Company, N.A., a national banking association, as trustee (the "Trustee").

WHEREAS, each of the Company, Valeant Pharmaceuticals International, Inc. ("Parent"), the indirect parent of the Company, and the Subsidiary Guarantors (as defined in the Indenture referred to below) has heretofore executed and delivered to the Trustee an Indenture, dated as of November 23, 2010 (the "Indenture"), providing for the issuance of 6.875% Senior Notes due 2018 (the "Securities");

WHEREAS, BLH desires to provide a full and unconditional guarantee (the "BLH Guarantee") of the obligations of the Company under the Securities and the Indenture on the terms and conditions set forth herein;

WHEREAS, BLI desires to provide a full and unconditional guarantee (together with the BLH Guarantee, the "Guarantee") of the obligations of the Company under the Securities and the Indenture on the terms and conditions set forth herein;

WHEREAS, pursuant to Section 9.1 of the Indenture, the Company, the Trustee, BLH and BLI are authorized to execute and deliver this Eighth Supplemental Indenture; and

WHEREAS, the Company has complied with all conditions precedent provided for in the Indenture relating to the Eighth Supplemental Indenture.

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto mutually covenant and agree for the equal and ratable benefit of the Holders as follows:

1. Definitions. Capitalized terms used but not defined herein have the meanings ascribed to such terms in the Indenture.

2. Guarantee. BLH and BLI hereby agree, jointly and severally, to provide a full and unconditional guarantee on the terms and subject to the conditions set forth in the Note Guarantee and in the Indenture including, but not limited to, Article 10 thereof.

3. Effectiveness of Eighth Supplemental Indenture. This Eighth Supplemental Indenture shall become effective upon the execution and delivery of this Eighth Supplemental Indenture by the Company, BLH, BLI and the Trustee.

4. Indenture Remains in Full Force and Effect. This Eighth Supplemental Indenture shall form a part of the Indenture for all purposes and, except as supplemented or amended hereby, all other provisions in the Indenture and the Securities, to the extent not inconsistent with the terms and provisions of this Eighth Supplemental Indenture, shall remain in full force and effect.

5. No Recourse Against Others. No stockholder, officer, director or incorporator, as such, past, present or future of BLH or BLI shall have any personal liability under this Guarantee, the Securities, the Indenture or this Eighth Supplemental Indenture by reason of his, her or its status as such stockholder, officer, director or incorporator.

6. Headings. The headings of the Articles and Sections of this Eighth Supplemental Indenture are inserted for convenience of reference and shall not be deemed a part thereof.

7. Counterparts. This Eighth Supplemental Indenture may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

8. Governing Law. This Eighth Supplemental Indenture shall be governed by, and construed in accordance with, the laws of the State of New York, without regard to principles of conflicts of laws.

9. Trustee Disclaimer. The Trustee is not responsible for the validity or sufficiency of this Eighth Supplemental Indenture nor for the recitals herein.

[Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have caused this Eighth Supplemental Indenture to be duly executed as of the day and year first written above.

Company: **VALEANT PHARMACEUTICALS INTERNATIONAL**

By: /s/ Howard B. Schiller
Name: Howard B. Schiller
Title: Executive Vice President and Chief Financial Officer

BLH: **BAUSCH & LOMB HOLDINGS INCORPORATED**

By: /s/ Howard B. Schiller
Name: Howard B. Schiller
Title: Vice President, Treasurer

BLI: **BAUSCH & LOMB INCORPORATED**

By: /s/ Howard B. Schiller
Name: Howard B. Schiller
Title: Executive Vice President and Chief Financial Officer

Trustee: **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A. as Trustee**

By: /s/ Teresa Petta
Name: Teresa Petta
Title: Authorized Signatory

Exhibit 4.15

NINTH SUPPLEMENTAL INDENTURE

NINTH SUPPLEMENTAL INDENTURE, dated as of August 30, 2013 (the "Ninth Supplemental Indenture"), by and among Bausch & Lomb Holdings Incorporated ("BLH"), Bausch & Lomb Incorporated ("BLI"), Valeant Pharmaceuticals International, a Delaware corporation (the "Company") and The Bank of New York Mellon Trust Company, N.A., a national banking association, as trustee (the "Trustee").

WHEREAS, each of the Company, Valeant Pharmaceuticals International, Inc. ("Parent"), the indirect parent of the Company, and the Subsidiary Guarantors (as defined in the Indenture referred to below) has heretofore executed and delivered to the Trustee an Indenture, dated as of September 28, 2010 (the "Indenture"), providing for the issuance of 6.75% Senior Notes due 2017 and 7.00% Senior Notes due 2020 (collectively, the "Securities");

WHEREAS, BLH desires to provide a full and unconditional guarantee (the "BLH Guarantee") of the obligations of the Company under the Securities and the Indenture on the terms and conditions set forth herein;

WHEREAS, BLI desires to provide a full and unconditional guarantee (together with the BLH Guarantee, the "Guarantee") of the obligations of the Company under the Securities and the Indenture on the terms and conditions set forth herein;

WHEREAS, pursuant to Section 9.1 of the Indenture, the Company, the Trustee, BLH and BLI are authorized to execute and deliver this Ninth Supplemental Indenture; and

WHEREAS, the Company has complied with all conditions precedent provided for in the Indenture relating to the Ninth Supplemental Indenture.

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto mutually covenant and agree for the equal and ratable benefit of the Holders as follows:

1. Definitions. Capitalized terms used but not defined herein have the meanings ascribed to such terms in the Indenture.

2. Guarantee. BLH and BLI hereby agree, jointly and severally, to provide a full and unconditional guarantee on the terms and subject to the conditions set forth in the Note Guarantee and in the Indenture including, but not limited to, Article 10 thereof.

3. Effectiveness of Ninth Supplemental Indenture. This Ninth Supplemental Indenture shall become effective upon the execution and delivery of this Ninth Supplemental Indenture by the Company, BLH, BLI and the Trustee.

4. Indenture Remains in Full Force and Effect. This Ninth Supplemental Indenture shall form a part of the Indenture for all purposes and, except as supplemented or amended hereby, all other provisions in the Indenture and the Securities, to the extent not inconsistent with the terms and provisions of this Ninth Supplemental Indenture, shall remain in full force and effect.

5. No Recourse Against Others. No stockholder, officer, director or incorporator, as such, past, present or future of BLH or BLI shall have any personal liability under this Guarantee, the Securities, the Indenture or this Ninth Supplemental Indenture by reason of his, her or its status as such stockholder, officer, director or incorporator.

6. Headings. The headings of the Articles and Sections of this Ninth Supplemental Indenture are inserted for convenience of reference and shall not be deemed a part thereof.

7. Counterparts. This Ninth Supplemental Indenture may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

8. Governing Law. This Ninth Supplemental Indenture shall be governed by, and construed in accordance with, the laws of the State of New York, without regard to principles of conflicts of laws.

9. Trustee Disclaimer. The Trustee is not responsible for the validity or sufficiency of this Ninth Supplemental Indenture nor for the recitals herein.

[Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have caused this Ninth Supplemental Indenture to be duly executed as of the day and year first written above.

Company: **VALEANT PHARMACEUTICALS INTERNATIONAL**

By: /s/ Howard B. Schiller
Name: Howard B. Schiller
Title: Executive Vice President and Chief Financial Officer

BLH: **BAUSCH & LOMB HOLDINGS INCORPORATED**

By: /s/ Howard B. Schiller
Name: Howard B. Schiller
Title: Vice President, Treasurer

BLI: **BAUSCH & LOMB INCORPORATED**

By: /s/ Howard B. Schiller
Name: Howard B. Schiller
Title: Executive Vice President and Chief Financial Officer

Trustee: **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A. as Trustee**

By: /s/ Teresa Petta
Name: Teresa Petta
Title: Authorized Signatory

Exhibit 4.16

FOURTH SUPPLEMENTAL INDENTURE

FOURTH SUPPLEMENTAL INDENTURE, dated as of September 9, 2013 (the "Fourth Supplemental Indenture"), by and among Valeant Pharmaceuticals Australasia Pty Limited (ACN 001 083 352), DermaTech Pty Limited (ACN 003 982 161), Private Formula International Holdings Pty Ltd (ACN 095 450 918), Private Formula International Pty Ltd (ACN 095 451 442), Ganehill Pty Ltd (ACN 065 261 538) (collectively, the "New Guarantors"), Valeant Pharmaceuticals International, Inc., a corporation continued under the British Columbia *Business Corporations Act* (the "Company"), and The Bank of New York Mellon Trust Company, N.A., a national banking association, as trustee (the "Trustee").

WHEREAS, VPII Escrow Corp., a corporation organized under the federal laws of Canada (the "Escrow Issuer"), has heretofore executed and delivered to the Trustee an Indenture, dated as of July 12, 2013 (the "Indenture"), providing for the issuance of the Escrow Issuer's 6.75% Senior Notes due 2018 (the "2018 Notes") and 7.50% Senior Notes due 2021 (the "2021 Notes" and, together with the 2018 Notes, the "Securities");

WHEREAS, each New Guarantor desires to provide a full and unconditional guarantee (each, a "Guarantee") of the obligations of the Company under the Securities and the Indenture on the terms and conditions set forth herein;

WHEREAS, pursuant to Section 9.1 of the Indenture, the Company, the Trustee and the New Guarantors are authorized to execute and deliver this Fourth Supplemental Indenture; and

WHEREAS, the Company has complied with all conditions precedent provided for in the Indenture relating to the Fourth Supplemental Indenture.

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto mutually covenant and agree for the equal and ratable benefit of the Holders as follows:

1. Definitions. Capitalized terms used but not defined herein have the meanings ascribed to such terms in the Indenture.

2. Guarantee. Each New Guarantor hereby agrees, jointly and severally, to provide a full and unconditional guarantee on the terms and subject to the conditions set forth in the Guarantee and in the Indenture including, but not limited to, Article 10 thereof.

3. Effectiveness of Fourth Supplemental Indenture. This Fourth Supplemental Indenture shall become effective upon the execution and delivery of this Fourth Supplemental Indenture by the Company, the New Guarantors and the Trustee.

4. Indenture Remains in Full Force and Effect. This Fourth Supplemental Indenture shall form a part of the Indenture for all purposes and, except as supplemented or amended hereby, all other provisions in the Indenture and the Securities, to the extent not inconsistent with the terms and provisions of this Fourth Supplemental Indenture, shall remain in full force and effect.

5. No Recourse Against Others. No stockholder, officer, director or incorporator, as such, past, present or future of any New Guarantor shall have any personal liability under this

Guarantee, the Securities, the Indenture or this Fourth Supplemental Indenture by reason of his, her or its status as such stockholder, officer, director or incorporator.

6. Headings. The headings of the Articles and Sections of this Fourth Supplemental Indenture are inserted for convenience of reference and shall not be deemed a part thereof.

7. Counterparts. This Fourth Supplemental Indenture may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

8. Governing Law. This Fourth Supplemental Indenture shall be governed by, and construed in accordance with, the laws of the State of New York, without regard to principles of conflicts of laws.

9. Agent for Service. Each New Guarantor hereby appoints CT Corporation as its authorized agent upon whom process may be served in any suit or proceeding arising out of or relating to the Indenture, the Securities or this Fourth Supplemental Indenture that may be instituted in any federal or state court in the State of New York or brought under federal or state securities laws.

10. Trustee Disclaimer. The Trustee is not responsible for the validity or sufficiency of this Fourth Supplemental Indenture nor for the recitals herein.

[Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have caused this Fourth Supplemental Indenture to be duly executed as of the day and year first written above.

Company: **VALEANT PHARMACEUTICALS INTERNATIONAL, INC.**

By: /s/ Howard B. Schiller
Name: Howard B. Schiller
Title: Executive Vice President and Chief Financial Officer

Signed by
Valeant Pharmaceuticals Australasia Pty Limited (ACN **001 083 352**)

in accordance with section 127 of the *Corporations Act 2001* by a director and secretary/director:

/s/ Robert R. Chai-Onn	/s/ Ling Zeng
Signature of director	Signature of director/secretary
Robert R. Chai-Onn	Ling Zeng
Name of director (please print)	Name of director/secretary (please print)

Signed by
DermaTech Pty Limited (ACN 003 982 161)

in accordance with section 127 of the *Corporations Act 2001* by a director and secretary/director:

/s/ Howard B. Schiller	/s/ Robert R. Chai-Onn
Signature of director	Signature of director/secretary
Howard B. Schiller	Robert R. Chai-Onn
Name of director (please print)	Name of director/secretary (please print)

Signed by
Private Formula International Holdings Pty Ltd (ACN **095 450 918**)

in accordance with section 127 of the *Corporations Act 2001* by a director and secretary/director:

/s/ Howard B. Schiller	/s/ Robert R. Chai-Onn
Signature of director	Signature of director/secretary
Howard B. Schiller	Robert R. Chai-Onn
Name of director (please print)	Name of director/secretary (please print)

Signed by
Private Formula International Pty Ltd (ACN **095 451 442**)

in accordance with section 127 of the *Corporations Act 2001* by a director and secretary/director:

/s/ Howard B. Schiller	/s/ Robert R. Chai-Onn
Signature of director	Signature of director/secretary
Howard B. Schiller	Robert R. Chai-Onn
Name of director (please print)	Name of director/secretary (please print)

Signed by
Ganehill Pty Ltd (ACN 065 261 538)

in accordance with section 127 of the *Corporations Act 2001* by a director and secretary/director:

/s/ Howard B. Schiller	/s/ Robert R. Chai-Onn
Signature of director	Signature of director/secretary
Howard B. Schiller	Robert R. Chai-Onn
Name of director (please print)	Name of director/secretary (please print)

Trustee:

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.
as Trustee

By: /s/ Teresa Petta
Name: Teresa Petta
Title: Authorized Signatory

Exhibit 4.17

FIFTH SUPPLEMENTAL INDENTURE

FIFTH SUPPLEMENTAL INDENTURE, dated as of September 9, 2013 (the "Fifth Supplemental Indenture"), by and among Valeant Pharmaceuticals Australasia Pty Limited (ACN 001 083 352), DermaTech Pty Limited (ACN 003 982 161), Private Formula International Holdings Pty Ltd (ACN 095 450 918), Private Formula International Pty Ltd (ACN 095 451 442), Ganehill Pty Ltd (ACN 065 261 538) (collectively, the "New Guarantors"), Valeant Pharmaceuticals International, a Delaware corporation (the "Company"), and The Bank of New York Mellon Trust Company, N.A., a national banking association, as trustee (the "Trustee").

WHEREAS, each of VPI Escrow Corp., a Delaware corporation, the Company, Valeant Pharmaceuticals International, Inc., a corporation continued under the federal laws of Canada ("Parent") and the Subsidiary Guarantors (as defined in the Indenture referred to below) then party hereto, has heretofore executed and delivered to the Trustee an Indenture, dated as of October 4, 2012 (the "Indenture"), providing for the issuance of 6.375% Senior Notes due 2020 (the "Securities");

WHEREAS, pursuant to a supplemental indenture (the "Supplemental Indenture") dated as of October 4, 2012, among the Company, Parent, the Subsidiary Guarantors (as defined in the Supplemental Indenture) party thereto, and the Trustee, the Company has unconditionally assumed all of VPI Escrow Corp.'s obligations under the Securities;

WHEREAS, each New Guarantor desires to provide a full and unconditional guarantee (each, a "Guarantee") of the obligations of the Company under the Securities and the Indenture on the terms and conditions set forth herein;

WHEREAS, pursuant to Section 9.1 of the Indenture, the Company, the Trustee and the New Guarantors are authorized to execute and deliver this Fifth Supplemental Indenture; and

WHEREAS, the Company has complied with all conditions precedent provided for in the Indenture relating to the Fifth Supplemental Indenture.

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto mutually covenant and agree for the equal and ratable benefit of the Holders as follows:

1. Definitions. Capitalized terms used but not defined herein have the meanings ascribed to such terms in the Indenture.

2. Guarantee. Each New Guarantor hereby agrees, jointly and severally, to provide a full and unconditional guarantee on the terms and subject to the conditions set forth in the Guarantee and in the Indenture including, but not limited to, Article 10 thereof.

3. Effectiveness of Fifth Supplemental Indenture. This Fifth Supplemental Indenture shall become effective upon the execution and delivery of this Fifth Supplemental Indenture by the Company, the New Guarantors and the Trustee.

4. Indenture Remains in Full Force and Effect. This Fifth Supplemental Indenture shall form a part of the Indenture for all purposes and, except as supplemented or amended hereby, all other provisions in the Indenture and the Securities, to the extent not inconsistent with the terms and provisions of this Fifth Supplemental Indenture, shall remain in full force and effect.

5. No Recourse Against Others. No stockholder, officer, director or incorporator, as such, past, present or future of any New Guarantor shall have any personal liability under this Guarantee, the Securities, the Indenture or this Fifth Supplemental Indenture by reason of his, her or its status as such stockholder, officer, director or incorporator.

6. Headings. The headings of the Articles and Sections of this Fifth Supplemental Indenture are inserted for convenience of reference and shall not be deemed a part thereof.

7. Counterparts. This Fifth Supplemental Indenture may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

8. Governing Law. This Fifth Supplemental Indenture shall be governed by, and construed in accordance with, the laws of the State of New York, without regard to principles of conflicts of laws.

9. Agent for Service. Each New Guarantor hereby appoints CT Corporation as its authorized agent upon whom process may be served in any suit or proceeding arising out of or relating to the Indenture, the Securities or this Fifth Supplemental Indenture that may be instituted in any federal or state court in the State of New York or brought under federal or state securities laws.

10. Trustee Disclaimer. The Trustee is not responsible for the validity or sufficiency of this Fifth Supplemental Indenture nor for the recitals herein.

[Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have caused this Fifth Supplemental Indenture to be duly executed as of the day and year first written above.

Company: **VALEANT PHARMACEUTICALS INTERNATIONAL**

By: /s/ Howard B. Schiller
Name: Howard B. Schiller
Title: Executive Vice President and Chief Financial Officer

Signed by
Valeant Pharmaceuticals Australasia Pty Limited (ACN **001 083 352**)

in accordance with section 127 of the *Corporations Act 2001* by a director and secretary/director:

/s/ Robert R. Chai-Onn	/s/ Ling Zeng
Signature of director	Signature of director/secretary
Robert R. Chai-Onn	Ling Zeng
Name of director (please print)	Name of director/secretary (please print)

Signed by
DermaTech Pty Limited (ACN 003 982 161)

in accordance with section 127 of the *Corporations Act 2001* by a director and secretary/director:

/s/ Howard B. Schiller	/s/ Robert R. Chai-Onn
Signature of director	Signature of director/secretary
Howard B. Schiller	Robert R. Chai-Onn
Name of director (please print)	Name of director/secretary (please print)

Signed by
Private Formula International Holdings Pty Ltd (ACN **095 450 918**)

in accordance with section 127 of the *Corporations Act 2001* by a director and secretary/director:

/s/ Howard B. Schiller	/s/ Robert R. Chai-Onn
Signature of director	Signature of director/secretary
Howard B. Schiller	Robert R. Chai-Onn
Name of director (please print)	Name of director/secretary (please print)

Signed by
Private Formula International Pty Ltd (ACN **095 451 442**)

in accordance with section 127 of the *Corporations Act 2001* by a director and secretary/director:

/s/ Howard B. Schiller	/s/ Robert R. Chai-Onn
Signature of director	Signature of director/secretary
Howard B. Schiller	Robert R. Chai-Onn
Name of director (please print)	Name of director/secretary (please print)

Signed by
Ganehill Pty Ltd (ACN 065 261 538)

in accordance with section 127 of the *Corporations Act 2001* by a director and secretary/director:

/s/ Howard B. Schiller	/s/ Robert R. Chai-Onn
Signature of director	Signature of director/secretary
Howard B. Schiller	Robert R. Chai-Onn
Name of director (please print)	Name of director/secretary (please print)

Trustee: **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A. as Trustee**

By: /s/ Teresa Petta
Name: Teresa Petta
Title: Authorized Signatory

Exhibit 4.18

EIGHTH SUPPLEMENTAL INDENTURE

EIGHTH SUPPLEMENTAL INDENTURE, dated as of September 9, 2013 (the "Eighth Supplemental Indenture"), by and among Valeant Pharmaceuticals Australasia Pty Limited (ACN 001 083 352), DermaTech Pty Limited (ACN 003 982 161), Private Formula International Holdings Pty Ltd (ACN 095 450 918), Private Formula International Pty Ltd (ACN 095 451 442), Ganehill Pty Ltd (ACN 065 261 538) (collectively, the "New Guarantors"), Valeant Pharmaceuticals International, a Delaware corporation (the "Company"), and The Bank of New York Mellon Trust Company, N.A., a national banking association, as trustee (the "Trustee").

WHEREAS, each of the Company, Valeant Pharmaceuticals International, Inc. ("Parent"), the indirect parent of the Company, and the Subsidiary Guarantors (as defined in the Indenture referred to below) has heretofore executed and delivered to the Trustee an Indenture, dated as of March 8, 2011 (the "Indenture"), providing for the issuance of 6.50% Senior Notes due 2016 and 7.25% Senior Notes due 2022 (collectively, the "Securities");

WHEREAS, each New Guarantor desires to provide a full and unconditional guarantee (each, a "Guarantee") of the obligations of the Company under the Securities and the Indenture on the terms and conditions set forth herein;

WHEREAS, pursuant to Section 9.1 of the Indenture, the Company, the Trustee and the New Guarantors are authorized to execute and deliver this Eighth Supplemental Indenture; and

WHEREAS, the Company has complied with all conditions precedent provided for in the Indenture relating to the Eighth Supplemental Indenture.

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto mutually covenant and agree for the equal and ratable benefit of the Holders as follows:

1. Definitions. Capitalized terms used but not defined herein have the meanings ascribed to such terms in the Indenture.

2. Guarantee. Each New Guarantor hereby agrees, jointly and severally, to provide a full and unconditional guarantee on the terms and subject to the conditions set forth in the Guarantee and in the Indenture including, but not limited to, Article 10 thereof.

3. Effectiveness of Eighth Supplemental Indenture. This Eighth Supplemental Indenture shall become effective upon the execution and delivery of this Eighth Supplemental Indenture by the Company, the New Guarantors and the Trustee.

4. Indenture Remains in Full Force and Effect. This Eighth Supplemental Indenture shall form a part of the Indenture for all purposes and, except as supplemented or amended hereby, all other provisions in the Indenture and the Securities, to the extent not inconsistent with the terms and provisions of this Eighth Supplemental Indenture, shall remain in full force and effect.

5. No Recourse Against Others. No stockholder, officer, director or incorporator, as such, past, present or future of any New Guarantor shall have any personal liability under this Guarantee, the Securities, the Indenture or this Eighth Supplemental Indenture by reason of his, her or its status as such stockholder, officer, director or incorporator.

6. Headings. The headings of the Articles and Sections of this Eighth Supplemental Indenture are inserted for convenience of reference and shall not be deemed a part thereof.

7. Counterparts. This Eighth Supplemental Indenture may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

8. Governing Law. This Eighth Supplemental Indenture shall be governed by, and construed in accordance with, the laws of the State of New York, without regard to principles of conflicts of laws.

9. Agent for Service. Each New Guarantor hereby appoints CT Corporation as its authorized agent upon whom process may be served in any suit or proceeding arising out of or relating to the Indenture, the Securities or this Eighth Supplemental Indenture that may be instituted in any federal or state court in the State of New York or brought under federal or state securities laws.

10. Trustee Disclaimer. The Trustee is not responsible for the validity or sufficiency of this Eighth Supplemental Indenture nor for the recitals herein.

[Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have caused this Eighth Supplemental Indenture to be duly executed as of the day and year first written above.

Company: **VALEANT PHARMACEUTICALS INTERNATIONAL**

By: /s/ Howard B. Schiller
Name: Howard B. Schiller
Title: Executive Vice President and Chief Financial Officer

Signed by
Valeant Pharmaceuticals Australasia Pty Limited (ACN **001 083 352**)

in accordance with section 127 of the *Corporations Act 2001* by a director and secretary/director:

/s/ Robert R. Chai-Onn	/s/ Ling Zeng
Signature of director	Signature of director/secretary
Robert R. Chai-Onn	Ling Zeng
Name of director (please print)	Name of director/secretary (please print)

Signed by
DermaTech Pty Limited (ACN 003 982 161)

in accordance with section 127 of the *Corporations Act 2001* by a director and secretary/director:

/s/ Howard B. Schiller	/s/ Robert R. Chai-Onn
Signature of director	Signature of director/secretary
Howard B. Schiller	Robert R. Chai-Onn
Name of director (please print)	Name of director/secretary (please print)

Signed by
Private Formula International Holdings Pty Ltd (ACN **095 450 918**)

in accordance with section 127 of the *Corporations Act 2001* by a director and secretary/director:

/s/ Howard B. Schiller	/s/ Robert R. Chai-Onn
Signature of director	Signature of director/secretary
Howard B. Schiller	Robert R. Chai-Onn
Name of director (please print)	Name of director/secretary (please print)

Signed by
Private Formula International Pty Ltd (ACN **095 451 442**)

in accordance with section 127 of the *Corporations Act 2001* by a director and secretary/director:

/s/ Howard B. Schiller	/s/ Robert R. Chai-Onn
Signature of director	Signature of director/secretary
Howard B. Schiller	Robert R. Chai-Onn
Name of director (please print)	Name of director/secretary (please print)

Signed by
Ganehill Pty Ltd (ACN 065 261 538)

in accordance with section 127 of the *Corporations Act 2001* by a director and secretary/director:

/s/ Howard B. Schiller	/s/ Robert R. Chai-Onn
Signature of director	Signature of director/secretary
Howard B. Schiller	Robert R. Chai-Onn
Name of director (please print)	Name of director/secretary (please print)

Trustee: **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A. as Trustee**

By: /s/ Teresa Petta
Name: Teresa Petta
Title: Authorized Signatory

Exhibit 4.19

EIGHTH SUPPLEMENTAL INDENTURE

EIGHTH SUPPLEMENTAL INDENTURE, dated as of September 9, 2013 (the "Eighth Supplemental Indenture"),by and among Valeant Pharmaceuticals Australasia Pty Limited (ACN 001 083 352), DermaTech Pty Limited (ACN 003 982 161), Private Formula International Holdings Pty Ltd (ACN 095 450 918), Private Formula International Pty Ltd (ACN 095 451 442), Ganehill Pty Ltd (ACN 065 261 538) (collectively, the "New Guarantors"), Valeant Pharmaceuticals International, a Delaware corporation (the "Company"), and The Bank of New York Mellon Trust Company, N.A., a national banking association, as trustee (the "Trustee").

WHEREAS, each of the Company, Valeant Pharmaceuticals International, Inc. ("Parent"), the indirect parent of the Company, and the Subsidiary Guarantors (as defined in the Indenture referred to below) has heretofore executed and delivered to the Trustee an Indenture, dated as of February 8, 2011 (the "Indenture"), providing for the issuance of 6.75% Senior Notes due 2021 (the "Securities");

WHEREAS, each New Guarantor desires to provide a full and unconditional guarantee (each, a "Guarantee") of the obligations of the Company under the Securities and the Indenture on the terms and conditions set forth herein;

WHEREAS, pursuant to Section 9.1 of the Indenture, the Company, the Trustee and the New Guarantors are authorized to execute and deliver this Eighth Supplemental Indenture; and

WHEREAS, the Company has complied with all conditions precedent provided for in the Indenture relating to the Eighth Supplemental Indenture.

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto mutually covenant and agree for the equal and ratable benefit of the Holders as follows:

1. Definitions. Capitalized terms used but not defined herein have the meanings ascribed to such terms in the Indenture.

2. Guarantee. Each New Guarantor hereby agrees, jointly and severally, to provide a full and unconditional guarantee on the terms and subject to the conditions set forth in the Guarantee and in the Indenture including, but not limited to, Article 10 thereof.

3. Effectiveness of Eighth Supplemental Indenture. This Eighth Supplemental Indenture shall become effective upon the execution and delivery of this Eighth Supplemental Indenture by the Company, the New Guarantors and the Trustee.

4. Indenture Remains in Full Force and Effect. This Eighth Supplemental Indenture shall form a part of the Indenture for all purposes and, except as supplemented or amended hereby, all other provisions in the Indenture and the Securities, to the extent not inconsistent with the terms and provisions of this Eighth Supplemental Indenture, shall remain in full force and effect.

5. No Recourse Against Others. No stockholder, officer, director or incorporator, as such, past, present or future of any New Guarantor shall have any personal liability under this Guarantee, the Securities, the Indenture or this Eighth Supplemental Indenture by reason of his, her or its status as such stockholder, officer, director or incorporator.

6. Headings. The headings of the Articles and Sections of this Eighth Supplemental Indenture are inserted for convenience of reference and shall not be deemed a part thereof.

7. Counterparts. This Eighth Supplemental Indenture may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

8. Governing Law. This Eighth Supplemental Indenture shall be governed by, and construed in accordance with, the laws of the State of New York, without regard to principles of conflicts of laws.

9. Agent for Service. Each New Guarantor hereby appoints CT Corporation as its authorized agent upon whom process may be served in any suit or proceeding arising out of or relating to the Indenture, the Securities or this Eighth Supplemental Indenture that may be instituted in any federal or state court in the State of New York or brought under federal or state securities laws.

10. Trustee Disclaimer. The Trustee is not responsible for the validity or sufficiency of this Eighth Supplemental Indenture nor for the recitals herein.

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IN WITNESS WHEREOF, the parties hereto have caused this Eighth Supplemental Indenture to be duly executed as of the day and year first written above.

Company: **VALEANT PHARMACEUTICALS INTERNATIONAL**

By: /s/ Howard B. Schiller
Name: Howard B. Schiller
Title: Executive Vice President and Chief Financial Officer

Signed by
Valeant Pharmaceuticals Australasia Pty Limited (ACN **001 083 352**)

in accordance with section 127 of the *Corporations Act 2001* by a director and secretary/director:

/s/ Robert R. Chai-Onn	/s/ Ling Zeng
Signature of director	Signature of director/secretary
Robert R. Chai-Onn	Ling Zeng
Name of director (please print)	Name of director/secretary (please print)

Signed by
DermaTech Pty Limited (ACN 003 982 161)

in accordance with section 127 of the *Corporations Act 2001* by a director and secretary/director:

/s/ Howard B. Schiller	/s/ Robert R. Chai-Onn
Signature of director	Signature of director/secretary
Howard B. Schiller	Robert R. Chai-Onn
Name of director (please print)	Name of director/secretary (please print)

Signed by
Private Formula International Holdings Pty Ltd (ACN **095 450 918**)

in accordance with section 127 of the *Corporations Act 2001* by a director and secretary/director:

/s/ Howard B. Schiller	/s/ Robert R. Chai-Onn
Signature of director	Signature of director/secretary
Howard B. Schiller	Robert R. Chai-Onn
Name of director (please print)	Name of director/secretary (please print)

Signed by
Private Formula International Pty Ltd (ACN **095 451 442**)

in accordance with section 127 of the *Corporations Act 2001* by a director and secretary/director:

/s/ Howard B. Schiller	/s/ Robert R. Chai-Onn
Signature of director	Signature of director/secretary
Howard B. Schiller	Robert R. Chai-Onn
Name of director (please print)	Name of director/secretary (please print)

Signed by
Ganehill Pty Ltd (ACN 065 261 538)

in accordance with section 127 of the *Corporations Act 2001* by a director and secretary/director:

/s/ Howard B. Schiller	/s/ Robert R. Chai-Onn
Signature of director	Signature of director/secretary
Howard B. Schiller	Robert R. Chai-Onn
Name of director (please print)	Name of director/secretary (please print)

Trustee: **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A. as Trustee**

By: /s/ Teresa Petta
Name: Teresa Petta
Title: Authorized Signatory

Exhibit 4.20

NINTH SUPPLEMENTAL INDENTURE

NINTH SUPPLEMENTAL INDENTURE, dated as of September 9, 2013 (the "Ninth Supplemental Indenture"), by and among Valeant Pharmaceuticals Australasia Pty Limited (ACN 001 083 352), DermaTech Pty Limited (ACN 003 982 161), Private Formula International Holdings Pty Ltd (ACN 095 450 918), Private Formula International Pty Ltd (ACN 095 451 442), Ganehill Pty Ltd (ACN 065 261 538) (collectively, the "New Guarantors"), Valeant Pharmaceuticals International, a Delaware corporation (the "Company"), and The Bank of New York Mellon Trust Company, N.A., a national banking association, as trustee (the "Trustee").

WHEREAS, each of the Company, Valeant Pharmaceuticals International, Inc. ("Parent"), the indirect parent of the Company, and the Subsidiary Guarantors (as defined in the Indenture referred to below) has heretofore executed and delivered to the Trustee an Indenture, dated as of November 23, 2010 (the "Indenture"), providing for the issuance of 6.875% Senior Notes due 2018 (the "Securities");

WHEREAS, each New Guarantor desires to provide a full and unconditional guarantee (each, a "Guarantee") of the obligations of the Company under the Securities and the Indenture on the terms and conditions set forth herein;

WHEREAS, pursuant to Section 9.1 of the Indenture, the Company, the Trustee and the New Guarantors are authorized to execute and deliver this Ninth Supplemental Indenture; and

WHEREAS, the Company has complied with all conditions precedent provided for in the Indenture relating to the Ninth Supplemental Indenture.

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto mutually covenant and agree for the equal and ratable benefit of the Holders as follows:

1. Definitions. Capitalized terms used but not defined herein have the meanings ascribed to such terms in the Indenture.

2. Guarantee. Each New Guarantor hereby agrees, jointly and severally, to provide a full and unconditional guarantee on the terms and subject to the conditions set forth in the Guarantee and in the Indenture including, but not limited to, Article 10 thereof.

3. Effectiveness of Ninth Supplemental Indenture. This Ninth Supplemental Indenture shall become effective upon the execution and delivery of this Ninth Supplemental Indenture by the Company, the New Guarantors and the Trustee.

4. Indenture Remains in Full Force and Effect. This Ninth Supplemental Indenture shall form a part of the Indenture for all purposes and, except as supplemented or amended hereby, all other provisions in the Indenture and the Securities, to the extent not inconsistent with the terms and provisions of this Ninth Supplemental Indenture, shall remain in full force and effect.

5. No Recourse Against Others. No stockholder, officer, director or incorporator, as such, past, present or future of any New Guarantor shall have any personal liability under this Guarantee, the Securities, the Indenture or this Ninth Supplemental Indenture by reason of his, her or its status as such stockholder, officer, director or incorporator.

6. Headings. The headings of the Articles and Sections of this Ninth Supplemental Indenture are inserted for convenience of reference and shall not be deemed a part thereof.

7. Counterparts. This Ninth Supplemental Indenture may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

8. Governing Law. This Ninth Supplemental Indenture shall be governed by, and construed in accordance with, the laws of the State of New York, without regard to principles of conflicts of laws.

9. Agent for Service. Each New Guarantor hereby appoints CT Corporation as its authorized agent upon whom process may be served in any suit or proceeding arising out of or relating to the Indenture, the Securities or this Ninth Supplemental Indenture that may be instituted in any federal or state court in the State of New York or brought under federal or state securities laws.

10. Trustee Disclaimer. The Trustee is not responsible for the validity or sufficiency of this Ninth Supplemental Indenture nor for the recitals herein.

[Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have caused this Ninth Supplemental Indenture to be duly executed as of the day and year first written above.

Company: **VALEANT PHARMACEUTICALS INTERNATIONAL**

By: /s/ Howard B. Schiller
Name: Howard B. Schiller
Title: Executive Vice President and Chief Financial Officer

Signed by
Valeant Pharmaceuticals Australasia Pty Limited (ACN **001 083 352**)

in accordance with section 127 of the *Corporations Act 2001* by a director and secretary/director:

/s/ Robert R. Chai-Onn	/s/ Ling Zeng
Signature of director	Signature of director/secretary
Robert R. Chai-Onn	Ling Zeng
Name of director (please print)	Name of director/secretary (please print)

Signed by
DermaTech Pty Limited (ACN 003 982 161)

in accordance with section 127 of the *Corporations Act 2001* by a director and secretary/director:

/s/ Howard B. Schiller	/s/ Robert R. Chai-Onn
Signature of director	Signature of director/secretary
Howard B. Schiller	Robert R. Chai-Onn
Name of director (please print)	Name of director/secretary (please print)

Signed by
Private Formula International Holdings Pty Ltd (ACN **095 450 918**)

in accordance with section 127 of the *Corporations Act 2001* by a director and secretary/director:

/s/ Howard B. Schiller	/s/ Robert R. Chai-Onn
Signature of director	Signature of director/secretary
Howard B. Schiller	Robert R. Chai-Onn
Name of director (please print)	Name of director/secretary (please print)

Signed by
Private Formula International Pty Ltd (ACN **095 451 442**)

in accordance with section 127 of the *Corporations Act 2001* by a director and secretary/director:

/s/ Howard B. Schiller	/s/ Robert R. Chai-Onn
Signature of director	Signature of director/secretary
Howard B. Schiller	Robert R. Chai-Onn
Name of director (please print)	Name of director/secretary (please print)

Signed by
Ganehill Pty Ltd (ACN 065 261 538)

in accordance with section 127 of the *Corporations Act 2001* by a director and secretary/director:

/s/ Howard B. Schiller	/s/ Robert R. Chai-Onn
Signature of director	Signature of director/secretary
Howard B. Schiller	Robert R. Chai-Onn
Name of director (please print)	Name of director/secretary (please print)

Trustee: **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A. as Trustee**

By: /s/ Teresa Petta
Name: Teresa Petta
Title: Authorized Signatory

Exhibit 4.21

TENTH SUPPLEMENTAL INDENTURE

TENTH SUPPLEMENTAL INDENTURE, dated as of September 9, 2013 (the "Tenth Supplemental Indenture"),by and among Valeant Pharmaceuticals Australasia Pty Limited (ACN 001 083 352), DermaTech Pty Limited (ACN 003 982 161), Private Formula International Holdings Pty Ltd (ACN 095 450 918), Private Formula International Pty Ltd (ACN 095 451 442), Ganehill Pty Ltd (ACN 065 261 538) (collectively, the "New Guarantors"), Valeant Pharmaceuticals International, a Delaware corporation (the "Company"), and The Bank of New York Mellon Trust Company, N.A., a national banking association, as trustee (the "Trustee").

WHEREAS, each of the Company, Valeant Pharmaceuticals International, Inc. ("Parent"), the indirect parent of the Company, and the Subsidiary Guarantors (as defined in the Indenture referred to below) has heretofore executed and delivered to the Trustee an Indenture, dated as of September 28, 2010 (the "Indenture"), providing for the issuance of 6.75% Senior Notes due 2017 and 7.00% Senior Notes due 2020 (collectively, the "Securities");

WHEREAS, each New Guarantor desires to provide a full and unconditional guarantee (each, a "Guarantee") of the obligations of the Company under the Securities and the Indenture on the terms and conditions set forth herein;

WHEREAS, pursuant to Section 9.1 of the Indenture, the Company, the Trustee and the New Guarantors are authorized to execute and deliver this Tenth Supplemental Indenture; and

WHEREAS, the Company has complied with all conditions precedent provided for in the Indenture relating to the Tenth Supplemental Indenture.

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto mutually covenant and agree for the equal and ratable benefit of the Holders as follows:

1. Definitions. Capitalized terms used but not defined herein have the meanings ascribed to such terms in the Indenture.

2. Guarantee. Each New Guarantor hereby agrees, jointly and severally, to provide a full and unconditional guarantee on the terms and subject to the conditions set forth in the Guarantee and in the Indenture including, but not limited to, Article 10 thereof.

3. Effectiveness of Tenth Supplemental Indenture. This Tenth Supplemental Indenture shall become effective upon the execution and delivery of this Tenth Supplemental Indenture by the Company, the New Guarantors and the Trustee.

4. Indenture Remains in Full Force and Effect. This Tenth Supplemental Indenture shall form a part of the Indenture for all purposes and, except as supplemented or amended hereby, all other provisions in the Indenture and the Securities, to the extent not inconsistent with the terms and provisions of this Tenth Supplemental Indenture, shall remain in full force and effect.

5. No Recourse Against Others. No stockholder, officer, director or incorporator, as such, past, present or future of any New Guarantor shall have any personal liability under this Guarantee, the Securities, the Indenture or this Tenth Supplemental Indenture by reason of his, her or its status as such stockholder, officer, director or incorporator.

6. Headings. The headings of the Articles and Sections of this Tenth Supplemental Indenture are inserted for convenience of reference and shall not be deemed a part thereof.

7. Counterparts. This Tenth Supplemental Indenture may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

8. Governing Law. This Tenth Supplemental Indenture shall be governed by, and construed in accordance with, the laws of the State of New York, without regard to principles of conflicts of laws.

9. Agent for Service. Each New Guarantor hereby appoints CT Corporation as its authorized agent upon whom process may be served in any suit or proceeding arising out of or relating to the Indenture, the Securities or this Tenth Supplemental Indenture that may be instituted in any federal or state court in the State of New York or brought under federal or state securities laws.

10. Trustee Disclaimer. The Trustee is not responsible for the validity or sufficiency of this Tenth Supplemental Indenture nor for the recitals herein.

[Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have caused this Tenth Supplemental Indenture to be duly executed as of the day and year first written above.

Company: **VALEANT PHARMACEUTICALS INTERNATIONAL**

By: /s/ Howard B. Schiller
Name: Howard B. Schiller
Title: Executive Vice President and Chief Financial Officer

Signed by
Valeant Pharmaceuticals Australasia Pty Limited (ACN **001 083 352**)

in accordance with section 127 of the *Corporations Act 2001* by a director and secretary/director:

/s/ Robert R. Chai-Onn	/s/ Ling Zeng
Signature of director	Signature of director/secretary
Robert R. Chai-Onn	Ling Zeng
Name of director (please print)	Name of director/secretary (please print)

Signed by
DermaTech Pty Limited (ACN 003 982 161)

in accordance with section 127 of the *Corporations Act 2001* by a director and secretary/director:

/s/ Howard B. Schiller	/s/ Robert R. Chai-Onn
Signature of director	Signature of director/secretary
Howard B. Schiller	Robert R. Chai-Onn
Name of director (please print)	Name of director/secretary (please print)

Signed by
Private Formula International Holdings Pty Ltd (ACN **095 450 918**)

in accordance with section 127 of the *Corporations Act 2001* by a director and secretary/director:

/s/ Howard B. Schiller	/s/ Robert R. Chai-Onn
Signature of director	Signature of director/secretary
Howard B. Schiller	Robert R. Chai-Onn
Name of director (please print)	Name of director/secretary (please print)

Signed by
Private Formula International Pty Ltd (ACN **095 451 442**)

in accordance with section 127 of the *Corporations Act 2001* by a director and secretary/director:

/s/ Howard B. Schiller	/s/ Robert R. Chai-Onn
Signature of director	Signature of director/secretary
Howard B. Schiller	Robert R. Chai-Onn
Name of director (please print)	Name of director/secretary (please print)

Signed by
Ganehill Pty Ltd (ACN 065 261 538)

in accordance with section 127 of the *Corporations Act 2001* by a director and secretary/director:

/s/ Howard B. Schiller	/s/ Robert R. Chai-Onn
Signature of director	Signature of director/secretary
Howard B. Schiller	Robert R. Chai-Onn
Name of director (please print)	Name of director/secretary (please print)

Trustee: **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.**
as Trustee

By: /s/ Teresa Petta
Name: Teresa Petta
Title: Authorized Signatory

Exhibit 4.22

FIFTH SUPPLEMENTAL INDENTURE

FIFTH SUPPLEMENTAL INDENTURE, dated as of September 9, 2013 (the "Fifth Supplemental Indenture"), by and among UCYCLYD PHARMA, INC., a Maryland corporation ("UPI"), Valeant Pharmaceuticals International, Inc., a corporation continued under the British Columbia *Business Corporations Act* (the "Company"), and The Bank of New York Mellon Trust Company, N.A., a national banking association, as trustee (the "Trustee").

WHEREAS, VPII Escrow Corp., a corporation organized under the federal laws of Canada (the "Escrow Issuer"), has heretofore executed and delivered to the Trustee an Indenture, dated as of July 12, 2013 (the "Indenture"), providing for the issuance of the Escrow Issuer's 6.75% Senior Notes due 2018 (the "2018 Notes") and 7.50% Senior Notes due 2021 (the "2021 Notes" and, together with the 2018 Notes, the "Securities");

WHEREAS, UPI desires to provide a full and unconditional guarantee (each, a "Guarantee") of the obligations of the Company under the Securities and the Indenture on the terms and conditions set forth herein;

WHEREAS, pursuant to Section 9.1 of the Indenture, the Company, the Trustee and UPI are authorized to execute and deliver this Fifth Supplemental Indenture; and

WHEREAS, the Company has complied with all conditions precedent provided for in the Indenture relating to the Fifth Supplemental Indenture.

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto mutually covenant and agree for the equal and ratable benefit of the Holders as follows:

1. Definitions. Capitalized terms used but not defined herein have the meanings ascribed to such terms in the Indenture.

2. Guarantee. UPI hereby agrees, jointly and severally, to provide a full and unconditional guarantee on the terms and subject to the conditions set forth in the Guarantee and in the Indenture including, but not limited to, Article 10 thereof.

3. Effectiveness of Fifth Supplemental Indenture. This Fifth Supplemental Indenture shall become effective upon the execution and delivery of this Fifth Supplemental Indenture by the Company, UPI and the Trustee.

4. Indenture Remains in Full Force and Effect. This Fifth Supplemental Indenture shall form a part of the Indenture for all purposes and, except as supplemented or amended hereby, all other provisions in the Indenture and the Securities, to the extent not inconsistent with the terms and provisions of this Fifth Supplemental Indenture, shall remain in full force and effect.

5. No Recourse Against Others. No stockholder, officer, director or incorporator, as such, past, present or future of UPI shall have any personal liability under this Guarantee, the Securities, the Indenture or this Fifth Supplemental Indenture by reason of his, her or its status as such stockholder, officer, director or incorporator.

6. Headings. The headings of the Articles and Sections of this Fifth Supplemental Indenture are inserted for convenience of reference and shall not be deemed a part thereof.

7. Counterparts. This Fifth Supplemental Indenture may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

8. Governing Law. This Fifth Supplemental Indenture shall be governed by, and construed in accordance with, the laws of the State of New York, without regard to principles of conflicts of laws.

9. Trustee Disclaimer. The Trustee is not responsible for the validity or sufficiency of this Fifth Supplemental Indenture nor for the recitals herein.

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IN WITNESS WHEREOF, the parties hereto have caused this Fifth Supplemental Indenture to be duly executed as of the day and year first written above.

Company: **VALEANT PHARMACEUTICALS INTERNATIONAL, INC.**

By: /s/ Howard B. Schiller
Name: Howard B. Schiller
Title: Executive Vice President and Chief Financial Officer

UCYCLYD PHARMA, INC.

/s/ Robert Chai-Onn
Name: Robert Chai-Onn
Title: Executive Vice President, General Counsel and Secretary

Trustee: **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A. as Trustee**

By: /s/ Teresa Petta
Name: Teresa Petta
Title: Authorized Signatory

Exhibit 4.23

SIXTH SUPPLEMENTAL INDENTURE

SIXTH SUPPLEMENTAL INDENTURE, dated as of September 9, 2013 (the "Sixth Supplemental Indenture"), by and among UCYCLYD PHARMA, INC., a Maryland corporation ("UPI"), Valeant Pharmaceuticals International, a Delaware corporation (the "Company"), and The Bank of New York Mellon Trust Company, N.A., a national banking association, as trustee (the "Trustee").

WHEREAS, each of VPI Escrow Corp., a Delaware corporation, the Company, Valeant Pharmaceuticals International, Inc., a corporation continued under the federal laws of Canada ("Parent") and the Subsidiary Guarantors (as defined in the Indenture referred to below) then party hereto, has heretofore executed and delivered to the Trustee an Indenture, dated as of October 4, 2012 (the "Indenture"), providing for the issuance of 6.375% Senior Notes due 2020 (the "Securities");

WHEREAS, pursuant to a supplemental indenture (the "Supplemental Indenture") dated as of October 4, 2012, among the Company, Parent, the Subsidiary Guarantors (as defined in the Supplemental Indenture) party thereto, and the Trustee, the Company has unconditionally assumed all of VPI Escrow Corp.'s obligations under the Securities;

WHEREAS, UPI desires to provide a full and unconditional guarantee (each, a "Guarantee") of the obligations of the Company under the Securities and the Indenture on the terms and conditions set forth herein;

WHEREAS, pursuant to Section 9.1 of the Indenture, the Company, the Trustee and UPI are authorized to execute and deliver this Sixth Supplemental Indenture; and

WHEREAS, the Company has complied with all conditions precedent provided for in the Indenture relating to the Sixth Supplemental Indenture.

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto mutually covenant and agree for the equal and ratable benefit of the Holders as follows:

1. Definitions. Capitalized terms used but not defined herein have the meanings ascribed to such terms in the Indenture.

2. Guarantee. UPI hereby agrees, jointly and severally, to provide a full and unconditional guarantee on the terms and subject to the conditions set forth in the Guarantee and in the Indenture including, but not limited to, Article 10 thereof.

3. Effectiveness of Sixth Supplemental Indenture. This Sixth Supplemental Indenture shall become effective upon the execution and delivery of this Sixth Supplemental Indenture by the Company, UPI and the Trustee.

4. Indenture Remains in Full Force and Effect. This Sixth Supplemental Indenture shall form a part of the Indenture for all purposes and, except as supplemented or amended hereby, all other provisions in the Indenture and the Securities, to the extent not inconsistent with the terms and provisions of this Sixth Supplemental Indenture, shall remain in full force and effect.

5. No Recourse Against Others. No stockholder, officer, director or incorporator, as such, past, present or future of UPI shall have any personal liability under this Guarantee, the Securities, the Indenture or this Sixth Supplemental Indenture by reason of his, her or its status as such stockholder, officer, director or incorporator.

6. Headings. The headings of the Articles and Sections of this Sixth Supplemental Indenture are inserted for convenience of reference and shall not be deemed a part thereof.

7. Counterparts. This Sixth Supplemental Indenture may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

8. Governing Law. This Sixth Supplemental Indenture shall be governed by, and construed in accordance with, the laws of the State of New York, without regard to principles of conflicts of laws.

9. Trustee Disclaimer. The Trustee is not responsible for the validity or sufficiency of this Sixth Supplemental Indenture nor for the recitals herein.

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IN WITNESS WHEREOF, the parties hereto have caused this Sixth Supplemental Indenture to be duly executed as of the day and year first written above.

Company: **VALEANT PHARMACEUTICALS INTERNATIONAL**

By: /s/ Howard B. Schiller
Name: Howard B. Schiller
Title: Executive Vice President and Chief Financial Officer

UCYCLYD PHARMA, INC.

/s/ Robert Chai-Onn
Name: Robert Chai-Onn
Title: Executive Vice President, General Counsel and Secretary

Trustee: **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A. as Trustee**

By: /s/ Teresa Petta
Name: Teresa Petta
Title: Authorized Signatory

Exhibit 4.24

NINTH SUPPLEMENTAL INDENTURE

NINTH SUPPLEMENTAL INDENTURE, dated as of September 9, 2013 (the "Ninth Supplemental Indenture"), by and among UCYCLYD PHARMA, INC., a Maryland corporation ("UPI"), Valeant Pharmaceuticals International, a Delaware corporation (the "Company"), and The Bank of New York Mellon Trust Company, N.A., a national banking association, as trustee (the "Trustee").

WHEREAS, each of the Company, Valeant Pharmaceuticals International, Inc. ("Parent"), the indirect parent of the Company, and the Subsidiary Guarantors (as defined in the Indenture referred to below) has heretofore executed and delivered to the Trustee an Indenture, dated as of March 8, 2011 (the "Indenture"), providing for the issuance of 6.50% Senior Notes due 2016 and 7.25% Senior Notes due 2022 (collectively, the "Securities");

WHEREAS, UPI desires to provide a full and unconditional guarantee (each, a "Guarantee") of the obligations of the Company under the Securities and the Indenture on the terms and conditions set forth herein;

WHEREAS, pursuant to Section 9.1 of the Indenture, the Company, the Trustee and UPI are authorized to execute and deliver this Ninth Supplemental Indenture; and

WHEREAS, the Company has complied with all conditions precedent provided for in the Indenture relating to the Ninth Supplemental Indenture.

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto mutually covenant and agree for the equal and ratable benefit of the Holders as follows:

1. Definitions. Capitalized terms used but not defined herein have the meanings ascribed to such terms in the Indenture.

2. Guarantee. UPI hereby agrees, jointly and severally, to provide a full and unconditional guarantee on the terms and subject to the conditions set forth in the Guarantee and in the Indenture including, but not limited to, Article 10 thereof.

3. Effectiveness of Ninth Supplemental Indenture. This Ninth Supplemental Indenture shall become effective upon the execution and delivery of this Ninth Supplemental Indenture by the Company, UPI and the Trustee.

4. Indenture Remains in Full Force and Effect. This Ninth Supplemental Indenture shall form a part of the Indenture for all purposes and, except as supplemented or amended hereby, all

other provisions in the Indenture and the Securities, to the extent not inconsistent with the terms and provisions of this Ninth Supplemental Indenture, shall remain in full force and effect.

5. No Recourse Against Others. No stockholder, officer, director or incorporator, as such, past, present or future of UPI shall have any personal liability under this Guarantee, the Securities, the Indenture or this Ninth Supplemental Indenture by reason of his, her or its status as such stockholder, officer, director or incorporator.

6. Headings. The headings of the Articles and Sections of this Ninth Supplemental Indenture are inserted for convenience of reference and shall not be deemed a part thereof.

7. Counterparts. This Ninth Supplemental Indenture may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

8. Governing Law. This Ninth Supplemental Indenture shall be governed by, and construed in accordance with, the laws of the State of New York, without regard to principles of conflicts of laws.

9. Trustee Disclaimer. The Trustee is not responsible for the validity or sufficiency of this Ninth Supplemental Indenture nor for the recitals herein.

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IN WITNESS WHEREOF, the parties hereto have caused this Ninth Supplemental Indenture to be duly executed as of the day and year first written above.

Company: **VALEANT PHARMACEUTICALS INTERNATIONAL**

By: /s/ Howard B. Schiller
Name: Howard B. Schiller
Title: Executive Vice President and Chief Financial Officer

UCYCLYD PHARMA, INC.

/s/ Robert Chai-Onn
Name: Robert Chai-Onn
Title: Executive Vice President, General Counsel and Secretary

Trustee: **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A. as Trustee**

By: /s/ Teresa Petta
Name: Teresa Petta
Title: Authorized Signatory

Exhibit 4.25

NINTH SUPPLEMENTAL INDENTURE

NINTH SUPPLEMENTAL INDENTURE, dated as of September 9, 2013 (the "Ninth Supplemental Indenture"), by and among UCYCLYD PHARMA, INC., a Maryland corporation ("UPI"), Valeant Pharmaceuticals International, a Delaware corporation (the "Company"), and The Bank of New York Mellon Trust Company, N.A., a national banking association, as trustee (the "Trustee").

WHEREAS, each of the Company, Valeant Pharmaceuticals International, Inc. ("Parent"), the indirect parent of the Company, and the Subsidiary Guarantors (as defined in the Indenture referred to below) has heretofore executed and delivered to the Trustee an Indenture, dated as of February 8, 2011 (the "Indenture"), providing for the issuance of 6.75% Senior Notes due 2021 (the "Securities");

WHEREAS, UPI desires to provide a full and unconditional guarantee (each, a "Guarantee") of the obligations of the Company under the Securities and the Indenture on the terms and conditions set forth herein;

WHEREAS, pursuant to Section 9.1 of the Indenture, the Company, the Trustee and UPI are authorized to execute and deliver this Ninth Supplemental Indenture; and

WHEREAS, the Company has complied with all conditions precedent provided for in the Indenture relating to the Ninth Supplemental Indenture.

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto mutually covenant and agree for the equal and ratable benefit of the Holders as follows:

1. Definitions. Capitalized terms used but not defined herein have the meanings ascribed to such terms in the Indenture.

2. Guarantee. UPI hereby agrees, jointly and severally, to provide a full and unconditional guarantee on the terms and subject to the conditions set forth in the Guarantee and in the Indenture including, but not limited to, Article 10 thereof.

3. Effectiveness of Ninth Supplemental Indenture. This Ninth Supplemental Indenture shall become effective upon the execution and delivery of this Ninth Supplemental Indenture by the Company, the UPI and the Trustee.

4. Indenture Remains in Full Force and Effect. This Ninth Supplemental Indenture shall form a part of the Indenture for all purposes and, except as supplemented or amended hereby, all

other provisions in the Indenture and the Securities, to the extent not inconsistent with the terms and provisions of this Ninth Supplemental Indenture, shall remain in full force and effect.

5. No Recourse Against Others. No stockholder, officer, director or incorporator, as such, past, present or future of UPI shall have any personal liability under this Guarantee, the Securities, the Indenture or this Ninth Supplemental Indenture by reason of his, her or its status as such stockholder, officer, director or incorporator.

6. Headings. The headings of the Articles and Sections of this Ninth Supplemental Indenture are inserted for convenience of reference and shall not be deemed a part thereof.

7. Counterparts. This Ninth Supplemental Indenture may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

8. Governing Law. This Ninth Supplemental Indenture shall be governed by, and construed in accordance with, the laws of the State of New York, without regard to principles of conflicts of laws.

9. Trustee Disclaimer. The Trustee is not responsible for the validity or sufficiency of this Ninth Supplemental Indenture nor for the recitals herein.

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IN WITNESS WHEREOF, the parties hereto have caused this Ninth Supplemental Indenture to be duly executed as of the day and year first written above.

Company: **VALEANT PHARMACEUTICALS INTERNATIONAL**

By: /s/ Howard B. Schiller
Name: Howard B. Schiller
Title: Executive Vice President and Chief Financial Officer

UCYCLYD PHARMA, INC.

/s/ Robert Chai-Onn
Name: Robert Chai-Onn
Title: Executive Vice President, General Counsel and Secretary

Trustee: **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A. as Trustee**

By: /s/ Teresa Petta
Name: Teresa Petta
Title: Authorized Signatory

Exhibit 4.26

TENTH SUPPLEMENTAL INDENTURE

TENTH SUPPLEMENTAL INDENTURE, dated as of September 9, 2013 (the "Tenth Supplemental Indenture"), by and among UCYCLYD PHARMA, INC., a Maryland corporation ("UPI"), Valeant Pharmaceuticals International, a Delaware corporation (the "Company"), and The Bank of New York Mellon Trust Company, N.A., a national banking association, as trustee (the "Trustee").

WHEREAS, each of the Company, Valeant Pharmaceuticals International, Inc. ("Parent"), the indirect parent of the Company, and the Subsidiary Guarantors (as defined in the Indenture referred to below) has heretofore executed and delivered to the Trustee an Indenture, dated as of November 23, 2010 (the "Indenture"), providing for the issuance of 6.875% Senior Notes due 2018 (the "Securities");

WHEREAS, UPI desires to provide a full and unconditional guarantee (each, a "Guarantee") of the obligations of the Company under the Securities and the Indenture on the terms and conditions set forth herein;

WHEREAS, pursuant to Section 9.1 of the Indenture, the Company, the Trustee and UPI are authorized to execute and deliver this Tenth Supplemental Indenture; and

WHEREAS, the Company has complied with all conditions precedent provided for in the Indenture relating to the Tenth Supplemental Indenture.

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto mutually covenant and agree for the equal and ratable benefit of the Holders as follows:

1. Definitions. Capitalized terms used but not defined herein have the meanings ascribed to such terms in the Indenture.

2. Guarantee. UPI hereby agrees, jointly and severally, to provide a full and unconditional guarantee on the terms and subject to the conditions set forth in the Guarantee and in the Indenture including, but not limited to, Article 10 thereof.

3. Effectiveness of Tenth Supplemental Indenture. This Tenth Supplemental Indenture shall become effective upon the execution and delivery of this Tenth Supplemental Indenture by the Company, UPI and the Trustee.

4. Indenture Remains in Full Force and Effect. This Tenth Supplemental Indenture shall form a part of the Indenture for all purposes and, except as supplemented or amended hereby, all

other provisions in the Indenture and the Securities, to the extent not inconsistent with the terms and provisions of this Tenth Supplemental Indenture, shall remain in full force and effect.

5. No Recourse Against Others. No stockholder, officer, director or incorporator, as such, past, present or future of UPI shall have any personal liability under this Guarantee, the Securities, the Indenture or this Tenth Supplemental Indenture by reason of his, her or its status as such stockholder, officer, director or incorporator.

6. Headings. The headings of the Articles and Sections of this Tenth Supplemental Indenture are inserted for convenience of reference and shall not be deemed a part thereof.

7. Counterparts. This Tenth Supplemental Indenture may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

8. Governing Law. This Tenth Supplemental Indenture shall be governed by, and construed in accordance with, the laws of the State of New York, without regard to principles of conflicts of laws.

9. Trustee Disclaimer. The Trustee is not responsible for the validity or sufficiency of this Tenth Supplemental Indenture nor for the recitals herein.

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IN WITNESS WHEREOF, the parties hereto have caused this Tenth Supplemental Indenture to be duly executed as of the day and year first written above.

Company: **VALEANT PHARMACEUTICALS INTERNATIONAL**

By: /s/ Howard B. Schiller
Name: Howard B. Schiller
Title: Executive Vice President and Chief Financial Officer

UCYCLYD PHARMA, INC.

/s/ Robert Chai-Onn
Name: Robert Chai-Onn
Title: Executive Vice President, General Counsel and Secretary

Trustee: **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A. as Trustee**

By: /s/ Teresa Petta
Name: Teresa Petta
Title: Authorized Signatory

Exhibit 4.27

ELEVENTH SUPPLEMENTAL INDENTURE

ELEVENTH SUPPLEMENTAL INDENTURE, dated as of September 9, 2013 (the "Eleventh Supplemental Indenture"), by and among UCYCLYD PHARMA, INC., a Maryland corporation ("UPI"), Valeant Pharmaceuticals International, a Delaware corporation (the "Company"), and The Bank of New York Mellon Trust Company, N.A., a national banking association, as trustee (the "Trustee").

WHEREAS, each of the Company, Valeant Pharmaceuticals International, Inc. ("Parent"), the indirect parent of the Company, and the Subsidiary Guarantors (as defined in the Indenture referred to below) has heretofore executed and delivered to the Trustee an Indenture, dated as of September 28, 2010 (the "Indenture"), providing for the issuance of 6.75% Senior Notes due 2017 and 7.00% Senior Notes due 2020 (collectively, the "Securities");

WHEREAS, UPI desires to provide a full and unconditional guarantee (each, a "Guarantee") of the obligations of the Company under the Securities and the Indenture on the terms and conditions set forth herein;

WHEREAS, pursuant to Section 9.1 of the Indenture, the Company, the Trustee and UPI are authorized to execute and deliver this Eleventh Supplemental Indenture; and

WHEREAS, the Company has complied with all conditions precedent provided for in the Indenture relating to the Eleventh Supplemental Indenture.

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto mutually covenant and agree for the equal and ratable benefit of the Holders as follows:

1. Definitions. Capitalized terms used but not defined herein have the meanings ascribed to such terms in the Indenture.

2. Guarantee. UPI hereby agrees, jointly and severally, to provide a full and unconditional guarantee on the terms and subject to the conditions set forth in the Guarantee and in the Indenture including, but not limited to, Article 10 thereof.

3. Effectiveness of Eleventh Supplemental Indenture. This Eleventh Supplemental Indenture shall become effective upon the execution and delivery of this Eleventh Supplemental Indenture by the Company, UPI and the Trustee.

4. Indenture Remains in Full Force and Effect. This Eleventh Supplemental Indenture shall form a part of the Indenture for all purposes and, except as supplemented or amended

hereby, all other provisions in the Indenture and the Securities, to the extent not inconsistent with the terms and provisions of this Eleventh Supplemental Indenture, shall remain in full force and effect.

5. No Recourse Against Others. No stockholder, officer, director or incorporator, as such, past, present or future of UPI shall have any personal liability under this Guarantee, the Securities, the Indenture or this Eleventh Supplemental Indenture by reason of his, her or its status as such stockholder, officer, director or incorporator.

6. Headings. The headings of the Articles and Sections of this Eleventh Supplemental Indenture are inserted for convenience of reference and shall not be deemed a part thereof.

7. Counterparts. This Eleventh Supplemental Indenture may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

8. Governing Law. This Eleventh Supplemental Indenture shall be governed by, and construed in accordance with, the laws of the State of New York, without regard to principles of conflicts of laws.

9. Trustee Disclaimer. The Trustee is not responsible for the validity or sufficiency of this Eleventh Supplemental Indenture nor for the recitals herein.

[Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have caused this Eleventh Supplemental Indenture to be duly executed as of the day and year first written above.

Company: **VALEANT PHARMACEUTICALS INTERNATIONAL**

By: /s/ Howard B. Schiller
Name: Howard B. Schiller
Title: Executive Vice President and Chief Financial Officer

UCYCLYD PHARMA, INC.

/s/ Robert Chai-Onn
Name: Robert Chai-Onn
Title: Executive Vice President, General Counsel and Secretary

Trustee: **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A. as Trustee**

By: /s/ Teresa Petta
Name: Teresa Petta
Title: Authorized Signatory

Exhibit 4.28

SIXTH SUPPLEMENTAL INDENTURE

SIXTH SUPPLEMENTAL INDENTURE, dated as of September 17, 2013 (the "Sixth Supplemental Indenture"), by and among Przedsiębiorstwo Farmaceutyczne Jelfa S.A. ("Jelfa"), Valeant Europe B.V. ("VEBV"), Valeant Pharmaceuticals International, Inc., a corporation continued under the British Columbia *Business Corporations Act* (the "Company"), and The Bank of New York Mellon Trust Company, N.A., a national banking association, as trustee (the "Trustee").

WHEREAS, VPII Escrow Corp., a corporation organized under the federal laws of Canada (the "Escrow Issuer"), has heretofore executed and delivered to the Trustee an Indenture, dated as of July 12, 2013 (the "Indenture"), providing for the issuance of the Escrow Issuer's 6.75% Senior Notes due 2018 (the "2018 Notes") and 7.50% Senior Notes due 2021 (the "2021 Notes" and, together with the 2018 Notes, the "Securities");

WHEREAS, Jelfa desires to provide a full and unconditional guarantee (the "Jelfa Guarantee") of the obligations of the Company under the Securities and the Indenture on the terms and conditions set forth herein;

WHEREAS, VEBV desires to provide a full and unconditional guarantee (together with the Jelfa Guarantee, the "Guarantee") of the obligations of the Company under the Securities and the Indenture on the terms and conditions set forth herein;

WHEREAS, pursuant to Section 9.1 of the Indenture, the Company, the Trustee, Jelfa and VEBV are authorized to execute and deliver this Sixth Supplemental Indenture; and

WHEREAS, the Company has complied with all conditions precedent provided for in the Indenture relating to the Sixth Supplemental Indenture.

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto mutually covenant and agree for the equal and ratable benefit of the Holders as follows:

1. Definitions. Capitalized terms used but not defined herein have the meanings ascribed to such terms in the Indenture.

2. Guarantee. Jelfa and VEBV hereby agree, jointly and severally, to provide a full and unconditional guarantee on the terms and subject to the conditions set forth in the Note Guarantee and in the Indenture including, but not limited to, Article 10 thereof.

3. Effectiveness of Sixth Supplemental Indenture. This Sixth Supplemental Indenture shall become effective upon the execution and delivery of this Sixth Supplemental Indenture by the Company, Jelfa, VEBV and the Trustee.

4. Indenture Remains in Full Force and Effect. This Sixth Supplemental Indenture shall form a part of the Indenture for all purposes and, except as supplemented or amended hereby, all other provisions in the Indenture and the Securities, to the extent not inconsistent with the terms and provisions of this Sixth Supplemental Indenture, shall remain in full force and effect.

5. No Recourse Against Others. No stockholder, officer, director or incorporator, as such, past, present or future of Jelfa or VEBV shall have any personal liability under this Guarantee, the Securities, the Indenture or this Sixth Supplemental Indenture by reason of his, her or its status as such stockholder, officer, director or incorporator.

6. Headings. The headings of the Articles and Sections of this Sixth Supplemental Indenture are inserted for convenience of reference and shall not be deemed a part thereof.

7. Counterparts. This Sixth Supplemental Indenture may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

8. Governing Law. This Sixth Supplemental Indenture shall be governed by, and construed in accordance with, the laws of the State of New York, without regard to principles of conflicts of laws.

9. Trustee Disclaimer. The Trustee is not responsible for the validity or sufficiency of this Sixth Supplemental Indenture nor for the recitals herein.

[Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have caused this Sixth Supplemental Indenture to be duly executed as of the day and year first written above.

Company: **VALEANT PHARMACEUTICALS INTERNATIONAL, INC.**

By: /s/ Howard B. Schiller
Name: Howard B. Schiller
Title: Executive Vice President and Chief Financial Officer]

Jelfa: **PRZEDSIĘBIORSTWO FARMACEUTYCZNE JELFA S.A.**

By: /s/ Marcin Wnukowski
Name: Marcin Wnukowski
Title: Attorney-in-fact

VEBV: **VALEANT EUROPE B.V.**

By: /s/ Robert Meijer
Name: Robert Meijer
Title: Attorney-in-fact

Trustee: **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A. as Trustee**

By: /s/ Teresa Petta
Name: Teresa Petta
Title: Authorized Signatory

Exhibit 4.29

SEVENTH SUPPLEMENTAL INDENTURE

SEVENTH SUPPLEMENTAL INDENTURE, dated as of September 17, 2013 (the "Seventh Supplemental Indenture"), by and among Przedsiębiorstwo Farmaceutyczne Jelfa S.A. ("Jelfa"), Valeant Europe B.V. ("VEBV"), Valeant Pharmaceuticals International, a Delaware corporation (the "Company"), and The Bank of New York Mellon Trust Company, N.A., a national banking association, as trustee (the "Trustee").

WHEREAS, each of VPI Escrow Corp., a Delaware corporation, the Company, Valeant Pharmaceuticals International, Inc., a corporation continued under the federal laws of Canada ("Parent") and the Subsidiary Guarantors (as defined in the Indenture referred to below) then party hereto, has heretofore executed and delivered to the Trustee an Indenture, dated as of October 4, 2012 (the "Indenture"), providing for the issuance of 6.375% Senior Notes due 2020 (the "Securities");

WHEREAS, pursuant to a supplemental indenture (the "Supplemental Indenture") dated as of October 4, 2012, among the Company, Parent, the Subsidiary Guarantors (as defined in the Supplemental Indenture) party thereto, and the Trustee, the Company has unconditionally assumed all of VPI Escrow Corp.'s obligations under the Securities;

WHEREAS, Jelfa desires to provide a full and unconditional guarantee (the "Jelfa Guarantee") of the obligations of the Company under the Securities and the Indenture on the terms and conditions set forth herein;

WHEREAS, VEBV desires to provide a full and unconditional guarantee (together with the Jelfa Guarantee, the "Guarantee") of the obligations of the Company under the Securities and the Indenture on the terms and conditions set forth herein;

WHEREAS, pursuant to Section 9.1 of the Indenture, the Company, the Trustee, Jelfa and VEBV are authorized to execute and deliver this Seventh Supplemental Indenture; and

WHEREAS, the Company has complied with all conditions precedent provided for in the Indenture relating to the Seventh Supplemental Indenture.

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto mutually covenant and agree for the equal and ratable benefit of the Holders as follows:

1. Definitions. Capitalized terms used but not defined herein have the meanings ascribed to such terms in the Indenture.

2. Guarantee. Jelfa and VEBV hereby agree, jointly and severally, to provide a full and unconditional guarantee on the terms and subject to the conditions set forth in the Note Guarantee and in the Indenture including, but not limited to, Article 10 thereof.

3. Effectiveness of Seventh Supplemental Indenture. This Seventh Supplemental Indenture shall become effective upon the execution and delivery of this Seventh Supplemental Indenture by the Company, Jelfa, VEBV and the Trustee.

4. Indenture Remains in Full Force and Effect. This Seventh Supplemental Indenture shall form a part of the Indenture for all purposes and, except as supplemented or amended hereby, all other provisions in the Indenture and the Securities, to the extent not inconsistent with the terms and provisions of this Seventh Supplemental Indenture, shall remain in full force and effect.

5. No Recourse Against Others. No stockholder, officer, director or incorporator, as such, past, present or future of Jelfa or VEBV shall have any personal liability under this Guarantee, the Securities, the Indenture or this Seventh Supplemental Indenture by reason of his, her or its status as such stockholder, officer, director or incorporator.

6. Headings. The headings of the Articles and Sections of this Seventh Supplemental Indenture are inserted for convenience of reference and shall not be deemed a part thereof.

7. Counterparts. This Seventh Supplemental Indenture may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

8. Governing Law. This Seventh Supplemental Indenture shall be governed by, and construed in accordance with, the laws of the State of New York, without regard to principles of conflicts of laws.

9. Trustee Disclaimer. The Trustee is not responsible for the validity or sufficiency of this Seventh Supplemental Indenture nor for the recitals herein.

[Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have caused this Seventh Supplemental Indenture to be duly executed as of the day and year first written above.

Company: **VALEANT PHARMACEUTICALS INTERNATIONAL**

By: /s/ Howard B. Schiller
Name: Howard B. Schiller
Title: Executive Vice President and Chief Financial Officer

Jelfa: **PRZEDSIĘBIORSTWO FARMACEUTYCZNE JELFA S.A.**

By: /s/ Marcin Wnukowski
Name: Marcin Wnukowski
Title: Attorney-in-fact

VEBV: **VALEANT EUROPE B.V.**

By: /s/ Robert Meijer
Name: Robert Meijer
Title: Attorney-in-fact

Trustee: **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A. as Trustee**

By: /s/ Teresa Petta
Name: Teresa Petta
Title: Authorized Signatory

Exhibit 4.30

TENTH SUPPLEMENTAL INDENTURE

TENTH SUPPLEMENTAL INDENTURE, dated as of September 17, 2013 (the "Tenth Supplemental Indenture"), by and among Przedsiębiorstwo Farmaceutyczne Jelfa S.A. ("Jelfa"), Valeant Europe B.V. ("VEBV"), Valeant Pharmaceuticals International, a Delaware corporation (the "Company"), and The Bank of New York Mellon Trust Company, N.A., a national banking association, as trustee (the "Trustee").

WHEREAS, each of the Company, Valeant Pharmaceuticals International, Inc. ("Parent"), the indirect parent of the Company, and the Subsidiary Guarantors (as defined in the Indenture referred to below) has heretofore executed and delivered to the Trustee an Indenture, dated as of March 8, 2011 (the "Indenture"), providing for the issuance of 6.50% Senior Notes due 2016 and 7.25% Senior Notes due 2022 (collectively, the "Securities");

WHEREAS, Jelfa desires to provide a full and unconditional guarantee (the "Jelfa Guarantee") of the obligations of the Company under the Securities and the Indenture on the terms and conditions set forth herein;

WHEREAS, VEBV desires to provide a full and unconditional guarantee (together with the Jelfa Guarantee, the "Guarantee") of the obligations of the Company under the Securities and the Indenture on the terms and conditions set forth herein;

WHEREAS, pursuant to Section 9.1 of the Indenture, the Company, the Trustee, Jelfa and VEBV are authorized to execute and deliver this Tenth Supplemental Indenture; and

WHEREAS, the Company has complied with all conditions precedent provided for in the Indenture relating to the Tenth Supplemental Indenture.

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto mutually covenant and agree for the equal and ratable benefit of the Holders as follows:

1. Definitions. Capitalized terms used but not defined herein have the meanings ascribed to such terms in the Indenture.

2. Guarantee. Jelfa and VEBV hereby agree, jointly and severally, to provide a full and unconditional guarantee on the terms and subject to the conditions set forth in the Note Guarantee and in the Indenture including, but not limited to, Article 10 thereof.

3. Effectiveness of Tenth Supplemental Indenture. This Tenth Supplemental Indenture shall become effective upon the execution and delivery of this Tenth Supplemental Indenture by the Company, Jelfa, VEBV and the Trustee.

4. Indenture Remains in Full Force and Effect. This Tenth Supplemental Indenture shall form a part of the Indenture for all purposes and, except as supplemented or amended hereby, all other provisions in the Indenture and the Securities, to the extent not inconsistent with the terms and provisions of this Tenth Supplemental Indenture, shall remain in full force and effect.

5. No Recourse Against Others. No stockholder, officer, director or incorporator, as such, past, present or future of Jelfa or VEBV shall have any personal liability under this Guarantee, the Securities, the Indenture or this Tenth Supplemental Indenture by reason of his, her or its status as such stockholder, officer, director or incorporator.

6. Headings. The headings of the Articles and Sections of this Tenth Supplemental Indenture are inserted for convenience of reference and shall not be deemed a part thereof.

7. Counterparts. This Tenth Supplemental Indenture may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

8. Governing Law. This Tenth Supplemental Indenture shall be governed by, and construed in accordance with, the laws of the State of New York, without regard to principles of conflicts of laws.

9. Trustee Disclaimer. The Trustee is not responsible for the validity or sufficiency of this Tenth Supplemental Indenture nor for the recitals herein.

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IN WITNESS WHEREOF, the parties hereto have caused this Tenth Supplemental Indenture to be duly executed as of the day and year first written above.

Company: **VALEANT PHARMACEUTICALS INTERNATIONAL**

By: /s/ Howard B. Schiller
Name: Howard B. Schiller
Title: Executive Vice President and Chief Financial Officer

Jelfa: **PRZEDSIĘBIORSTWO FARMACEUTYCZNE JELFA S.A.**

By: /s/ Marcin Wnukowski
Name: Marcin Wnukowski
Title: Attorney-in-fact

VEBV: **VALEANT EUROPE B.V.**

By: /s/ Robert Meijer
Name: Robert Meijer
Title: Attorney-in-fact

Trustee: **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A. as Trustee**

By: /s/ Teresa Petta
Name: Teresa Petta
Title: Authorized Signatory

Exhibit 4.31

TENTH SUPPLEMENTAL INDENTURE

TENTH SUPPLEMENTAL INDENTURE, dated as of September 17, 2013 (the "Tenth Supplemental Indenture"), by and among Przedsiębiorstwo Farmaceutyczne Jelfa S.A. ("Jelfa"), Valeant Europe B.V. ("VEBV"), Valeant Pharmaceuticals International, a Delaware corporation (the "Company"), and The Bank of New York Mellon Trust Company, N.A., a national banking association, as trustee (the "Trustee").

WHEREAS, each of the Company, Valeant Pharmaceuticals International, Inc. ("Parent"), the indirect parent of the Company, and the Subsidiary Guarantors (as defined in the Indenture referred to below) has heretofore executed and delivered to the Trustee an Indenture, dated as of February 8, 2011 (the "Indenture"), providing for the issuance of 6.75% Senior Notes due 2021 (the "Securities");

WHEREAS, Jelfa desires to provide a full and unconditional guarantee (the "Jelfa Guarantee") of the obligations of the Company under the Securities and the Indenture on the terms and conditions set forth herein;

WHEREAS, VEBV desires to provide a full and unconditional guarantee (together with the Jelfa Guarantee, the "Guarantee") of the obligations of the Company under the Securities and the Indenture on the terms and conditions set forth herein;

WHEREAS, pursuant to Section 9.1 of the Indenture, the Company, the Trustee, Jelfa and VEBV are authorized to execute and deliver this Tenth Supplemental Indenture; and

WHEREAS, the Company has complied with all conditions precedent provided for in the Indenture relating to the Tenth Supplemental Indenture.

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto mutually covenant and agree for the equal and ratable benefit of the Holders as follows:

1. Definitions. Capitalized terms used but not defined herein have the meanings ascribed to such terms in the Indenture.

2. Guarantee. Jelfa and VEBV hereby agree, jointly and severally, to provide a full and unconditional guarantee on the terms and subject to the conditions set forth in the Note Guarantee and in the Indenture including, but not limited to, Article 10 thereof.

3. Effectiveness of Tenth Supplemental Indenture. This Tenth Supplemental Indenture shall become effective upon the execution and delivery of this Tenth Supplemental Indenture by the Company, Jelfa, VEBV and the Trustee.

4. Indenture Remains in Full Force and Effect. This Tenth Supplemental Indenture shall form a part of the Indenture for all purposes and, except as supplemented or amended hereby, all other provisions in the Indenture and the Securities, to the extent not inconsistent with the terms and provisions of this Tenth Supplemental Indenture, shall remain in full force and effect.

5. No Recourse Against Others. No stockholder, officer, director or incorporator, as such, past, present or future of Jelfa or VEBV shall have any personal liability under this Guarantee, the Securities, the Indenture or this Tenth Supplemental Indenture by reason of his, her or its status as such stockholder, officer, director or incorporator.

6. Headings. The headings of the Articles and Sections of this Tenth Supplemental Indenture are inserted for convenience of reference and shall not be deemed a part thereof.

7. Counterparts. This Tenth Supplemental Indenture may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

8. Governing Law. This Tenth Supplemental Indenture shall be governed by, and construed in accordance with, the laws of the State of New York, without regard to principles of conflicts of laws.

9. Trustee Disclaimer. The Trustee is not responsible for the validity or sufficiency of this Tenth Supplemental Indenture nor for the recitals herein.

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IN WITNESS WHEREOF, the parties hereto have caused this Tenth Supplemental Indenture to be duly executed as of the day and year first written above.

Company: **VALEANT PHARMACEUTICALS INTERNATIONAL**

By: /s/ Howard B. Schiller
Name: Howard B. Schiller
Title: Executive Vice President and Chief Financial Officer

Jelfa: **PRZEDSIĘBIORSTWO FARMACEUTYCZNE JELFA S.A.**

By: /s/ Marcin Wnukowski
Name: Marcin Wnukowski
Title: Attorney-in-fact

VEBV: **VALEANT EUROPE B.V.**

By: /s/ Robert Meijer
Name: Robert Meijer
Title: Attorney-in-fact

Trustee: **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A. as Trustee**

By: /s/ Teresa Petta
Name: Teresa Petta
Title: Authorized Signatory

Exhibit 4.32

ELEVENTH SUPPLEMENTAL INDENTURE

ELEVENTH SUPPLEMENTAL INDENTURE, dated as of September 17, 2013 (the "Eleventh Supplemental Indenture"), by and among Przedsiębiorstwo Farmaceutyczne Jelfa S.A. ("Jelfa"), Valeant Europe B.V. ("VEBV"), Valeant Pharmaceuticals International, a Delaware corporation (the "Company"), and The Bank of New York Mellon Trust Company, N.A., a national banking association, as trustee (the "Trustee").

WHEREAS, each of the Company, Valeant Pharmaceuticals International, Inc. ("Parent"), the indirect parent of the Company, and the Subsidiary Guarantors (as defined in the Indenture referred to below) has heretofore executed and delivered to the Trustee an Indenture, dated as of November 23, 2010 (the "Indenture"), providing for the issuance of 6.875% Senior Notes due 2018 (the "Securities");

WHEREAS, Jelfa desires to provide a full and unconditional guarantee (the "Jelfa Guarantee") of the obligations of the Company under the Securities and the Indenture on the terms and conditions set forth herein;

WHEREAS, VEBV desires to provide a full and unconditional guarantee (together with the Jelfa Guarantee, the "Guarantee") of the obligations of the Company under the Securities and the Indenture on the terms and conditions set forth herein;

WHEREAS, pursuant to Section 9.1 of the Indenture, the Company, the Trustee, Jelfa and VEBV are authorized to execute and deliver this Eleventh Supplemental Indenture; and

WHEREAS, the Company has complied with all conditions precedent provided for in the Indenture relating to the Eleventh Supplemental Indenture.

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto mutually covenant and agree for the equal and ratable benefit of the Holders as follows:

1. Definitions. Capitalized terms used but not defined herein have the meanings ascribed to such terms in the Indenture.

2. Guarantee. Jelfa and VEBV hereby agree, jointly and severally, to provide a full and unconditional guarantee on the terms and subject to the conditions set forth in the Note Guarantee and in the Indenture including, but not limited to, Article 10 thereof.

3. Effectiveness of Eleventh Supplemental Indenture. This Eleventh Supplemental Indenture shall become effective upon the execution and delivery of this Eleventh Supplemental Indenture by the Company, Jelfa, VEBV and the Trustee.

4. Indenture Remains in Full Force and Effect. This Eleventh Supplemental Indenture shall form a part of the Indenture for all purposes and, except as supplemented or amended hereby, all other provisions in the Indenture and the Securities, to the extent not inconsistent with the terms and provisions of this Eleventh Supplemental Indenture, shall remain in full force and effect.

5. No Recourse Against Others. No stockholder, officer, director or incorporator, as such, past, present or future of Jelfa or VEBV shall have any personal liability under this Guarantee, the Securities, the Indenture or this Eleventh Supplemental Indenture by reason of his, her or its status as such stockholder, officer, director or incorporator.

6. Headings. The headings of the Articles and Sections of this Eleventh Supplemental Indenture are inserted for convenience of reference and shall not be deemed a part thereof.

7. Counterparts. This Eleventh Supplemental Indenture may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

8. Governing Law. This Eleventh Supplemental Indenture shall be governed by, and construed in accordance with, the laws of the State of New York, without regard to principles of conflicts of laws.

9. Trustee Disclaimer. The Trustee is not responsible for the validity or sufficiency of this Eleventh Supplemental Indenture nor for the recitals herein.

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IN WITNESS WHEREOF, the parties hereto have caused this Eleventh Supplemental Indenture to be duly executed as of the day and year first written above.

Company: **VALEANT PHARMACEUTICALS INTERNATIONAL**

By: /s/ Howard B. Schiller
Name: Howard B. Schiller
Title: Executive Vice President and Chief Financial Officer

Jelfa: **PRZEDSIĘBIORSTWO FARMACEUTYCZNE JELFA S.A.**

By: /s/ Marcin Wnukowski
Name: Marcin Wnukowski
Title: Attorney-in-fact

VEBV: **VALEANT EUROPE B.V.**

By: /s/ Robert Meijer
Name: Robert Meijer
Title: Attorney-in-fact

Trustee: **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A. as Trustee**

By: /s/ Teresa Petta
Name: Teresa Petta
Title: Authorized Signatory

Exhibit 4.33

TWELFTH SUPPLEMENTAL INDENTURE

TWELFTH SUPPLEMENTAL INDENTURE, dated as of September 17, 2013 (the "Twelfth Supplemental Indenture"), by and among Przedsiębiorstwo Farmaceutyczne Jelfa S.A. ("Jelfa"), Valeant Europe B.V. ("VEBV"), Valeant Pharmaceuticals International, a Delaware corporation (the "Company") and The Bank of New York Mellon Trust Company, N.A., a national banking association, as trustee (the "Trustee").

WHEREAS, each of the Company, Valeant Pharmaceuticals International, Inc. ("Parent"), the indirect parent of the Company, and the Subsidiary Guarantors (as defined in the Indenture referred to below) has heretofore executed and delivered to the Trustee an Indenture, dated as of September 28, 2010 (the "Indenture"), providing for the issuance of 6.75% Senior Notes due 2017 and 7.00% Senior Notes due 2020 (collectively, the "Securities");

WHEREAS, Jelfa desires to provide a full and unconditional guarantee (the "Jelfa Guarantee") of the obligations of the Company under the Securities and the Indenture on the terms and conditions set forth herein;

WHEREAS, VEBV desires to provide a full and unconditional guarantee (together with the Jelfa Guarantee, the "Guarantee") of the obligations of the Company under the Securities and the Indenture on the terms and conditions set forth herein;

WHEREAS, pursuant to Section 9.1 of the Indenture, the Company, the Trustee, Jelfa and VEBV are authorized to execute and deliver this Twelfth Supplemental Indenture; and

WHEREAS, the Company has complied with all conditions precedent provided for in the Indenture relating to the Twelfth Supplemental Indenture.

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto mutually covenant and agree for the equal and ratable benefit of the Holders as follows:

1. Definitions. Capitalized terms used but not defined herein have the meanings ascribed to such terms in the Indenture.

2. Guarantee. Jelfa and VEBV hereby agree, jointly and severally, to provide a full and unconditional guarantee on the terms and subject to the conditions set forth in the Note Guarantee and in the Indenture including, but not limited to, Article 10 thereof.

3. Effectiveness of Twelfth Supplemental Indenture. This Twelfth Supplemental Indenture shall become effective upon the execution and delivery of this Twelfth Supplemental Indenture by the Company, Jelfa, VEBV and the Trustee.

4. Indenture Remains in Full Force and Effect. This Twelfth Supplemental Indenture shall form a part of the Indenture for all purposes and, except as supplemented or amended hereby, all other provisions in the Indenture and the Securities, to the extent not inconsistent with the terms and provisions of this Twelfth Supplemental Indenture, shall remain in full force and effect.

5. No Recourse Against Others. No stockholder, officer, director or incorporator, as such, past, present or future of Jelfa or VEBV shall have any personal liability under this Guarantee, the Securities, the Indenture or this Twelfth Supplemental Indenture by reason of his, her or its status as such stockholder, officer, director or incorporator.

6. Headings. The headings of the Articles and Sections of this Twelfth Supplemental Indenture are inserted for convenience of reference and shall not be deemed a part thereof.

7. Counterparts. This Twelfth Supplemental Indenture may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

8. Governing Law. This Twelfth Supplemental Indenture shall be governed by, and construed in accordance with, the laws of the State of New York, without regard to principles of conflicts of laws.

9. Trustee Disclaimer. The Trustee is not responsible for the validity or sufficiency of this Twelfth Supplemental Indenture nor for the recitals herein.

[Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have caused this Twelfth Supplemental Indenture to be duly executed as of the day and year first written above.

Company: **VALEANT PHARMACEUTICALS INTERNATIONAL**

By: /s/ Howard B. Schiller
Name: Howard B. Schiller
Title: Executive Vice President and Chief Financial Officer

Jelfa: **PRZEDSIĘBIORSTWO FARMACEUTYCZNE JELFA S.A.**

By: /s/ Marcin Wnukowski
Name: Marcin Wnukowski
Title: Attorney-in-fact

VEBV: **VALEANT EUROPE B.V.**

By: /s/ Robert Meijer
Name: Robert Meijer
Title: Attorney-in-fact

Trustee: **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A. as Trustee**

By: /s/ Teresa Petta
Name: Teresa Petta
Title: Authorized Signatory

Exhibit 4.34

SEVENTH SUPPLEMENTAL INDENTURE

SEVENTH SUPPLEMENTAL INDENTURE, dated as of September 24, 2013 (the "Seventh Supplemental Indenture"), by and among Valeant Sp. z o.o. ("VLLC"), VP Valeant spółka z ograniczoną odpowiedzialnością sp.j. ("VP"), Valeant Pharmaceuticals International, Inc., a corporation continued under the British Columbia *Business Corporations Act* (the "Company"), and The Bank of New York Mellon Trust Company, N.A., a national banking association, as trustee (the "Trustee").

WHEREAS, VPII Escrow Corp., a corporation organized under the federal laws of Canada (the "Escrow Issuer"), has heretofore executed and delivered to the Trustee an Indenture, dated as of July 12, 2013 (the "Indenture"), providing for the issuance of the Escrow Issuer's 6.75% Senior Notes due 2018 (the "2018 Notes") and 7.50% Senior Notes due 2021 (the "2021 Notes" and, together with the 2018 Notes, the "Securities");

WHEREAS, VLLC desires to provide a full and unconditional guarantee (the "VLLC Guarantee") of the obligations of the Company under the Securities and the Indenture on the terms and conditions set forth herein;

WHEREAS, VP desires to provide a full and unconditional guarantee (together with the VLLC Guarantee, the "Guarantee") of the obligations of the Company under the Securities and the Indenture on the terms and conditions set forth herein;

WHEREAS, pursuant to Section 9.1 of the Indenture, the Company, the Trustee, VLLC and VP are authorized to execute and deliver this Seventh Supplemental Indenture; and

WHEREAS, the Company has complied with all conditions precedent provided for in the Indenture relating to the Seventh Supplemental Indenture.

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto mutually covenant and agree for the equal and ratable benefit of the Holders as follows:

1. Definitions. Capitalized terms used but not defined herein have the meanings ascribed to such terms in the Indenture.

2. Guarantee. VLLC and VP hereby agree, jointly and severally, to provide a full and unconditional guarantee on the terms and subject to the conditions set forth in the Note Guarantee and in the Indenture including, but not limited to, Article 10 thereof.

3. Effectiveness of Seventh Supplemental Indenture. This Seventh Supplemental Indenture shall become effective upon the execution and delivery of this Seventh Supplemental Indenture by the Company, VLLC, VP and the Trustee.

4. Indenture Remains in Full Force and Effect. This Seventh Supplemental Indenture shall form a part of the Indenture for all purposes and, except as supplemented or amended hereby, all other provisions in the Indenture and the Securities, to the extent not inconsistent with the terms and provisions of this Seventh Supplemental Indenture, shall remain in full force and effect.

5. No Recourse Against Others. No stockholder, officer, director or incorporator, as such, past, present or future of VLLC or VP shall have any personal liability under this Guarantee, the Securities, the Indenture or this Seventh Supplemental Indenture by reason of his, her or its status as such stockholder, officer, director or incorporator.

6. Headings. The headings of the Articles and Sections of this Seventh Supplemental Indenture are inserted for convenience of reference and shall not be deemed a part thereof.

7. Counterparts. This Seventh Supplemental Indenture may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

8. Governing Law. This Seventh Supplemental Indenture shall be governed by, and construed in accordance with, the laws of the State of New York, without regard to principles of conflicts of laws.

9. Trustee Disclaimer. The Trustee is not responsible for the validity or sufficiency of this Seventh Supplemental Indenture nor for the recitals herein.

[Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have caused this Seventh Supplemental Indenture to be duly executed as of the day and year first written above.

Company: **VALEANT PHARMACEUTICALS INTERNATIONAL, INC.**

By: /s/ Howard B. Schiller
Name: Howard B. Schiller
Title: Executive Vice President and Chief Financial Officer]

VLLC: **VALEANT SP. Z O.O.**

By: /s/ Marcin Wnukowski
Name: Marcin Wnukowski
Title: Attorney-in-fact

VP: **VP VALEANT SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ SP. J.**

By: /s/ Agnieszka Mencel
Name: Agnieszka Mencel
Title: Attorney-in-fact

Trustee: **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A. as Trustee**

By: /s/ Teresa Petta
Name: Teresa Petta
Title: Authorized Signatory

Exhibit 4.35

EIGHTH SUPPLEMENTAL INDENTURE

EIGHTH SUPPLEMENTAL INDENTURE, dated as of September 24, 2013 (the "Eighth Supplemental Indenture"), by and among Valeant Sp. z o.o. ("VLLC"), VP Valeant spółka z ograniczoną odpowiedzialnością sp.j. ("VP"), Valeant Pharmaceuticals International, a Delaware corporation (the "Company"), and The Bank of New York Mellon Trust Company, N.A., a national banking association, as trustee (the "Trustee").

WHEREAS, each of VPI Escrow Corp., a Delaware corporation, the Company, Valeant Pharmaceuticals International, Inc., a corporation continued under the federal laws of Canada ("Parent") and the Subsidiary Guarantors (as defined in the Indenture referred to below) then party hereto, has heretofore executed and delivered to the Trustee an Indenture, dated as of October 4, 2012 (the "Indenture"), providing for the issuance of 6.375% Senior Notes due 2020 (the "Securities");

WHEREAS, pursuant to a supplemental indenture (the "Supplemental Indenture") dated as of October 4, 2012, among the Company, Parent, the Subsidiary Guarantors (as defined in the Supplemental Indenture) party thereto, and the Trustee, the Company has unconditionally assumed all of VPI Escrow Corp.'s obligations under the Securities;

WHEREAS, VLLC desires to provide a full and unconditional guarantee (the "VLLC Guarantee") of the obligations of the Company under the Securities and the Indenture on the terms and conditions set forth herein;

WHEREAS, VP desires to provide a full and unconditional guarantee (together with the VLLC Guarantee, the "Guarantee") of the obligations of the Company under the Securities and the Indenture on the terms and conditions set forth herein;

WHEREAS, pursuant to Section 9.1 of the Indenture, the Company, the Trustee, VLLC and VP are authorized to execute and deliver this Eighth Supplemental Indenture; and

WHEREAS, the Company has complied with all conditions precedent provided for in the Indenture relating to the Eighth Supplemental Indenture.

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto mutually covenant and agree for the equal and ratable benefit of the Holders as follows:

1. Definitions. Capitalized terms used but not defined herein have the meanings ascribed to such terms in the Indenture.

2. Guarantee. VLLC and VP hereby agree, jointly and severally, to provide a full and unconditional guarantee on the terms and subject to the conditions set forth in the Note Guarantee and in the Indenture including, but not limited to, Article 10 thereof.

3. Effectiveness of Eighth Supplemental Indenture. This Eighth Supplemental Indenture shall become effective upon the execution and delivery of this Eighth Supplemental Indenture by the Company, VLLC, VP and the Trustee.

4. Indenture Remains in Full Force and Effect. This Eighth Supplemental Indenture shall form a part of the Indenture for all purposes and, except as supplemented or amended hereby, all other provisions in the Indenture and the Securities, to the extent not inconsistent with the terms and provisions of this Eighth Supplemental Indenture, shall remain in full force and effect.

5. No Recourse Against Others. No stockholder, officer, director or incorporator, as such, past, present or future of VLLC or VP shall have any personal liability under this Guarantee, the Securities, the Indenture or this Eighth Supplemental Indenture by reason of his, her or its status as such stockholder, officer, director or incorporator.

6. Headings. The headings of the Articles and Sections of this Eighth Supplemental Indenture are inserted for convenience of reference and shall not be deemed a part thereof.

7. Counterparts. This Eighth Supplemental Indenture may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

8. Governing Law. This Eighth Supplemental Indenture shall be governed by, and construed in accordance with, the laws of the State of New York, without regard to principles of conflicts of laws.

9. Trustee Disclaimer. The Trustee is not responsible for the validity or sufficiency of this Eighth Supplemental Indenture nor for the recitals herein.

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IN WITNESS WHEREOF, the parties hereto have caused this Eighth Supplemental Indenture to be duly executed as of the day and year first written above.

Company: **VALEANT PHARMACEUTICALS INTERNATIONAL**

By: /s/ Howard B. Schiller
Name: Howard B. Schiller
Title: Executive Vice President and Chief Financial Officer

VLLC: **VALEANT SP. Z O.O.**

By: /s/ Marcin Wnukowski
Name: Marcin Wnukowski
Title: Attorney-in-fact

VP: **VP VALEANT SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ SP. J.**

By: /s/ Agnieszka Mencel
Name: Agnieszka Mencel
Title: Attorney-in-fact

Trustee: **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A. as Trustee**

By: /s/ Teresa Petta
Name: Teresa Petta
Title: Authorized Signatory

Exhibit 4.36

ELEVENTH SUPPLEMENTAL INDENTURE

ELEVENTH SUPPLEMENTAL INDENTURE, dated as of September 24, 2013 (the "Eleventh Supplemental Indenture"), by and among Valeant Sp. z o.o. ("VLLC"), VP Valeant spółka z ograniczoną odpowiedzialnością sp.j. ("VP"), Valeant Pharmaceuticals International, a Delaware corporation (the "Company"), and The Bank of New York Mellon Trust Company, N.A., a national banking association, as trustee (the "Trustee").

WHEREAS, each of the Company, Valeant Pharmaceuticals International, Inc. ("Parent"), the indirect parent of the Company, and the Subsidiary Guarantors (as defined in the Indenture referred to below) has heretofore executed and delivered to the Trustee an Indenture, dated as of March 8, 2011 (the "Indenture"), providing for the issuance of 6.50% Senior Notes due 2016 and 7.25% Senior Notes due 2022 (collectively, the "Securities");

WHEREAS, VLLC desires to provide a full and unconditional guarantee (the "VLLC Guarantee") of the obligations of the Company under the Securities and the Indenture on the terms and conditions set forth herein;

WHEREAS, VP desires to provide a full and unconditional guarantee (together with the VLLC Guarantee, the "Guarantee") of the obligations of the Company under the Securities and the Indenture on the terms and conditions set forth herein;

WHEREAS, pursuant to Section 9.1 of the Indenture, the Company, the Trustee, VLLC and VP are authorized to execute and deliver this Eleventh Supplemental Indenture; and

WHEREAS, the Company has complied with all conditions precedent provided for in the Indenture relating to the Eleventh Supplemental Indenture.

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto mutually covenant and agree for the equal and ratable benefit of the Holders as follows:

1. Definitions. Capitalized terms used but not defined herein have the meanings ascribed to such terms in the Indenture.

2. Guarantee. VLLC and VP hereby agree, jointly and severally, to provide a full and unconditional guarantee on the terms and subject to the conditions set forth in the Note Guarantee and in the Indenture including, but not limited to, Article 10 thereof.

3. Effectiveness of Eleventh Supplemental Indenture. This Eleventh Supplemental Indenture shall become effective upon the execution and delivery of this Eleventh Supplemental Indenture by the Company, VLLC, VP and the Trustee.

4. Indenture Remains in Full Force and Effect. This Eleventh Supplemental Indenture shall form a part of the Indenture for all purposes and, except as supplemented or amended hereby, all other provisions in the Indenture and the Securities, to the extent not inconsistent with the terms and provisions of this Eleventh Supplemental Indenture, shall remain in full force and effect.

5. No Recourse Against Others. No stockholder, officer, director or incorporator, as such, past, present or future of VLLC or VP shall have any personal liability under this Guarantee, the Securities, the Indenture or this Eleventh Supplemental Indenture by reason of his, her or its status as such stockholder, officer, director or incorporator.

6. Headings. The headings of the Articles and Sections of this Eleventh Supplemental Indenture are inserted for convenience of reference and shall not be deemed a part thereof.

7. Counterparts. This Eleventh Supplemental Indenture may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

8. Governing Law. This Eleventh Supplemental Indenture shall be governed by, and construed in accordance with, the laws of the State of New York, without regard to principles of conflicts of laws.

9. Trustee Disclaimer. The Trustee is not responsible for the validity or sufficiency of this Eleventh Supplemental Indenture nor for the recitals herein.

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IN WITNESS WHEREOF, the parties hereto have caused this Eleventh Supplemental Indenture to be duly executed as of the day and year first written above.

Company: **VALEANT PHARMACEUTICALS INTERNATIONAL**

By: /s/ Howard B. Schiller
Name: Howard B. Schiller
Title: Executive Vice President and Chief Financial Officer

VLLC: **VALEANT SP. Z O.O.**

By: /s/ Marcin Wnukowski
Name: Marcin Wnukowski
Title: Attorney-in-fact

VP: **VP VALEANT SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ SP. J.**

By: /s/ Agnieszka Mencel
Name: Agnieszka Mencel
Title: Attorney-in-fact

Trustee: **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A. as Trustee**

By: /s/ Teresa Petta
Name: Teresa Petta
Title: Authorized Signatory

Exhibit 4.37

ELEVENTH SUPPLEMENTAL INDENTURE

ELEVENTH SUPPLEMENTAL INDENTURE, dated as of September 24, 2013 (the "Eleventh Supplemental Indenture"), by and among Valeant Sp. z o.o. ("VLLC"), VP Valeant spółka z ograniczoną odpowiedzialnością sp.j. ("VP"), Valeant Pharmaceuticals International, a Delaware corporation (the "Company"), and The Bank of New York Mellon Trust Company, N.A., a national banking association, as trustee (the "Trustee").

WHEREAS, each of the Company, Valeant Pharmaceuticals International, Inc. ("Parent"), the indirect parent of the Company, and the Subsidiary Guarantors (as defined in the Indenture referred to below) has heretofore executed and delivered to the Trustee an Indenture, dated as of February 8, 2011 (the "Indenture"), providing for the issuance of 6.75% Senior Notes due 2021 (the "Securities");

WHEREAS, VLLC desires to provide a full and unconditional guarantee (the "VLLC Guarantee") of the obligations of the Company under the Securities and the Indenture on the terms and conditions set forth herein;

WHEREAS, VP desires to provide a full and unconditional guarantee (together with the VLLC Guarantee, the "Guarantee") of the obligations of the Company under the Securities and the Indenture on the terms and conditions set forth herein;

WHEREAS, pursuant to Section 9.1 of the Indenture, the Company, the Trustee, VLLC and VP are authorized to execute and deliver this Eleventh Supplemental Indenture; and

WHEREAS, the Company has complied with all conditions precedent provided for in the Indenture relating to the Eleventh Supplemental Indenture.

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto mutually covenant and agree for the equal and ratable benefit of the Holders as follows:

1. Definitions. Capitalized terms used but not defined herein have the meanings ascribed to such terms in the Indenture.

2. Guarantee. VLLC and VP hereby agree, jointly and severally, to provide a full and unconditional guarantee on the terms and subject to the conditions set forth in the Note Guarantee and in the Indenture including, but not limited to, Article 10 thereof.

3. Effectiveness of Eleventh Supplemental Indenture. This Eleventh Supplemental Indenture shall become effective upon the execution and delivery of this Eleventh Supplemental Indenture by the Company, VLLC, VP and the Trustee.

4. Indenture Remains in Full Force and Effect. This Eleventh Supplemental Indenture shall form a part of the Indenture for all purposes and, except as supplemented or amended hereby, all other provisions in the Indenture and the Securities, to the extent not inconsistent with the terms and provisions of this Eleventh Supplemental Indenture, shall remain in full force and effect.

5. No Recourse Against Others. No stockholder, officer, director or incorporator, as such, past, present or future of VLLC or VP shall have any personal liability under this Guarantee, the Securities, the Indenture or this Eleventh Supplemental Indenture by reason of his, her or its status as such stockholder, officer, director or incorporator.

6. Headings. The headings of the Articles and Sections of this Eleventh Supplemental Indenture are inserted for convenience of reference and shall not be deemed a part thereof.

7. Counterparts. This Eleventh Supplemental Indenture may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

8. Governing Law. This Eleventh Supplemental Indenture shall be governed by, and construed in accordance with, the laws of the State of New York, without regard to principles of conflicts of laws.

9. Trustee Disclaimer. The Trustee is not responsible for the validity or sufficiency of this Eleventh Supplemental Indenture nor for the recitals herein.

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IN WITNESS WHEREOF, the parties hereto have caused this Eleventh Supplemental Indenture to be duly executed as of the day and year first written above.

Company: **VALEANT PHARMACEUTICALS INTERNATIONAL**

By: /s/ Howard B. Schiller
Name: Howard B. Schiller
Title: Executive Vice President and Chief Financial Officer

VLLC: **VALEANT SP. Z O.O.**

By: /s/ Marcin Wnukowski
Name: Marcin Wnukowski
Title: Attorney-in-fact

VP: **VP VALEANT SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ SP. J.**

By: /s/ Agnieszka Mencel
Name: Agnieszka Mencel
Title: Attorney-in-fact

Trustee: **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A. as Trustee**

By: /s/ Teresa Petta
Name: Teresa Petta
Title: Authorized Signatory

Exhibit 4.38

TWELFTH SUPPLEMENTAL INDENTURE

TWELFTH SUPPLEMENTAL INDENTURE, dated as of September 24, 2013 (the "Twelfth Supplemental Indenture"), by and among Valeant Sp. z o.o. ("VLLC"), VP Valeant spółka z ograniczoną odpowiedzialnością sp.j. ("VP"), Valeant Pharmaceuticals International, a Delaware corporation (the "Company"), and The Bank of New York Mellon Trust Company, N.A., a national banking association, as trustee (the "Trustee").

WHEREAS, each of the Company, Valeant Pharmaceuticals International, Inc. ("Parent"), the indirect parent of the Company, and the Subsidiary Guarantors (as defined in the Indenture referred to below) has heretofore executed and delivered to the Trustee an Indenture, dated as of November 23, 2010 (the "Indenture"), providing for the issuance of 6.875% Senior Notes due 2018 (the "Securities");

WHEREAS, VLLC desires to provide a full and unconditional guarantee (the "VLLC Guarantee") of the obligations of the Company under the Securities and the Indenture on the terms and conditions set forth herein;

WHEREAS, VP desires to provide a full and unconditional guarantee (together with the VLLC Guarantee, the "Guarantee") of the obligations of the Company under the Securities and the Indenture on the terms and conditions set forth herein;

WHEREAS, pursuant to Section 9.1 of the Indenture, the Company, the Trustee, VLLC and VP are authorized to execute and deliver this Twelfth Supplemental Indenture; and

WHEREAS, the Company has complied with all conditions precedent provided for in the Indenture relating to the Twelfth Supplemental Indenture.

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto mutually covenant and agree for the equal and ratable benefit of the Holders as follows:

1. Definitions. Capitalized terms used but not defined herein have the meanings ascribed to such terms in the Indenture.

2. Guarantee. VLLC and VP hereby agree, jointly and severally, to provide a full and unconditional guarantee on the terms and subject to the conditions set forth in the Note Guarantee and in the Indenture including, but not limited to, Article 10 thereof.

3. Effectiveness of Twelfth Supplemental Indenture. This Twelfth Supplemental Indenture shall become effective upon the execution and delivery of this Twelfth Supplemental Indenture by the Company, VLLC, VP and the Trustee.

4. Indenture Remains in Full Force and Effect. This Twelfth Supplemental Indenture shall form a part of the Indenture for all purposes and, except as supplemented or amended hereby, all other provisions in the Indenture and the Securities, to the extent not inconsistent with the terms and provisions of this Twelfth Supplemental Indenture, shall remain in full force and effect.

5. No Recourse Against Others. No stockholder, officer, director or incorporator, as such, past, present or future of VLLC or VP shall have any personal liability under this Guarantee, the Securities, the Indenture or this Twelfth Supplemental Indenture by reason of his, her or its status as such stockholder, officer, director or incorporator.

6. Headings. The headings of the Articles and Sections of this Twelfth Supplemental Indenture are inserted for convenience of reference and shall not be deemed a part thereof.

7. Counterparts. This Twelfth Supplemental Indenture may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

8. Governing Law. This Twelfth Supplemental Indenture shall be governed by, and construed in accordance with, the laws of the State of New York, without regard to principles of conflicts of laws.

9. Trustee Disclaimer. The Trustee is not responsible for the validity or sufficiency of this Twelfth Supplemental Indenture nor for the recitals herein.

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IN WITNESS WHEREOF, the parties hereto have caused this Twelfth Supplemental Indenture to be duly executed as of the day and year first written above.

Company: **VALEANT PHARMACEUTICALS INTERNATIONAL**

By: /s/ Howard B. Schiller
Name: Howard B. Schiller
Title: Executive Vice President and Chief Financial Officer

VLLC: **VALEANT SP. Z O.O.**

By: /s/ Marcin Wnukowski
Name: Marcin Wnukowski
Title: Attorney-in-fact

VP: **VP VALEANT SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ SP. J.**

By: /s/ Agnieszka Mencel
Name: Agnieszka Mencel
Title: Attorney-in-fact

Trustee: **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A. as Trustee**

By: /s/ Teresa Petta
Name: Teresa Petta
Title: Authorized Signatory

Exhibit 4.39

THIRTEENTH SUPPLEMENTAL INDENTURE

THIRTEENTH SUPPLEMENTAL INDENTURE, dated as of September 24, 2013 (the "Thirteenth Supplemental Indenture"), by and among Valeant Sp. z o.o. ("VLLC"), VP Valeant spółka z ograniczoną odpowiedzialnością sp.j. ("VP"), Valeant Pharmaceuticals International, a Delaware corporation (the "Company") and The Bank of New York Mellon Trust Company, N.A., a national banking association, as trustee (the "Trustee").

WHEREAS, each of the Company, Valeant Pharmaceuticals International, Inc. ("Parent"), the indirect parent of the Company, and the Subsidiary Guarantors (as defined in the Indenture referred to below) has heretofore executed and delivered to the Trustee an Indenture, dated as of September 28, 2010 (the "Indenture"), providing for the issuance of 6.75% Senior Notes due 2017 and 7.00% Senior Notes due 2020 (collectively, the "Securities");

WHEREAS, VLLC desires to provide a full and unconditional guarantee (the "VLLC Guarantee") of the obligations of the Company under the Securities and the Indenture on the terms and conditions set forth herein;

WHEREAS, VP desires to provide a full and unconditional guarantee (together with the VLLC Guarantee, the "Guarantee") of the obligations of the Company under the Securities and the Indenture on the terms and conditions set forth herein;

WHEREAS, pursuant to Section 9.1 of the Indenture, the Company, the Trustee, VLLC and VP are authorized to execute and deliver this Thirteenth Supplemental Indenture; and

WHEREAS, the Company has complied with all conditions precedent provided for in the Indenture relating to the Thirteenth Supplemental Indenture.

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto mutually covenant and agree for the equal and ratable benefit of the Holders as follows:

1. Definitions. Capitalized terms used but not defined herein have the meanings ascribed to such terms in the Indenture.

2. Guarantee. VLLC and VP hereby agree, jointly and severally, to provide a full and unconditional guarantee on the terms and subject to the conditions set forth in the Note Guarantee and in the Indenture including, but not limited to, Article 10 thereof.

3. Effectiveness of Thirteenth Supplemental Indenture. This Thirteenth Supplemental Indenture shall become effective upon the execution and delivery of this Thirteenth Supplemental Indenture by the Company, VLLC, VP and the Trustee.

4. Indenture Remains in Full Force and Effect. This Thirteenth Supplemental Indenture shall form a part of the Indenture for all purposes and, except as supplemented or amended hereby, all other provisions in the Indenture and the Securities, to the extent not inconsistent with the terms and provisions of this Thirteenth Supplemental Indenture, shall remain in full force and effect.

5. No Recourse Against Others. No stockholder, officer, director or incorporator, as such, past, present or future of VLLC or VP shall have any personal liability under this Guarantee, the Securities, the Indenture or this Thirteenth Supplemental Indenture by reason of his, her or its status as such stockholder, officer, director or incorporator.

6. Headings. The headings of the Articles and Sections of this Thirteenth Supplemental Indenture are inserted for convenience of reference and shall not be deemed a part thereof.

7. Counterparts. This Thirteenth Supplemental Indenture may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

8. Governing Law. This Thirteenth Supplemental Indenture shall be governed by, and construed in accordance with, the laws of the State of New York, without regard to principles of conflicts of laws.

9. Trustee Disclaimer. The Trustee is not responsible for the validity or sufficiency of this Thirteenth Supplemental Indenture nor for the recitals herein.

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IN WITNESS WHEREOF, the parties hereto have caused this Thirteenth Supplemental Indenture to be duly executed as of the day and year first written above.

Company: **VALEANT PHARMACEUTICALS INTERNATIONAL**

By: /s/ Howard B. Schiller
Name: Howard B. Schiller
Title: Executive Vice President and Chief Financial Officer

VLLC: **VALEANT SP. Z O.O.**

By: /s/ Marcin Wnukowski
Name: Marcin Wnukowski
Title: Attorney-in-fact

VP: **VP VALEANT SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ SP. J.**

By: /s/ Agnieszka Mencel
Name: Agnieszka Mencel
Title: Attorney-in-fact

Trustee: **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A. as Trustee**

By: /s/ Teresa Petta
Name: Teresa Petta
Title: Authorized Signatory

Exhibit 4.40

EIGHTH SUPPLEMENTAL INDENTURE

EIGHTH SUPPLEMENTAL INDENTURE, dated as of September 25, 2013 (the "Eighth Supplemental Indenture"), by and among **Labenne Participações Ltda.** ("Labenne"), Probiótica Laboratórios Ltda. ("Probiótica"), Valeant Pharmaceuticals International, Inc., a corporation continued under the British Columbia *Business Corporations Act* (the "Company"), and The Bank of New York Mellon Trust Company, N.A., a national banking association, as trustee (the "Trustee").

WHEREAS, VPII Escrow Corp., a corporation organized under the federal laws of Canada (the "Escrow Issuer"), has heretofore executed and delivered to the Trustee an Indenture, dated as of July 12, 2013 (the "Indenture"), providing for the issuance of the Escrow Issuer's 6.75% Senior Notes due 2018 (the "2018 Notes") and 7.50% Senior Notes due 2021 (the "2021 Notes" and, together with the 2018 Notes, the "Securities");

WHEREAS, Labenne desires to provide a full and unconditional guarantee (the "Labenne Guarantee") of the obligations of the Company under the Securities and the Indenture on the terms and conditions set forth herein;

WHEREAS, Probiótica desires to provide a full and unconditional guarantee (together with the Labenne Guarantee, the "Guarantee") of the obligations of the Company under the Securities and the Indenture on the terms and conditions set forth herein;

WHEREAS, pursuant to Section 9.1 of the Indenture, the Company, the Trustee, Labenne and Probiótica are authorized to execute and deliver this Eighth Supplemental Indenture; and

WHEREAS, the Company has complied with all conditions precedent provided for in the Indenture relating to the Eighth Supplemental Indenture.

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto mutually covenant and agree for the equal and ratable benefit of the Holders as follows:

1. Definitions. Capitalized terms used but not defined herein have the meanings ascribed to such terms in the Indenture.

2. Guarantee. Labenne and Probiótica hereby agree, jointly and severally, to provide a full and unconditional guarantee on the terms and subject to the conditions set forth in the Note Guarantee and in the Indenture including, but not limited to, Article 10 thereof.

3. Effectiveness of Eighth Supplemental Indenture. This Eighth Supplemental Indenture shall become effective upon the execution and delivery of this Eighth Supplemental Indenture by the Company, Labenne, Probiótica and the Trustee.

4. Indenture Remains in Full Force and Effect. This Eighth Supplemental Indenture shall form a part of the Indenture for all purposes and, except as supplemented or amended hereby, all other provisions in the Indenture and the Securities, to the extent not inconsistent with the terms and provisions of this Eighth Supplemental Indenture, shall remain in full force and effect.

5. No Recourse Against Others. No stockholder, officer, director or incorporator, as such, past, present or future of Labenne or Probiótica shall have any personal liability under this Guarantee, the Securities, the Indenture or this Eighth Supplemental Indenture by reason of his, her or its status as such stockholder, officer, director or incorporator.

6. Headings. The headings of the Articles and Sections of this Eighth Supplemental Indenture are inserted for convenience of reference and shall not be deemed a part thereof.

7. Counterparts. This Eighth Supplemental Indenture may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

8. Governing Law. This Eighth Supplemental Indenture shall be governed by, and construed in accordance with, the laws of the State of New York, without regard to principles of conflicts of laws.

9. Trustee Disclaimer. The Trustee is not responsible for the validity or sufficiency of this Eighth Supplemental Indenture nor for the recitals herein.

[Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have caused this Eighth Supplemental Indenture to be duly executed as of the day and year first written above.

Company: **VALEANT PHARMACEUTICALS INTERNATIONAL, INC.**

By: /s/ Howard B. Schiller
Name: Howard B. Schiller
Title: Executive Vice President and Chief Financial Officer

LABENNE: **LABENNE PARTICIPAÇÕES LTDA.**

By: /s/ Marcelo Noll Barbosa
Name: Marcelo Noll Barbosa
Title: Officer

By: /s/ Jairo Antonio Aidar
Name: Jairo Antonio Aidar
Title: Officer

PROBIÓTICA: **PROBIÓTICA LABORATÓRIOS LTDA.**

By: /s/ Marcelo Noll Barbosa
Name: Marcelo Noll Barbosa
Title: Officer

By: /s/ Jairo Antonio Aidar
Name: Jairo Antonio Aidar
Title: Officer

Trustee:

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.
as Trustee

By: /s/ Teresa Petta
Name: Teresa Petta
Title: Authorized Signatory

Exhibit 4.41

NINTH SUPPLEMENTAL INDENTURE

NINTH SUPPLEMENTAL INDENTURE, dated as of September 25, 2013 (the "Ninth Supplemental Indenture"), by and among **Labenne Participações Ltda.** ("Labenne"), Probiótica Laboratórios Ltda. ("Probiótica"), Valeant Pharmaceuticals International, a Delaware corporation (the "Company"), and The Bank of New York Mellon Trust Company, N.A., a national banking association, as trustee (the "Trustee").

WHEREAS, each of VPI Escrow Corp., a Delaware corporation, the Company, Valeant Pharmaceuticals International, Inc., a corporation continued under the laws of the Province of British Columbia ("Parent") and the Subsidiary Guarantors (as defined in the Indenture referred to below) then party hereto, has heretofore executed and delivered to the Trustee an Indenture, dated as of October 4, 2012 (the "Indenture"), providing for the issuance of 6.375% Senior Notes due 2020 (the "Securities");

WHEREAS, pursuant to a supplemental indenture (the "Supplemental Indenture") dated as of October 4, 2012, among the Company, Parent, the Subsidiary Guarantors (as defined in the Supplemental Indenture) party thereto, and the Trustee, the Company has unconditionally assumed all of VPI Escrow Corp.'s obligations under the Securities;

WHEREAS, Labenne desires to provide a full and unconditional guarantee (the "Labenne Guarantee") of the obligations of the Company under the Securities and the Indenture on the terms and conditions set forth herein;

WHEREAS, Probiótica desires to provide a full and unconditional guarantee (together with the Labenne Guarantee, the "Guarantee") of the obligations of the Company under the Securities and the Indenture on the terms and conditions set forth herein;

WHEREAS, pursuant to Section 9.1 of the Indenture, the Company, the Trustee, Labenne and Probiótica are authorized to execute and deliver this Ninth Supplemental Indenture; and

WHEREAS, the Company has complied with all conditions precedent provided for in the Indenture relating to the Ninth Supplemental Indenture.

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto mutually covenant and agree for the equal and ratable benefit of the Holders as follows:

1. Definitions. Capitalized terms used but not defined herein have the meanings ascribed to such terms in the Indenture.

2. Guarantee. Labenne and Probiótica hereby agree, jointly and severally, to provide a full and unconditional guarantee on the terms and subject to the conditions set forth in the Note Guarantee and in the Indenture including, but not limited to, Article 10 thereof.

3. Effectiveness of Ninth Supplemental Indenture. This Ninth Supplemental Indenture shall become effective upon the execution and delivery of this Ninth Supplemental Indenture by the Company, Labenne, Probiótica and the Trustee.

4. Indenture Remains in Full Force and Effect. This Ninth Supplemental Indenture shall form a part of the Indenture for all purposes and, except as supplemented or amended hereby, all other provisions in the Indenture and the Securities, to the extent not inconsistent with the terms and provisions of this Ninth Supplemental Indenture, shall remain in full force and effect.

5. No Recourse Against Others. No stockholder, officer, director or incorporator, as such, past, present or future of Labenne or Probiótica shall have any personal liability under this Guarantee, the Securities, the Indenture or this Ninth Supplemental Indenture by reason of his, her or its status as such stockholder, officer, director or incorporator.

6. Headings. The headings of the Articles and Sections of this Ninth Supplemental Indenture are inserted for convenience of reference and shall not be deemed a part thereof.

7. Counterparts. This Ninth Supplemental Indenture may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

8. Governing Law. This Ninth Supplemental Indenture shall be governed by, and construed in accordance with, the laws of the State of New York, without regard to principles of conflicts of laws.

9. Trustee Disclaimer. The Trustee is not responsible for the validity or sufficiency of this Ninth Supplemental Indenture nor for the recitals herein.

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IN WITNESS WHEREOF, the parties hereto have caused this Ninth Supplemental Indenture to be duly executed as of the day and year first written above.

Company: **VALEANT PHARMACEUTICALS INTERNATIONAL**

By: /s/ Howard B. Schiller
Name: Howard B. Schiller
Title: Executive Vice President and Chief Financial Officer

LABENNE: **LABENNE PARTICIPAÇÕES LTDA.**

By: /s/ Marcelo Noll Barbosa
Name: Marcelo Noll Barbosa
Title: Officer

By: /s/ Jairo Antonio Aidar
Name: Jairo Antonio Aidar
Title: Officer

PROBIÓTICA: **PROBIÓTICA LABORATÓRIOS LTDA.**

By: /s/ Marcelo Noll Barbosa
Name: Marcelo Noll Barbosa
Title: Officer

By: /s/ Jairo Antonio Aidar
Name: Jairo Antonio Aidar
Title: Officer

Trustee: **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A. as Trustee**

By: /s/ Teresa Petta
Name: Teresa Petta
Title: Authorized Signatory

Exhibit 4.42

TWELFTH SUPPLEMENTAL INDENTURE

TWELFTH SUPPLEMENTAL INDENTURE, dated as of September 25, 2013 (the "Twelfth Supplemental Indenture"), by and among **Labenne Participações Ltda.** ("Labenne"), Probiótica Laboratórios Ltda. ("Probiótica"), Valeant Pharmaceuticals International, a Delaware corporation (the "Company"), and The Bank of New York Mellon Trust Company, N.A., a national banking association, as trustee (the "Trustee").

WHEREAS, each of the Company, Valeant Pharmaceuticals International, Inc. ("Parent"), the indirect parent of the Company, and the Subsidiary Guarantors (as defined in the Indenture referred to below) has heretofore executed and delivered to the Trustee an Indenture, dated as of March 8, 2011 (the "Indenture"), providing for the issuance of 6.50% Senior Notes due 2016 and 7.25% Senior Notes due 2022 (collectively, the "Securities");

WHEREAS, Labenne desires to provide a full and unconditional guarantee (the "Labenne Guarantee") of the obligations of the Company under the Securities and the Indenture on the terms and conditions set forth herein;

WHEREAS, Probiótica desires to provide a full and unconditional guarantee (together with the Labenne Guarantee, the "Guarantee") of the obligations of the Company under the Securities and the Indenture on the terms and conditions set forth herein;

WHEREAS, pursuant to Section 9.1 of the Indenture, the Company, the Trustee, Labenne and Probiótica are authorized to execute and deliver this Twelfth Supplemental Indenture; and

WHEREAS, the Company has complied with all conditions precedent provided for in the Indenture relating to the Twelfth Supplemental Indenture.

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto mutually covenant and agree for the equal and ratable benefit of the Holders as follows:

1. Definitions. Capitalized terms used but not defined herein have the meanings ascribed to such terms in the Indenture.

2. Guarantee. Labenne and Probiótica hereby agree, jointly and severally, to provide a full and unconditional guarantee on the terms and subject to the conditions set forth in the Note Guarantee and in the Indenture including, but not limited to, Article 10 thereof.

3. Effectiveness of Twelfth Supplemental Indenture. This Twelfth Supplemental Indenture shall become effective upon the execution and delivery of this Twelfth Supplemental Indenture by the Company, Labenne, Probiótica and the Trustee.

4. Indenture Remains in Full Force and Effect. This Twelfth Supplemental Indenture shall form a part of the Indenture for all purposes and, except as supplemented or amended hereby, all other provisions in the Indenture and the Securities, to the extent not inconsistent with the terms and provisions of this Twelfth Supplemental Indenture, shall remain in full force and effect.

5. No Recourse Against Others. No stockholder, officer, director or incorporator, as such, past, present or future of Labenne or Probiótica shall have any personal liability under this Guarantee, the Securities, the Indenture or this Twelfth Supplemental Indenture by reason of his, her or its status as such stockholder, officer, director or incorporator.

6. Headings. The headings of the Articles and Sections of this Twelfth Supplemental Indenture are inserted for convenience of reference and shall not be deemed a part thereof.

7. Counterparts. This Twelfth Supplemental Indenture may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

8. Governing Law. This Twelfth Supplemental Indenture shall be governed by, and construed in accordance with, the laws of the State of New York, without regard to principles of conflicts of laws.

9. Trustee Disclaimer. The Trustee is not responsible for the validity or sufficiency of this Twelfth Supplemental Indenture nor for the recitals herein.

[Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have caused this Twelfth Supplemental Indenture to be duly executed as of the day and year first written above.

Company: **VALEANT PHARMACEUTICALS INTERNATIONAL**

By: /s/ Howard B. Schiller
Name: Howard B. Schiller
Title: Executive Vice President and Chief Financial Officer

LABENNE: **LABENNE PARTICIPAÇÕES LTDA.**

By: /s/ Marcelo Noll Barbosa
Name: Marcelo Noll Barbosa
Title: Officer

By: /s/ Jairo Antonio Aidar
Name: Jairo Antonio Aidar
Title: Officer

PROBIÓTICA: **PROBIÓTICA LABORATÓRIOS LTDA.**

By: /s/ Marcelo Noll Barbosa
Name: Marcelo Noll Barbosa
Title: Officer

By: /s/ Jairo Antonio Aidar
Name: Jairo Antonio Aidar
Title: Officer

Trustee: **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A. as Trustee**

By: /s/ Teresa Petta
Name: Teresa Petta
Title: Authorized Signatory

Exhibit 4.43

TWELFTH SUPPLEMENTAL INDENTURE

TWELFTH SUPPLEMENTAL INDENTURE, dated as of September 25, 2013 (the "Twelfth Supplemental Indenture"), by and among **Labenne Participações Ltda.** ("Labenne"), Probiótica Laboratórios Ltda. ("Probiótica"), Valeant Pharmaceuticals International, a Delaware corporation (the "Company"), and The Bank of New York Mellon Trust Company, N.A., a national banking association, as trustee (the "Trustee").

WHEREAS, each of the Company, Valeant Pharmaceuticals International, Inc. ("Parent"), the indirect parent of the Company, and the Subsidiary Guarantors (as defined in the Indenture referred to below) has heretofore executed and delivered to the Trustee an Indenture, dated as of February 8, 2011 (the "Indenture"), providing for the issuance of 6.75% Senior Notes due 2021 (the "Securities");

WHEREAS, Labenne desires to provide a full and unconditional guarantee (the "Labenne Guarantee") of the obligations of the Company under the Securities and the Indenture on the terms and conditions set forth herein;

WHEREAS, Probiótica desires to provide a full and unconditional guarantee (together with the Labenne Guarantee, the "Guarantee") of the obligations of the Company under the Securities and the Indenture on the terms and conditions set forth herein;

WHEREAS, pursuant to Section 9.1 of the Indenture, the Company, the Trustee, Labenne and Probiótica are authorized to execute and deliver this Twelfth Supplemental Indenture; and

WHEREAS, the Company has complied with all conditions precedent provided for in the Indenture relating to the Twelfth Supplemental Indenture.

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto mutually covenant and agree for the equal and ratable benefit of the Holders as follows:

1. Definitions. Capitalized terms used but not defined herein have the meanings ascribed to such terms in the Indenture.

2. Guarantee. Labenne and Probiótica hereby agree, jointly and severally, to provide a full and unconditional guarantee on the terms and subject to the conditions set forth in the Note Guarantee and in the Indenture including, but not limited to, Article 10 thereof.

3. Effectiveness of Twelfth Supplemental Indenture. This Twelfth Supplemental Indenture shall become effective upon the execution and delivery of this Twelfth Supplemental Indenture by the Company, Labenne, Probiótica and the Trustee.

4. Indenture Remains in Full Force and Effect. This Twelfth Supplemental Indenture shall form a part of the Indenture for all purposes and, except as supplemented or amended hereby, all other provisions in the Indenture and the Securities, to the extent not inconsistent with the terms and provisions of this Twelfth Supplemental Indenture, shall remain in full force and effect.

5. No Recourse Against Others. No stockholder, officer, director or incorporator, as such, past, present or future of Labenne or Probiótica shall have any personal liability under this Guarantee, the Securities, the Indenture or this Twelfth Supplemental Indenture by reason of his, her or its status as such stockholder, officer, director or incorporator.

6. Headings. The headings of the Articles and Sections of this Twelfth Supplemental Indenture are inserted for convenience of reference and shall not be deemed a part thereof.

7. Counterparts. This Twelfth Supplemental Indenture may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

8. Governing Law. This Twelfth Supplemental Indenture shall be governed by, and construed in accordance with, the laws of the State of New York, without regard to principles of conflicts of laws.

9. Trustee Disclaimer. The Trustee is not responsible for the validity or sufficiency of this Twelfth Supplemental Indenture nor for the recitals herein.

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IN WITNESS WHEREOF, the parties hereto have caused this Twelfth Supplemental Indenture to be duly executed as of the day and year first written above.

Company: **VALEANT PHARMACEUTICALS INTERNATIONAL**

By: /s/ Howard B. Schiller
Name: Howard B. Schiller
Title: Executive Vice President and Chief Financial Officer

LABENNE: **LABENNE PARTICIPAÇÕES LTDA.**

By: /s/ Marcelo Noll Barbosa
Name: Marcelo Noll Barbosa
Title: Officer

By: /s/ Jairo Antonio Aidar
Name: Jairo Antonio Aidar
Title: Officer

PROBIÓTICA: **PROBIÓTICA LABORATÓRIOS LTDA.**

By: /s/ Marcelo Noll Barbosa
Name: Marcelo Noll Barbosa
Title: Officer

By: /s/ Jairo Antonio Aidar
Name: Jairo Antonio Aidar
Title: Officer

Trustee: **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A. as Trustee**

By: /s/ Teresa Petta
Name: Teresa Petta
Title: Authorized Signatory

Exhibit 4.44

THIRTEENTH SUPPLEMENTAL INDENTURE

THIRTEENTH SUPPLEMENTAL INDENTURE, dated as of September 25, 2013 (the "Thirteenth Supplemental Indenture"), by and among Labenne Participações Ltda. ("Labenne"), Probiótica Laboratórios Ltda. ("Probiótica"), Valeant Pharmaceuticals International, a Delaware corporation (the "Company"), and The Bank of New York Mellon Trust Company, N.A., a national banking association, as trustee (the "Trustee").

WHEREAS, each of the Company, Valeant Pharmaceuticals International, Inc. ("Parent"), the indirect parent of the Company, and the Subsidiary Guarantors (as defined in the Indenture referred to below) has heretofore executed and delivered to the Trustee an Indenture, dated as of November 23, 2010 (the "Indenture"), providing for the issuance of 6.875% Senior Notes due 2018 (the "Securities");

WHEREAS, Labenne desires to provide a full and unconditional guarantee (the "Labenne Guarantee") of the obligations of the Company under the Securities and the Indenture on the terms and conditions set forth herein;

WHEREAS, Probiótica desires to provide a full and unconditional guarantee (together with the Labenne Guarantee, the "Guarantee") of the obligations of the Company under the Securities and the Indenture on the terms and conditions set forth herein;

WHEREAS, pursuant to Section 9.1 of the Indenture, the Company, the Trustee, Labenne and Probiótica are authorized to execute and deliver this Thirteenth Supplemental Indenture; and

WHEREAS, the Company has complied with all conditions precedent provided for in the Indenture relating to the Thirteenth Supplemental Indenture.

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto mutually covenant and agree for the equal and ratable benefit of the Holders as follows:

1. Definitions. Capitalized terms used but not defined herein have the meanings ascribed to such terms in the Indenture.

2. Guarantee. Labenne and Probiótica hereby agree, jointly and severally, to provide a full and unconditional guarantee on the terms and subject to the conditions set forth in the Note Guarantee and in the Indenture including, but not limited to, Article 10 thereof.

3. Effectiveness of Thirteenth Supplemental Indenture. This Thirteenth Supplemental Indenture shall become effective upon the execution and delivery of this Thirteenth Supplemental Indenture by the Company, Labenne, Probiótica and the Trustee.

4. Indenture Remains in Full Force and Effect. This Thirteenth Supplemental Indenture shall form a part of the Indenture for all purposes and, except as supplemented or amended hereby, all other provisions in the Indenture and the Securities, to the extent not inconsistent with the terms and provisions of this Thirteenth Supplemental Indenture, shall remain in full force and effect.

5. No Recourse Against Others. No stockholder, officer, director or incorporator, as such, past, present or future of Labenne or Probiótica shall have any personal liability under this Guarantee, the Securities, the Indenture or this Thirteenth Supplemental Indenture by reason of his, her or its status as such stockholder, officer, director or incorporator.

6. Headings. The headings of the Articles and Sections of this Thirteenth Supplemental Indenture are inserted for convenience of reference and shall not be deemed a part thereof.

7. Counterparts. This Thirteenth Supplemental Indenture may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

8. Governing Law. This Thirteenth Supplemental Indenture shall be governed by, and construed in accordance with, the laws of the State of New York, without regard to principles of conflicts of laws.

9. Trustee Disclaimer. The Trustee is not responsible for the validity or sufficiency of this Thirteenth Supplemental Indenture nor for the recitals herein.

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IN WITNESS WHEREOF, the parties hereto have caused this Thirteenth Supplemental Indenture to be duly executed as of the day and year first written above.

Company: **VALEANT PHARMACEUTICALS INTERNATIONAL**

By: /s/ Howard B. Schiller
Name: Howard B. Schiller
Title: Executive Vice President and Chief Financial Officer

LABENNE: **LABENNE PARTICIPAÇÕES LTDA.**

By: /s/ Marcelo Noll Barbosa
Name: Marcelo Noll Barbosa
Title: Officer

By: /s/ Jairo Antonio Aidar
Name: Jairo Antonio Aidar
Title: Officer

PROBIÓTICA: **PROBIÓTICA LABORATÓRIOS LTDA.**

By: /s/ Marcelo Noll Barbosa
Name: Marcelo Noll Barbosa
Title: Officer

By: /s/ Jairo Antonio Aidar
Name: Jairo Antonio Aidar
Title: Officer

Trustee:

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.
as Trustee

By: /s/ Teresa Petta
Name: Teresa Petta
Title: Authorized Signatory

Exhibit 4.45

FOURTEENTH SUPPLEMENTAL INDENTURE

FOURTEENTH SUPPLEMENTAL INDENTURE, dated as of September 25, 2013 (the "Fourteenth Supplemental Indenture"), by and among **Labenne Participações Ltda.** ("Labenne"), Probiótica Laboratórios Ltda. ("Probiótica"), Valeant Pharmaceuticals International, a Delaware corporation (the "Company") and The Bank of New York Mellon Trust Company, N.A., a national banking association, as trustee (the "Trustee").

WHEREAS, each of the Company, Valeant Pharmaceuticals International, Inc. ("Parent"), the indirect parent of the Company, and the Subsidiary Guarantors (as defined in the Indenture referred to below) has heretofore executed and delivered to the Trustee an Indenture, dated as of September 28, 2010 (the "Indenture"), providing for the issuance of 6.75% Senior Notes due 2017 and 7.00% Senior Notes due 2020 (collectively, the "Securities");

WHEREAS, Labenne desires to provide a full and unconditional guarantee (the "Labenne Guarantee") of the obligations of the Company under the Securities and the Indenture on the terms and conditions set forth herein;

WHEREAS, Probiótica desires to provide a full and unconditional guarantee (together with the Labenne Guarantee, the "Guarantee") of the obligations of the Company under the Securities and the Indenture on the terms and conditions set forth herein;

WHEREAS, pursuant to Section 9.1 of the Indenture, the Company, the Trustee, Labenne and Probiótica are authorized to execute and deliver this Fourteenth Supplemental Indenture; and

WHEREAS, the Company has complied with all conditions precedent provided for in the Indenture relating to the Fourteenth Supplemental Indenture.

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto mutually covenant and agree for the equal and ratable benefit of the Holders as follows:

1. Definitions. Capitalized terms used but not defined herein have the meanings ascribed to such terms in the Indenture.

2. Guarantee. Labenne and Probiótica hereby agree, jointly and severally, to provide a full and unconditional guarantee on the terms and subject to the conditions set forth in the Note Guarantee and in the Indenture including, but not limited to, Article 10 thereof.

3. Effectiveness of Fourteenth Supplemental Indenture. This Fourteenth Supplemental Indenture shall become effective upon the execution and delivery of this Fourteenth Supplemental Indenture by the Company, Labenne, Probiótica and the Trustee.

4. Indenture Remains in Full Force and Effect. This Fourteenth Supplemental Indenture shall form a part of the Indenture for all purposes and, except as supplemented or amended hereby, all other provisions in the Indenture and the Securities, to the extent not inconsistent with the terms and provisions of this Fourteenth Supplemental Indenture, shall remain in full force and effect.

5. No Recourse Against Others. No stockholder, officer, director or incorporator, as such, past, present or future of Labenne or Probiótica shall have any personal liability under this Guarantee, the Securities, the Indenture or this Fourteenth Supplemental Indenture by reason of his, her or its status as such stockholder, officer, director or incorporator.

6. Headings. The headings of the Articles and Sections of this Fourteenth Supplemental Indenture are inserted for convenience of reference and shall not be deemed a part thereof.

7. Counterparts. This Fourteenth Supplemental Indenture may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

8. Governing Law. This Fourteenth Supplemental Indenture shall be governed by, and construed in accordance with, the laws of the State of New York, without regard to principles of conflicts of laws.

9. Trustee Disclaimer. The Trustee is not responsible for the validity or sufficiency of this Fourteenth Supplemental Indenture nor for the recitals herein.

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IN WITNESS WHEREOF, the parties hereto have caused this Fourteenth Supplemental Indenture to be duly executed as of the day and year first written above.

Company: **VALEANT PHARMACEUTICALS INTERNATIONAL**

By: /s/ Howard B. Schiller
Name: Howard B. Schiller
Title: Executive Vice President and Chief Financial Officer

LABENNE: **LABENNE PARTICIPAÇÕES LTDA.**

By: /s/ Marcelo Noll Barbosa
Name: Marcelo Noll Barbosa
Title: Officer

By: /s/ Jairo Antonio Aidar
Name: Jairo Antonio Aidar
Title: Officer

PROBIÓTICA: **PROBIÓTICA LABORATÓRIOS LTDA.**

By: /s/ Marcelo Noll Barbosa
Name: Marcelo Noll Barbosa
Title: Officer

By: /s/ Jairo Antonio Aidar
Name: Jairo Antonio Aidar
Title: Officer

Trustee: **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A. as Trustee**

By: /s/ Teresa Petta
Name: Teresa Petta
Title: Authorized Signatory

Exhibit 4.46

NINTH SUPPLEMENTAL INDENTURE

NINTH SUPPLEMENTAL INDENTURE, dated as of October 23, 2013 (the "Ninth Supplemental Indenture"), by and among Akcinė bendrovė SANITAS (Public limited liability company SANITAS), a company continued under the laws of the Republic of Lithuania ("Sanitas") Valeant Pharmaceuticals International, Inc., a corporation continued under the British Columbia *Business Corporations Act* (the "Company"), and The Bank of New York Mellon Trust Company, N.A., a national banking association, as trustee (the "Trustee").

WHEREAS, VPII Escrow Corp., a corporation organized under the federal laws of Canada (the "Escrow Issuer"), has heretofore executed and delivered to the Trustee an Indenture, dated as of July 12, 2013 (the "Indenture"), providing for the issuance of the Escrow Issuer's 6.75% Senior Notes due 2018 (the "2018 Notes") and 7.50% Senior Notes due 2021 (the "2021 Notes" and, together with the 2018 Notes, the "Securities");

WHEREAS, Sanitas agrees to provide a full and unconditional guarantee (the "Guarantee") of the obligations of the Company under the Securities and the Indenture on the terms and conditions set forth herein;

WHEREAS, pursuant to Section 9.1 of the Indenture, the Company, the Trustee and Sanitas are authorized to execute and deliver this Ninth Supplemental Indenture; and

WHEREAS, the Company has complied with all conditions precedent provided for in the Indenture relating to the Ninth Supplemental Indenture.

NOW THEREFORE, in consideration of the foregoing, the parties hereto mutually covenant and agree for the equal and ratable benefit of the Holders as follows:

1. Definitions. Capitalized terms used but not defined herein have the meanings ascribed to such terms in the Indenture.

2. Guarantee. Sanitas hereby agrees to provide a full and unconditional guarantee on the terms and subject to the conditions set forth in the Note Guarantee and in the Indenture including, but not limited to, Article 10 thereof.

3. Effectiveness of Ninth Supplemental Indenture. This Ninth Supplemental Indenture shall become effective upon the execution and delivery of this Ninth Supplemental Indenture by the Company, Sanitas and the Trustee.

4. Indenture Remains in Full Force and Effect. This Ninth Supplemental Indenture shall form a part of the Indenture for all purposes and, except as supplemented or amended hereby, all other provisions in the Indenture and the Securities, to the extent not inconsistent with the terms and provisions of this Ninth Supplemental Indenture, shall remain in full force and effect.

5. No Recourse Against Others. No stockholder, officer, director or incorporator, as such, past, present or future of Sanitas shall have any personal liability under this Guarantee, the Securities, the Indenture or this Ninth Supplemental Indenture by reason of his, her or its status as such stockholder, officer, director or incorporator.

6. Headings. The headings of the Articles and Sections of this Ninth Supplemental Indenture are inserted for convenience of reference and shall not be deemed a part thereof.

7. Counterparts. This Ninth Supplemental Indenture may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

8. Governing Law. This Ninth Supplemental Indenture shall be governed by, and construed in accordance with, the laws of the State of New York, without regard to principles of conflicts of laws.

9. Trustee Disclaimer. The Trustee is not responsible for the validity or sufficiency of this Ninth Supplemental Indenture nor for the recitals herein.

[Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have caused this Ninth Supplemental Indenture to be duly executed as of the day and year first written above.

Company: **VALEANT PHARMACEUTICALS INTERNATIONAL, INC.**

By: /s/ Howard B. Schiller
Name: Howard B. Schiller
Title: Executive Vice President and Chief Financial Officer

Sanitas: **Akcinė bendrovė SANITAS**

By: /s/ Saulius Žemaitis
Name: Saulius Žemaitis
Title: General Manager

Trustee:

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.
as Trustee

By: /s/ Teresa Petta
Name: Teresa Petta
Title: Authorized Signatory

Exhibit 4.47

TENTH SUPPLEMENTAL INDENTURE

TENTH SUPPLEMENTAL INDENTURE, dated as of October 23, 2013 (the "Tenth Supplemental Indenture"), by and among Akcinė bendrovė SANITAS (Public limited liability company SANITAS), a company continued under the laws of the Republic of Lithuania ("Sanitas"), Valeant Pharmaceuticals International, a Delaware corporation (the "Company"), and The Bank of New York Mellon Trust Company, N.A., a national banking association, as trustee (the "Trustee").

WHEREAS, each of VPI Escrow Corp., a Delaware corporation, the Company, Valeant Pharmaceuticals International, Inc., a corporation continued under the federal laws of Canada ("Parent") and the Subsidiary Guarantors (as defined in the Indenture referred to below) then party hereto, has heretofore executed and delivered to the Trustee an Indenture, dated as of October 4, 2012 (the "Indenture"), providing for the issuance of 6.375% Senior Notes due 2020 (the "Securities");

WHEREAS, pursuant to a supplemental indenture (the "Supplemental Indenture") dated as of October 4, 2012, among the Company, Parent, the Subsidiary Guarantors (as defined in the Supplemental Indenture) party thereto, and the Trustee, the Company has unconditionally assumed all of VPI Escrow Corp.'s obligations under the Securities;

WHEREAS, Sanitas agrees to provide a full and unconditional guarantee (the "Guarantee") of the obligations of the Company under the Securities and the Indenture on the terms and conditions set forth herein;

WHEREAS, pursuant to Section 9.1 of the Indenture, the Company, the Trustee and Sanitas are authorized to execute and deliver this Tenth Supplemental Indenture; and

WHEREAS, the Company has complied with all conditions precedent provided for in the Indenture relating to the Tenth Supplemental Indenture.

NOW THEREFORE, in consideration of the foregoing, the parties hereto mutually covenant and agree for the equal and ratable benefit of the Holders as follows:

1. Definitions. Capitalized terms used but not defined herein have the meanings ascribed to such terms in the Indenture.

2. Guarantee. Sanitas hereby agrees to provide a full and unconditional guarantee on the terms and subject to the conditions set forth in the Note Guarantee and in the Indenture including, but not limited to, Article 10 thereof.

3. Effectiveness of Tenth Supplemental Indenture. This Tenth Supplemental Indenture shall become effective upon the execution and delivery of this Tenth Supplemental Indenture by the Company, Sanitas and the Trustee.

4. Indenture Remains in Full Force and Effect. This Tenth Supplemental Indenture shall form a part of the Indenture for all purposes and, except as supplemented or amended hereby, all other provisions in the Indenture and the Securities, to the extent not inconsistent with the terms and provisions of this Tenth Supplemental Indenture, shall remain in full force and effect.

5. No Recourse Against Others. No stockholder, officer, director or incorporator, as such, past, present or future of Sanitas shall have any personal liability under this Guarantee, the Securities, the Indenture or this Tenth Supplemental Indenture by reason of his, her or its status as such stockholder, officer, director or incorporator.

6. Headings. The headings of the Articles and Sections of this Tenth Supplemental Indenture are inserted for convenience of reference and shall not be deemed a part thereof.

7. Counterparts. This Tenth Supplemental Indenture may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

8. Governing Law. This Tenth Supplemental Indenture shall be governed by, and construed in accordance with, the laws of the State of New York, without regard to principles of conflicts of laws.

9. Trustee Disclaimer. The Trustee is not responsible for the validity or sufficiency of this Tenth Supplemental Indenture nor for the recitals herein.

[Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have caused this Tenth Supplemental Indenture to be duly executed as of the day and year first written above.

Company: **VALEANT PHARMACEUTICALS INTERNATIONAL**

By: /s/ Howard B. Schiller
Name: Howard B. Schiller
Title: Executive Vice President and Chief Financial Officer

Sanitas: **Akcinė bendrovė SANITAS**

By: /s/ Saulius Žemaitis
Name: Saulius Žemaitis
Title: General Manager

Trustee: **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A. as Trustee**

By: /s/ Teresa Petta
Name: Teresa Petta
Title: Authorized Signatory

Exhibit 4.48

THIRTEENTH SUPPLEMENTAL INDENTURE

THIRTEENTH SUPPLEMENTAL INDENTURE, dated as of October 23, 2013 (the "Thirteenth Supplemental Indenture"), by and among Akcinė bendrovė SANITAS (Public limited liability company SANITAS), a company continued under the laws of the Republic of Lithuania ("Sanitas"), Valeant Pharmaceuticals International, a Delaware corporation (the "Company"), and The Bank of New York Mellon Trust Company, N.A., a national banking association, as trustee (the "Trustee").

WHEREAS, each of the Company, Valeant Pharmaceuticals International, Inc. ("Parent"), the indirect parent of the Company, and the Subsidiary Guarantors (as defined in the Indenture referred to below) has heretofore executed and delivered to the Trustee an Indenture, dated as of March 8, 2011 (the "Indenture"), providing for the issuance of 6.50% Senior Notes due 2016 and 7.25% Senior Notes due 2022 (collectively, the "Securities");

WHEREAS, Sanitas agrees to provide a full and unconditional guarantee (the "Guarantee") of the obligations of the Company under the Securities and the Indenture on the terms and conditions set forth herein;

WHEREAS, pursuant to Section 9.1 of the Indenture, the Company, the Trusteeand Sanitas are authorized to execute and deliver this Thirteenth Supplemental Indenture; and

WHEREAS, the Company has complied with all conditions precedent provided for in the Indenture relating to the Thirteenth Supplemental Indenture.

NOW THEREFORE, in consideration of the foregoing, the parties hereto mutually covenant and agree for the equal and ratable benefit of the Holders as follows:

1. Definitions. Capitalized terms used but not defined herein have the meanings ascribed to such terms in the Indenture.

2. Guarantee. Sanitas hereby agrees to provide a full and unconditional guarantee on the terms and subject to the conditions set forth in the Note Guarantee and in the Indenture including, but not limited to, Article 10 thereof.

3. Effectiveness of Thirteenth Supplemental Indenture. This Thirteenth Supplemental Indenture shall become effective upon the execution and delivery of this Thirteenth Supplemental Indenture by the Company, SanitasI and the Trustee.

4. Indenture Remains in Full Force and Effect. This Thirteenth Supplemental Indenture shall form a part of the Indenture for all purposes and, except as supplemented or amended hereby, all other provisions in the Indenture and the Securities, to the extent not inconsistent with the terms and provisions of this Thirteenth Supplemental Indenture, shall remain in full force and effect.

5. No Recourse Against Others. No stockholder, officer, director or incorporator, as such, past, present or future of Sanitas shall have any personal liability under this Guarantee, the Securities, the Indenture or this Thirteenth Supplemental Indenture by reason of his, her or its status as such stockholder, officer, director or incorporator.

6. Headings. The headings of the Articles and Sections of this Thirteenth Supplemental Indenture are inserted for convenience of reference and shall not be deemed a part thereof.

7. Counterparts. This Thirteenth Supplemental Indenture may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

8. Governing Law. This Thirteenth Supplemental Indenture shall be governed by, and construed in accordance with, the laws of the State of New York, without regard to principles of conflicts of laws.

9. Trustee Disclaimer. The Trustee is not responsible for the validity or sufficiency of this Thirteenth Supplemental Indenture nor for the recitals herein.

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IN WITNESS WHEREOF, the parties hereto have caused this Thirteenth Supplemental Indenture to be duly executed as of the day and year first written above.

Company: **VALEANT PHARMACEUTICALS INTERNATIONAL**

By: /s/ Howard B. Schiller
Name: Howard B. Schiller
Title: Executive Vice President and Chief Financial Officer

Sanitas: **Akcinė bendrovė SANITAS**

By: /s/ Saulius Žemaitis
Name: Saulius Žemaitis
Title: General Manager

Trustee: **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A. as Trustee**

By: /s/ Teresa Petta
Name: Teresa Petta
Title: Authorized Signatory

Exhibit 4.49

THIRTEENTH SUPPLEMENTAL INDENTURE

THIRTEENTH SUPPLEMENTAL INDENTURE, dated as of October 23, 2013 (the "Thirteenth Supplemental Indenture"), by and among Akcinė bendrovė SANITAS (Public limited liability company SANITAS), a company continued under the laws of the Republic of Lithuania ("Sanitas"), Valeant Pharmaceuticals International, a Delaware corporation (the "Company"), and The Bank of New York Mellon Trust Company, N.A., a national banking association, as trustee (the "Trustee").

WHEREAS, each of the Company, Valeant Pharmaceuticals International, Inc. ("Parent"), the indirect parent of the Company, and the Subsidiary Guarantors (as defined in the Indenture referred to below) has heretofore executed and delivered to the Trustee an Indenture, dated as of February 8, 2011 (the "Indenture"), providing for the issuance of 6.75% Senior Notes due 2021 (the "Securities");

WHEREAS, Sanitas agrees to provide a full and unconditional guarantee (the "Guarantee") of the obligations of the Company under the Securities and the Indenture on the terms and conditions set forth herein;

WHEREAS, pursuant to Section 9.1 of the Indenture, the Company, the Trustee and Sanitas are authorized to execute and deliver this Thirteenth Supplemental Indenture; and

WHEREAS, the Company has complied with all conditions precedent provided for in the Indenture relating to the Thirteenth Supplemental Indenture.

NOW THEREFORE, in consideration of the foregoing, the parties hereto mutually covenant and agree for the equal and ratable benefit of the Holders as follows:

1. Definitions. Capitalized terms used but not defined herein have the meanings ascribed to such terms in the Indenture.

2. Guarantee. Sanitas hereby agrees to provide a full and unconditional guarantee on the terms and subject to the conditions set forth in the Note Guarantee and in the Indenture including, but not limited to, Article 10 thereof.

3. Effectiveness of Thirteenth Supplemental Indenture. This Thirteenth Supplemental Indenture shall become effective upon the execution and delivery of this Thirteenth Supplemental Indenture by the Company, Sanitas and the Trustee.

4. Indenture Remains in Full Force and Effect. This Thirteenth Supplemental Indenture shall form a part of the Indenture for all purposes and, except as supplemented or amended hereby, all other provisions in the Indenture and the Securities, to the extent not inconsistent with the terms and provisions of this Thirteenth Supplemental Indenture, shall remain in full force and effect.

5. No Recourse Against Others. No stockholder, officer, director or incorporator, as such, past, present or future of Sanitas shall have any personal liability under this Guarantee, the Securities, the Indenture or this Thirteenth Supplemental Indenture by reason of his, her or its status as such stockholder, officer, director or incorporator.

6. Headings. The headings of the Articles and Sections of this Thirteenth Supplemental Indenture are inserted for convenience of reference and shall not be deemed a part thereof.

7. Counterparts. This Thirteenth Supplemental Indenture may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

8. Governing Law. This Thirteenth Supplemental Indenture shall be governed by, and construed in accordance with, the laws of the State of New York, without regard to principles of conflicts of laws.

9. Trustee Disclaimer. The Trustee is not responsible for the validity or sufficiency of this Thirteenth Supplemental Indenture nor for the recitals herein.

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IN WITNESS WHEREOF, the parties hereto have caused this Thirteenth Supplemental Indenture to be duly executed as of the day and year first written above.

Company: **VALEANT PHARMACEUTICALS INTERNATIONAL**

By: /s/ Howard B. Schiller
Name: Howard B. Schiller
Title: Executive Vice President and Chief Financial Officer

Sanitas: **Akcinė bendrovė SANITAS**

By: /s/ Saulius Žemaitis
Name: Saulius Žemaitis
Title: General Manager

Trustee: **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A. as Trustee**

By: /s/ Teresa Petta
Name: Teresa Petta
Title: Authorized Signatory

Exhibit 4.50

FOURTEENTH SUPPLEMENTAL INDENTURE

FOURTEENTH SUPPLEMENTAL INDENTURE, dated as of October 23, 2013 (the "Fourteenth Supplemental Indenture"), by and among Akcinė bendrovė SANITAS (Public limited liability company SANITAS), a company continued under the laws of the Republic of Lithuania ("Sanitas"), Valeant Pharmaceuticals International, a Delaware corporation (the "Company"), and The Bank of New York Mellon Trust Company, N.A., a national banking association, as trustee (the "Trustee").

WHEREAS, each of the Company, Valeant Pharmaceuticals International, Inc. ("Parent"), the indirect parent of the Company, and the Subsidiary Guarantors (as defined in the Indenture referred to below) has heretofore executed and delivered to the Trustee an Indenture, dated as of November 23, 2010 (the "Indenture"), providing for the issuance of 6.875% Senior Notes due 2018 (the "Securities");

WHEREAS, Sanitas agrees to provide a full and unconditional guarantee (the "Guarantee") of the obligations of the Company under the Securities and the Indenture on the terms and conditions set forth herein;

WHEREAS, pursuant to Section 9.1 of the Indenture, the Company, the Trustee and Sanitas are authorized to execute and deliver this Fourteenth Supplemental Indenture; and

WHEREAS, the Company has complied with all conditions precedent provided for in the Indenture relating to the Fourteenth Supplemental Indenture.

NOW THEREFORE, in consideration of the foregoing, the parties hereto mutually covenant and agree for the equal and ratable benefit of the Holders as follows:

1. Definitions. Capitalized terms used but not defined herein have the meanings ascribed to such terms in the Indenture.

2. Guarantee. Sanitas hereby agrees to provide a full and unconditional guarantee on the terms and subject to the conditions set forth in the Note Guarantee and in the Indenture including, but not limited to, Article 10 thereof.

3. Effectiveness of Fourteenth Supplemental Indenture. This Fourteenth Supplemental Indenture shall become effective upon the execution and delivery of this Fourteenth Supplemental Indenture by the Company, Sanitas and the Trustee.

4. Indenture Remains in Full Force and Effect. This Fourteenth Supplemental Indenture shall form a part of the Indenture for all purposes and, except as supplemented or amended hereby, all other provisions in the Indenture and the Securities, to the extent not inconsistent with the terms and provisions of this Fourteenth Supplemental Indenture, shall remain in full force and effect.

5. No Recourse Against Others. No stockholder, officer, director or incorporator, as such, past, present or future of Sanitas shall have any personal liability under this Guarantee, the Securities, the Indenture or this Fourteenth Supplemental Indenture by reason of his, her or its status as such stockholder, officer, director or incorporator.

6. Headings. The headings of the Articles and Sections of this Fourteenth Supplemental Indenture are inserted for convenience of reference and shall not be deemed a part thereof.

7. Counterparts. This Fourteenth Supplemental Indenture may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

8. Governing Law. This Fourteenth Supplemental Indenture shall be governed by, and construed in accordance with, the laws of the State of New York, without regard to principles of conflicts of laws.

9. Trustee Disclaimer. The Trustee is not responsible for the validity or sufficiency of this Fourteenth Supplemental Indenture nor for the recitals herein.

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IN WITNESS WHEREOF, the parties hereto have caused this Fourteenth Supplemental Indenture to be duly executed as of the day and year first written above.

Company: **VALEANT PHARMACEUTICALS INTERNATIONAL**

By: /s/ Howard B. Schiller
Name: Howard B. Schiller
Title: Executive Vice President and Chief Financial Officer

Sanitas: **Akcinė bendrovė SANITAS**

By: /s/ Saulius Žemaitis
Name: Saulius Žemaitis
Title: General Manager

Trustee:

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.
as Trustee

By: /s/ Teresa Petta
Name: Teresa Petta
Title: Authorized Signatory

Exhibit 4.51

FIFTEENTH SUPPLEMENTAL INDENTURE

FIFTEENTH SUPPLEMENTAL INDENTURE, dated as of October 23, 2013 (the "Fifteenth Supplemental Indenture"), by and among Akcinė bendrovė SANITAS (Public limited liability company SANITAS), a company continued under the laws of the Republic of Lithuania ("Sanitas"), Valeant Pharmaceuticals International, a Delaware corporation (the "Company") and The Bank of New York Mellon Trust Company, N.A., a national banking association, as trustee (the "Trustee").

WHEREAS, each of the Company, Valeant Pharmaceuticals International, Inc. ("Parent"), the indirect parent of the Company, and the Subsidiary Guarantors (as defined in the Indenture referred to below) has heretofore executed and delivered to the Trustee an Indenture, dated as of September 28, 2010 (the "Indenture"), providing for the issuance of 6.75% Senior Notes due 2017 and 7.00% Senior Notes due 2020 (collectively, the "Securities");

WHEREAS, Sanitas agrees to provide a full and unconditional guarantee (the "Guarantee") of the obligations of the Company under the Securities and the Indenture on the terms and conditions set forth herein;

WHEREAS, pursuant to Section 9.1 of the Indenture, the Company, the Trustee and Sanitasare authorized to execute and deliver this Fifteenth Supplemental Indenture; and

WHEREAS, the Company has complied with all conditions precedent provided for in the Indenture relating to the Fifteenth Supplemental Indenture.

NOW THEREFORE, in consideration of the foregoing, the parties hereto mutually covenant and agree for the equal and ratable benefit of the Holders as follows:

1. Definitions. Capitalized terms used but not defined herein have the meanings ascribed to such terms in the Indenture.

2. Guarantee. Sanitas hereby agrees to provide a full and unconditional guarantee on the terms and subject to the conditions set forth in the Note Guarantee and in the Indenture including, but not limited to, Article 10 thereof.

3. Effectiveness of Fifteenth Supplemental Indenture. This Fifteenth Supplemental Indenture shall become effective upon the execution and delivery of this Fifteenth Supplemental Indenture by the Company, Sanitas and the Trustee.

4. Indenture Remains in Full Force and Effect. This Fifteenth Supplemental Indenture shall form a part of the Indenture for all purposes and, except as supplemented or amended hereby, all other provisions in the Indenture and the Securities, to the extent not inconsistent with the terms and provisions of this Fifteenth Supplemental Indenture, shall remain in full force and effect.

5. No Recourse Against Others. No stockholder, officer, director or incorporator, as such, past, present or future of Sanitas shall have any personal liability under this Guarantee, the Securities, the Indenture or this Fifteenth Supplemental Indenture by reason of his, her or its status as such stockholder, officer, director or incorporator.

6. Headings. The headings of the Articles and Sections of this Fifteenth Supplemental Indenture are inserted for convenience of reference and shall not be deemed a part thereof.

7. Counterparts. This Fifteenth Supplemental Indenture may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

8. Governing Law. This Fifteenth Supplemental Indenture shall be governed by, and construed in accordance with, the laws of the State of New York, without regard to principles of conflicts of laws.

9. Trustee Disclaimer. The Trustee is not responsible for the validity or sufficiency of this Fifteenth Supplemental Indenture nor for the recitals herein.

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IN WITNESS WHEREOF, the parties hereto have caused this Fifteenth Supplemental Indenture to be duly executed as of the day and year first written above.

Company: **VALEANT PHARMACEUTICALS INTERNATIONAL**

By: /s/ Howard B. Schiller
Name: Howard B. Schiller
Title: Executive Vice President and Chief Financial Officer

Sanitas: **Akcinė bendrovė SANITAS**

By: /s/ Saulius Žemaitis
Name: Saulius Žemaitis
Title: General Manager

Trustee: **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A. as Trustee**

By: /s/ Teresa Petta
Name: Teresa Petta
Title: Authorized Signatory

Exhibit 10.3

EXECUTION VERSION

AMENDMENT NO. 7 TO THIRD AMENDED AND RESTATED CREDIT AND GUARANTY AGREEMENT

AMENDMENT NO. 7 TO THIRD AMENDED AND RESTATED CREDIT AND GUARANTY AGREEMENT, dated as of September 17, 2013 (this "**Amendment No. 7**"), by and among VALEANT PHARMACEUTICALS INTERNATIONAL, INC., a corporation continued under the laws of the Province of British Columbia ("**Borrower**"), the Guarantors, Goldman Sachs Lending Partners LLC, as Administrative Agent ("**Administrative Agent**") and Collateral Agent under the Credit Agreement (as defined below), each of the financial institutions set forth on Schedule A annexed hereto (each a "**New Series C-2 Term Loan Lender**" and collectively the "**New Series C-2 Term Loan Lenders**"), each of the financial institutions set forth on Schedule B annexed hereto (each a "**New Series D-2 Term Loan Lender**" and collectively the "**New Series D-2 Term Loan Lenders**" and, together with the New Series C-2 Term Loan Lenders, collectively the "**New Term Loan Lenders**" and individually a "**New Term Loan Lender**") and each of the other Lenders that is a signatory hereto.

W I T N E S S E T H:

WHEREAS, the Borrower, the Administrative Agent, the Guarantors party thereto from time to time and each lender from time to time party thereto (the "**Lenders**") have entered into a Third Amended and Restated Credit and Guaranty Agreement, dated as of February 13, 2012, as amended by Amendment No. 1, dated as of March 6, 2012, by Amendment No. 2, dated as of September 10, 2012, by Amendment No. 3, dated as of January 24, 2013, by Amendment No. 4, dated as of February 21, 2013, by Amendment No. 5, dated as of June 6, 2013, by Amendment No. 6, dated as of June 26, 2013, as further supplemented by the Joinder Agreement, dated as of June 14, 2012, by the Joinder Agreement, dated as of July 9, 2012, by the Joinder Agreement, dated as of September 11, 2012, by the Joinder Agreement dated as of October 2, 2012, by the Joinder Agreement, dated as of December 11, 2012 and by the Joinder Agreements, each dated as of August 5, 2013 (as the same may be further amended, restated, amended and restated, supplemented or otherwise modified from time to time, the "**Credit Agreement**") (capitalized terms not otherwise defined in this Amendment No. 7 have the same meanings as specified in the Credit Agreement);

WHEREAS, on the date hereof, the Borrower, the Administrative Agent, the New Term Loan Lenders and the Lenders party hereto, constituting no less than the Requisite Lenders (determined immediately prior to giving effect to this Amendment No. 7), desire to amend the Credit Agreement as described in this Amendment No. 7, (i) to refinance all or a portion of the Borrower's Existing Series C-1 Tranche B Term Loans (as defined below) and Existing Series D-1 Tranche B Term Loans (as defined below), (ii) to amend certain other provisions of the Credit Agreement as set forth herein and (iii) to make certain other modifications as set forth herein;

WHEREAS, Borrower intends to repay (the "**Tranche B Repayment**") in cash any Existing Series C-1 Tranche B Term Loans and Existing Series D-1 Tranche B Term Loans, as the case may be, other than (x) any Existing Series C-1 Tranche B Term Loans and Existing Series D-1 Tranche B Term Loans that are exchanged pursuant to a Lender Consent and Election (as defined below) for Exchanged Series C-2 Tranche B Term Loans (as defined below) and Exchanged Series D-2 Tranche B Term Loans (as defined below), as applicable, and (y) any Existing Series C-1 Tranche B Term Loans and Existing Series D-1 Tranche B Term Loans that are refinanced with the proceeds of a Series C-2 Tranche B Term Loan or a Series D-2 Tranche B Term Loan, as the case may be, in each case, on the Amendment No. 7 Effective Date (as defined below);

WHEREAS, subject to the terms and conditions of the Credit Agreement, the Borrower may obtain New Term Loan Commitments by entering into one or more amendments with the New Term Loan Lenders;

WHEREAS, pursuant to Section 10.5 of the Credit Agreement, the consent of the Requisite Lenders is required for the effectiveness of this Amendment No. 7;

WHEREAS, the Administrative Agent, the Collateral Agent, the Borrower, the Guarantors, the New Term Loan Lenders and the Requisite Lenders signatory hereto are willing to so agree, subject to the conditions set forth herein;

WHEREAS, each Lender with an Existing Series C-1 Tranche B Term Loan (each such Lender, a "**Series C-1 Tranche B Term Loan Lender**") and/or Existing Series D-1 Tranche B Term Loan (each such Lender, a "**Series D-1 Tranche B Term Loan Lender**"), as the case may be, that executes and delivers a lender consent and election to this Amendment No. 7 substantially in the form of Exhibit A hereto (a "**Lender Consent and Election**") shall be deemed, upon effectiveness of this Amendment No. 7, either to (a) have exchanged all of its existing Series C-1 Tranche B Term Loans (the "**Existing Series C-1 Tranche B Term Loans**") and/or existing Series D-1 Tranche B Term Loans (the "**Existing Series D-1 Tranche B Term Loans**" and together with the Existing Series C-1 Tranche B Term Loans, the "**Existing Tranche B Term Loans**"), as applicable, for (i) in the case of Existing Series C-1 Tranche B Term Loans, new Series C-2 Tranche B Term Loans (each a "**Series C-2 Tranche B Term Loan**") and (ii) in the case of Existing Series D-1 Tranche B Term Loans, new Series D-2 Tranche B Term Loans (each a **"Series D-2 Tranche B Term Loan"**) made pursuant to this Amendment No. 7 (such exchanged Series C-2 Tranche B Term Loans, "**Exchanged Series C-2 Tranche B Term Loans**" and such exchanged Series D-2 Tranche B Term Loans, "**Exchanged Series D-2 Tranche B Term Loans**") or (b) have elected to receive cash repayment on all of its Existing Tranche B Term Loans on the Amendment No. 7 Effective Date and elected to purchase by assignment, on or promptly after the Amendment No. 7 Effective Date pursuant to procedures specified by the Administrative Agent, a like principal amount on a dollar for dollar basis of (i) in the case of Existing Series C-1 Tranche B Term Loans, Series C-2 Tranche B Term Loans and (ii) in the case of Existing Series D-1 Tranche B Term Loans, Series D-2 Tranche B Term Loans made pursuant to this Amendment No. 7 (such assigned Series C-2 Tranche B Term Loans, "**Assigned Series C-2 Tranche B Term Loans**" and such assigned Series D-2 Tranche B Term Loans, "**Assigned Series D-2 Tranche B Term Loans**"); and

NOW, THEREFORE, in consideration of these premises and for other good and valuable consideration, the sufficiency and receipt of all of which is hereby acknowledged, the parties hereto hereby agree as follows:

SECTION 1. Series C-2 Tranche B Term Loans and Series D-2 Tranche B Term Loans.

Subject to the terms and conditions set forth in this Amendment No. 7 and in the Credit Agreement, as of the Amendment No. 7 Effective Date (as defined below):

(a) Series C-2 Tranche B Term Loan Commitments. Each New Series C-2 Term Loan Lender hereby commits to provide its respective Series C-2 Tranche B Term Loan Commitment on the terms and subject to the conditions set forth in Exhibit B hereto, and such Series C-2 Tranche B Term Loan Commitment (other than with respect to the Exchanged Series C-2 Tranche B Term Loans) for each New Series C-2 Term Loan Lender is set forth on Schedule A annexed hereto. The Series C-2 Tranche B Term Loan Commitments and Series C-2 Tranche B Term Loans made pursuant thereto shall be subject to the provisions of the Credit Agreement and the other Credit Documents, and shall constitute "Term Loan Commitments" and "Tranche B Term Loans", respectively, thereunder.

(b) Series D-2 Tranche B Term Loan Commitments. Each New Series D-2 Term Loan Lender hereby commits to provide its respective Series D-2 Tranche B Term Loan Commitment on the terms and subject to the conditions set forth in Exhibit B hereto, and such Series D-2 Tranche B Term Loan Commitment (other than with respect to the Exchanged Series D-2 Tranche B Term Loans) for each New Series D-2 Term Loan Lender is set forth on Schedule B annexed hereto. The Series D-2 Tranche B Term Loan Commitments and Series D-2 Tranche B Term Loans made pursuant thereto shall be subject to the provisions of the Credit Agreement and the other Credit Documents, and shall constitute "Term Loan Commitments" and "Tranche B Term Loans", respectively, thereunder.

(c) New Term Loan Lenders. Each New Term Loan Lender (other than any New Term Loan Lender, that, immediately prior to the execution of this Amendment No. 7, is a "Lender" under the Credit Agreement) acknowledges and agrees that upon its execution of this Amendment No. 7 its New Term Loan Commitments shall be effective and that such New Term Loan Lender shall become a "Lender" under, and for all purposes of, the Credit Agreement and the other Credit Documents, and shall be subject to and bound by the terms thereof, and shall perform all the obligations of and shall have all rights of a Lender thereunder.

(d) Each New Term Loan Lender (i) confirms that it has received a copy of the Credit Agreement and the other Credit Documents, together with copies of the financial statements referred to therein and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Amendment No. 7; (ii) agrees that it will, independently and without reliance upon the Administrative Agent or any other Lender or Agent and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Credit Agreement; (iii) appoints and authorizes the Administrative Agent and each other Agent to take such action as agent on its behalf and to exercise such powers under the Credit Agreement and the other Credit Documents as are delegated to the Administrative Agent or such other Agent, as the case may be, by the terms thereof, together with such powers as are reasonably incidental thereto; and (iv) agrees that it will perform in accordance with their terms all of the obligations which by the terms of the Credit Agreement are required to be performed by it as a Lender.

SECTION 2. Amendment.

The Credit Agreement is, effective as of the Amendment No. 7 Effective Date (as defined below), hereby amended pursuant to Section 10.5 of the Credit Agreement, to delete the stricken text (indicated textually in the same manner as the following example: ~~stricken text~~) and to add the double-underlined text (indicated textually in the same manner as the following example: double-underlined text) as set forth in the Credit Agreement attached as Exhibit B hereto.

SECTION 3. Waiver.

Each Series C-1 Tranche B Term Loan Lender and Series D-1 Tranche B Term Loan Lender that executes a Lender Consent and Election hereby waives any right to any voluntary payment under Section 2.17 of the Credit Agreement in connection with the Tranche B Repayment.

Each Party hereto hereby agrees to waive or reduce the notice requirements set forth in Sections 2.13(a)(ii) and 2.13(b)(i) of the Credit Agreement in connection with the repayment of Loans contemplated by Amendment No. 7 in a manner satisfactory to the Administrative Agent.

SECTION 4. Representations and Warranties. By its execution of this Amendment No. 7, each Credit Party hereby represents and warrants to the Agents and the Lenders that:

(a) this Amendment No. 7 has been duly authorized, executed and delivered by it and constitutes a legal, valid and binding obligation of each Credit Party hereto, enforceable against such Credit Party in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, receivership, moratorium or other Laws affecting creditors' rights generally and by general principles of equity;

(b) the execution, delivery and performance by the Credit Parties of this Amendment No. 7 and the other Credit Documents to which they are parties and the consummation of the transactions contemplated by this Amendment No. 7 and the other Credit Documents do not and will not (i) violate (A) any provision of any Applicable Law, (B) any of the Organizational Documents of the Borrower or any of its Subsidiaries, or (C) any order, judgment or decree of any court or other agency of government binding on the Borrower or any of its Subsidiaries, except with respect to clauses (A) and (C) to the extent that such violation could not reasonably be expected to have a Material Adverse Effect; (ii) conflict with, result in a breach of or constitute (with due notice or lapse of time or both) a default under any Contractual Obligation of the Borrower or any of its Subsidiaries, except to the extent that such conflict, breach or default could not reasonably be expected to have a Material Adverse Effect; (iii) result in or require the creation or imposition of any Lien upon any of the properties or assets of the Borrower or any of its Subsidiaries (other than any Liens created under any of the Credit Documents in favor of Collateral Agent, on behalf of the Secured Parties); or (iv) require any approval of stockholders, members or partners or any approval or consent of any Person under any Contractual Obligation of the Borrower or any of its Subsidiaries, except for such approvals or consents which will be obtained on or before the Amendment No. 7 Effective Date and disclosed in writing to the Lenders and except for any such approval or consent the failure of which to obtain could not reasonably be expected to have a Material Adverse Effect;

(c) each of the representations and warranties contained in Article 4 of the Credit Agreement is true and correct in all material respects as of the Amendment No. 7 Effective Date, except to the extent such representations and warranties specifically relate to an earlier date, in which case such representations and warranties are true and correct in all material respects on and as of such earlier date (provided that representations and warranties that are qualified by materiality shall be true and correct in all respects); and

(d) no Default or Event of Default exists, or will result from the execution of this Amendment No. 7 and the transactions contemplated hereby as of the Amendment No. 7 Effective Date.

SECTION 5. Effectiveness. This Amendment No. 7 shall become effective on and as of the date (such date the "**Amendment No. 7 Effective Date**") on which:

(a) this Amendment No. 7 shall have been executed and delivered by (A) the Borrower, (B) the Guarantors, (C) the New Term Loan Lenders, (D) the Lenders constituting the Requisite Lenders under Section 10.5 of the Credit Agreement (the "**Existing Lenders**") and (E) the Administrative Agent;

(b) the Administrative Agent shall have received from the Borrower reimbursement for all reasonable and invoiced out-of-pocket fees and expenses owed to the Administrative Agent in connection with this Amendment No. 7 and the transactions contemplated hereby, including the reasonable fees, charges and disbursements of counsel;

(c) the Administrative Agent shall have received an officers' certificate from the Borrower including a representation by a Responsible Officer that (i) no Default or Event of Default exists and is continuing on the date hereof and (ii) all representations and warranties contained in the Credit Agreement and in this Amendment No. 7 are true and correct in all material respects on and as of the date

hereof, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they shall be true and correct in all material respects as of such earlier date (provided that representations and warranties that are qualified by materiality shall be true and correct in all respects); and

(d) the Administrative Agent shall have received the following legal opinions and documents: originally executed copies of the favorable written opinions of (i) Skadden, Arps, Slate, Meagher & Flom LLP, U.S. counsel to the Credit Parties, (ii) Chancery Chambers, special Barbados counsel to the Credit Parties, (iii) Norton Rose Fulbright Canada LLP, special Canadian counsel to the Credit Parties, (iv) Baker & McKenzie, special Luxembourg counsel to the Credit Parties, (v) Conyers Dill & Pearman Limited, special Bermuda counsel to the Credit Parties, (vi) Arthur Cox, special Ireland counsel to the Credit Parties, (vii) Baker & McKenzie, special Switzerland counsel to the Credit Parties, and (viii) Venable LLP, special Maryland counsel to the Credit Parties, together with all other legal opinions and other documents reasonably requested by Administrative Agent in connection with this Amendment No. 7.

SECTION 6. Amendment, Modification and Waiver.

This Amendment No. 7 may not be amended, modified or waived except in accordance with Section 10.5 of the Credit Agreement.

SECTION 7. Reference to and Effect on the Credit Agreement and the Credit Documents.

On and after the Amendment No. 7 Effective Date, each reference in the Credit Agreement or any other Credit Document to "this Agreement," "hereunder," "hereof" or words of like import referring to the Credit Agreement shall mean and be a reference to the Credit Agreement, as amended by this Amendment No. 7.

SECTION 8. Entire Agreement.

This Amendment No. 7, the Credit Agreement and the other Credit Documents constitute the entire agreement among the parties hereto with respect to the subject matter hereof and thereof and supersede all other prior agreements and understandings, both written and verbal, among the parties hereto with respect to the subject matter hereof. Except as expressly set forth herein, this Amendment No. 7 shall not by implication or otherwise limit, impair, constitute a waiver of, or otherwise affect the rights and remedies of any party under, the Credit Agreement, nor alter, modify, amend or in any way affect any of the terms, conditions, obligations, covenants or agreements contained in the Credit Agreement, all of which are ratified and affirmed in all respects and shall continue in full force and effect. It is understood and agreed that each reference in each Credit Document to the Credit Agreement, whether direct or indirect, shall hereafter be deemed to be a reference to the Credit Agreement as amended hereby and that this Amendment No. 7 is a Credit Document.

SECTION 9. Reaffirmation.

(a) Each Credit Party hereby expressly acknowledges the terms of this Amendment No. 7 and affirms or reaffirms, as applicable, as of the date hereof, the covenants and agreements contained in each Credit Document to which it is a party, including, in each case, such covenants and agreements as in effect immediately after giving effect to this Amendment No. 7 and the transactions contemplated hereby.

(b) Each Credit Party, by its signature below, hereby affirms and confirms (1) its obligations under each of the Credit Documents to which it is a party, and (2) the pledge of and/or grant of a

security interest in its assets as Collateral to secure such Obligations, all as provided in the Collateral Documents as originally executed, and acknowledges and agrees that such guarantee, pledge and/or grant continue in full force and effect in respect of, and to secure, such Obligations under the Credit Agreement and the other Credit Documents.

SECTION 10. Governing Law and Waiver of Jury Trial.

THIS AMENDMENT NO. 7 AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY, AND SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK. SECTIONS 10.15 and 10.16 OF THE CREDIT AGREEMENT ARE HEREBY INCORPORATED BY REFERENCE INTO THIS AMENDMENT NO. 7 AND SHALL APPLY HERETO.

SECTION 11. Severability.

In case any provision in or obligation hereunder shall be invalid, illegal or unenforceable in any jurisdiction, the validity, legality and enforceability of the remaining provisions or obligations, or of such provision or obligation in any other jurisdiction, shall not in any way be affected or impaired thereby.

SECTION 12. Counterparts.

This Amendment No. 7 may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original but all such counterparts together shall constitute but one and the same instrument. Delivery of an executed counterpart to this Amendment No. 7 by facsimile transmission or other electronic transmission shall be effective as delivery of a manually signed counterpart of this Amendment No. 7.

SECTION 13. Headings.

Section headings herein are included herein for convenience of reference only and shall not constitute a part hereof for any other purpose or be given any substantive effect.

SECTION 14. Lender Signatures.

Each Lender that signs a signature page to this Amendment (including, for the avoidance of doubt, by executing the Lender Consent and Election) shall be deemed to have approved this Amendment No. 7 with respect to any and all Loans of such Lender. Each Series C-1 Tranche B Term Loan Lender and Series D-1 Tranche B Term Loan Lender that executes a Lender Consent and Election hereby either (x) exchanges, upon effectiveness of this Amendment No. 7, (i) all of its Existing Series C-1 Tranche B Term Loans for Series C-2 Tranche B Term Loans and/or (ii) all of its Existing Series D-1 Tranche B Term Loans for Series D-2 Tranche B Term Loans, as applicable, or (y) elects to receive cash repayment on all of its Existing Tranche B Term Loans on the Amendment No. 7 Effective Date and irrevocably and elects to purchase by assignment, on or promptly after the Amendment No. 7 Effective Date pursuant to procedures specified by the Administrative Agent, a like principal amount on a dollar for dollar basis of (i) in the case of Existing Series C-1 Tranche B Term Loans, Series C-2 Tranche B Term Loans and (ii) in the case of Existing Series D-1 Tranche B Term Loans, Series D-2 Tranche B Term Loans made pursuant to this Amendment No. 7 as applicable. Each Lender signatory to this Amendment No. 7 agrees that such Lender shall not be entitled to receive a copy of any other Lender's signature page to this Amendment No. 7, but agrees that a copy of such signature page may be delivered to the Borrower and the Administrative Agent.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, each of the undersigned has caused its duly authorized officer to execute and deliver this Amendment No. 7 as of the date first written above.

VALEANT PHARMACEUTICALS INTERNATIONAL, INC.
as Borrower

By: /s/ Howard B. Schiller
Name: Howard B. Schiller
Title: Executive Vice President and Chief Financial Officer

VALEANT PHARMACEUTICALS INTERNATIONAL
as Guarantor

By: /s/ Howard B. Schiller
Name: Howard B. Schiller
Title: Executive Vice President and Chief Financial Officer

BAUSCH & LOMB INCORPORATED
as Guarantor

By: /s/ Howard B. Schiller
Name: Howard B. Schiller
Title: Executive Vice President and Chief Financial Officer

BAUSCH & LOMB HOLDINGS INCORPORATED
as Guarantor

By: /s/ Howard B. Schiller
Name: Howard B. Schiller
Title: Vice President and Treasurer

ATON PHARMA, INC.
as Guarantor

By: /s/ Howard B. Schiller
Name: Howard B. Schiller
Title: Executive Vice President and Chief Financial Officer

CORIA LABORATORIES, LTD.
as Guarantor

By: /s/ Howard B. Schiller
Name: Howard B. Schiller
Title: Executive Vice President and Chief Financial Officer

DOW PHARMACEUTICAL SCIENCES, INC.
as Guarantor

By: /s/ Howard B. Schiller
Name: Howard B. Schiller
Title: Executive Vice President and Chief Financial Officer

OBAGI MEDICAL PRODUCTS, INC.
as Guarantor

By: /s/ Linda LaGorga
Name: Linda LaGorga
Title: Treasurer

OMP, INC.
as Guarantor

By: /s/ Linda LaGorga
Name: Linda LaGorga
Title: Treasurer

MEDICIS PHARMACEUTICAL CORPORATION.
as Guarantor

By: /s/ Howard B. Schiller
Name: Howard B. Schiller
Title: Executive Vice President, Chief Financial Officer and Treasurer

DR. LEWINN'S PRIVATE FORMULA INTERNATIONAL, INC.
as Guarantor

By: /s/ Howard B. Schiller
Name: Howard B. Schiller
Title: Chief Financial Officer and Treasurer

OCEANSIDE PHARMACEUTICALS, INC.
as Guarantor

By: /s/ Howard B. Schiller
Name: Howard B. Schiller
Title: Chief Financial Officer and Treasurer

PRINCETON PHARMA HOLDINGS, LLC
as Guarantor

By: /s/ Howard B. Schiller
Name: Howard B. Schiller
Title: Chief Financial Officer and Treasurer

PRIVATE FORMULA CORP.
as Guarantor

By: /s/ Howard B. Schiller
Name: Howard B. Schiller
Title: Chief Financial Officer and Treasurer

RENAUD SKIN CARE LABORATORIES, INC.
as Guarantor

By: /s/ Howard B. Schiller
Name: Howard B. Schiller
Title: Chief Financial Officer and Treasurer

VALEANT BIOMEDICALS, INC.
as Guarantor

By: /s/ Howard B. Schiller
Name: Howard B. Schiller
Title: Chief Financial Officer and Treasurer

VALEANT PHARMACEUTICALS NORTH AMERICA LLC
as Guarantor

By: /s/ Howard B. Schiller
Name: Howard B. Schiller
Title: Executive Vice President and Chief Financial Officer

BIOVAIL AMERICAS CORP.
as Guarantor

By: /s/ Howard B. Schiller
Name: Howard B. Schiller
Title: Chief Financial Officer and Treasurer

ORAPHARMA, INC.
as Guarantor

By: /s/ Howard B. Schiller
Name: Howard B. Schiller
Title: Executive Vice President, Chief Financial Officer and Treasurer

ORAPHARMA TOPCO HOLDINGS, INC.
as Guarantor

By: /s/ Howard B. Schiller
Name: Howard B. Schiller
Title: Executive Vice President, Chief Financial Officer and Treasurer

PRESTWICK PHARMACEUTICALS, INC.
as Guarantor

By: /s/ Howard B. Schiller
Name: Howard B. Schiller
Title: Chief Financial Officer and Treasurer

VALEANT INTERNATIONAL BERMUDA
as Guarantor

By: /s/ Peter J. McCurdy
Name: Peter J. McCurdy
Title: President and Assistant Secretary

VALEANT PHARMACEUTICALS HOLDINGS BERMUDA
as Guarantor

By: /s/ Peter J. McCurdy
Name: Peter J. McCurdy
Title: President and Assistant Secretary

VALEANT PHARMACEUTICALS NOMINEE BERMUDA
as Guarantor

By: /s/ Peter J. McCurdy
Name: Peter J. McCurdy
Title: President and Assistant Secretary

VALEANT HOLDINGS (BARBADOS) SRL
as Guarantor

By: /s/ Mauricio Zavala
Name: Mauricio Zavala
Title: Manager and Assistant Secretary

VALEANT PHARMACEUTICALS HOLDINGS (BARBADOS) SRL
as Guarantor

By: /s/ Mauricio Zavala
Name: Mauricio Zavala
Title: Manager and Assistant Secretary

HYTHE PROPERTY INCORPORATED
as Guarantor

By: /s/ Mauricio Zavala
Name: Mauricio Zavala
Title: Assistant Secretary

VALEANT CANADA GP LIMITED
as Guarantor

By: /s/ Robert R. Chai-Onn
Name: Robert R. Chai-Onn
Title: Executive Vice President and General Counsel

VALEANT CANADA LP by its sole general partner, VALEANT CANADA GP LIMITED
as Guarantor

By: /s/ Robert R. Chai-Onn
Name: Robert R. Chai-Onn
Title: Executive Vice President and General Counsel

V-BAC HOLDING CORP.
as Guarantor

By: /s/ Robert R. Chai-Onn
Name: Robert R. Chai-Onn
Title: Vice President

VALEANT PHARMACEUTICALS IRELAND
as Guarantor

By: /s/ Graham Jackson
Name: Graham Jackson
Title: Director

BIOVAIL INTERNATIONAL S.À R.L.
as Guarantor

By: /s/ Bruce Goins
Name: Bruce Goins
Title: Manager

VALEANT PHARMACEUTICALS LUXEM-BOURG S.À R.L.
as Guarantor

By: /s/ Bruce Goins
Name: Bruce Goins
Title: Manager

PHARMASWISS SA
as Guarantor

By: /s/ Matthias Courvoisier
Name: Matthias Courvoisier
Title: Director

Signed by
Valeant Holdco 2 Pty Ltd (ACN 154 341 367)
as Guarantor
in accordance with section 127 of the *Corporations Act 2001* by two directors:

/s/ Robert R. Chai-Onn	/s/ Howard B. Schiller
Signature of director	Signature of director
Robert R. Chai-Onn	Howard B. Schiller
Name of director (please print)	Name of director (please print)

Signed by
Wirra Holdings Pty Limited (ACN 122 216 577)
as Guarantor
in accordance with section 127 of the *Corporations Act 2001* by two directors:

/s/ Robert R. Chai-Onn	/s/ Howard B. Schiller
Signature of director	Signature of director
Robert R. Chai-Onn	Howard B. Schiller
Name of director (please print)	Name of director (please print)

Signed by
Wirra Operations Pty Limited (ACN 122 250 088)
as Guarantor
in accordance with section 127 of the *Corporations Act 2001* by two directors:

/s/ Robert R. Chai-Onn	/s/ Howard B. Schiller
Signature of director	Signature of director
Robert R. Chai-Onn	Howard B. Schiller
Name of director (please print)	Name of director (please print)

Signed by
iNova Pharmaceuticals (Australia) Pty Limited (ACN 000 222 408)
as Guarantor
in accordance with section 127 of the *Corporations Act 2001* by two directors:

/s/ Robert R. Chai-Onn	/s/ Howard B. Schiller
Signature of director	Signature of director
Robert R. Chai-Onn	Howard B. Schiller
Name of director (please print)	Name of director (please print)

Signed by
Wirra IP Pty Limited (ACN 122 536 350)
as Guarantor
in accordance with section 127 of the *Corporations Act 2001* by two directors:

/s/ Robert R. Chai-Onn	/s/ Howard B. Schiller
Signature of director	Signature of director
Robert R. Chai-Onn	Howard B. Schiller
Name of director (please print)	Name of director (please print)

Signed by
iNova Sub Pty Limited (ACN 134 398 815)
as Guarantor
in accordance with section 127 of the *Corporations Act 2001* by two directors:

/s/ Robert R. Chai-Onn	/s/ Howard B. Schiller
Signature of director	Signature of director
Robert R. Chai-Onn	Howard B. Schiller
Name of director (please print)	Name of director (please print)

Signed by
Valeant Pharmaceuticals Australasia Pty Limited (ACN **001 083 352**)

as Guarantor
in accordance with section 127 of the *Corporations Act 2001* by a director and secretary/director:

/s/ Robert R. Chai-Onn	/s/ Linda LaGorga
Signature of director	Signature of director/secretary
Robert R. Chai-Onn	Linda LaGorga
Name of director (please print)	Name of director/secretary (please print)

Signed by
DermaTech Pty Limited (ACN 003 982 161)

as Guarantor
in accordance with section 127 of the *Corporations Act 2001* by a director and secretary/director:

/s/ Robert R. Chai-Onn	/s/ Howard B. Schiller
Signature of director	Signature of director/secretary
Robert R. Chai-Onn	Howard B. Schiller
Name of director (please print)	Name of director/secretary (please print)

Signed by
Private Formula International Holdings Pty Ltd (ACN **095 450 918**)

as Guarantor
in accordance with section 127 of the *Corporations Act 2001* by a director and secretary/director:

/s/ Robert R. Chai-Onn	/s/ Howard B. Schiller
Signature of director	Signature of director/secretary
Robert R. Chai-Onn	Howard B. Schiller
Name of director (please print)	Name of director/secretary (please print)

Signed by
Private Formula International Pty Ltd (ACN **095 451 442**)

as Guarantor
in accordance with section 127 of the *Corporations Act 2001* by a director and secretary/director:

/s/ Robert R. Chai-Onn	/s/ Howard B. Schiller
Signature of director	Signature of director/secretary
Robert R. Chai-Onn	Howard B. Schiller
Name of director (please print)	Name of director/secretary (please print)

Signed by
Ganehill Pty Ltd (ACN 065 261 538)

as Guarantor
in accordance with section 127 of the *Corporations Act 2001* by a director and secretary/director:

/s/ Robert R. Chai-Onn	/s/ Howard B. Schiller
Signature of director	Signature of director/secretary
Robert R. Chai-Onn	Howard B. Schiller
Name of director (please print)	Name of director/secretary (please print)

UCYCLYD PHARMA, INC.
as Guarantor

By: /s/ Howard B. Schiller
Name: Howard B. Schiller
Title: Executive Vice President, Chief Financial Officer and Treasurer

GOLDMAN SACHS LENDING PARTNERS LLC,
individually as Administrative Agent and Collateral Agent

By: /s/ Elizabeth Fischer
Name: Elizabeth Fischer
Title: Authorized Signatory

GOLDMAN SACHS LENDING PARTNERS LLC,
as a "New Term Loan
Lender"

By: /s/ Elizabeth Fischer
Name: Elizabeth Fischer
Title: Authorized Signatory

[Lender Signature Pages Omitted]

SCHEDULE A
TO AMENDMENT NO. 7

Name of Lender	Type of Commitment	Amount
[ ]	Series C-2 Tranche B Term Loan Commitment	$[ ]
	Series C-2 Tranche B Term Loan Commitment	Total: $990,000,000

SCHEDULE B
TO AMENDMENT NO. 7

Name of Lender	Type of Commitment	Amount
[ ]	Series D-2 Tranche B Term Loan Commitment	$[ ]
	Series D-2 Tranche B Term Loan Commitment	Total: $1,287,000,000

EXHIBIT A
TO AMENDMENT NO. 7

LENDER CONSENT AND ELECTION

LENDER CONSENT AND ELECTION (this "**Lender Consent and Election**") pursuant to Amendment No. 7 (**"Amendment No. 7"**) to that certain Third Amended and Restated Credit and Guaranty Agreement, dated as of February 13, 2012, as amended by Amendment No. 1, dated as of March 6, 2012, by Amendment No. 2, dated as of September 10, 2012, by Amendment No. 3, dated as of January 24, 2013, by Amendment No. 4, dated as of February 21, 2013, by Amendment No. 5, dated as of June 6, 2013, by Amendment No. 6, dated as of June 26, 2013 by the Joinder Agreement, dated as of June 14, 2012, by the Joinder Agreement, dated as of July 9, 2012, by the Joinder Agreement, dated as of September 11, 2012, by the Joinder Agreement dated as of October 2, 2012, by the Joinder Agreement, dated as of December 11, 2012 and by the Joinder Agreements, each dated as of August 5, 2013 (as it may be amended, restated, replaced, supplemented or otherwise modified from time to time, the "**Credit Agreement**, the terms defined therein and not otherwise defined herein being used herein as therein defined), by and among Borrower, certain Subsidiaries of Borrower, as Guarantors, the Lenders party thereto from time to time, Goldman Sachs Lending Partners LLC, J.P. Morgan Securities LLC and Morgan Stanley Senior Funding, Inc. ("**Morgan Stanley**"), as Joint Lead Arrangers and Joint Bookrunners, JPMorgan Chase Bank, N.A. ("**JPMorgan**") and Morgan Stanley, as Co-Syndication Agents, JPMorgan, as Issuing Bank, GSLP, as Administrative Agent and Collateral Agent, and the other Agents party thereto.

I. The undersigned signatory, in its capacity as a Lender, hereby **consents to Amendment No. 7** with respect to any and all Loans of such Lender; and

II. Series C-1 Tranche B Term Loan Lenders and/or Series D-1 Tranche B Term Loan Lenders (check applicable option(s))

(A) The undersigned Series C-1 Tranche B Term Loan Lender hereby irrevocably and unconditionally consents as follows:

Cashless Roll

☐ to exchange 100% of the outstanding principal amount of the Series C-1 Tranche B Term Loans held by such Lender into Series C-2 Tranche B Term Loans in a like principal amount on a dollar for dollar basis.

(B) The undersigned Series C-1 Tranche B Term Loan Lender hereby irrevocably and unconditionally consents as follows:

Non-Cashless Roll

☐ to have 100% of the outstanding principal amount of the Series C-1 Tranche B Term Loans held by such Lender prepaid on the Amendment No. 7 Effective Date (as defined in Amendment No. 7) and purchase by assignment, on or promptly after the Amendment No. 7 Effective Date pursuant to procedures specified by the Administrative Agent, a like principal amount on a dollar for dollar basis of Series C-2 Tranche B Term Loans.

(C) The undersigned Series D-1 Tranche B Term Loan Lender hereby irrevocably and unconditionally consents as follows:

Cashless Roll

☐ to exchange 100% of the outstanding principal amount of the Series D-1 Tranche B Term Loans held by such Lender into Series D-2 Tranche B Term Loans in a like principal amount on a dollar for dollar basis.

(D) The undersigned Series D-1 Tranche B Term Loan Lender hereby irrevocably and unconditionally consents as follows:

Non-Cashless Roll

☐ to have 100% of the outstanding principal amount of the Series D-1 Tranche B Term Loans held by such Lender prepaid on the Amendment No. 7 Effective Date (as defined in Amendment No. 7) and purchase by assignment, on or promptly after the Amendment No. 7 Effective Date pursuant to procedures specified by the Administrative Agent, a like principal amount on a dollar for dollar basis of Series D-2 Tranche B Term Loans.

IN WITNESS WHEREOF, the undersigned has caused this Lender Consent and Election to be executed and delivered by a duly authorized officer.

Date: _____, 2013

_____,
as a "Lender" and a "New Term Loan Lender"
(type name of the legal entity)

By: _____
Name:
Title:

If a second signature is necessary:

By: _____
Name:
Title:

EXHIBIT B
TO AMENDMENT NO. 7

[Attached]

MARKED VERSION REFLECTING CHANGES
PURSUANT TO AMENDMENT NO. 7
ADDED TEXT SHOWN UNDERSCORED
DELETED TEXT SHOWN ~~STRIKETHROUGH~~

THIRD AMENDED AND RESTATED CREDIT AND GUARANTY AGREEMENT[1]

dated as of February 13, 2012

among

VALEANT PHARMACEUTICALS INTERNATIONAL, INC.,
as Borrower,

CERTAIN SUBSIDIARIES OF VALEANT PHARMACEUTICALS INTERNATIONAL, INC.,
as Guarantors,

VARIOUS LENDERS FROM TIME TO TIME PARTY HERETO,

GOLDMAN SACHS LENDING PARTNERS LLC, J.P. MORGAN SECURITIES LLC and MORGAN STANLEY SENIOR FUNDING, INC.,
as Joint Lead Arrangers and Joint Bookrunners,

JPMORGAN CHASE BANK, N.A., and MORGAN STANLEY SENIOR FUNDING, INC.
as Co-Syndication Agents

JPMORGAN CHASE BANK, N.A.,
as Issuing Bank

GOLDMAN SACHS LENDING PARTNERS LLC,
as Administrative Agent and Collateral Agent,
and

[1] Conformed to reflect Amendment No. 1, dated as of March 6, 2012, Amendment No. 2, dated as of September 10, 2012, Amendment No. 3, dated as of January 24, 2013, Amendment No. 4, dated as of February 21, 2013, Amendment No. 5, dated as of June 6, 2013, Amendment No. 6, dated as of June 26, 2013, Amendment No. 7, dated as of September 17, 2013, the Joinder Agreement, dated as of June 14, 2012, the Joinder Agreement, dated as of July 9, 2012, the Joinder Agreement, dated as of September 11, 2012, the Joinder Agreement, dated as of October 2, 2012, the Joinder Agreement, dated as of December 11, 2012 and the Joinder Agreements, each dated as of August 5, 2013. This document is provided for convenience only. In the event of any conflict between this document and the Third Amended and Restated Credit Agreement, Amendment No. 1, dated as of March 6, 2012, Amendment No. 2, dated as of September 10, 2012, Amendment No. 3, dated as of January 24, 2013, Amendment No. 4, dated as of February 21, 2013, Amendment No. 5, dated as of June 6, 2013, Amendment No. 6, dated as of June 26, 2013, Amendment No. 7, dated as of September 17, 2013, the Joinder Agreement, dated as of June 14, 2012, the Joinder Agreement, dated as of July 9, 2012, the Joinder Agreement, dated as of September 11, 2012, the Joinder Agreement, dated as of October 2, 2012, the Joinder Agreement, dated as of December 11, 2012 or the Joinder Agreements, each dated as of August 5, 2013, the Third Amended and Restated Credit Agreement, Amendment No. 1, dated as of March 6, 2012, Amendment No. 2, dated as of September 10, 2012, Amendment No. 3, dated as of January 24, 2013, Amendment No. 4, dated as of February 21, 2013, Amendment No. 5, dated as of June 6, 2013, Amendment No. 6, dated as of June 26, 2013, Amendment No. 7, dated as of September 17, 2013, the Joinder Agreement, dated as of June 14, 2012, the Joinder Agreement, dated as of July 9, 2012, the Joinder Agreement, dated as of September 11, 2012, the Joinder Agreement, dated as of October 2, 2012, the Joinder Agreement, dated as of December 11, 2012 and the Joinder Agreements, each dated as of August 5, 2013, shall control.

MARKED VERSION REFLECTING CHANGES
PURSUANT TO AMENDMENT NO. 7
ADDED TEXT SHOWN UNDERSCORED
DELETED TEXT SHOWN ~~STRIKETHROUGH~~

RBC CAPITAL MARKETS, DNB BANK ASA,
THE BANK OF NOVA SCOTIA and SUNTRUST BANK,
as Co-Documentation Agents

$9,575,000,000 Senior Secured Credit Facilities

TABLE OF CONTENTS

THIRD AMENDED AND RESTATED CREDIT AND GUARANTY AGREEMENT

This **THIRD AMENDED AND RESTATED CREDIT AND GUARANTY AGREEMENT**, dated as of February 13, 2012, is entered into by and among **VALEANT PHARMACEUTICALS INTERNATIONAL, INC.**, a corporation continued under the ~~federal~~ laws of ~~Canada~~the Province of British Columbia ("**Borrower**"), **CERTAIN SUBSIDIARIES OF BORROWER**, as Guarantors, the Lenders party hereto from time to time, **GOLDMAN SACHS LENDING PARTNERS LLC** ("**GSLP**"), **J.P. MORGAN SECURITIES LLC** ("**J.P. Morgan**") and **MORGAN STANLEY SENIOR FUNDING, INC.** ("**Morgan Stanley**"), as Joint Lead Arrangers and Joint Bookrunners, **JPMORGAN CHASE BANK, N.A.** and Morgan Stanley as Co-Syndication Agents (in such capacity, the "**Co-Syndication Agents**"), JPMorgan Chase Bank, N.A., as Issuing Bank, GSLP, as Administrative Agent (together with its permitted successors in such capacity, "**Administrative Agent**") and as Collateral Agent (together with its permitted successors in such capacity, "**Collateral Agent**"), and **RBC CAPITAL MARKETS**, **DNB BANK ASA, THE BANK OF NOVA SCOTIA** and **SUNTRUST BANK**, as Co-Documentation Agents (in such capacity, **Co-Documentation Agents**").

RECITALS:

WHEREAS, capitalized terms used in these Recitals and not defined shall have the respective meanings set forth for such terms in Section 1.1 hereof.

WHEREAS, Valeant Pharmaceuticals International, a Delaware corporation ("**VPI**"), Borrower, the guarantors party thereto, the lenders party thereto, and GSLP, as administrative agent and collateral agent for the lenders party thereto, originally entered into the Credit and Guaranty Agreement dated as of June 29, 2011 (the "**Original Credit Agreement**"), subsequently entered into the Amended and Restated Credit and Guaranty Agreement dated as of August 10, 2011, as further amended by Amendment No. 1 dated as of August 12, 2011, as further amended by Amendment No. 2 dated as of September 7, 2011 (collectively, the "**First Amended and Restated Credit Agreement**"), and subsequently entered into the Second Amended and Restated Credit and Guaranty Agreement, dated as of October 20, 2011, as amended by the Joinder Agreement, dated as of December 19, 2011 (collectively, the "**Second Amended and Restated Credit Agreement**").

WHEREAS, on the Second Restatement Date, the Lenders extended certain credit facilities to Borrower, in an aggregate principal amount not to exceed $2,000,000,000, consisting of (a) up to $275,000,000 aggregate principal amount of Revolving Commitments, the proceeds of which were or will be used (i) to finance a portion of the Acquisitions and pay related fees and expenses, (ii) for permitted capital expenditures and permitted acquisitions, (iii) to provide for the ongoing working capital requirements of Borrower and its Subsidiaries, (iv) for general corporate purposes of Borrower and its Subsidiaries and (v) to fund original issue discount and closing fees with respect to the Loans made on the Second Restatement Date, (b) an aggregate principal amount of $1,225,000,000 of Initial Draw Tranche A Term Loans, the proceeds of which were or will be used (i) on the Second Restatement Date to fund the repayment of a loan from VPI to Borrower followed by a use of the repayment proceeds by VPI to fund the repayment in full of all loans outstanding under the First Amended and Restated Credit Agreement and the payment of all fees and expenses related thereto (the "**Refinancing**") and (ii) for general corporate purposes of Borrower and its Subsidiaries and (c) an aggregate principal amount of $500,000,000 of Delayed Draw Term Loans, the proceeds of which were or will be used (i) to finance a portion of the Acquisitions and pay related fees and expenses and (ii) for general corporate purposes of Borrower and its Subsidiaries. On the Second Amendment and Restatement Joinder Date, the Lenders extended an additional aggregate principal amount of $500,000,000 of Series A New Term Loans, the proceeds of which were or will be used for general corporate purposes of Borrower and its Subsidiaries, including acquisitions.

WHEREAS, the Lenders have agreed to extend an aggregate principal amount of $600,000,000 of Tranche B Term Loan Commitments, the proceeds of which will be used to (i) repay a portion of the Revolving Loans outstanding as of the Third Restatement Date (but not to permanently reduce Revolving Commitments with respect thereto) and (ii) for general corporate purposes of Borrower and its Subsidiaries, including acquisitions.

WHEREAS, Borrower, the lenders party hereto and the other parties hereto desire to amend and restate, without novation, the Second Amended and Restated Credit Agreement on and subject to the terms and conditions set forth herein and in Amendment No. 1 to Second Amended and Restated Credit and Guaranty Agreement, dated as of the date hereof (the "**Amendment Agreement**"), among Borrower, the lenders party thereto, the Administrative Agent, the Collateral Agent and the other parties thereto.

NOW, THEREFORE, in consideration of the premises and the agreements, provisions and covenants herein contained, the Second Amended and Restated Credit Agreement is hereby amended and restated, without novation, to read in its entirety as follows and, accordingly, the parties hereto agree as follows:

SECTION 1. DEFINITIONS AND INTERPRETATION

1.1 Definitions. The following terms used herein, including in the preamble, recitals, exhibits, appendices and schedules hereto, shall have the following meanings:

"**2010 Merger**" means the merger of VPI with and into Beach Merger Corp. pursuant to the 2010 Merger Agreement.

"**2010 Merger Agreement**" means the Agreement and Plan of Merger, dated as of June 20, 2010, among VPI, Borrower, Biovail Americas Corp. and Beach Merger Corp., together with all exhibits, schedules, documents, agreements, and instruments executed and delivered in connection therewith, as the same has been amended, or modified in accordance with the terms and provisions thereof.

"**2010 Transactions**" means, collectively, (i) the redemption of VPI's 8.375% Senior Notes due 2016, issued under that certain indenture dated as of June 9, 2009, among VPI, the guarantors party thereto and The Bank of New York Mellon Trust Company, Inc., as trustee, and VPI's 7.625% Senior Notes due 2020, issued under that certain indenture dated as of April 9, 2010, among VPI, the guarantors party thereto and The Bank of New York Mellon Trust Company, Inc., as trustee, (ii) the repayment in full and termination of that certain credit and guaranty agreement, dated as of May 26, 2010, among VPI, the guarantors party thereto, Goldman Sachs Lending Partners L.P., as sole lead arranger, and Goldman Sachs Bank USA, as administrative agent and collateral agent, (iii) the repayment in full and termination of that certain credit agreement, dated as of June 9, 2009, among Borrower, the lenders party thereto and JPMorgan Chase Bank, N.A., Toronto Branch, as Administrative Agent, (iv) the payment of the Pre-Merger Special Dividend (as such term is defined in the 2010 Merger Agreement) made on September 27, 2010, immediately prior to the consummation of the 2010 Merger, pro rata to VPI's shareholders on the record date of such for such dividend, (v) the consummation of the 2010 Merger, (vi) the issuance of the Senior Notes and (vii) the payment of all fees and expenses related thereto.

"**Acquisition Debt Additional Escrow Amount**" means an amount equal to (a) all interest that could accrue on the applicable Acquisition Escrow Debt from and including the date of issuance or incurrence thereof to and including the Escrow Acquisition Termination Date and (b) all fees and expenses that are incurred in connection with the issuance or incurrence of such Acquisition Escrow Debt and all premium, fees, expenses or other amounts payable in connection with the Acquisition Escrow Debt Redemption.

"**Acquisition Debt Escrow Account**" means a deposit or securities account at a financial institution (such institution, the "**Acquisition Debt Escrow Agent**") into which any Acquisition Debt Escrowed Funds are deposited.

"**Acquisition Debt Escrow Agent**" has the meaning given to such term in the definition of the term "**Acquisition Debt Escrow Account**."

"**Acquisition Debt Escrow Debt Documents**" means the definitive documentation governing any applicable Acquisition Escrow Debt, including the applicable Acquisition Debt Escrow Documents and any other documents entered into by the Borrower, VPI and/or Acquisition Debt Escrow Issuer in connection with any Acquisition Escrow Debt; provided that such documents shall require that (a) if the applicable Escrow Acquisition shall not be consummated on or before the corresponding Escrow Acquisition Termination Date, such Acquisition Escrow Debt shall be redeemed in full (the "**Acquisition Escrow Debt Redemption**") no later than the third Business Day after the Escrow Acquisition Termination Date and (b) the Acquisition Debt Escrowed Funds shall be released from the Acquisition Debt Escrow Account on or before three Business Days after the Escrow Acquisition Termination Date (A) upon the consummation of the Escrow Acquisition and applied to finance a portion of such Escrow Acquisition or (B) to effectuate the Acquisition Escrow Debt Redemption.

"**Acquisition Debt Escrow Documents**" means the agreement(s) governing the Acquisition Debt Escrow Account and any other documents entered into in order to provide the Acquisition Debt Escrow Agent (or its designee) a Lien on the Acquisition Debt Escrowed Funds.

"**Acquisition Debt Escrow Issuer**" means a newly-formed, wholly-owned direct or indirect subsidiary of Borrower or VPI, which, prior to the consummation of any Escrow Acquisition, shall have no operations, assets or activities, other than the entering into of the Acquisition Debt Escrow Debt Documents, the issuance or incurrence of the Acquisition Escrow Debt, and activities incidental thereto, including the deposit of the Acquisition Debt Escrowed Funds in the Acquisition Debt Escrow Account.

"**Acquisition Debt Escrowed Funds**" means an amount, in cash or Eligible Escrow Investments, not to exceed the sum of (a) the issue price of the applicable Acquisition Escrow Debt, plus (b) the Acquisition Debt Additional Escrow Amount, plus (c) so long as they are retained in the Acquisition Debt Escrow Account, any income, proceeds or products of the foregoing.

"**Acquisition Escrow Debt**" means Indebtedness (which may be in the form of loans or notes) issued or incurred after the Amendment No. 5 Effective Date of an Acquisition Debt Escrow Issuer to finance any Permitted Acquisition (each, an "**Escrow Acquisition**") consummated after the Amendment No. 5 Effective Date (excluding, for the avoidance of doubt, any Indebtedness issued or incurred in connection with the Bausch & Lomb Acquisition); provided that (x) the net proceeds of such Indebtedness are deposited into an Acquisition Debt Escrow Account upon the issuance thereof and (y) at the time of the issuance or incurrence thereof, Administrative Agent shall have received a certificate from the chief executive officer or the chief financial officer (or the equivalent thereof) of Borrower certifying that subject to and upon the consummation of such Escrow Acquisition, such Acquisition Escrow Debt shall, on a Pro Forma Basis, be permitted under the Credit Documents.

"**Acquisition Escrow Debt Redemption**" shall have the meaning given to such term in the definition of the term "**Acquisition Debt Escrow Debt Documents**."

"**Acquisitions**" means, collectively, the Orthodermatologics Acquisition and the Dermik Acquisition.

"**Additional Credit Party**" means any Credit Party, as of the Third Restatement Date, that was not a Credit Party as of the Second Restatement Date.

"**Additional Escrow Amount**" means an amount equal to (a) all interest that could accrue on the New Senior Notes from and including the date of issuance thereof to and including the Termination Date and (b) all fees and expenses that are incurred in connection with the issuance of the New Senior Notes and all fees, expenses or other amounts payable in connection with the New Senior Notes Redemption.

"**Adjusted Eurodollar Rate**" means, for any Interest Rate Determination Date with respect to an Interest Period for a Eurodollar Rate Loan, the rate per annum obtained by dividing (and rounding upward to the next whole multiple of 1/100 of 1%) (i) (a) the rate per annum (rounded to the nearest 1/100 of 1%) equal to the rate determined by Administrative Agent to be the offered rate which appears on the page of the Reuters Screen which displays an average British Bankers Association Interest Settlement Rate (such page currently being LIBOR01 page) for deposits (for delivery on the first day of such period) with a term equivalent to such period in Dollars, determined as of approximately 11:00 a.m. (London, England time) on such Interest Rate Determination Date, or (b) in the event the rate referenced in the preceding clause (a) does not appear on such page or service or if such page or service shall cease to be available, the rate per annum (rounded to the nearest 1/100 of 1%) equal to the rate determined by Administrative Agent to be the offered rate on any such other page or other service which displays an average British Bankers Association Interest Settlement Rate for deposits (for delivery on the first day of such period) with a term equivalent to such period in Dollars, determined as of approximately 11:00 a.m. (London, England time) on such Interest Rate Determination Date, or (c) in the event the rates referenced in the preceding clauses (a) and (b) are not available, the rate per annum (rounded to the nearest 1/100 of 1%) equal to the offered quotation rate to a major bank in the London interbank market by JPMorgan Chase Bank, N.A. for deposits (for delivery on the first day of the relevant period) in Dollars of amounts in same day funds comparable to the principal amount of the applicable Loan, for which the Adjusted Eurodollar Rate is then being determined with maturities comparable to such period as of approximately 11:00 a.m. (London, England time) on such Interest Rate Determination Date, by (ii) an amount equal to (a) one minus (b) the Applicable Reserve Requirement; provided, however, that notwithstanding the foregoing, the Adjusted Eurodollar Rate in respect of the Tranche B Term Loans shall at no time be less than 0.75%.

"**Administrative Agent**" as defined in the preamble hereto.

"**Adverse Proceeding**" means any action, suit, claim, proceeding, hearing (in each case, whether administrative, judicial or otherwise), governmental investigation or arbitration (whether or not purportedly on behalf of Borrower or any of its Subsidiaries) pursuant to any statute, regulation, ordinance, common law, equity or any other legal principle or process, or before or by any Governmental Authority, domestic or foreign (including any Environmental Claims), whether pending or, to the knowledge of Borrower or any of its Subsidiaries, threatened against or affecting Borrower or any of its Subsidiaries or any property of Borrower or any of its Subsidiaries.

"**Affected Lender**" as defined in Section 2.18(b).

"**Affected Loans**" as defined in Section 2.18(b).

"**Affiliate**" means, as applied to any Person, any other Person directly or indirectly controlling, controlled by, or under common control with, that Person. For the purposes of this definition, "control" (including, with correlative meanings, the terms "controlling," "controlled by" and "under common control with"), as applied to any Person, means the possession, directly or indirectly, of the power (i) solely for purposes of Section 6.11, to vote 10% or more of the Securities having ordinary voting power for the

election of directors of such Person or (ii) to direct or cause the direction of the management and policies of that Person, whether through the ownership of voting securities or by contract or otherwise.

"**Agent**" means each of (a) the Administrative Agent, (b) each Co-Syndication Agent, (c) the Collateral Agent, (d) each Co-Documentation Agent, (e) each Senior Managing Agent and (f) any other Person appointed under the Credit Documents to serve in an agent or similar capacity.

"**Agent Affiliates**" as defined in Section 10.1(b)(3).

"**Aggregate Amounts Due**" as defined in Section 2.17.

"**Agreement**" means this Third Amended and Restated Credit and Guaranty Agreement, dated as of February 13, 2012, as it may be amended, restated, supplemented or otherwise modified from time to time.

"Amendment Agreement" as defined in the recitals.

"**Amendment No. 2 Effective Date**" means September 10, 2012.

"**Amendment No. 3**" means Amendment No. 3 to Third Amended and Restated Credit and Guaranty Agreement, dated as of January 24, 2013, by and among the Borrower, the Guarantors, the Administrative Agent, the Collateral Agent, the New Term Loan Lenders party thereto, the New Revolving Loan Lenders party thereto and the Requisite Lenders party thereto.

"**Amendment No. 3 Effective Date**" means January 24, 2013.

"**Amendment No. 4**" means Amendment No. 4 to Third Amended and Restated Credit and Guaranty Agreement, dated as of February 21, 2013, by and among the Borrower, the Guarantors, the Administrative Agent, the Collateral Agent, the New Term Loan Lenders party thereto and the Requisite Lenders party thereto.

"**Amendment No. 4 Delivery Date**" as defined in the definition of "Applicable Margin."

"**Amendment No. 4 Effective Date**" means February 21, 2013.

"**Amendment No. 5**" means Amendment No. 5 to Third Amended and Restated Credit and Guaranty Agreement, dated as of June 6, 2013, by and among the Borrower, the Guarantors, the Administrative Agent, the Collateral Agent and the Requisite Lenders party thereto.

"**Amendment No. 5 Effective Date**" means June 6, 2013.

"**Amendment No. 6**" means Amendment No. 6 to Third Amended and Restated Credit and Guaranty Agreement, dated as of June 26, 2013, by and among the Borrower, the Guarantors, the Administrative Agent, the Collateral Agent, the Requisite Lenders and the other Lenders party thereto.

"**Amendment No. 6 Effective Date**" means June 26, 2013.

"**Amendment No. 6 Revolving Loan Upsize and Extension Effective Date**" means July 15, 2013.

"**Amendment No. 7**" means Amendment No. 7 to Third Amended and Restated Credit and Guaranty Agreement, dated as of September 17, 2013, by and among the Borrower, the Guarantors, the Administrative Agent, the Collateral Agent, the Requisite Lenders and the other Lenders party thereto.

"**Amendment No. 7 Effective Date**" means September 17, 2013.

"**Applicable Law**" means any and all current and future applicable laws (including common law and equity), statutes, by-laws, rules, regulations, orders, ordinances, protocols, codes, treaties, policies, directions, directives, decrees, restrictions, judgments, decisions, in each case, of, from or required by any Governmental Authority and, in each case, whether having the force of law or not.

"**Applicable Margin**" means

(a) (i) with respect to Tranche B Term Loans that are Eurodollar Rate Loans, (x) for the period commencing on the Third Restatement Date until (but not including) the Series A Tranche B Term Loan Funding Date, 2.75% per annum, (y) for the period commencing on the Series A Tranche B Term Loan Funding Date until (but not including) the Series D Tranche B Term Loan Funding Date, 3.75% per annum, and (z) for the period commencing on the Series D Tranche B Term Loan Funding Date until (but not including) the Amendment No. 4 Effective Date, 3.25% per annum,

(ii) with respect to Tranche B Term Loans that are Base Rate Loans, (x) for the period commencing on the Third Restatement Date until (but not including) the Series A Tranche B Term Loan Funding Date, 1.75% per annum, (y) for the period commencing on the Series A Tranche B Term Loan Funding Date until (but not including) the Series D Tranche B Term Loan Funding Date, 2.75% per annum, and (z) for the period commencing on the Series D Tranche B Term Loan Funding Date until (but not including) the Amendment No. 4 Effective Date, 2.25% per annum ,

(iii) for the period commencing on the Amendment No. 4 Effective Date until (but not including) the Series E Tranche B Term Loan Funding Date, (w) with respect to Series C-1 Tranche B Term Loans that are Eurodollar Rate Loans, 2.75% per annum , (x) with respect to Series C-1 Tranche B Term Loans that are Base Rate Loans, 1.75% per annum, (y) with respect to Series D-1 Tranche B Term Loans that are Eurodollar Rate Loans, 2.75% per annum, and (z) with respect to Series D-1 Tranche B Term Loans that are Base Rate Loans, 1.75% per annum, ~~and (iv) thereafter~~

(iv) for the period commencing on the Series E Tranche B Term Loan Funding Date until (but not including) the Amendment No. 7 Effective Date, (w) with respect to Series C-1 Tranche B Term Loans that are Eurodollar Rate Loans, 3.625% per annum , (x) with respect to Series C-1 Tranche B Term Loans that are Base Rate Loans, 2.625% per annum, (y) with respect to Series D-1 Tranche B Term Loans that are Eurodollar Rate Loans, 3.625% per annum, and (z) with respect to Series D-1 Tranche B Term Loans that are Base Rate Loans, 2.625% per annum~~ and~~ ,

(~~b~~v)~~(i~~ (x) until delivery of financial statements of Borrower and a related Compliance Certificate for the first full Fiscal Quarter commencing on or after the ~~Second Restatement Date pursuant to Section 5.1(c) (the **"Delivery Date"**), (A) with respect to Revolving Loans and Tranche A Term Loans that are Eurodollar Rate Loans, 2.75% per annum, (B) with respect to Revolving Loans, Swing Line Loans and Tranche A Term Loans that are Base Rate Loans, 1.75% per annum, (ii) for the period commencing on the Delivery Date until (but not including) the Amendment No. 3 Effective Date, the percentages per annum set forth in the table below, based upon the Leverage Ratio of Borrower, as of the last day of the most recently ended Fiscal Quarter for which financial statements were required to have been delivered pursuant to Section 5.1(a) or (b):~~
Amendment No. 7 Effective Date pursuant to Section 5.1(c), (A) with respect to Series C-2 Tranche B

Term Loans that are Eurodollar Rate Loans, 3.00% per annum, (B) with respect to Series C-2 Tranche B Term Loans that are Base Rate Loans, 2.00% per annum, (C) with respect to Series D-2 Tranche B Term Loans that are Eurodollar Rate Loans, 3.00% per annum, and (D) with respect to Series D-2 Tranche B Term Loans that are Base Rate Loans, 2.00% per annum, and (y) thereafter, the percentages per annum set forth in the table below, based upon the Secured Leverage Ratio of Borrower, as of the last day of the most recently ended Fiscal Quarter for which financial statements were required to have been delivered pursuant to Section 5.1(a) or (b):

Pricing Level	**Secured Leverage Ratio**	**Eurodollar Rate Loans**	**Base Rate Loans**
I	≥ 1.75 to 1.0	3.00%	2.00%
II	< 1.75 to 1.0	2.75%	1.75%

and (vi) (x) with respect to Series E Tranche B Term Loans that are Eurodollar Rate Loans, 3.75% per annum, and (y) with respect to Series E Tranche B Term Loans that are Base Rate Loans, 2.75% per annum, and

(b) (i) until delivery of financial statements of Borrower and a related Compliance Certificate for the first full Fiscal Quarter commencing on or after the Second Restatement Date pursuant to Section 5.1(c) (the **"Delivery Date"**), (A) with respect to Revolving Loans and Tranche A Term Loans that are Eurodollar Rate Loans, 2.75% per annum, (B) with respect to Revolving Loans, Swing Line Loans and Tranche A Term Loans that are Base Rate Loans, 1.75% per annum,

(ii) for the period commencing on the Delivery Date until (but not including) the Amendment No. 3 Effective Date, the percentages per annum set forth in the table below, based upon the Leverage Ratio of Borrower, as of the last day of the most recently ended Fiscal Quarter for which financial statements were required to have been delivered pursuant to Section 5.1(a) or (b):

Pricing Level	**Leverage Ratio**	**Eurodollar Rate Loans**	**Base Rate Loans**
I	> 4.0 to 1.0	3.00%	2.00%
II	≤ 4.0 to 1.0 but > 3.25 to 1.0	2.75%	1.75%
III	≤ 3.25 to 1.0	2.50%	1.50%

and (iii) thereafter, the percentages per annum set forth in the table below, based upon the Leverage Ratio of Borrower, as of the last day of the most recently ended Fiscal Quarter for which financial statements were required to have been delivered pursuant to Section 5.1(a) or (b):

Pricing Level	**Leverage Ratio**	**Eurodollar Rate Loans**	**Base Rate Loans**
I	> 4.0 to 1.0	2.25%	1.25%
II	≤ 4.0 to 1.0 but > 3.25 to 1.0	2.00%	1.00%
III	≤ 3.25 to 1.0	1.75%	0.75%

Any increase or decrease in the Applicable Margin resulting from a change in the Secured Leverage Ratio or Leverage Ratio, as applicable, shall become effective as of the first Business Day immediately following the date a Compliance Certificate is delivered pursuant to Section 5.1 (including, for the avoidance of doubt, the latest delivery under the Second Amended and Restated Credit Agreement); provided that Pricing Level I shall apply (x) as of the first Business Day after the date on which a Compli-

ance Certificate was required to have been delivered but was not delivered, and shall continue to so apply to and including the date on which such Compliance Certificate is so delivered (and thereafter the Pricing Level otherwise determined in accordance with this definition shall apply) and (y) as of the first Business Day after an Event of Default shall have occurred and be continuing, and shall continue to so apply to but excluding the date on which such Event of Default is cured or waived (and thereafter the Pricing Level otherwise determined in accordance with this definition shall apply).

In the event that Administrative Agent and Borrower determine that any financial statements previously delivered were incorrect or inaccurate (regardless of whether this Agreement or the Commitments are in effect when such inaccuracy is discovered), and such inaccuracy, if corrected, would have led to the application of a higher Applicable Margin for any period (an "**Applicable Period**") than the Applicable Margin applied for such Applicable Period, then (i) Borrower shall as soon as practicable deliver to Administrative Agent the corrected financial statements for such Applicable Period, (ii) the Applicable Margin shall be determined as if the Pricing Level for such higher Applicable Margin were applicable for such Applicable Period and (iii) Borrower shall within three (3) Business Days thereof by Administrative Agent pay to Administrative Agent the accrued additional amount owing as a result of such increased Applicable Margin for such Applicable Period, which payment shall be promptly applied by Administrative Agent in accordance with this Agreement. This paragraph shall not limit the rights of Administrative Agent and Lenders with respect to Section 2.8 and Section 8.

"**Applicable Reserve Requirement**" means, at any time, for any Eurodollar Rate Loan, the maximum rate, expressed as a decimal, at which reserves (including, any basic marginal, special, supplemental, emergency or other reserves) are required to be maintained by member banks of the United States Federal Reserve System (or any successor thereto) with respect thereto against "Eurocurrency liabilities" (as such term is defined in Regulation D) under regulations issued from time to time by the Board of Governors or other applicable banking regulator. Without limiting the effect of the foregoing, the Applicable Reserve Requirement shall reflect any other reserves required to be maintained by such member banks with respect to (i) any category of liabilities which includes deposits by reference to which the applicable Adjusted Eurodollar Rate is to be determined, or (ii) any category of extensions of credit or other assets which include Eurodollar Rate Loans. A Eurodollar Rate Loan shall be deemed to constitute Eurocurrency liabilities and as such shall be deemed subject to reserve requirements without benefits of credit for proration, exceptions or offsets that may be available from time to time to the applicable Lender. The rate of interest on Eurodollar Rate Loans shall be adjusted automatically on and as of the effective date of any change in the Applicable Reserve Requirement.

"**Approved Electronic Communications**" means any notice, demand, communication, information, document or other material that any Credit Party provides to an Agent pursuant to any Credit Document or the transactions contemplated therein which is distributed to the Agents or to the Lenders by means of electronic communications pursuant to Section 10.1(b).

"**Arrangers**" J.P. Morgan, GSLP and Morgan Stanley, each in its capacity as a joint lead arranger.

"**Asset Sale**" means a sale, lease or sub-lease (as lessor or sublessor), sale and leaseback, assignment, conveyance, exclusive license (as licensor or sublicensor), transfer or other disposition to, or any exchange of property with, any Person (other than Borrower or any Guarantor Subsidiary), in one transaction or a series of transactions, of all or any part of Borrower's or any of its Subsidiaries' businesses, assets or properties of any kind, whether real, personal, or mixed and whether tangible or intangible, whether now owned or hereafter acquired, leased or licensed, including, the Equity Interests of any of Borrower's Subsidiaries, other than:

(1) inventory (or other assets, including, for greater certainty, Intellectual Property) sold, leased or licensed out in the ordinary course of business (excluding any such sales, leases or licenses out by operations or divisions discontinued or to be discontinued);

(2) an issuance of Equity Interests by a Subsidiary of Borrower to Borrower or to another Subsidiary (so long as such issuance would otherwise be permitted under Section 6.6) or the issuance of directors' qualifying shares or of other nominal amounts of other Equity Interests that are required to be held by specified Persons under Applicable Law;

(3) the sale or other disposition of cash or Cash Equivalents;

(4) a Restricted Junior Payment that is permitted by Section 6.4 or Investment that is permitted by Section 6.6;

(5) the license of Intellectual Property to third persons in the ordinary course of business;

(6) the sale, exchange or other disposition of accounts receivable in connection with the compromise, settlement or collection thereof consistent with past practice;

(7) leases or subleases entered into in the ordinary course of business, to the extent that they do not materially interfere with the business of Borrower or any of its Subsidiaries;

(8) the sale or other disposition of Investments under clause (c)(i) and (k) of Section 6.6;

(9) sales, leases, licenses or other dispositions of other assets for aggregate consideration not to exceed $100,000,000 for all such sales, leases or licenses in any Fiscal Year;

(10) sales, leases, licenses or other dispositions of assets to Borrower or any of its respective Subsidiaries; provided that, if any such disposition involves a Credit Party and a Subsidiary that is not a Credit Party, then such disposition shall be made in compliance with Section 6.11; and

(11) the disposition of assets resulting in Cash proceeds satisfying the definition of "Net Insurance/Condemnation Proceeds" and applied in accordance with Section 2.14(b).

For purposes of clarity, "Asset Sale" shall not include the issuance of any Equity Interests of Borrower (including the issuance by any other Person of any warrant, right or option to purchase or other arrangements or rights to acquire any Equity Interests of Borrower).

"**Assignment Agreement**" means an Assignment and Assumption Agreement substantially in the form of Exhibit D, with such amendments or modifications as may be approved by Administrative Agent.

"**Assignment Effective Date**" as defined in Section 10.6(b).

"**Australian Collateral**" means: (a) all Collateral Documents governed by the laws of any state or territory of Australia, and (b) all other Liens in respect of Collateral located in any state or territory of Australia (or taken to be located in any state or territory of Australia for the purposes of any stamp duty law).

"**Authorized Officer**" means, as applied to any Person, any individual holding the position of chairman of the board (if an officer), chief executive officer, president, vice president (or the equivalent thereof), chief financial officer (or the equivalent thereof) or treasurer of such Person; provided that the secretary or assistant secretary of such Person shall have delivered an incumbency certificate to the Administrative Agent as to the authority of such Authorized Officer.

"**Bankruptcy Code**" means Title 11 of the United States Code entitled "Bankruptcy," as now and hereafter in effect, or any successor statute.

"**Barbados Credit Party**" means each of Valeant Holdings (Barbados) SRL, Valeant International (Barbados) SRL, Biovail Laboratories International (Barbados) SRL, Hythe Property Incorporated and each other Credit Party that is organized under the laws of Barbados.

"**Barbados Guarantee**" means the Barbados Guarantee Agreement, dated as of the Third Restatement Date, by each Barbados Credit Party substantially in the form of Exhibit H-2, as it may be amended, restated, supplemented or otherwise modified from time to time.

"**Barbados Security Documents**" means each of the documents set forth on Schedule 5.10(a), dated as of the Third Restatement Date, as each of such documents may be amended, restated, supplemented or otherwise modified from time to time and additional analogous agreements as may be entered into from time to time in accordance with Section 5.10 and as required by the Collateral Documents.

"**Base Rate**" means, for any day, a rate per annum equal to the greater of (i) the Prime Rate in effect on such day and (ii) the Federal Funds Effective Rate in effect on such day plus ½ of 1%. Any change in the Base Rate due to a change in the Prime Rate or the Federal Funds Effective Rate shall be effective on the effective day of such change in the Prime Rate or the Federal Funds Effective Rate, respectively; provided, however, that notwithstanding the foregoing, the Base Rate in respect of Tranche B Term Loans shall at no time be less than 1.75% per annum. On any day that Base Rate Loans are outstanding, in no event shall the Base Rate be less than the sum of (i) the Adjusted Eurodollar Rate (after giving effect to the Adjusted Eurodollar Rate "floor" set forth in the definition thereof in the case of Tranche B Term Loans) that would be payable on such day for a Eurodollar Rate Loan with a one-month interest period plus (ii) the difference between the Applicable Margin for Eurodollar Rate Loans and the Applicable Margin for Base Rate Loans.

"**Base Rate Loan**" means a Loan bearing interest at a rate determined by reference to the Base Rate.

"**Bausch & Lomb Acquisition**" means the acquisition of Bausch & Lomb Holdings Incorporated pursuant to the Bausch & Lomb Acquisition Agreement.

"**Bausch & Lomb Acquisition Agreement**" means the Agreement and Plan of Merger (together with all exhibits and schedules thereto, as the same may be amended, restated, amended and restated, supplemented or otherwise modified from time to time, collectively, the "**Bausch & Lomb Acquisition Agreement**"), dated as of May 24, 2013, among the Borrower, VPI, one of VPI's wholly owned U.S. domiciled subsidiaries and Bausch & Lomb Holdings Incorporated.

"**Bausch & Lomb Additional Escrow Amount**" means an amount equal to (a) all interest that could accrue on the Bausch & Lomb New Senior Notes from and including the date of issuance thereof to and including the Bausch & Lomb Termination Date and (b) all fees and expenses that are incurred in connection with the issuance of the Bausch & Lomb New Senior Notes and all premium, fees, expenses or other amounts payable in connection with the Bausch & Lomb New Senior Notes Redemption.

"**Bausch & Lomb Equity Financing**" means the issuance and/or sale of equity or equity-linked securities of the Borrower issued and/or sold, as applicable, to (i) finance a portion of the Bausch & Lomb Transactions or (ii) finance the repayment or prepayment of any outstanding Bausch & Lomb Interim Loans incurred to finance the Bausch & Lomb Acquisition.

"**Bausch & Lomb Escrow Account**" means a deposit or securities account at a financial institution (such institution, the "**Bausch & Lomb Escrow Agent**") into which the Bausch & Lomb Escrowed Funds are deposited.

"**Bausch & Lomb Escrow Agent**" shall have the meaning given to such term in the definition of the term "**Bausch & Lomb Escrow Account**."

"**Bausch & Lomb Escrow Issuer**" means a newly-formed, wholly-owned subsidiary of Borrower, which, prior to the consummation of the Bausch & Lomb Acquisition, shall have no operations, assets or activities, other than the entering into of the Bausch & Lomb New Senior Notes Documents, the issuance of the Bausch & Lomb New Senior Notes, and activities incidental thereto, including the deposit of the Bausch & Lomb Escrow Funds in the Bausch & Lomb Escrow Account.

"**Bausch & Lomb Escrowed Funds**" means an amount, in cash or Eligible Escrow Investments, not to exceed the sum of (a) the issue price of the Bausch & Lomb New Senior Notes, plus (b) the Bausch & Lomb Additional Escrow Amount, plus (c) so long as they are retained in the Bausch & Lomb Escrow Account, any income, proceeds or products of the foregoing.

"**Bausch & Lomb Interim Loans**" means, collectively, the Bausch & Lomb Series A Interim Loans and the Bausch & Lomb Series B Interim Loans incurred pursuant to the Bausch & Lomb Senior Interim Loan Documents.

"**Bausch & Lomb New Senior Notes**" means debt securities issued after the Amendment No. 5 Effective Date of the Bausch & Lomb Escrow Issuer to finance a portion of the Bausch & Lomb Transactions; provided that the net proceeds of such debt securities are deposited into the Bausch & Lomb Escrow Account upon the issuance thereof.

"**Bausch & Lomb New Senior Notes Documents**" means the Bausch & Lomb New Senior Notes Indenture, the Bausch & Lomb New Senior Notes Escrow Documents and any other documents entered into by the Borrower, VPI and/or Bausch & Lomb Escrow Issuer in connection with the Bausch & Lomb New Senior Notes; provided that such documents shall require that (a) if the Bausch & Lomb Acquisition shall not be consummated on or before the Bausch & Lomb Termination Date, the Bausch & Lomb New Senior Notes shall be redeemed in full (the "**Bausch & Lomb New Senior Notes Redemption**") no later than the third Business Day after the Bausch & Lomb Termination Date and (b) the Bausch & Lomb Escrowed Funds shall be released from the Bausch & Lomb Escrow Account before the Bausch & Lomb Termination Date or within three Business Days after the Bausch & Lomb Termination Date (A) upon the consummation of the Bausch & Lomb Transactions and applied to finance a portion of the Bausch & Lomb Acquisition or (B) to effectuate the Bausch & Lomb New Senior Notes Redemption.

"**Bausch & Lomb New Senior Notes Escrow Documents**" means the agreement(s) governing the Bausch & Lomb Escrow Account and any other documents entered into in order to provide the Bausch & Lomb Escrow Agent (or its designee) a Lien on the Bausch & Lomb Escrowed Funds.

"**Bausch & Lomb New Senior Notes Indenture**" means the indenture pursuant to which the Bausch & Lomb New Senior Notes shall be issued.

"**Bausch & Lomb New Senior Notes Redemption**" shall have the meaning given to such term in the definition of the term "**Bausch & Lomb New Senior Notes Documents**".

"**Bausch & Lomb Refinancing**" shall have the meaning given to such term in the definition of the term "**Bausch & Lomb Transactions**."

"**Bausch & Lomb Senior Interim Loan Documents**" means customary documentation for interim unsecured bridge loans; provided, that the Bausch & Lomb Interim Loans (i) are not guaranteed by any Subsidiary of the Borrower that is not a Guarantor, (ii) are not secured by a Lien on any assets of the Borrower or any of its Subsidiaries, (iii) have a final maturity date not prior to the date that is at least 180 days after the latest Term Loan Maturity Date and (iv) the terms of such Bausch & Lomb Interim Loans do not provide for any scheduled repayment, mandatory redemption or sinking fund obligations prior to the latest Term Loan Maturity Date (other than mandatory prepayments with any Cash proceeds from any Bausch & Lomb Equity Financing or from the issuance of Bausch & Lomb New Senior Notes).

"**Bausch & Lomb Series A Interim Loans**" means senior unsecured interim loans incurred by the Borrower or VPI in an aggregate principal amount not to exceed $3,275,000,000 to finance a portion of the Bausch & Lomb Transactions.

"**Bausch & Lomb Series B Interim Loans**" means senior unsecured interim loans incurred by the Borrower or VPI in an aggregate principal amount not to exceed $1,700,000,000 to finance a portion of the Bausch & Lomb Transactions.

"**Bausch & Lomb Termination Date**" means 5:00 pm New York time on the sixth-month anniversary of the date of the Bausch & Lomb Acquisition Agreement.

"**Bausch & Lomb Transactions**" means collectively, (a) the Bausch & Lomb Acquisition and other related transactions contemplated by the Bausch & Lomb Acquisition Agreement; (b) the incurrence of new Term Loans hereunder pursuant to a Joinder Agreement in accordance with Section 2.25 to be entered into after the Amendment No. 5 Effective Date; (c) the issuance of the Bausch & Lomb New Senior Notes; (d) the incurrence of the Bausch & Lomb Interim Loans, if any; (e) the issuance and/or sale of the Bausch & Lomb Equity Financing; (f) the refinancing, repayment, termination and discharge of certain Indebtedness of Bausch & Lomb Holdings Incorporated (the "**Bausch & Lomb Refinancing**"); and (g) the payment of all fees and expenses owing in connection with the foregoing.

"**Bausch & Lomb Unsecured Debt**" means, collectively, the Bausch & Lomb New Senior Notes and the Bausch & Lomb Interim Loans.

"**Beneficiary**" means each Agent, Issuing Bank, Lender and Lender Counterparty.

"**BIA**" means the *Bankruptcy and Insolvency Act* (Canada).

"**Biovail Insurance**" means Biovail Insurance Incorporated, a company organized under the laws of Barbados.

"**Biovail Insurance Trust Indenture**" means the trust indenture dated as of June 25, 2003, entered into among Biovail Insurance, Zurich Insurance Company and the other parties thereto.

"**Board of Governors**" means the Board of Governors of the United States Federal Reserve System, or any successor thereto.

"**Borrower**" as defined in the preamble hereto.

"**Borrower Convertible Notes**" means Borrower's 5.375% Senior Convertible Notes due 2014, issued under that certain indenture dated as of June 10, 2009, among Borrower, The Bank of New York Mellon, as trustee, and BNY Trust Company of Canada, as co-trustee.

"**Business Day**" means (i) any day excluding Saturday, Sunday and any day which is a legal holiday under the laws of the State of New York or the Province of Ontario or is a day on which banking institutions located in such state are authorized or required by law or other governmental action to close and (ii) with respect to all notices, determinations, fundings and payments in connection with the Adjusted Eurodollar Rate or any Eurodollar Rate Loans, the term "Business Day" means any day which is a Business Day described in clause (i) and which is also a day for trading by and between banks in Dollar deposits in the London interbank market.

"**Canadian Confirmation of Guarantee and Security**" means the Confirmation of Guarantee and Security to be executed as of the Third Restatement Date by each Canadian Credit Party, as it may be amended, restated, supplemented or otherwise modified form time to time.

"**Canadian Credit Party**" means Borrower and each other Credit Party that (i) is organized under the laws of Canada or any province or territory thereof, (ii) carries on business in Canada, or (iii) has any title or interest in or to material property in Canada.

"**Canadian Dollars**" and the sign "**CDN$**" mean the lawful money of Canada.

"**Canadian Employee Benefit Plans**" means all plans, arrangements, agreements, programs, policies, practices or undertakings, whether oral or written, formal or informal, funded or unfunded, insured or uninsured, registered or unregistered to which a Canadian Credit Party is a party or bound or in which their employees participate or under which a Canadian Credit Party has, or will have, any liability or contingent liability, or pursuant to which payments are made, or benefits are provided to, or an entitlement to payment or benefits may arise with respect to any of their employees or former employees, directors or officers, individuals working on contract with a Canadian Credit Party or other individuals providing services to a Canadian Credit Party of a kind normally provided by employees (or any spouses, dependants, survivors or beneficiaries of any such person), but does not include the Canada Pension Plan that is maintained by the Government of Canada or any Employee Benefit Plan.

"**Canadian Guarantee**" means the Canadian Guarantee, dated as of June 29, 2011, by each Canadian Credit Party satisfying clause (i) of the definition thereof substantially in the form of Exhibit H-1, as it may be amended, restated, supplemented or otherwise modified from time to time.

"**Canadian Pension Plan**" means all Canadian Employee Benefit Plans that are required to be registered under Canadian provincial or federal pension benefits standards legislation.

"**Canadian Pension Plan Termination Event**" means an event which would entitle a Person (without the consent of a Canadian Credit Party) to wind up or terminate a Canadian Pension Plan in full or in part, or the institution of any steps by any Person to withdraw from, terminate participation in, wind up or order the termination or wind-up of, in full or in part, any Canadian Pension Plan, or the receipt by a Canadian Credit Party of correspondence from a Governmental Authority relating to a potential or actual, partial or full, termination or wind-up of any Canadian Pension Plan, or an event respecting any Canadian Pension Plan which would result in the revocation of the registration of such Canadian Pension Plan or which could otherwise reasonably be expected to adversely affect the tax status of any such Canadian Pension Plan.

"**Canadian Pledge and Security Agreement**" means the Canadian Pledge and Security Agreement, dated as of June 29, 2011, by each Canadian Credit Party (satisfying clause (i) of the definition thereof) substantially in the form of Exhibit I-2, as it may be amended, restated, supplemented or otherwise modified from time to time.

"**Capital Lease**" means, as applied to any Person, any lease of any property (whether real, personal or mixed) by that Person as lessee that, in conformity with GAAP, is or should be accounted for as a capital lease on the balance sheet of that Person.

"**Cash**" means money, currency or a credit balance in any demand or Deposit Account.

"**Cash Equivalents**" means, as at any date of determination, any of the following: (i) marketable securities (a) issued or directly and unconditionally guaranteed as to interest and principal by the United States Government or the Government of Canada, or (b) issued by any agency of the United States Government or the Government of Canada, the obligations of which are backed by the full faith and credit of such government, in each case maturing within one year after such date; (ii) marketable direct obligations issued by any state of the United States of America or any province of Canada or any political subdivision of any such state or province or any public instrumentality thereof, in each case maturing within one year after such date and having, at the time of the acquisition thereof, a rating of at least A-1 from S&P or at least P-1 from Moody's; (iii) commercial paper maturing no more than 270 days from the date of creation thereof and having, at the time of the acquisition thereof, a rating of at least A-1 from S&P or at least P-1 from Moody's; (iv) certificates of deposit or bankers' acceptances maturing within ~~180 days~~one year after such date and issued or accepted by any Lender or by (a) any commercial bank organized under the laws of the United States of America or any state thereof or the District of Columbia that (x) is at least "adequately capitalized" (as defined in the regulations of its primary Federal banking regulator) and (y) has Tier 1 capital (as defined in such regulations) of not less than $500,000,000, or (b) any bank listed on Schedule I of the Bank Act (Canada) that has Tier 1 capital (as defined in OSFI Guideline A-1 on Capital Adequacy Requirements) of not less than CDN$500,000,000; (v) shares of any money market mutual fund that (a) has substantially all of its assets invested continuously in the types of investments referred to in clauses (i) and (ii) above, (b) has net assets of not less than $5,000,000,000, and (c) has the highest rating obtainable from either S&P or Moody's; (vi) fully collateralized repurchase agreements with a term of not more than 30 days for securities described in clause (i) above and entered into with a financial institution satisfying the criteria described in clause (iv) above; and (vii) other short-term investments utilized by Foreign Subsidiaries in accordance with normal investment practices for cash management in investments of the type analogous to the foregoing.

"**Cash Management Agreement**" means any agreement or arrangement to provide treasury, depository, overdraft, credit or debit card, purchase card, electronic funds transfer (including automated clearing house fund transfer services) and other cash management services.

"**CBCA**" means the *Canada Business Corporations Act*.

"**CCAA**" means the *Companies' Creditors Arrangement Act* (Canada).

"**Change of Control**" means, at any time, (i) any Person or "group" (within the meaning of Rules 13d-3 and 13d-5 under the Exchange Act or Part XX of the *Securities Act* (Ontario)) (a) shall have acquired beneficial ownership of 35% or more on a fully diluted basis of the voting and/or economic interest in the Equity Interests of Borrower or (b) shall have obtained the power (whether or not exercised) to elect a majority of the members of the board of directors (or similar governing body) of Borrower; (ii) Borrower shall cease, directly or indirectly, to beneficially own and control 100% on a fully diluted basis of the economic and voting interest in the Equity Interests of VPI; or (iii) the majority of the seats (other

than vacant seats) on the board of directors (or similar governing body) of Borrower shall cease to be occupied by Persons who either (a) were members of the board of directors (or similar governing body) of Borrower immediately following the Third Restatement Date or (b) were nominated for election by the board of directors (or similar governing body) of Borrower, a majority of whom were members of the board of directors (or similar governing body) of Borrower immediately following the Third Restatement Date or whose election or nomination for election was previously approved by a majority of such members.

"**Class**" means (i) with respect to Lenders, each of the following classes of Lenders: (a) Lenders having Tranche A Term Loan Exposure, (b) Lenders having Tranche B Term Loan Exposure, (c) Lenders (including Swing Line Lender) having Revolving Exposure and (d) Lenders having New Term Loan Exposure of each applicable Series and (ii) with respect to Loans, each of the following classes of Loans: (a) Tranche A Term Loans, (b) Tranche B Term Loans, (c) Revolving Loans (including Swing Line Loans) and (d) each additional Series of New Term Loans.

"**CNI Growth Amount**" means, on any date of determination, (a) 50% of Cumulative Consolidated Net Income minus (b) (1) the aggregate amount at the time of determination of Restricted Junior Payments made since the Third Restatement Date using the CNI Growth Amount pursuant to Section 6.4(h) and (2) Investments made since the Third Restatement Date using the CNI Growth Amount pursuant to Section 6.6(i).

"**Co-Syndication Agents**" as defined in the preamble hereto.

"**Collateral**" means, collectively, all of the real, personal and mixed property (including Equity Interests) in which Liens are purported to be granted pursuant to the Collateral Documents as security for the Obligations; provided that the Collateral shall not include any Acquisition Debt Escrowed Funds, the Escrowed Funds, the Bausch & Lomb Escrowed Funds, any Acquisition Debt Escrow Account, the Escrow Account, the Bausch & Lomb Escrow Account, any Acquisition Debt Escrow Debt Documents, any of the New Senior Notes Documents, any of the Bausch & Lomb Senior Interim Loan Documents or any of the Bausch & Lomb New Senior Notes Documents.

"**Collateral Agent**" as defined in the preamble hereto.

"**Collateral Documents**" means the Second Amended and Restated Pledge and Security Agreement, the Canadian Pledge and Security Agreement, the Barbados Security Documents, the U.S. Mortgages, the Canadian Mortgages, the Quebec Security Documents, the Luxembourg Security Documents, the Swiss Security Documents, the Intellectual Property Security Agreements and all other instruments, documents and agreements delivered by or on behalf or at the request of any Credit Party pursuant to this Agreement, the Original Credit Agreement, the First Amended and Restated Credit Agreement, the Second Amended and Restated Credit Agreement or any of the other Credit Documents in order to grant to, or perfect, preserve or protect in favor of, Collateral Agent, for the benefit of Secured Parties, a Lien on any real, personal or mixed property of that Credit Party as security for the Obligations or to protect or preserve the interest of the Collateral Agent or the Secured Parties therein.

"**Collateral Questionnaire**" means a certificate substantially in the form of Exhibit M.

"**Commitment**" means any Revolving Commitment or Term Loan Commitment.

"**Compliance Certificate**" means a Compliance Certificate substantially in the form of Exhibit C.

"**Consolidated Adjusted EBITDA**" means, for any period, an amount determined for Borrower and its Subsidiaries on a consolidated basis equal to Consolidated Net Income for such period, plus, (i) to the extent deducted in determining Consolidated Net Income for such period, the sum, without duplication of amounts for:

(a) Consolidated Interest Expense;

(b) provisions for taxes based on income;

(c) total depreciation expense;

(d) total amortization expense;

(e) fees and expenses incurred in connection with the Transactions or the 2010 Transactions;

(f) non-cash non-recurring expenses or charges;

(g) (i) restructuring charges (which, for the avoidance of doubt, shall include retention, severance, systems establishment costs, excess pension charges, contract termination costs and costs to consolidate facilities and relocate employees) not to exceed (x) $100,000,000 in any twelve-month period ending on or prior to December 31, 2013 and (y) $125,000,000 in any twelve-month period ending after December 31, 2013 (in each case, other than such charges contemplated by the following clause (ii)) and (ii) (x) in any twelve-month period ending on or prior to December 31, 2013, any restructuring charges (which, for the avoidance of doubt, shall include retention, severance, systems establishment costs, excess pension charges, contract termination costs and costs to consolidate facilities and relocate employees and charges in connection with the termination or settlement of employee stock options, restricted stock units and performance stock units) in connection with the Medicis Acquisition, (y) on or prior to December 31, 2014, any restructuring charges (which, for the avoidance of doubt, shall include retention, severance, systems establishment costs, excess pension charges, contract termination costs and costs to consolidate facilities and relocate employees and charges in connection with the termination or settlement of employee stock options, restricted stock units and performance stock units) in connection with the Bausch & Lomb Acquisition and (z) any restructuring charges (which, for the avoidance of doubt, shall include retention, severance, systems establishment costs, excess pension charges, contract termination costs and costs to consolidate facilities and relocate employees and charges in connection with the termination or settlement of employee stock options, restricted stock units and performance stock units, in each case in existence as of the Original Closing Date) in connection with the Sanitas Acquisition, the Transactions or the 2010 Transactions;

(h) any extraordinary gain or loss and any expense or charge attributable to the disposition of discontinued operations;

(i) (i) fees and expenses in connection with any proposed or actual issuance of any Indebtedness or Equity Interests, or any proposed or actual acquisitions, investments, asset sales or divestitures permitted hereunder, in an aggregate amount not to exceed $75,000,000 in any twelve month period (in each case, other than such fees and expenses contemplated by the following clause) and (ii) (x) fees and expenses in connection with the Medicis Acquisition and (y) fees and expenses in connection with the Bausch & Lomb Acquisition;

(j) other non-Cash charges (including impairment charges and other write offs of intangible assets and goodwill but excluding any such non-Cash charge to the extent that it represents an accrual or reserve for potential Cash items in any future period or amortization of a prepaid Cash charge that was paid in a prior period); and

(k) the amount of costs savings and synergies projected by Borrower in good faith to be realized on or prior to September 30, 2012 as a result of the 2010 Transactions, net of the amount of actual cost savings and synergies realized during such period as a result of the 2010 Transactions; provided that (i) such cost savings and synergies are (A) reasonably identifiable, (B) factually supportable and (C) certified by the chief financial officer (or the equivalent thereof) of Borrower and (ii) the aggregate amount of such cost savings and synergies increasing Consolidated Adjusted EBITDA pursuant to this clause (k) shall not exceed $140,000,000; minus

(ii) non-Cash gains increasing Consolidated Net Income for such period (excluding any such non-Cash gain to the extent it represents the reversal of an accrual or reserve for potential Cash items in any prior period and any such non-Cash gain relating to Cash received in a prior period (or to be received in a future period)).

"**Consolidated Capital Expenditures**" means, for any period, the aggregate of all expenditures of Borrower and its Subsidiaries during such period determined on a consolidated basis that, in accordance with GAAP, are or should be included in "purchase of property and equipment" or similar items reflected in the consolidated statement of cash flows of Borrower and its Subsidiaries; provided that Consolidated Capital Expenditures shall not include any expenditures (i) for replacements and substitutions for fixed assets, capital assets or equipment to the extent made with Net Insurance/Condemnation Proceeds invested pursuant to Section 2.14(b) or with Net Asset Sale Proceeds invested pursuant to Section 2.14(a), (ii) which constitute a Permitted Acquisition permitted under Section 6.8, (iii) made by Borrower or any of its Subsidiaries to effect leasehold improvements to any property leased by Borrower or such Subsidiary as lessee, to the extent that such expenses have been reimbursed by the landlord or (iv) made with the proceeds from the issuance of Equity Interests of Borrower permitted hereunder that are Not Otherwise Applied.

"**Consolidated Current Assets**" means, as at any date of determination with respect to any Person, the total assets of such Person and its Subsidiaries on a consolidated basis that may properly be classified as current assets in conformity with GAAP, excluding Cash and Cash Equivalents.

"**Consolidated Current Liabilities**" means, as at any date of determination with respect to any Person, the total liabilities of such Person and its Subsidiaries on a consolidated basis that may properly be classified as current liabilities in conformity with GAAP, excluding the current portion of long term debt.

"**Consolidated Excess Cash Flow**" means, for any period, an amount (if positive) equal to:

(i) the sum, without duplication, of the amounts for such period of (a) Consolidated Net Income, plus, (b) to the extent reducing Consolidated Net Income, the sum, without duplication, of amounts for non Cash charges reducing Consolidated Net Income (including for depreciation and amortization and impairment charges and other write offs of intangible assets and goodwill but excluding any such non Cash charge to the extent that it represents an accrual or reserve for a potential Cash charge in any future period or amortization of a prepaid Cash charge that was paid in a prior period), plus (c) the Consolidated Working Capital Adjustment, minus

(ii) the sum, without duplication, of (a) the amounts for such period paid from Internally Generated Cash of (1) scheduled repayments of Indebtedness for borrowed money (excluding repayments of Revolving Loans or Swing Line Loans except to the extent the Revolving Commitments are permanently reduced in connection with such repayments) and scheduled repayments of obligations under Capital Leases (excluding any interest expense portion thereof), (2) Consolidated Capital Expenditures and (3) the aggregate amount of any premium, make-whole or penalty payments actually paid in Cash by the Borrower or any of its Subsidiaries during such period that are required to be made in connection with any prepayment of Indebtedness, plus (b) other non Cash gains increasing Consolidated Net Income for such period (excluding any such non Cash gain to the extent it represents the reversal of an accrual or reserve for a potential Cash charge in any prior period), plus (c) the aggregate amount of Restricted Junior Payments made in Cash by Borrower or any of its Subsidiaries during such period pursuant to clauses (d) and (g) of Section 6.4 using Internally Generated Cash, except to the extent that such Restricted Junior Payments are made to fund expenditures that reduce Consolidated Net Income, plus (d) the aggregate amount of Investments or other acquisitions made in cash by Borrower or any of its Subsidiaries during such period pursuant to clauses (g), (h), (i), (j), (k) and (l) of Section 6.6 (other than any intercompany Investments) or clause (h) of Section 6.8, in each case, using Internally Generated Cash. As used in this clause (ii), "scheduled repayments of Indebtedness" do not include mandatory prepayments or voluntary prepayments thereof.

"**Consolidated Interest Expense**" means, for any period, (a) total interest expense (including imputed interest expense in respect of obligations under Capital Leases as determined in accordance with GAAP as well as interest required to be capitalized in accordance with GAAP) of Borrower and its Subsidiaries on a consolidated basis for such period with respect to all outstanding Indebtedness of Borrower and its Subsidiaries, including all commissions, discounts and other fees and charges owed with respect to letters of credit and the net effect of Interest Rate Agreements, but excluding, however, any amount not payable in Cash during such period and any amounts referred to in Section 2.11(c) payable on or before the Third Restatement Date, minus (b) total interest income of Borrower and its Subsidiaries on a consolidated basis for such period.

"**Consolidated Net Income**" means, for any period, the net income (or loss) of Borrower and its Subsidiaries on a consolidated basis for such period taken as a single accounting period determined in conformity with GAAP, provided that there will be excluded (a) the income (or loss) of any Person (other than a Subsidiary of Borrower) in which any other Person (other than Borrower or any of its Subsidiaries) has a joint interest, except to the extent of the amount of dividends or other distributions actually paid to Borrower or any of its Subsidiaries by such Person during such period, (b) except as otherwise expressly provided herein, the income (or loss) of any Person accrued prior to the date it becomes a Subsidiary of Borrower or is merged into or consolidated with Borrower or any of its Subsidiaries or the income (or loss) in respect of the assets of any Person accrued prior to the date such assets are acquired by Borrower or any of its Subsidiaries, (c) the income of any Subsidiary of Borrower (other than any such Subsidiary that is a Credit Party) during such period to the extent that the declaration or payment of dividends or similar distributions by that Subsidiary of that income is not at the time permitted by operation of the terms of its charter or any agreement, instrument, judgment, decree, order, statute, rule or governmental regulation applicable to that Subsidiary, (d) any after tax gains or losses attributable to Asset Sales and casualty or condemnation events (of the type described in the definition of "Net Insurance/Condemnation Proceeds") or returned surplus assets of any Pension Plan, in each case accrued during such period, (e) (to the extent not included in clauses (a) through (d) above) any net extraordinary gains or net extraordinary losses accrued during such period, (f) the cumulative effect of a change in accounting principles and (g) solely for purposes of calculating the CNI Growth Amount for such period, amortization or depreciation expense incurred during such period with respect to assets that are used or useful in the business or lines of business in which Borrower and/or its Subsidiaries are engaged as of the Third Restatement Date or similar or related or ancillary businesses; provided further that, without duplication of amounts included in clause

(a) of the preceding proviso, the net income of a Specified Joint Venture for such period shall be included in the calculation of Consolidated Net Income in proportion to Borrower and its Subsidiaries' Equity Interests in such Specified Joint Venture (provided that the net income of all Specified Joint Ventures included pursuant to this proviso for any period shall not exceed 10% of the aggregate Consolidated Net Income for Borrower and its Subsidiaries for such period); provided, further, that, without duplication of any amounts that may be eligible to be included in clause (a) of the first proviso, the net income of a Permitted Majority Investment for such period shall be included in the calculation of Consolidated Net Income in proportion to Borrower and its Subsidiaries' Equity Interests in such Permitted Majority Investment.

"**Consolidated Secured Indebtedness**" means, as of any date of determination, Consolidated Total Debt that is secured by a Lien on any assets of Borrower and its Subsidiaries.

"**Consolidated Total Assets**" means, as of any date of determination, the total assets of Borrower and its Subsidiaries, determined on a consolidated basis in accordance with GAAP.

"**Consolidated Total Debt**" means, as at any date of determination, the aggregate principal amount of all Indebtedness of Borrower and its Subsidiaries determined on a consolidated basis in accordance with GAAP (net of unrestricted and unencumbered Cash and Cash Equivalents of Borrower and its Subsidiaries as of such date in an amount not to exceed $350,000,000), provided that the term "Indebtedness" (for purposes of this definition) shall not include any letter of credit, except to the extent of unreimbursed amounts thereunder, provided that Consolidated Total Debt shall not include (x) any unreimbursed amount under commercial letters of credit until one (1) day after such amount is drawn and (y) the Net Mark-to-Market Exposure of any Hedge Agreement, provided further that, for purposes of the definition of "Consolidated Total Debt" the Indebtedness in respect of convertible debt securities shall be deemed to be the aggregate principal amount thereof outstanding as of such date of determination.

"**Consolidated Working Capital**" means, as at any date of determination, the Consolidated Current Assets of Borrower minus the Consolidated Current Liabilities of Borrower, in each case as of such date. Consolidated Working Capital at any date may be a positive or negative number.

"**Consolidated Working Capital Adjustment**" means, for any period on a consolidated basis, the Consolidated Working Capital as of the beginning of such period minus the Consolidated Working Capital as of the end of such period. The Consolidated Working Capital Adjustment for any period may be a positive or negative number. In calculating the Consolidated Working Capital Adjustment there shall be excluded the effect of reclassification during such period of current assets to long term assets and current liabilities to long term liabilities and the effect of any Permitted Acquisition during such period.

"**Contractual Obligation**" means, as applied to any Person, any provision of any Security issued by that Person or of any indenture, mortgage, deed of trust, contract, undertaking, agreement or other instrument to which that Person is a party or by which it or any of its properties is bound or to which it or any of its properties is subject.

"**Contribution Agreement**" means a contribution agreement substantially in the form of Exhibit L among the Credit Parties and Administrative Agent.

"**Conversion/Continuation Date**" means the effective date of a continuation or conversion, as the case may be, as set forth in the applicable Conversion/Continuation Notice.

"**Conversion/Continuation Notice**" means a Conversion/Continuation Notice substantially in the form of Exhibit A-2.

"**Counterpart Agreement**" means a Counterpart Agreement substantially in the form of Exhibit G delivered by a Credit Party pursuant to Section 5.10 or a similar agreement, in form and substance reasonably acceptable to the Administrative Agent, pursuant to which any Credit Party becomes a Guarantor hereunder. Such Counterpart Agreement may, if reasonably requested by Borrower, include limitations on guarantees applicable to such Subsidiary and required under Applicable Law.

"**Credit Date**" means the date of a Credit Extension.

"**Credit Document**" means any of this Agreement, the Notes, if any, the Canadian Guarantee, the Barbados Guarantee, the Counterpart Agreements, if any, the Collateral Documents, the Canadian Confirmation of Guarantee and Security, any documents or certificates executed by Borrower in favor of Issuing Bank relating to Letters of Credit, and all other documents, instruments or agreements executed and delivered by or on behalf of or at the request of a Credit Party (or any officer of a Credit Party pursuant to the terms hereof) for the benefit of any Agent, Issuing Bank or any Lender in connection herewith on or after the date hereof and all annexes, appendices, schedules and exhibits to any of the foregoing, as may be amended, restated, supplemented or otherwise modified from time to time.

"**Credit Extension**" means the making of a Loan or the issuing of a Letter of Credit.

"**Credit Party**" means Borrower and each Guarantor.

"**Cumulative Consolidated Net Income**" means, as of any date of determination, Consolidated Net Income of Borrower and its Subsidiaries for the period (taken as one accounting period) commencing on the first day of the Fiscal Quarter of Borrower ending on September 30, 2011 and ending on the last day of the most recently ended Fiscal Quarter or Fiscal Year, as applicable, for which financial statements required to be delivered pursuant to Section 5.1(a) or Section 5.1(b), and the related Compliance Certificate required to be delivered pursuant to Section 5.1(c), have been received by Administrative Agent.

"**Currency Agreement**" means any foreign exchange contract, currency swap agreement, futures contract, option contract, synthetic cap or other similar agreement or arrangement, each of which is for the purpose of hedging the foreign currency risk associated with Borrower's and its Subsidiaries' operations and not for speculative purposes.

"**Default**" means a condition or event that, after notice or lapse of time or both, would constitute an Event of Default.

"**Default Excess**" means, with respect to any Funds Defaulting Lender, the excess, if any, of such Defaulting Lender's Pro Rata Share of the aggregate outstanding principal amount of Loans of all Lenders (calculated as if all Funds Defaulting Lenders (including such Funds Defaulting Lender) had funded all of their respective Defaulted Loans) over the aggregate outstanding principal amount of all Loans of such Funds Defaulting Lender.

"**Default Period**" means, (x) with respect to any Funds Defaulting Lender, the period commencing on the date that such Lender became a Funds Defaulting Lender and ending on the earliest of: (i) the date on which all Commitments are cancelled or terminated and/or the Obligations are declared or become immediately due and payable, (ii) the date on which (a) the Default Excess with respect to such Defaulting Lender shall have been reduced to zero (whether by the funding by such Defaulting Lender of any Defaulted Loans of such Defaulting Lender or by the non pro rata application of any voluntary or mandatory prepayments of the Loans in accordance with the terms of Section 2.13 or Section 2.14 or by a combination thereof) or such Defaulting Lender shall have paid all amounts due under Section 9.6, as the case may be, and (b) such Defaulting Lender shall have delivered to Borrower and Administrative Agent

a written reaffirmation of its intention to honor its obligations hereunder with respect to its Commitments, and (iii) the date on which Borrower, Administrative Agent and Requisite Lenders waive all failures of such Defaulting Lender to fund or make payments required hereunder in writing; and (y) with respect to any Insolvency Defaulting Lender, the period commencing on the date such Lender became an Insolvency Defaulting Lender and ending on the earliest of the following dates: (i) the date on which all Commitments are cancelled or terminated and/or the Obligations are declared or become immediately due and payable and (ii) the date that such Defaulting Lender ceases to hold any portion of the Loans or Commitments.

"**Defaulted Loan**" means any Revolving Loan or portion of any unreimbursed payment under Section 2.3(b)(v) or 2.4(e) not made by any Lender when required hereunder.

"**Defaulting Lender**" means any Funds Defaulting Lender or Insolvency Defaulting Lender.

"**Defined Benefit Plan**" means any Canadian Employee Benefit Plan which contains a "defined benefit provision," as defined in subsection 147.1(1) of the *Income Tax Act* (Canada).

"**Delayed Draw Commitment**" as defined in the Second Amended and Restated Credit Agreement.

"**Delayed Draw Term Loan**" means a Tranche A Term Loan made by a Lender pursuant to Section 2.1(a)(ii) of the Second Amended and Restated Credit Agreement.

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

"**Dermik Acquisition**" means the acquisition of certain assets and rights, and assumption of certain liabilities, relating to Dermik, a business unit of Sanofi, by Borrower and certain of its wholly-owned Subsidiaries pursuant to that certain asset purchase agreement, dated as of July 8, 2011, by and among Sanofi, Borrower and Valeant International (Barbados) SRL, including the disclosure letter, schedules, annexes and exhibits attached thereto and all material documents related to the consummation of the transactions contemplated thereby, as amended, modified and supplemented.

"**Designated Noncash Consideration**" means non-Cash consideration received by Borrower or any of its Subsidiaries in connection with an Asset Sale that is designated by Borrower as Designated Noncash Consideration, less the amount of Cash received in connection with a subsequent sale of such Designated Noncash Consideration, which Cash shall be considered Net Asset Sale Proceeds received as of such date and shall be applied pursuant to Section 2.14(a).

"**Disqualified Equity Interests**" means any Equity Interest which, by its terms (or by the terms of any security or other Equity Interests into which it is convertible or for which it is exchangeable), or upon the happening of any event or condition (i) matures or is mandatorily redeemable (other than solely for Equity Interests which are not otherwise Disqualified Equity Interests), pursuant to a sinking fund obligation or otherwise, (ii) is redeemable at the option of the holder thereof (other than solely for Equity Interests which are not otherwise Disqualified Equity Interests), in whole or in part, (iii) provides for scheduled payments or dividends in cash, or (iv) is or becomes convertible into or exchangeable for Indebtedness or any other Equity Interests that would constitute Disqualified Equity Interests, in each case, prior to the date that is 91 days after the latest Term Loan Maturity Date, except, in the case of clauses (i) and (ii), if as a result of a change of control or asset sale, so long as any rights of the holders thereof upon the occurrence of such a change of control or asset sale event are subject to the prior payment in full of all

Obligations (other than contingent amounts not yet due), the cancellation or expiration of all Letters of Credit and the termination of the Commitments).

"**Dollars**" and the sign "**$**" mean the lawful money of the United States of America.

"**Domestic Subsidiary**" means any Subsidiary organized under the laws of the United States of America, any State thereof or the District of Columbia.

"**Dutch Parallel Debt**" means in relation to an Underlying Debt an obligation to pay to the Administrative Agent an amount equal to (and in the same currency as) the amount of that Underlying Debt.

"**Dutch Security Agreements**" as defined in Section 10.29.

"**Eligible Assignee**" means any Person other than a natural Person that is (i) a Lender, an Affiliate of any Lender or a Related Fund (any two or more Related Funds being treated as a single Eligible Assignee for all purposes hereof) or (ii) a commercial bank, insurance company, investment or mutual fund or other entity that is an "accredited investor" (as defined in Regulation D under the Securities Act or as defined under the Canadian Securities Administrators National Instrument 45-106, as amended, supplemented, replaced or otherwise modified from time to time) and which extends credit or buys loans in the ordinary course of business; provided, neither any Credit Party nor any Affiliate thereof shall be an Eligible Assignee.

"**Eligible Escrow Investments**" means (x)(1) securities issued or directly and fully guaranteed or insured by the U.S. government or any agency or instrumentality thereof (provided, that the full faith and credit of the U.S. is pledged in support thereof) having repricings or maturities of not more than one year from the date of acquisition; (2) certificates of deposit and time deposits with maturities of one year or less from the date of acquisition, bankers' acceptances with maturities not exceeding one year and overnight bank deposits, in each case, with any United States commercial bank having capital and surplus in excess of $500,000,000 and a Thomson Bank Watch Rating of "B" or better; (3) repurchase obligations with a term of not more than 14 days for underlying securities of the types described in clauses (1) and (2) above entered into and (y) money market funds that invest solely in investments of the kinds described in clauses (1) through (3) of subclause (x) above.

"**Employee Benefit Plan**" means, in respect of any Credit Party, any "employee benefit plan" as defined in Section 3(3) of ERISA which is or was sponsored, maintained or contributed to by, or required to be contributed by, Borrower, any of its Subsidiaries or any of its ERISA Affiliates in each case other than any Canadian Employee Benefit Plan.

"**Environmental Claim**" means any notice of violation, claim, legal charge, action, suit, proceeding, demand, abatement order or other order or directive (conditional or otherwise), by any Governmental Authority or any other Person, arising (i) pursuant to or in connection with any actual or alleged violation of or liability under any Environmental Law; (ii) in connection with any Hazardous Material or any actual or alleged Release or threat of Release of any Hazardous Materials; or (iii) in connection with any actual or alleged damage, injury, threat or harm to health, safety, natural resources or the environment.

"**Environmental Laws**" means the common law, any and all foreign or domestic, federal, state or provincial (or any subdivision of either of them) statutes, ordinances, by-laws, orders, rules, codes, guidelines, regulations, judgments, Governmental Authorizations, or any other requirements of Governmental Authorities relating to (i) the generation, use, storage, treatment, presence, handling, abatement, remediation, transportation or Release or threat of Release of Hazardous Materials; (ii) as it relates to exposure to Hazardous Materials, occupational safety and health and industrial hygiene; or (iii) land use or the protec-

tion of the environment, natural resources, or human, plant or animal safety, health or welfare, in each of cases (i) through (iii), in any manner applicable to Borrower or any of its Subsidiaries or any Facility.

"**Equity Interests**" means any and all shares, interests, participations or other equivalents (however designated) of capital stock of a corporation, any and all equivalent ownership interests in a Person (other than a corporation), including partnership interests and membership interests, and any and all warrants, rights or options to purchase or other arrangements or rights to acquire any of the foregoing (excluding convertible securities to the extent constituting "Indebtedness" for purposes of this Agreement).

"**Equivalent Amount**" means, at any time, (a) with respect to Dollars or an amount denominated in Dollars, such amount and (b) with respect to an amount denominated in a currency other than Dollars, the equivalent amount thereof in Dollars at such time on the basis of the Spot Rate as of such time for the purchase of Dollars with such currency.

"**ERISA**" means the Employee Retirement Income Security Act of 1974, as amended from time to time, and any successor thereto.

"**ERISA Affiliate**" means, as applied to any Person, (i) any corporation which is a member of a controlled group of corporations within the meaning of Section 414(b) of the Internal Revenue Code of which that Person is a member; (ii) any trade or business (whether or not incorporated) which is a member of a group of trades or businesses under common control within the meaning of Section 414(c) of the Internal Revenue Code of which that Person is a member; and (iii) any member of an affiliated service group within the meaning of Section 414(m) or (o) of the Internal Revenue Code of which that Person, any corporation described in clause (i) above or any trade or business described in clause (ii) above is a member. Any former ERISA Affiliate of Borrower or any of its Subsidiaries shall continue to be considered an ERISA Affiliate of Borrower or any such Subsidiary within the meaning of this definition with respect to the period such entity was an ERISA Affiliate of Borrower or such Subsidiary and with respect to liabilities arising after such period for which Borrower or such Subsidiary could be liable under the Internal Revenue Code or ERISA.

"**ERISA Event**" means (i) a "reportable event" within the meaning of Section 4043 of ERISA and the regulations issued thereunder with respect to any Pension Plan (excluding those for which the provision for 30 day notice to the PBGC has been waived by regulation); (ii) the failure to meet the minimum funding standard of Section 412 of the Internal Revenue Code with respect to any Pension Plan (whether or not waived in accordance with Section 412(c) of the Internal Revenue Code) or the failure to make by its due date a required installment under Section 430(j) of the Internal Revenue Code with respect to any Pension Plan or the failure to make any required contribution to a Multiemployer Plan; (iii) the provision by the administrator of any Pension Plan pursuant to Section 4041(a)(2) of ERISA of a notice of intent to terminate such plan in a distress termination described in Section 4041(c) of ERISA; (iv) the withdrawal by Borrower, any of its Subsidiaries or any of their respective ERISA Affiliates from any Pension Plan with two or more contributing sponsors or the termination of any such Pension Plan resulting in liability to Borrower, any of its Subsidiaries or any of their respective ERISA Affiliates pursuant to Section 4063 or 4064 of ERISA; (v) the institution by the PBGC of proceedings to terminate any Pension Plan, or the occurrence of any event or condition which might constitute grounds under ERISA for the termination of, or the appointment of a trustee to administer, any Pension Plan; (vi) the imposition of liability on Borrower, any of its Subsidiaries or any of their respective ERISA Affiliates pursuant to Section 4062(e) or 4069 of ERISA or by reason of the application of Section 4212(c) of ERISA; (vii) the withdrawal of Borrower, any of its Subsidiaries or any of their respective ERISA Affiliates in a complete or partial withdrawal (within the meaning of Sections 4203 and 4205 of ERISA) from any Multiemployer Plan if there is any potential liability therefore, or the receipt by Borrower, any of its Subsidiaries or any of their respective ERISA Affiliates of notice from any Multiemployer Plan that it is in reorganization or

insolvency pursuant to Section 4241 or 4245 of ERISA, or that it intends to terminate or has terminated under Section 4041A or 4042 of ERISA; (viii) the occurrence of an act or omission which could give rise to the imposition on Borrower, any of its Subsidiaries or any of their respective ERISA Affiliates of fines, penalties, taxes or related charges under Chapter 43 of the Internal Revenue Code or under Section 409, Section 502(c), (i) or (l), or Section 4071 of ERISA in respect of any Employee Benefit Plan; (ix) the assertion of a material claim (other than routine claims for benefits) against any Employee Benefit Plan other than a Multiemployer Plan or the assets thereof, or against Borrower, any of its Subsidiaries or any of their respective ERISA Affiliates in connection with any Employee Benefit Plan; (x) receipt from the Internal Revenue Service of notice of the failure of any Pension Plan (or any other Employee Benefit Plan intended to be qualified under Section 401(a) of the Internal Revenue Code) to qualify under Section 401(a) of the Internal Revenue Code, or the failure of any trust forming part of any Pension Plan to qualify for exemption from taxation under Section 501(a) of the Internal Revenue Code; or (xi) the imposition of a Lien on the assets of Borrower, any of its Subsidiaries or any of their respective ERISA Affiliates pursuant to Section 430(k) of the Internal Revenue Code or ERISA or a violation of Section 436 of the Internal Revenue Code by Borrower, any of its Subsidiaries or any of their respective ERISA Affiliates.

"**Escrow Account**" means a deposit or securities account at a financial institution (such institution, the "**Escrow Agent**") into which the Escrowed Funds are deposited.

"**Escrow Acquisition**" has the meaning given to such term in the definition of the term "**Acquisition Escrow Debt**."

"**Escrow Acquisition Termination Date**" means the agreed "termination date" of any Escrow Acquisition.

"**Escrow Agent**" shall have the meaning given to such term in the definition of the term "**Escrow Account**."

"**Escrow Issuer**" means a newly-formed, wholly-owned subsidiary of Borrower, which, prior to the consummation of the Medicis Acquisition, shall have no operations, assets or activities, other than the entering into of the New Senior Notes Documents, the issuance of the New Senior Notes, and activities incidental thereto, including the deposit of the Escrow Funds in the Escrow Account.

"**Escrowed Funds**" means an amount, in cash or Eligible Escrow Investments, not to exceed the sum of (a) the issue price of the New Senior Notes, plus (b) the Additional Escrow Amount, plus (c) so long as they are retained in the Escrow Account, any income, proceeds or products of the foregoing.

"**Eurodollar Rate Loan**" means a Loan bearing interest at a rate determined by reference to the Adjusted Eurodollar Rate.

"**Event of Default**" means each of the conditions or events set forth in Section 8.1.

"**Exchange Act**" means the Securities Exchange Act of 1934, as amended from time to time, and any successor statute.

"**Excluded Subsidiary**" means (a) any Subsidiary that is not a wholly-owned Subsidiary and (b) any Immaterial Subsidiary.

"**Excluded Taxes**" means, with respect to any Agent, any Lender (including each Swing Line Lender and Issuing Bank) or any other recipient of any payment to be made by or on account of any obligation of any Credit Party hereunder or under any other Credit Document, (a) any Taxes imposed on (or

measured by) its net income or profits (or any franchise or similar Taxes in lieu thereof) or, in the case of Canada, capital, by a jurisdiction as a result of (i) the recipient being organized, resident or, in the case of any Lender, having its lending office located or (ii) the recipient carrying on or being engaged in or being deemed to carry on or be engaged in a trade or business (including having a permanent establishment) for Tax purposes (other than any trade or business arising or deemed to arise from such recipient having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transactions pursuant to, or enforced, any Credit Documents), in such jurisdiction (including any political subdivision of such jurisdiction), (b) any branch profits tax within the meaning of section 884(a) of the Internal Revenue Code or similar Tax imposed by any jurisdiction described in clause (a) and (c) any withholding tax (including U.S. federal backup withholding tax) that is attributable to a Lender's failure to comply with Section 2.20(d).

"**Extending Lender**" as defined in Section 10.5(d).

"**Facility**" means any real property (including all buildings, fixtures or other improvements located thereon) now, hereafter or heretofore owned, leased, operated or used by Borrower or any of its Subsidiaries or any of their respective predecessors or Affiliates.

"**Federal Funds Effective Rate**" means, for any day, the rate per annum (expressed as a decimal, rounded upwards, if necessary, to the next higher 1/100 of 1%) equal to the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers on such day, as published by the Federal Reserve Bank of New York on the Business Day next succeeding such day; provided that, (i) if such day is not a Business Day, the Federal Funds Rate for such day shall be such rate on such transactions on the next preceding Business Day as so published on the next succeeding Business Day, and (ii) if no such rate is so published on such next succeeding Business Day, the Federal Funds Rate for such day shall be the average (rounded upwards, if necessary, to the next higher 1/100 of 1%) of the quotations for such day for such transactions received by the Administrative Agent from three Federal funds brokers of recognized standing selected by it.

"**Financial Officer Certification**" means, with respect to the financial statements for which such certification is required, the certification of the chief financial officer (or the equivalent thereof) of Borrower that such financial statements fairly present, in all material respects, the financial condition of Borrower and its Subsidiaries as at the dates indicated and the results of their operations and their cash flows for the periods indicated, subject to changes resulting from audit and normal year end adjustments.

"**Financial Plan**" as defined in Section 5.1(i).

"**First Amended and Restated Credit Agreement**" as defined in the recitals.

"**First Restatement Date**" means August 10, 2011.

"**First Priority**" means, with respect to any Lien purported to be created in any Collateral pursuant to any Collateral Document, that such Lien is the only Lien to which such Collateral is subject, other than any Permitted Lien.

"**Fiscal Quarter**" means a fiscal quarter of any Fiscal Year.

"**Fiscal Year**" means the fiscal year of Borrower and its Subsidiaries ending on December 31 of each calendar year.

"**Flood Hazard Property**" means any Real Estate Asset subject to a Mortgage in favor of Collateral Agent, for the benefit of the Secured Parties, and located in an area designated by the Federal Emergency Management Agency as having special flood or mud slide hazards.

"**Foreign Subsidiary**" means any Subsidiary that is not a Domestic Subsidiary.

"**Funding Notice**" means a notice substantially in the form of Exhibit A-1.

"**Funds Defaulting Lender**" means any Lender who (i) defaults in its obligation to fund any Revolving Loan or its portion of any unreimbursed payment under Section 2.3(b)(v) or 2.4(e) or its Pro Rata Share of any payment under Section 9.6, (ii) has notified Borrower or Administrative Agent in writing, or has made a public statement, that it does not intend to comply with its obligation to fund any Revolving Loan or its portion of any unreimbursed payment under Section 2.3(b)(v) or 2.4(e) or its Pro Rata Share of any payment under Section 9.6, (iii) has failed to confirm that it will comply with its obligation to fund any Revolving Loan or its portion of any unreimbursed payment under Section 2.3(b)(v) or 2.4(e) or its Pro Rata Share of any payment under Section 9.6 within five Business Days after written request for such confirmation from Administrative Agent (which request may only be made after all conditions to funding have been satisfied); provided that such Lender shall cease to be a Funds Defaulting Lender upon receipt of such confirmation by Administrative Agent, or (iv) has failed to pay to Administrative Agent or any other Lender any amount (other than its portion of any Revolving Loan or amounts required to be paid under Section 2.3(b)(v), 2.4(e) or 9.6 or any other amount that is de minimis) due under any Credit Document within five Business Days of the date due, unless such amount is the subject of a good faith dispute.

"**GAAP**" means, subject to the limitations on the application thereof set forth in Section 1.2, United States generally accepted accounting principles in effect as of the date of determination thereof.

"**Governmental Acts**" means any act or omission, whether rightful or wrongful, of any present or future de jure or de facto government or Governmental Authority.

"**Governmental Authority**" means any federal, state, provincial, territorial, municipal, national or other government, governmental department, commission, board, bureau, court, agency, organization, central bank, tribunal or instrumentality or political subdivision thereof or any other entity, officer or examiner exercising executive, legislative, judicial, regulatory, governmental (quasi-governmental) or administrative functions of or pertaining to any government or any court or central bank, in each case whether associated with a state of the United States, the United States, a province or territory of Canada, Canada, Barbados, or a foreign entity or government.

"**Governmental Authorization**" means any permit, license, approval, authorization, plan, directive, direction, certificate, accreditation, registration, notice, agreement, consent order or consent decree or other like instrument of, from or required by any Governmental Authority.

"**Grantor**" means Borrower and each of its Subsidiaries, in each case granting a Lien to Collateral Agent to secure any Obligations.

"**GSLP**" as defined in the preamble hereto.

"**Guarantee**" of or by any Person (the "**guarantor**") means any obligation, contingent or otherwise, of the guarantor guaranteeing or having the economic effect of guaranteeing any Indebtedness or other obligation of any other Person (the "**primary obligor**") in any manner, whether directly or indirectly, and including any obligation of the guarantor, direct or indirect, (a) to purchase or pay (or advance or

supply funds for the purchase or payment of) such Indebtedness or other obligation or to purchase (or to advance or supply funds for the purchase of) any security for the payment thereof, (b) to purchase or lease property, securities or services for the purpose of assuring the owner of such Indebtedness or other obligation of the payment thereof, (c) to maintain working capital, equity capital or any other financial statement condition or liquidity of the primary obligor so as to enable the primary obligor to pay such Indebtedness or other obligation or (d) as an account party in respect of any letter of credit or letter of guaranty issued to support such Indebtedness or obligation, provided that the term Guarantee shall not include endorsements for collection or deposit in the ordinary course of business. The term "Guarantee" as a verb has a corresponding meaning.

"**Guaranteed Obligations**" as defined in Section 7.1.

"**Guarantor**" means, (i) on the Third Restatement Date, each of Borrower's Subsidiaries listed on Schedule 1.1(b) and (ii) thereafter, any Person that executes a Counterpart Agreement, pursuant to Section 5.10.

"**Guarantor Subsidiary**" means each Guarantor other than Borrower.

"**Guaranty**" means the guaranty of each Guarantor set forth in Section 7.

"**Hazardous Materials**" means any chemical, material or substance: (i) that is prohibited, limited, restricted or otherwise regulated under Environmental Laws, (ii) that may or could reasonably be expected to pose a hazard to the health and safety of the owners, occupants or any Persons in the vicinity of any Facility or to the indoor or outdoor environment, or (iii) that are included in the definition of "hazardous substances," "waste," "hazardous waste," "hazardous materials," "toxic substances," "pollutants," "polluting substance," "contaminants," "contamination," "dangerous goods," "deleterious substances" or words of similar import under any Environmental Law.

"**Hedge Agreement**" means any agreement with respect to any swap, forward, future or derivative transaction or option or similar agreement involving, or settled by reference to, one or more rates, currencies, commodities, equity or debt instruments or securities, or economic, financial or pricing indices or measures of economic, financial or pricing risk or value, any Interest Rate Agreement or any similar transaction or combination of these transactions; provided that no phantom stock or similar plan providing for payments only on account of services provided by current or former directors, officers, employees or consultants of Borrower or any of its Subsidiaries shall be a Hedge Agreement.

"**Highest Lawful Rate**" means the maximum lawful interest rate, if any, that at any time or from time to time may be contracted for, charged, or received under the laws applicable to any Lender which are presently in effect or, to the extent allowed by law, under such Applicable Law which may hereafter be in effect and which allow a higher maximum nonusurious interest rate than Applicable Law now allows.

"**Historical Financial Statements**" means as of the Third Restatement Date, (i) the audited consolidated financial statements of Borrower and its Subsidiaries, for the immediately preceding three Fiscal Years ended more than 90 days prior to the Third Restatement Date, consisting of consolidated balance sheets and the related consolidated statements of income, stockholders' equity and cash flows for such Fiscal Years, and (ii) the unaudited consolidated financial statements of Borrower and its Subsidiaries as of the most recent ended Fiscal Quarter after the date of the most recent audited consolidated financial statements and ended at least 45 days prior to the Third Restatement Date, consisting of a consolidated balance sheet and the related consolidated statements of income and cash flows for the three-, six- or nine-month period, as applicable, ending on such date, and, in each case, certified by the chief financial

officer of Borrower that they fairly present, in all material respects, the financial condition of Borrower and its Subsidiaries, respectively, as at the dates indicated and the results of their operations and their cash flows for the periods indicated, subject to changes resulting from audit and normal year end adjustments and the absence of footnotes in the case of the unaudited consolidated financial statements.

"**Immaterial Subsidiary**" means any Subsidiary of Borrower, designated in writing to Administrative Agent by Borrower as an "Immaterial Subsidiary," that, individually and collectively with all other Immaterial Subsidiaries as of the relevant date of determination, has (i) total assets as of such date of less than 7.5% of Consolidated Total Assets as of such date and (ii) total revenues for the ended four-fiscal-quarter period most recently ended prior to such date of less than 7.5% of the consolidated total revenues of Borrower and its Subsidiaries for such period. It is understood and agreed that Borrower may, from time to time, redesignate any Immaterial Subsidiary as a non-Immaterial Subsidiary to the extent that the requirements set forth in Section 5.10 are satisfied with respect to such Subsidiary at or prior to the date of such redesignation.

"**Increased Amount Date**" as defined in Section 2.25.

"**Increased Cost Lender**" as defined in Section 2.23.

"**Indebtedness**" means, as applied to any Person, without duplication, (i) all indebtedness of such Person for borrowed money (including for the avoidance of doubt, convertible debt securities); (ii) that portion of obligations of such Person with respect to Capital Leases that is properly classified as a liability on a balance sheet of such Person in conformity with GAAP; (iii) notes payable and drafts accepted representing extensions of credit to such Person whether or not representing obligations for borrowed money; (iv) any obligation of such Person owed for all or any part of the deferred purchase price of property or services including any earn out obligations to the extent required to be reflected on a consolidated balance sheet of Borrower prepared in accordance with GAAP (excluding any such obligations incurred under ERISA), which purchase price is (a) due more than twelve months from the date of incurrence of the obligation in respect thereof or (b) evidenced by a note or similar written instrument; (v) all indebtedness of such Person secured by any Lien on any property or asset owned or held by such Person regardless of whether the indebtedness secured thereby shall have been assumed by such Person or is nonrecourse to the credit of such Person; (vi) the face amount of any letter of credit issued for the account of such Person or as to which that Person is otherwise liable for reimbursement of drawings; (vii) Disqualified Equity Interests issued by such Person; (viii) the direct or indirect guaranty, endorsement (otherwise than for collection or deposit in the ordinary course of business), co making, discounting with recourse or sale with recourse by such Person of the obligation of another Person to the extent such obligation would constitute Indebtedness pursuant to any of clauses (i) through (vii) or clause (xi) hereof; (ix) any obligation of such Person the primary purpose or intent of which is to provide assurance to an obligee that the obligation constituting Indebtedness pursuant to clauses (i) through (vii) or (xi) hereof of the obligor thereof will be paid or discharged, or any agreement relating thereto will be complied with, or the holders thereof will be protected (in whole or in part) against loss in respect thereof; (x) any liability of such Person for an obligation constituting Indebtedness pursuant to clauses (i) through (vii) or (xi) hereof of another through any agreement (contingent or otherwise) (a) to purchase, repurchase or otherwise acquire such obligation or any security therefor, or to provide funds for the payment or discharge of such obligation (whether in the form of loans, advances, stock purchases, capital contributions or otherwise) or (b) to maintain the solvency or any balance sheet item, level of income or financial condition of another if, in the case of any agreement described under subclauses (a) or (b) of this clause (x), the primary purpose or intent thereof is as described in clause (ix) above; and (xi) the Net Mark-to-Market Exposure of any Hedge Agreement. The amount of Indebtedness of any Person for purposes of clause (v) above shall (unless such Indebtedness has been assumed by such Person) be deemed to be equal to the lesser of (i) the aggregate unpaid

amount of such Indebtedness and (ii) the fair market value of the property encumbered thereby as determined by such Person in good faith.

"**Indemnified Liabilities**" means, collectively, any and all liabilities, obligations, losses, damages (expectation, reliance or otherwise, and including natural resource damages), penalties, claims (including Environmental Claims), fines, orders, actions, judgments, suits, costs (including the costs of any investigation, study, sampling, testing, abatement, cleanup, removal, remediation or other response action necessary to remove, remediate, clean up or abate any Release or threat of Release of Hazardous Materials) and expenses (including the reasonable fees and disbursements of counsel for Indemnitees in connection with any investigative, administrative or judicial proceeding or hearing commenced or threatened by any Person, whether or not any such Indemnitee shall be designated as a party or a potential party thereto, and any fees or expenses incurred by Indemnitees in enforcing this indemnity), whether direct, indirect or consequential and whether based on any Applicable Law or on contract or otherwise, that may be issued to, imposed on, incurred or suffered by, or asserted against any such Indemnitee, in any manner relating to or arising out of (i) this Agreement or the other Credit Documents or the transactions contemplated hereby or thereby (including the Lenders' agreement to make Credit Extensions (including, for the avoidance of doubt, any Issuing Bank agreement to issue Letters of Credit), the syndication of the credit facilities provided for herein or the use or intended use of the proceeds thereof, or any enforcement of any of the Credit Documents (including any sale of, collection from, or other realization upon any of the Collateral or the enforcement of the Guaranty)) or (ii) any Environmental Claim or any Release or threat of Release of Hazardous Materials related to Borrower or any of its Subsidiaries, including such claims or activities relating to or arising from, directly or indirectly, any past or present activity, operation, land ownership, occupation or use, or practice by or of Borrower or any of its Subsidiaries.

"**Indemnified Taxes**" means any Taxes other than Excluded Taxes and Other Taxes.

"**Indemnitee**" as defined in Section 10.3(a).

"**Indemnitee Agent Party**" as defined in Section 9.6.

"**Initial Draw Tranche A Term Loan**" means a Tranche A Term Loan made by a Lender to Borrower pursuant to Section 2.1(a)(i) of the Second Amended and Restated Credit Agreement.

"**Insolvency Defaulting Lender**" means any Lender with a Revolving Commitment or Term Loan Commitment who (i) has been adjudicated as, or determined by any Governmental Authority having regulatory authority over such Person or its assets to be, insolvent, (ii) becomes the subject of an insolvency, bankruptcy, dissolution, liquidation or reorganization proceeding, or (iii) becomes the subject of an appointment of a receiver, intervenor or conservator under any Insolvency Laws now or hereafter in effect; provided that a Lender shall not be an Insolvency Defaulting Lender solely by virtue of the ownership or acquisition by a Governmental Authority or an instrumentality thereof of any Equity Interest in such Lender or a parent company thereof.

"**Insolvency Laws**" means any of the Bankruptcy Code, the BIA, the CCAA, the WURA and the CBCA, and any other applicable insolvency, corporate arrangement or restructuring or other similar law of any jurisdiction including any law of any jurisdiction permitting a debtor to obtain a stay or a compromise of the claims of its creditors against it.

"**Installment**" as defined in Section 2.12.

"**Installment Date**" as defined in Section 2.12.

"**Intellectual Property**" as defined in the Second Amended and Restated Pledge and Security Agreement, the Canadian Pledge and Security Agreement, the Quebec Security Documents, the Barbados Security Documents, the Luxembourg Security Documents and the Swiss Security Documents, as applicable.

"**Intellectual Property Security Agreements**" has the meaning assigned to that term in the Second Amended and Restated Pledge and Security Agreement and the Canadian Pledge and Security Agreement, as applicable.

"**Intercompany Note**" means a promissory note substantially in the form of Exhibit J-1 evidencing Indebtedness owed among Credit Parties and their Subsidiaries.

"**Interest Coverage Ratio**" means the ratio as of the last day of any Fiscal Quarter of (i) Consolidated Adjusted EBITDA for the four Fiscal Quarter period then ended to (ii) Consolidated Interest Expense for such four Fiscal Quarter period.

"**Interest Payment Date**" means with respect to (i) any Loan that is a Base Rate Loan, each March 31, June 30, September 30 and December 31 of each year, commencing on the first such date to occur after the Third Restatement Date, and the final maturity date of such Loan; and (ii) any Loan that is a Eurodollar Rate Loan, the last day of each Interest Period applicable to such Loan; provided that, in the case of each Interest Period of longer than three months "Interest Payment Date" shall also include each date that is three months, or an integral multiple thereof, after the commencement of such Interest Period.

"**Interest Period**" means, in connection with a Eurodollar Rate Loan, an interest period of one, two, three or six months (or interest periods of nine or twelve months if mutually agreed upon by Borrower and the applicable Lenders), as selected by Borrower in the applicable Funding Notice or Conversion/Continuation Notice, (i) initially, commencing on the Credit Date or Conversion/Continuation Date thereof, as the case may be; and (ii) thereafter, commencing on the day on which the immediately preceding Interest Period expires; provided that, (a) if an Interest Period would otherwise expire on a day that is not a Business Day, such Interest Period shall expire on the next succeeding Business Day unless no further Business Day occurs in such month, in which case such Interest Period shall expire on the immediately preceding Business Day; (b) any Interest Period that begins on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period) shall, subject to clauses (c) and (d), of this definition, end on the last Business Day of a calendar month; (c) no Interest Period with respect to any portion of any Class of Term Loans shall extend beyond such Class's Term Loan Maturity Date; and (d) no Interest Period with respect to any portion of the Revolving Loans shall extend beyond the Revolving Commitment Termination Date.

"**Interest Rate Agreement**" means any interest rate swap agreement, interest rate cap agreement, interest rate collar agreement, interest rate hedging agreement or other similar agreement or arrangement.

"**Interest Rate Determination Date**" means, with respect to any Interest Period, the date that is two Business Days prior to the first day of such Interest Period.

"**Internal Revenue Code**" means the Internal Revenue Code of 1986, as amended to the date hereof and from time to time hereafter, and any successor statute.

"**Internally Generated Cash**" means, with respect to any period, any cash of Borrower and its Subsidiaries generated during such period, excluding Net Asset Sale Proceeds, Net Insurance/Condemnation Proceeds and any cash that is received from an incurrence of Indebtedness, an issuance of Equity Interests or a capital contribution.

"**Investment**" means (i) any direct or indirect purchase or other acquisition by Borrower or any of its Subsidiaries of, or of a beneficial interest in, any of the Securities of any other Person (other than a Guarantor Subsidiary); (ii) any direct or indirect purchase or other acquisition for value, by any Subsidiary of Borrower from any Person (other than Borrower or any other Credit Party), of any Equity Interests of such Person; (iii) any direct or indirect loan, advance (other than advances to employees for moving, entertainment and travel expenses, drawing accounts and similar expenditures in the ordinary course of business) or capital contributions by Borrower or any of its Subsidiaries to any other Person (other than Borrower or any other Credit Party), including all indebtedness and accounts receivable from that other Person that are not current assets or did not arise from sales to that other Person in the ordinary course of business and (iv) all investments consisting of any exchange traded or over the counter derivative transaction, including any Interest Rate Agreement and Currency Agreement, whether entered into for hedging or speculative purposes. The amount of any Investment shall be the original cost of such Investment plus the cost of all additions thereto, without any adjustments for increases or decreases in value, or write ups, write downs or write offs with respect to such Investment, less an amount equal to any returns of capital or sale proceeds actually received in cash in respect of any such Investment (which amount shall not exceed the amount of such Investment valued at cost at the time such Investment was made).

"**Issuance Notice**" means an Issuance Notice in form and substance reasonably satisfactory to Issuing Bank.

"**Issuing Bank**" means JPMorgan Chase Bank, N.A., including its affiliates and branches, in its capacity as Issuing Bank hereunder, together with its permitted successors and assigns in such capacity.

"**Joinder Agreement**" means an agreement substantially in the Form of Exhibit K.

"**Joint Venture**" means a joint venture, partnership or other similar arrangement, whether in corporate, partnership or other legal form and, for the avoidance of doubt, includes a Specified Joint Venture.

"**Judgment Conversion Date**" as defined in Section 10.24(a).

"**Judgment Currency**" as defined in Section 10.24(a).

"**Lender**" means each financial institution listed on the signature pages hereto as a Lender, and any other Person that becomes a party hereto pursuant to an Assignment Agreement or a Joinder Agreement.

"**Lender Counterparty**" means, at any time, each Person that is a counterparty to a Hedge Agreement or Cash Management Agreement, provided that such Person is a Lender, an Agent, or an Affiliate of a Lender or Agent at such time or was a Lender, an Agent or an Affiliate of a Lender or Agent, at the time such Hedge Agreement or Cash Management Agreement was entered into or, in the case of any such Hedge Agreement or Cash Management Agreement in effect as of the Third Restatement Date, Second Restatement Date, First Restatement Date, Original Closing Date or any time prior thereto, is a Lender, an Agent or an Affiliate of a Lender or an Agent as of the Third Restatement Date, Second Restatement Date, First Restatement Date or Original Closing Date.

"**Letter of Credit**" means a commercial or standby letter of credit issued or to be issued by Issuing Bank pursuant to this Agreement.

"**Letter of Credit Sublimit**" means, as of any date of determination, the lesser of (i) $100,000,000 and (ii) the aggregate unused amount of the Revolving Commitments then in effect.

"**Letter of Credit Usage**" means, as of any date of determination, the sum of (i) the maximum aggregate amount which is, or at any time thereafter may become, available for drawing under all Letters of Credit then outstanding, and (ii) the aggregate amount of all drawings under Letters of Credit honored by Issuing Bank and not theretofore reimbursed by or on behalf of Borrower.

"**Leverage Ratio**" means the ratio as of the last day of any Fiscal Quarter of (i) Consolidated Total Debt as of such day to (ii) Consolidated Adjusted EBITDA for the four Fiscal Quarter period ending on such date.

"**Lien**" means (i) any lien, mortgage, hypothecation, deed of trust, pledge, assignment, security interest, charge, deposit arrangement or encumbrance of any kind (including any agreement to give any of the foregoing, any conditional sale or other title retention agreement, and any lease or license in the nature thereof) and any option, trust or other preferential arrangement having the practical effect of any of the foregoing and (ii) in the case of Securities, any purchase option, call or similar right of a third party with respect to such Securities.

"**Loan**" means any of a Tranche A Term Loan, a Tranche B Term Loan, a New Term Loan, a Revolving Loan and a Swing Line Loan.

"**Luxembourg Guarantor**" means Biovail International, S.à r.l., a private limited liability company (*société à responsabilité limitée*) organized under the laws of Luxembourg, and each other Guarantor that is organized under the laws of Luxembourg.

"**Luxembourg Security Documents"** means each of the documents set forth on Schedule 5.10(c), dated as of the Second Restatement Date, as each of such documents may be amended, restated, supplemented or otherwise modified from time to time and additional analogous agreements as may be entered into from time to time in accordance with Section 5.10 and as required by the Collateral Documents.

"**Margin Stock**" as defined in Regulation U.

"**Material Adverse Effect**" means a material adverse effect on (i) the business, operations, properties, assets or condition (financial or otherwise) of Borrower and its Subsidiaries taken as a whole, (ii) the ability of any Credit Party to fully and timely pay its Obligations when due or (iii) the rights, remedies and benefits available to, or conferred upon, any Agent and any Lender or any Secured Party under any Credit Document.

"**Material Real Estate Asset**" means any fee owned Real Estate Asset having a fair market value in excess of $20,000,000; provided that in no event shall Material Real Estate Assets include the Real Estate Assets of Borrower and its Subsidiaries owned as of the Original Closing Date and located in (a) Carolina, Puerto Rico and (b) Christ Church, Barbados.

"**Maximum Amount**" as defined in 7.13(a).

"**Medicis Acquisition**" means the acquisition of Medicis Pharmaceutical Corporation pursuant to the Medicis Acquisition Agreement.

"**Medicis Acquisition Agreement**" means the Agreement and Plan of Merger (together with all exhibits and schedules thereto, as the same may be amended, restated, amended and restated, supplemented or otherwise modified from time to time, collectively, the "**Medicis Acquisition Agreement**"), dated

as of September 2, 2012, among the Borrower, VPI, one of Borrower's other wholly owned U.S. domiciled subsidiaries and Medicis Pharmaceutical Corporation.

"**Medicis Transactions**" means collectively, (a) the Medicis Acquisition and other related transactions contemplated by the Medicis Acquisition Agreement; (b) the incurrence of new Term Loans hereunder pursuant to a Joinder Agreement in accordance with Section 2.25 to be entered into after the Amendment No. 2 Effective Date; (c) the issuance of the New Senior Notes; and (d) the payment of all fees and expenses owing in connection with the foregoing.

"**Merger Agreement**" means the Agreement and Plan of Merger, dated as of June 20, 2010, among Borrower, VPI, Biovail Americas Corp. and Beach Merger Corp., together with all exhibits, schedules, documents, agreements, and instruments executed and delivered in connection therewith, as the same may be amended or modified in accordance with the terms thereof.

"**Moody's**" means Moody's Investors Service, Inc.

"**Mortgage**" means a mortgage, deed of trust, debenture or similar document creating a Lien on real property, in form and substance reasonably satisfactory to the Collateral Agent, as it may be amended, restated, supplemented or otherwise modified from time to time.

"**Multiemployer Plan**" means any Employee Benefit Plan which is a "multiemployer plan" as defined in Section 3(37) of ERISA.

"**Narrative Report**" means, with respect to the financial statements for which such narrative report is required, a narrative report describing the operations of Borrower and its Subsidiaries that complies with the applicable requirements under the Exchange Act for a "Management Discussion and Analysis" for the applicable Fiscal Quarter or Fiscal Year and for the period from the beginning of the then current Fiscal Year to the end of such period to which such financial statements relate.

"**Net Asset Sale Proceeds**" means, with respect to any Asset Sale, an amount equal to: (i) Cash payments (including any Cash received by way of deferred payment pursuant to, or by monetization of, a note receivable or otherwise (including by way of milestone payment), but only as and when so received) received by Borrower or any of its Subsidiaries from such Asset Sale, minus (ii) any reasonable fees and out-of-pocket expenses and bona fide direct costs incurred in connection with such Asset Sale, including (a) income or gains taxes payable by the seller as a result of any gain recognized in connection with such Asset Sale, (b) payment of the outstanding principal amount of, premium or penalty, if any, and interest on any Indebtedness (other than the Loans) that is secured by a Lien on the stock or assets in question and that is required to be repaid under the terms thereof as a result of such Asset Sale, (c) a reasonable reserve for any indemnification payments (fixed or contingent) attributable to seller's indemnities, contributions, cost sharings and representations and warranties to purchaser or any advisor in respect of such Asset Sale undertaken by Borrower or any of its Subsidiaries in connection with such Asset Sale and (d) fees paid for legal and financial advisory services in connection with such Asset Sale; provided that proceeds from Asset Sales permitted under clause (e) of Section 6.8, shall not be included in the calculation of proceeds for purposes of this definition except as expressly set forth in such clause.

"**Net Insurance/Condemnation Proceeds**" means an amount equal to: (i) any Cash payments or proceeds received by Borrower or any of its Subsidiaries (a) under any property damage or casualty insurance policies in respect of any covered loss thereunder or (b) as a result of the taking of any assets of Borrower or any of its Subsidiaries by any Person pursuant to the power of eminent domain, condemnation or otherwise, or pursuant to a sale of any such assets to a purchaser with such power under threat of such a taking, minus (ii) (a) any actual and reasonable costs incurred by Borrower or any of its Subsidiar-

ies in connection with the adjustment or settlement of any claims of Borrower or such Subsidiary in respect thereof, and (b) any reasonable fees and out-of-pocket expenses and bona fide direct costs incurred in connection with any sale of such assets as referred to in clause (i)(b) of this definition, including income taxes payable as a result of any gain recognized in connection therewith.

"**Net Mark-to-Market Exposure**" of a Person means, as of any date of determination, the excess (if any) of all unrealized losses over all unrealized profits of such Person arising from Hedge Agreements. As used in this definition, "unrealized losses" means the fair market value of the cost to such Person of replacing such Hedge Agreement as of the date of determination (assuming the Hedge Agreement were to be terminated as of that date), and "unrealized profits" means the fair market value of the gain to such Person of replacing such Hedge Agreement as of the date of determination (assuming such Hedge Agreement were to be terminated as of that date).

"**New Revolving Loan Commitment Effective Date**" means September 11, 2012.

"**New Revolving Loan Lender**" as defined in Section 2.25.

"**New Revolving Loan Commitments**" as defined in Section 2.25.

"**New Revolving Loan Exposure**" means, with respect to any Lender, as of any date of determination, the outstanding principal amount of the New Revolving Loans of such Lender.

"**New Revolving Loan Maturity Date**" means the date on which New Revolving Loans of a Series shall become due and payable in full hereunder, as specified in the applicable Joinder Agreement, including by acceleration or otherwise.

"**New Revolving Loans**" as defined in Section 2.25.

"**New Senior Notes**" means debt securities issued after the Amendment No. 2 Effective Date of the Escrow Issuer to finance a portion of the Medicis Transactions; provided that the net proceeds of such debt securities are deposited into the Escrow Account upon the issuance thereof.

"**New Senior Notes Documents**" means the New Senior Notes Indenture, the New Senior Notes Escrow Documents and any other documents entered into by the Borrower, VPI and/or Escrow Issuer in connection with the New Senior Notes; provided that such documents shall require that (a) if the Medicis Acquisition shall not be consummated on or before the Termination Date, the New Senior Notes shall be redeemed in full (the "**New Senior Notes Redemption**") no later than the third Business Day after the Termination Date and (b) the Escrowed Funds shall be released from the Escrow Account before the Termination Date or within three Business Days after the Termination Date (A) upon the consummation of the Medicis Transactions and applied to finance a portion of the Medicis Acquisition or (B) to effectuate the New Senior Notes Redemption.

"**New Senior Notes Escrow Documents**" means the agreement(s) governing the Escrow Account and any other documents entered into in order to provide the Escrow Agent (or its designee) a Lien on the Escrowed Funds.

"**New Senior Notes Indenture**" means the indenture pursuant to which the New Senior Notes shall be issued.

"**New Senior Notes Redemption**" shall have the meaning given to such term in the definition of the term New Senior Notes Documents.

"**New Term Loan Commitments**" as defined in Section 2.25.

"**New Term Loan Exposure**" means, with respect to any Lender, as of any date of determination, the outstanding principal amount of the New Term Loans of such Lender.

"**New Term Loan Lender**" as defined in Section 2.25.

"**New Term Loan Maturity Date**" means the date on which New Term Loans of a Series shall become due and payable in full hereunder, as specified in the applicable Joinder Agreement, including by acceleration or otherwise.

"**New Term Loans**" as defined in Section 2.25.

"**Non-Consenting Lender**" as defined in Section 2.23.

"**Non-Public Information**" means information which has not been disseminated in a manner making it available to investors generally, within the meaning of Regulation FD.

"**Not Otherwise Applied**" means, with reference to any amount of any transaction or event, that such amount (i) was not required to be applied to prepay the Loans pursuant to Section 2.14, and (ii) was not previously applied in determining the permissibility of a transaction under the Credit Documents where such permissibility was (or may have been) contingent on the receipt or availability of such amount.

"**Note**" means a Tranche A Term Loan Note, a Tranche B Term Loan Note, a Revolving Loan Note or a Swing Line Note.

"**Notice**" means a Funding Notice, an Issuance Notice, or a Conversion/Continuation Notice.

"**Obligation Currency**" as defined in Section 10.24(a).

"**Obligations**" means all obligations of every nature of each Credit Party (and, with respect to any obligations in respect of Hedge Agreements and Cash Management Agreements, any Subsidiary of a Credit Party) owing to any Secured Party (including former Agents) (but limited, in the case of obligations in respect of Hedge Agreement and Cash Management Agreements, to those obligations owing to Lender Counterparties) under any Credit Document, Hedge Agreement or Cash Management Agreement whether for principal, interest (including interest which, but for the filing of a petition in bankruptcy with respect to such Credit Party, would have accrued on any Obligation, whether or not a claim is allowed against such Credit Party (or, with respect to any obligations in respect of Hedge Agreements and Cash Management Agreements, any Subsidiary of a Credit Party) for such interest in the related bankruptcy proceeding), reimbursement of amounts drawn under Letters of Credit, payments for early termination of Hedge Agreements or Cash Management Agreements, fees, expenses, indemnification or otherwise.

"**Obligee Guarantor**" as defined in Section 7.7.

"**OFAC**" as defined in Section 4.25.

"**Organizational Documents**" means (i) with respect to any corporation or company or society with restricted liability, its certificate, memorandum or articles of incorporation, organization, association or amalgamation or other constituting documents, in each case, as amended, and its by laws, as amended, (ii) with respect to any limited partnership, its certificate or declaration of limited partnership, as amend-

ed, and its partnership agreement, as amended, (iii) with respect to any general partnership, its partnership agreement, as amended, and (iv) with respect to any limited liability company, its articles of organization, as amended, and its operating agreement, as amended. In the event any term or condition of this Agreement or any other Credit Document requires any Organizational Document to be certified by a Governmental Authority, the reference to any such "Organizational Document" shall only be to a document of a type customarily certified by such Governmental Authority.

"**Original Closing Date**" means June 29, 2011.

"**Original Credit Agreement**" as defined in the recitals.

"**Orthodermatologics Acquisition**" means the acquisition of certain assets and rights, and assumption of certain liabilities, relating to the Ortho Dermatologics Division of Janssen Pharmaceuticals, Inc., a Subsidiary of Johnson & Johnson, by certain wholly-owned Subsidiaries of Borrower, pursuant to that certain asset purchase agreement, dated as of July 15, 2011, by and among Janssen Pharmaceuticals, Inc., Valeant Pharmaceuticals North America LLC, Valeant International (Barbados) SRL and, solely for the purposes set forth therein, Valeant Pharmaceuticals International, Inc., including all schedules, annexes and exhibits attached thereto and all material documents related to the consummation of the transactions contemplated thereby, as amended, modified and supplemented.

"**Other Taxes**" as defined in Section 2.20(e).

"**PATRIOT Act**" means the Uniting and Strengthening America by providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001).

"**PBGC**" means the Pension Benefit Guaranty Corporation or any successor thereto.

"**PCTFA**" as defined in Section 4.23.

"**Pension Plan**" means, in respect of any Credit Party, any Employee Benefit Plan, other than a Multiemployer Plan, which is subject to Section 412 of the Internal Revenue Code or Section 302 of ERISA.

"**Permitted Acquisition**" means any acquisition by Borrower or any of its wholly owned Subsidiaries, whether by purchase, merger, amalgamation or otherwise, of all or substantially all of the assets of, all of the Equity Interests of, or a business line or unit or a division of, or a product or a product candidate of, any Person; provided that:

(i) immediately prior to, and after giving effect thereto, no Default or Event of Default shall have occurred and be continuing or would result therefrom;

(ii) all transactions in connection therewith shall be consummated, in all material respects, in accordance with all Applicable Law and in conformity with all applicable Governmental Authorizations;

(iii) in the case of the acquisition of Equity Interests, (a) all of the Equity Interests (except for any such Securities in the nature of directors' qualifying shares required pursuant to Applicable Law) acquired or otherwise issued by such Person or any newly formed Subsidiary of Borrower in connection with such acquisition shall be owned 100% by Borrower or a Guarantor Subsidiary, and (b) Borrower shall have taken, or shall promptly cause to be taken and, in any event, shall cause to be taken

within 60 days of such acquisition (or such longer period as shall be reasonably acceptable to the Administrative Agent), each of the applicable actions set forth in Section 5.10 (including causing such Subsidiary, other than an Excluded Subsidiary, to become a Guarantor and subject to the Collateral Documents), it being understood that the acquisition of Equity Interests shall constitute a Permitted Acquisition during such period if it satisfies all conditions of the definition of Permitted Acquisition other than those set forth in this clause (iii)(b);

(iv) Borrower and its Subsidiaries shall be in compliance with the financial covenants set forth in Section 6.7 on a Pro Forma Basis after giving effect to such acquisition as of the last day of the Fiscal Quarter most recently ended for which financial statements are required to have been delivered pursuant to Section 5.1(a) or 5.1(b), as applicable (as determined in accordance with Section 1.5);

(v) in the case of an acquisition involving aggregate consideration in excess of $300,000,000, Borrower shall have delivered to Administrative Agent at least two (2) Business Days prior to the consummation of such proposed acquisition, (i) a Compliance Certificate evidencing compliance with Section 6.7 as required under clause (iv) above and (ii), all other relevant material financial information with respect to such acquired assets, including the aggregate consideration for such acquisition and any other information required to demonstrate compliance with Section 6.7; and

(vi) any Person or assets or division as acquired in accordance herewith shall be in same business or lines of business in which Borrower and/or its Subsidiaries are engaged as of the Third Restatement Date or similar or related or ancillary businesses.

"**Permitted Interim Investment**" means any acquisition by Borrower or any of its wholly owned Subsidiaries of any Equity Interests of any Person, which acquisition has been designated by Borrower in writing to the Administrative Agent as a Permitted Interim Investment; provided that:

(i) such acquisition complies with each of the conditions set forth in clauses (i), (ii), (iv), (v) and (vi) of the definition of Permitted Acquisition;

(ii) at the time of any such acquisition of Equity Interests, the Administrative Agent shall have received a certificate from the chief executive officer or the chief financial officer (or the equivalent thereof) of Borrower certifying that such acquisition is pursuant to a transaction or series of transactions in which Borrower or a wholly owned Subsidiary of Borrower intends to acquire all remaining Equity Interests of such Person such that it becomes a wholly owned Subsidiary of Borrower;

(iii) within 180 days following the initial acquisition of Equity Interests of such Person, Borrower or a wholly owned Subsidiary of Borrower shall have either (x) commenced and have outstanding a tender offer for all remaining Equity Interests of such Person or (y) entered into and have in effect a binding merger or similar agreement with such Person (it being understood and agreed that the satisfaction of the condition contained in this clause (iii) shall be satisfied only if and for so long as any such tender offer remains open and/or such merger or similar agreement remains in effect);

(iv) except as otherwise agreed by the Administrative Agent as a result of any applicable rules and regulations of the Board of Governors, all Equity Interests of such Person owned by Borrower or any of its Subsidiaries shall be pledged, or credited to a securities account at the Collateral Agent, as collateral for the Obligations; and

(v) upon the acquisition of the remaining Equity Interests of such Person such that such Person thereafter becomes a wholly owned Subsidiary of Borrower or any of its Subsidiaries the aggregate Investment represented by the acquisition of Equity Interests in such Person shall either (x) com-

ply with and satisfy the requirements of clause (iii) of the definition of Permitted Acquisition or (y) be made pursuant to and in compliance with Section 6.6(d)(ii) or 6.6(i).

"**Permitted Liens**" means each of the Liens permitted pursuant to Section 6.2.

"**Permitted Majority Investments**" shall have the meaning given to such term in Section 6.6(o).

"**Permitted Secured Notes**" means debt securities of any Credit Party that are secured by a Lien ranking *pari passu* with or junior to the Liens securing the Obligations; provided that (a) the terms of such debt securities do not provide for any scheduled repayment, mandatory redemption or sinking fund obligations prior to the latest Term Loan Maturity Date (other than customary offers to repurchase upon a change of control, asset sale or event of loss and customary acceleration rights after an event of default), (b) the covenants, events of default, guarantees, collateral and other terms of which (other than interest rate and redemption premiums), taken as a whole, are not more restrictive to Borrower or any of its Subsidiaries than those in this Agreement, (c) Borrower will cause the collateral agent or representatives for the holders of Permitted Secured Notes to enter into an intercreditor agreement with Collateral Agent in form and substance usual and customary for transactions of this type and otherwise satisfactory to Collateral Agent in its sole discretion, (d) at the time that any such Permitted Secured Notes are issued (and after giving effect thereto) no Default or Event of Default shall exist, be continuing or result therefrom, (e) on a Pro Forma Basis after giving effect to the incurrence of such Permitted Secured Notes (and the use of proceeds thereof), Borrower shall be in compliance with the covenants set forth in Section 6.7 as of the last day of the most recently ended Fiscal Quarter for which financial statements were required to have been delivered pursuant to Section 5.1(a) or (b), as applicable, in each case, as if such Permitted Secured Notes had been outstanding on the last day of such Fiscal Quarter and (f) no Subsidiary of Borrower (other than a Guarantor) shall be an obligor and no Permitted Secured Notes shall be secured by any collateral other than the Collateral.

"**Person**" means and includes natural persons, corporations, limited partnerships, general partnerships, limited liability companies, unlimited liability companies, limited liability partnerships, joint stock companies, Joint Ventures, associations, companies, trusts, banks, trust companies, land trusts, business trusts or other organizations, whether or not legal entities, and Governmental Authorities.

"**Platform**" as defined in Section 5.1(n).

"**Post Merger Special Dividend**" as defined in the Merger Agreement.

"**PPSA**" means the *Personal Property Security Act* (Ontario); provided, however, if the validity, attachment, perfection (or opposability), effect of perfection or of non-perfection or priority of Collateral Agent's security interest in any Collateral are governed by the personal property security laws or laws relating to personal or movable property of any jurisdiction other than Ontario, PPSA shall also include those personal property security laws or laws relating to movable property in such other jurisdiction for the purpose of the provisions hereof relating to such validity, attachment, perfection (or opposability), effect of perfection or of non-perfection or priority and for the definitions related to such provisions.

"**Pre-Merger Special Dividend**" as defined in the Merger Agreement.

"**Prescription Drug Business**" means the business or businesses comprising Borrower's and/or its Subsidiaries' businesses in Europe and Latin America as of the Third Restatement Date.

"**Prime Rate**" means the rate of interest quoted in the print edition of *The Wall Street Journal*, Money Rates Section as the Prime Rate (currently defined as the base rate on corporate loans posted by at

least 75% of the nation's thirty (30) largest banks), as in effect from time to time. The Prime Rate is a reference rate and does not necessarily represent the lowest or best rate actually charged to any customer. Any Agent or any other Lender may otherwise make commercial loans or other loans at rates of interest at, above or below the Prime Rate.

"**Principal Office**" means, for each of Administrative Agent, Swing Line Lender and Issuing Bank, such Person's "Principal Office" as set forth on Appendix B, or such other office or office of a third party or sub-agent, as appropriate, as such Person may from time to time designate in writing to Borrower, Administrative Agent and each Lender.

"**Projections**" as defined in Section 4.8.

"**Pro Forma Basis**" means, with respect to the calculation of the covenants contained in Section 6.7 or for purposes of determining the Interest Coverage Ratio, Leverage Ratio or Secured Leverage Ratio as of any date, that such calculation shall give pro forma effect to all Permitted Acquisitions, Acquisitions, Investments that result in a Person becoming a Subsidiary of Borrower, and all sales, transfers or other dispositions of any material assets outside the ordinary course of business that have occurred during (or, if such calculation is being made for the purpose of determining whether any proposed acquisition will constitute (or will be permitted as) a Permitted Acquisition, or any Indebtedness (including New Term Loans) or Liens may be incurred, since the beginning of) the four consecutive Fiscal Quarter period most-recently ended on or prior to such date as if they occurred on the first day of such four consecutive Fiscal Quarter period (including expected cost savings (without duplication of actual cost savings) to the extent (a) such cost savings would be permitted to be reflected in pro forma financial information complying with the requirements of GAAP and Article 11 of Regulation S-X under the Securities Act as interpreted by the Staff of the Securities and Exchange Commission, and as certified by a financial officer of Borrower or (b) Borrower in good faith believes that such cost savings will be realized within one year after the applicable Permitted Acquisition, Acquisition, Investment or sale, transfer or other disposition of material assets outside the ordinary course of business and all steps necessary for the realization of such cost savings have been taken as certified by a financial officer of Borrower. Notwithstanding the foregoing, for all purposes under this Agreement, other than as permitted by clause (k) of the definition of "Consolidated Adjusted EBITDA," no cost savings or synergies relating to the 2010 Transactions shall be included for purposes of calculating the covenants (including New Term Loans) contained in Sections 6.1 and 6.7 or for purposes of determining the Interest Coverage Ratio, Leverage Ratio or Secured Leverage Ratio until actually realized. Notwithstanding the foregoing, for all purposes under this Agreement, the amount of cost savings or synergies related to any Permitted Majority Investment that may be included for the purposes of calculating the covenants contained in Sections 6.1 and 6.7 or for purposes of determining the Interest Coverage Ratio, Leverage Ratio or Secured Leverage Ratio shall not exceed the portion of the cost savings or synergies related to the Permitted Majority Investment equal to the percentage of the capital stock of such Permitted Majority Investment owned by the Borrower or any of its Subsidiaries.

"**Pro Rata Share**" means (i) with respect to all payments, computations and other matters relating to the Tranche A Term Loan of any Lender, the percentage obtained by dividing (a) the Tranche A Term Loan Exposure of that Lender by (b) the aggregate Tranche A Term Loan Exposure of all Lenders; (ii) with respect to all payments, computations and other matters relating to the Tranche B Term Loan Commitment or Tranche B Term Loan of any Lender, the percentage obtained by dividing (a) the Tranche B Term Loan Exposure of that Lender by (b) the aggregate Tranche B Term Loan Exposure of all Lenders; (iii) with respect to all payments, computations and other matters relating to the Revolving Commitment or Revolving Loans of any Lender or any Letters of Credit issued or participations purchased therein by any Lender or any participations in any Swing Line Loans purchased by any Lender, the percentage obtained by dividing (a) the Revolving Exposure of that Lender by (b) the aggregate Re-

volving Exposure of all Lenders (exclusive of the Revolving Exposure of the Swing Line Lender and the Issuing Bank in their capacities as such) and (iv) with respect to all payments, computations, and other matters relating to New Term Loan Commitments or New Term Loans of a particular Series, the percentage obtained by dividing (a) the New Term Loan Exposure of that Lender with respect to that Series by (b) the aggregate New Term Loan Exposure of all Lenders with respect to that Series. For all other purposes with respect to each Lender, "Pro Rata Share" means the percentage obtained by dividing (A) an amount equal to the sum of the Tranche A Term Loan Exposure, the Tranche B Term Loan Exposure, the Revolving Exposure and the New Term Loan Exposure of that Lender, by (B) an amount equal to the sum of the aggregate Tranche A Term Loan Exposure, the Tranche B Term Loan Exposure, the aggregate Revolving Exposure and the aggregate New Term Loan Exposure of all Lenders (exclusive of the Revolving Exposure of the Swing Line Lender and the Issuing Bank in their capacities as such).

"**Public Lenders**" means Lenders that do not wish to receive material non-public information with respect to Borrower, its Subsidiaries or their respective Securities.

"**Quebec Security Documents**" means each of the documents set forth on Schedule 5.10(b), as each such document may be amended, restated, supplemented or otherwise modified from time to time and additional analogous agreements as may be entered into from time to time in accordance with Section 5.10 and as required by the Collateral Documents.

"**Real Estate Asset**" means, at any time of determination, any interest (fee, leasehold or otherwise) then owned by any Credit Party in any real property.

"**Refinancing**" as defined in the recitals.

"**Refinancing Indebtedness**" as defined in Section 6.1(r).

"**Refunded Swing Line Loans**" as defined in Section 2.3(b)(iv).

"**Register**" as defined in Section 2.7(b).

"**Regulation D**" means Regulation D of the Board of Governors, as in effect from time to time.

"**Regulation FD**" means Regulation FD as promulgated by the U.S. Securities and Exchange Commission under the Securities Act and Exchange Act as in effect from time to time.

"**Regulation T**" means Regulation T of the Board of Governors, as in effect from time to time and all official rulings and interpretations thereunder or thereof.

"**Regulation U**" means Regulation U of the Board of Governors, as in effect from time to time and all official rulings and interpretations thereunder or thereof.

"**Regulation X**" means Regulation X of the Board of Governors, as in effect from time to time and all official rulings and interpretations thereunder or thereof.

"**Reimbursement Date**" as defined in Section 2.4(d).

"**Related Fund**" means, with respect to any Lender that is an investment fund, any other investment fund that invests in commercial loans and that is managed or advised by the same investment advisor as such Lender or by an Affiliate of such investment advisor.

"**Release**" means any release, spill, emission, emanation, leaking, pumping, pouring, injection, spraying, escaping, deposit, disposal, discharge, dispersal, dumping, abandonment, placing, exhausting, leaching or migration of any Hazardous Material into the indoor or outdoor environment (including the abandonment or disposal of any barrels, containers or other closed receptacles containing any Hazardous Material), including the movement of any Hazardous Material through the air, soil, surface water or groundwater.

"**Replacement Lender**" as defined in Section 2.23.

"**Repricing Transaction**" means the prepayment or refinancing of all or a portion of the Tranche B Term Loans with the incurrence by any Credit Party of any long-term bank debt financing having an effective interest cost or weighted average yield (excluding any arrangement or commitment fees in connection therewith) that is less than the effective interest cost for or weighted average yield of the Tranche B Term Loans, including without limitation, as may be effected through any amendment to this Agreement relating to the effective interest cost for, or weighted average yield of, the Tranche B Term Loans.

"**Required Prepayment Date**" as defined in Section 2.15(d).

"**Requisite Lenders**" means one or more Lenders having or holding Tranche A Term Loan Exposure, Tranche B Term Loan Exposure, New Term Loan Exposure and/or Revolving Exposure and representing more than 50% of the sum of (i) the aggregate Tranche A Term Loan Exposure of all Lenders, (ii) the aggregate Tranche B Term Loan Exposure of all Lenders, (iii) the aggregate Revolving Exposure of all Lenders and (iv) the aggregate New Term Loan Exposure of all Lenders.

"**Responsible Officer**" means, as applied to any Person, any individual holding the position of chairman of the board (if an officer), chief executive officer, president, vice president (or the equivalent thereof), chief financial officer (or the equivalent thereof) or treasurer of such Person.

"**Restricted Junior Payment**" means (i) any dividend or other distribution, direct or indirect, on account of any shares of any class of stock of Borrower or any of its Subsidiaries (or any direct or indirect parent of Borrower or any of its Subsidiaries) now or hereafter outstanding, except a dividend payable solely in shares of that class of stock (or, in the case of preferred stock, in shares of that class of stock or in common stock) to the holders of that class; (ii) any redemption, retirement, sinking fund or similar payment, purchase or other acquisition for value, direct or indirect, of any shares of any class of stock of Borrower or any of its Subsidiaries (or any direct or indirect parent thereof) now or hereafter outstanding; (iii) any payment made to retire, or to obtain the surrender of, any outstanding warrants, options or other rights to acquire shares of any class of stock of Borrower or any of its Subsidiaries (or any direct or indirect parent of Borrower) now or hereafter outstanding; and (iv) any payment or prepayment of principal of, premium, if any, or interest on, or redemption, purchase, retirement, defeasance (including in substance or legal defeasance), sinking fund or similar payment with respect to, any Subordinated Indebtedness owed to a Person that is not Borrower or a Guarantor (other than (x) regularly scheduled payments of interest and principal in respect of any Subordinated Indebtedness and (y) the conversion of convertible securities to common stock of Borrower, in each case in accordance with the terms of, and only to the extent required by, and subject to the subordination provisions contained in, the indenture or other agreement pursuant to which such Subordinated Indebtedness was issued); provided, that in no event shall any payment or other distribution (including, without limitation, upon conversion to common stock of Borrower) in respect of Borrower Convertible Notes or the VPI Convertible Notes and the issuer written call option transactions relating thereto be deemed a Restricted Junior Payment.

"**Restricted Obligations**" as defined in Section 7.13(a).

"**Revolving Commitment**" means the commitment of a Lender to make or otherwise fund any Revolving Loan and to acquire participations in Letters of Credit and Swing Line Loans hereunder and "Revolving Commitments" means such commitments of all Lenders in the aggregate. The amount of each Lender's Revolving Commitment, if any, is set forth on Appendix A-1, Schedule A to the Joinder Agreement, dated as of September 11, 2012, Schedule B to Amendment No. 3, Schedule B to Amendment No. 6 or in the applicable Assignment Agreement, subject to any adjustment or reduction pursuant to the terms and conditions hereof. The aggregate amount of the Revolving Commitments as of the Amendment No. 6 Revolving Loan Upsize and Extension Effective Date is $1,000,000,000.

"**Revolving Commitment Period**" means the period from and including the Second Restatement Date to but excluding the Revolving Commitment Termination Date.

"**Revolving Commitment Termination Date**" means the earliest to occur of (i) April 20, 2018, (ii) the date the Revolving Commitments are permanently reduced to zero pursuant to Section 2.13(b) or 2.14 and (iii) the date of the termination of the Revolving Commitments pursuant to Section 8.1.

"**Revolving Exposure**" means, with respect to any Lender as of any date of determination, (i) prior to the termination of the Revolving Commitments, that Lender's Revolving Commitment as of such date; and (ii) after the termination of the Revolving Commitments, the sum of (a) the aggregate outstanding principal amount of the Revolving Loans of that Lender, (b) in the case of Issuing Bank, the aggregate Letter of Credit Usage in respect of all Letters of Credit issued by that Lender (net of any participations by Lenders in such Letters of Credit), (c) the aggregate amount of all participations by that Lender in any outstanding Letters of Credit or any unreimbursed drawing under any Letter of Credit, (d) in the case of Swing Line Lender, the aggregate outstanding principal amount of all Swing Line Loans (net of any participations therein by other Lenders), and (e) the aggregate amount of all participations therein by that Lender in any outstanding Swing Line Loans, in each case as of such date.

"**Revolving Loan**" means a Loan denominated in Dollars made by a Lender to Borrower pursuant to Section 2.2(a), as such Loan may be increased, if applicable, by any New Revolving Loans Commitments, in accordance with Section 2.25.

"**Revolving Loan Commitment Increase Joinder Agreement**" means the Joinder Agreement, dated as of September 11, 2012, by and among the Borrower, the Administrative Agent and the New Revolving Loan Lenders party thereto.

"**Revolving Loan Note**" means a promissory note in the form of Exhibit B-1, as it may be amended, restated, supplemented or otherwise modified from time to time.

"**S&P**" means Standard & Poor's, a Division of The McGraw Hill Companies, Inc.

"**Sanitas Acquisition**" means the acquisition of all of the outstanding shares of AB Sanitas and assumption of certain liabilities of AB Sanitas, to be implemented by acquisition of a controlling interest in AB Sanitas followed by a mandatory tender offer to acquire the remaining shares, pursuant to that certain Share Sale and Purchase Agreement, dated as of May 23, 2011, by and between certain shareholders of AB Sanitas, AB Sanitas and Borrower, including all schedules, annexes and exhibits attached thereto and all material documents related to the consummation of the transactions contemplated thereby, as amended, modified and supplemented, together with subsequent actions to obtain any shares that remain outstanding thereafter.

"**SEC**" means the U.S. Securities and Exchange Commission.

"**Second Amended and Restated Credit Agreement**" as defined in the recitals.

"**Second Amended and Restated Pledge and Security Agreement**" means the Second Amended and Restated Pledge and Security Agreement, dated as of the Third Restatement Date, among each of the Grantors party thereto and the Collateral Agent, substantially in the form of Exhibit I-1, as it may be amended, restated, supplemented or otherwise modified from time to time.

"Second Amendment and Restatement Joinder Date" means December 19, 2011.

"**Second Restatement Date**" means October 20, 2011.

"**Secured Leverage Ratio**" means, as of any date of determination, the ratio, on a Pro Forma Basis, of (a) Consolidated Secured Indebtedness as of such date to (b) Consolidated Adjusted EBITDA for the four Fiscal Quarter period ending on such date.

"**Secured Parties**" has the meaning assigned to that term in the Second Amended and Restated Pledge and Security Agreement, the Canadian Pledge and Security Agreement, the Quebec Security Documents, the Barbados Security Documents, the Luxembourg Security Documents and the Swiss Security Documents, in each case as applicable.

"**Securities**" means any stock, shares, partnership interests, voting trust certificates, certificates of interest or participation in any profit sharing agreement or arrangement, options, warrants, bonds, debentures, notes, or other evidences of indebtedness, secured or unsecured, convertible, subordinated or otherwise, or in general any instruments commonly known as "securities" or any certificates of interest, shares or participations in temporary or interim certificates for the purchase or acquisition of, or any right to subscribe to, purchase or acquire, any of the foregoing.

"**Securities Act**" means the Securities Act of 1933, as amended from time to time, and any successor statute.

"**Senior Notes**" means, collectively, the 6.500% Senior Notes due 2016 of VPI, the 6.750% Senior Notes due 2017 of VPI, the 6.750% Senior Notes due 2021 of VPI, the 6.875% Senior Notes due 2018 of VPI, the 7.000% Senior Notes due 2020 of VPI and the 7.250% Senior Notes due 2022 of VPI.

"**Series**" as defined in Section 2.25.

"**Series A New Term Loan**" means a Series A New Term Loan made by a Lender to Borrower pursuant to the Joinder Agreement dated December 19, 2011.

"**Series A Tranche B Term Loan Funding Date**" means June 14, 2012.

"**Series A Tranche B Term Loan Joinder Agreement**" means the Joinder Agreement, dated as of June 14, 2012, by and among the Borrower, the Guarantors, the Administrative Agent, the Collateral Agent and the New Term Loan Lenders party thereto.

"**Series A Tranche B Term Loans**" means a Series A Tranche B Term Loan made pursuant to Section 6 of the Series A Tranche B Term Loan Joinder Agreement.

"**Series A-1 Tranche A Term Loans**" means a Series A-1 Tranche A Term Loan made by a Lender to Borrower pursuant to Amendment No. 3.

"**Series A-2 Tranche A Term Loan Funding Date**" means August 5, 2013.

"**Series A-2 Tranche A Term Loan Joinder Agreement**" means the Joinder Agreement, dated as of August 5, 2013, by and among the Borrower, the Guarantors, the Administrative Agent, the Collateral Agent and the New Term Loan Lenders party thereto.

"**Series A-2 Tranche A Term Loans**" means a Series A-2 Tranche A Term Loan made pursuant to Section 6 of the Series A-2 Tranche A Term Loan Joinder Agreement.

"**Series B Tranche B Term Loan Funding Date**" means July 9, 2012.

"**Series B Tranche B Term Loan Joinder Agreement**" means the Joinder Agreement, dated as of July 9, 2012, by and among the Borrower, the Guarantors, the Administrative Agent, the Collateral Agent and the New Term Loan Lenders party thereto.

"**Series B Tranche B Term Loans**" means a Series B Tranche B Term Loan made pursuant to Section 6 of the Series B Tranche B Term Loan Joinder Agreement.

"**Series C Tranche B Term Loan Funding Date**" means December 11, 2012.

"**Series C Tranche B Term Loan Joinder Agreement**" means the Joinder Agreement, dated as of December 11, 2012, by and among the Borrower, the Guarantors, the Administrative Agent, the Collateral Agent and the New Term Loan Lenders party thereto.

"**Series C Tranche B Term Loans**" means a Series C Tranche B Term Loan made pursuant to Section 7 of the Series C Tranche B Term Loan Joinder Agreement.

"**Series C-1 Tranche B Term Loan Funding Date**" means February 21, 2013.

"**Series C-1 Tranche B Term Loans**" means a Series C-1 Tranche B Term Loan made pursuant to Amendment No. 4.

"**Series C-2 Tranche B Term Loan Funding Date**" means September 17, 2013.

"**Series C-2 Tranche B Term Loans**" means a Series C-2 Tranche B Term Loan made pursuant to Amendment No. 7.

"**Series D Tranche B Term Loan Funding Date**" means October 2, 2012.

"**Series D Tranche B Term Loan Joinder Agreement**" means the Joinder Agreement, dated as of October 2, 2012, by and among the Borrower, the Guarantors, the Administrative Agent, the Collateral Agent and the New Term Loan Lenders party thereto.

"**Series D Tranche B Term Loans**" means a Series D Tranche B Term Loan made pursuant to Section 5 of the Series D Tranche B Term Loan Joinder Agreement.

"**Series D-1 Tranche B Term Loan Funding Date**" means February 21, 2013.

"**Series D-1 Tranche B Term Loans**" means a Series D-1 Tranche B Term Loan made pursuant to Amendment No. 4.

"**Series D-2 Tranche B Term Loan Funding Date**" means September 17, 2013.

"**Series D-2 Tranche B Term Loans**" means a Series D-2 Tranche B Term Loan made pursuant to Amendment No. 7.

"**Series E Tranche B Term Loan Funding Date**" means August 5, 2013.

"**Series E Tranche E Term Loan Joinder Agreement**" means the Joinder Agreement, dated as of August 5, 2013, by and among the Borrower, the Guarantors, the Administrative Agent, the Collateral Agent and the New Term Loan Lenders party thereto.

"**Series E Tranche B Term Loans**" means a Series E Tranche B Term Loan made pursuant to Section 7 of the Series E Tranche B Term Loan Joinder Agreement.

"**Solvency Certificate**" means a Solvency Certificate of the chief financial officer (or the equivalent thereof) of Borrower substantially in the form of Exhibit F-2.

"**Solvent**" means, with respect to any Credit Party, that as of the date of determination (after giving effect to all rights of reimbursement, contribution and subrogation under Applicable Law and the Credit Documents), if subject to the Insolvency Laws of (a) any jurisdiction other than Canada or any political subdivision thereof, (i) the sum of such Credit Party's debt (including contingent liabilities) does not exceed the present fair saleable value of such Credit Party's present assets; (ii) such Credit Party's capital is not unreasonably small in relation to its business as contemplated on the Third Restatement Date and reflected in the Projections or with respect to any transaction contemplated to be undertaken after the Third Restatement Date; and (iii) such Credit Party has not incurred and does not intend to incur, or believe (nor should it reasonably believe) that it will incur, debts beyond its ability to pay such debts as they become due (whether at maturity or otherwise); and (b) Canada or any political subdivision thereof, (i) the property of such Credit Party is sufficient, if disposed of at a fairly conducted sale under legal process, to enable payment of all its obligations, due and accruing due, (ii) the property of such Credit Party is, at a fair valuation, greater than the total amount of liabilities, including contingent liabilities, of such Credit Party; and (iii) such Credit Party has not ceased paying its current obligations in the ordinary course of business as they generally become due. For purposes of this definition, the amount of any contingent liability at any time shall be computed as the amount that, in light of all of the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability (irrespective of whether such contingent liabilities meet the criteria for accrual under Statement of Financial Accounting Standard No. 5 or any other analogous criteria in any jurisdiction).

"**Specified Asset Disposition**" means the sale, transfer or other disposition of Retigabine (and for the avoidance of doubt, Intellectual Property related thereto) in accordance with Section 6.8.

"**Specified Joint Venture**," with respect to any Person, means a Joint Venture (a) in which such Person, directly or indirectly (i) owns more than 50% of the Equity Interests (or owns at least 50% of the Equity Interests if such Joint Venture is consolidated in the financial statements of such Person) and (ii) with respect to any Joint Venture in which such Person owns more than 50% of the Equity Interests, exercises control (as defined in the definition of "Affiliate") and (b) that is designated in writing by the Board of Directors (or equivalent governing body) of such Person as a "Specified Joint Venture" for purposes of this Agreement.

"**Spot Rate**" means, on any day, for purposes of determining the Equivalent Amount of any currency, the rate at which such currency may be exchanged into Dollars at the time of determination on such day appearing on the Reuters Currencies page for such currency. In the event that such rate does not appear on the Reuters Currencies page, the Spot Rate shall be determined by reference to such other publicly available service for displaying exchange rates as may be agreed upon by Administrative Agent and

Borrower or, in the absence of such an agreement, the Spot Rate shall instead be the arithmetic average of the spot rates of exchange of Administrative Agent in the market where its foreign currency exchange operations in respect of such currency are then being conducted, at or about such time as Administrative Agent shall elect after determining that such rates shall be the basis for determining the Spot Rate on such date for the purchase of Dollars for delivery two Business Days later; provided that if at the time of any such determination, for any reason, no such spot rate is being quoted, Administrative Agent may use any reasonable method it deems appropriate to determine such rate, and such determination shall be conclusive absent manifest error.

"**Subordinated Indebtedness**" means Indebtedness that, by its terms, is subordinated in right and time of payment to the Obligations on terms reasonably satisfactory to Administrative Agent and containing such terms and conditions that are market terms and conditions on the date of issuance.

"**Subsidiary**" means, with respect to any Person, any corporation, company, partnership, limited liability company, unlimited liability company, association, society with restricted liability, Joint Venture or other business entity of which more than 50% of the total voting power of shares of stock or other ownership interests entitled (without regard to the occurrence of any contingency) to vote in the election of the Person or Persons (whether directors, managers, trustees or other Persons performing similar functions) having the power to direct or cause the direction of the management and policies thereof is at the time owned or controlled, directly or indirectly, legally or beneficially, by such Person or one or more of the other Subsidiaries of such Person or a combination thereof; provided, in no event shall any Specified Joint Venture with respect to which such Person is party be considered to be a Subsidiary. Notwithstanding the foregoing (and except for purposes of Sections 4.11, 4.13, 4.18, 4.19, 4.23, 4.25, 5.3, 5.8, 5.9, 8.1(j) and 8.1(k), and the definition of Unrestricted Subsidiary contained herein), an Unrestricted Subsidiary shall be deemed not to be a Subsidiary of the Borrower or any of its Subsidiaries for all purposes of this Agreement.

"**Subsidiary Redesignation**" shall have the meaning provided in the definition of "Unrestricted Subsidiary" contained in this Section 1.1.

"**Swing Line Lender**" means GSLP in its capacity as the lender of Swing Line Loans hereunder, together with its permitted successors and assigns in such capacity.

"**Swing Line Loan**" means a Loan made by Swing Line Lender to Borrower pursuant to Section 2.3.

"**Swing Line Note**" means a promissory note in the form of Exhibit B-2, as it may be amended, restated, supplemented or otherwise modified from time to time.

"**Swing Line Sublimit**" means, as of any date of determination, the lesser of (i) $25,000,000, and (ii) the aggregate unused amount of Revolving Commitments then in effect.

"**Swiss Federal Tax Administration**" means the Swiss authority responsible for levying Swiss Federal Withholding Tax.

"**Swiss Federal Withholding Tax**" means taxes imposed under the Swiss Withholding Tax Act.

"**Swiss Withholding Tax Act**" means the Swiss Federal Act on Withholding Tax of 13 October 1965 (*Bundesgesetz über die Verrechnungssteuer*), together with the related ordinances, regulations and guidelines, all as amended and applicable from time to time.

"**Swiss Guarantor**" means PharmaSwiss SA, in Zug, Switzerland (CH-170.3.023.567-7), a company limited by shares (*Aktiengesellschaft*), organized under the laws of Switzerland and any other Guarantor that is organized under the laws of Switzerland.

"**Swiss Security Documents**" means each of the documents set forth on Schedule 5.10(d), dated as of the Second Restatement Date, as each of such documents may be amended, restated, supplemented or otherwise modified from time to time and additional analogous agreements as may be entered into from time to time in accordance with Section 5.10 and as required by the Collateral Documents.

"**Tax**" means any present or future tax, levy, impost, duty, assessment, charge, fee, deduction or withholding of any nature and whatever called, including any interest, additions to tax or penalties thereto, by whomsoever, on whomsoever and wherever imposed, levied, collected, withheld or assessed.

"**Terminated Lender**" as defined in Section 2.23.

"**Termination Date**" means June 3, 2013.

"**Term Loan**" means a Tranche A Term Loan, a Tranche B Term Loan and/or a New Term Loan, as the context requires.

"**Term Loan Commitment**" means the Tranche B Term Loan Commitment or the New Term Loan Commitment of a Lender, and "**Term Loan Commitments**" means such commitments of all Lenders.

"**Term Loan Commitment Termination Date**" means with respect to the Tranche B Term Loans, the date which is the earlier to occur of (x) the date which is seven years after the Third Restatement Date and (y) the first date on which all undrawn Term Loan Commitments have been terminated or reduced to zero pursuant to the terms hereof.

"**Term Loan Maturity Date**" means (i) with respect to the Tranche A Term Loans, the Tranche A Term Loan Maturity Date, (ii) with respect to the Tranche B Term Loans, the Tranche B Term Loan Maturity Date, and (iii) with respect to the New Term Loans of a Series, the New Term Loan Maturity Date of such Series of New Term Loans.

"**Third Restatement Date**" means February 13, 2012.

"**Third Restatement Date Certificate**" means a Third Restatement Date Certificate of Borrower substantially in the form of Exhibit F-1.

"**Total Utilization of Revolving Commitments**" means, as at any date of determination, the sum of (i) the aggregate principal amount of all outstanding Revolving Loans (other than Revolving Loans made for the purpose of repaying any Refunded Swing Line Loans or reimbursing Issuing Bank for any amount drawn under any Letter of Credit, but not yet so applied), (ii) the aggregate principal amount of all outstanding Swing Line Loans and (iii) the Letter of Credit Usage.

"Tranche A New Term Loans" means New Term Loans with required annual principal repayments greater than 1% of the original principal amount of such New Term Loans and otherwise with terms similar to the Tranche A Term Loans.

"**Tranche A Term Loan**" means an Initial Draw Tranche A Term Loan, a Delayed Draw Term Loan, a Series A New Term Loan, a Series A-1 Tranche A Term Loan and a Series A-2 Tranche A Term Loan.

"**Tranche A Term Loan Exposure**" means, with respect to any Lender, as of any date of determination, the outstanding principal amount of the Tranche A Term Loans of such Lender as of such date.

"**Tranche A Term Loan Maturity Date**" means the earlier of (i) April 20, 2016 and (ii) the date on which all Tranche A Term Loans shall become due and payable in full hereunder, whether by acceleration or otherwise.

"**Tranche A Term Loan Note**" means a promissory note in the form of Exhibit B-3, as it may be amended, restated, supplemented or otherwise modified from time to time.

"Tranche B New Term Loans" means New Term Loans with required annual principal repayments not greater than 1% of the original principal amount of such New Term Loans and otherwise with terms similar to the Tranche B Term Loans.

"**Tranche B Term Loan**" means a Tranche B Term Loan made by a Lender to Borrower pursuant to Section 2.1(a), a Series A Tranche B Term Loan made pursuant to the Series A Tranche B Term Loan Joinder Agreement (except as expressly set forth herein, including for purposes of Section 2.13(a)), a Series B Tranche B Term Loan made pursuant to the Series B Tranche B Term Loan Joinder Agreement (except as expressly set forth herein, including for purposes of Section 2.13(a)), a Series C Tranche B Term Loan made pursuant to the Series C Tranche B Term Loan Joinder Agreement (except as expressly set forth herein, including for purposes of Section 2.13(a)), a Series D Tranche B Term Loan made pursuant to the Series D Tranche B Term Loan Joinder Agreement (except as expressly set forth herein, including for purposes of Section 2.13(a)), a Series C-1 Tranche B Term Loan made pursuant to Amendment No~~4.~~, 4 (except as expressly set forth herein, including for purposes of Section 2.13(a)), a Series D-1 Tranche B Term Loan made pursuant to Amendment No. 4 (except as expressly set forth herein, including for purposes of Section 2.13(a))~~and~~, a Series E Tranche B Term Loan made pursuant to the Series E Tranche B Joinder Agreement (except as expressly set forth herein, including for purposes of Section 2.13(a)), a Series C-2 Tranche B Term Loan made pursuant to Amendment No. 7 (except as expressly set forth herein, including for purposes of Section 2.13(a)) and a Series D-2 Tranche B Term Loan made pursuant to Amendment No. 7 (except as expressly set forth herein, including for purposes of Section 2.13(a)).

"**Tranche B Term Loan Commitment**" means the commitment of a Lender to make or otherwise fund a Tranche B Term Loan on the Third Restatement Date and "**Tranche B Term Loan Commitments**" means such commitments of all Lenders in the aggregate. The amount of each Lender's Tranche B Term Loan Commitment, if any, is set forth on Appendix A-2 or in the applicable Assignment Agreement, subject to any adjustment or reduction pursuant to the terms and conditions hereof. The aggregate amount of the Tranche B Term Loan Commitments as of the Third Restatement Date is $600,000,000.

"**Tranche B Term Loan Exposure**" means, with respect to any Lender, as of any date of determination, the outstanding principal amount of the Tranche B Term Loans of such Lender.

"**Tranche B Term Loan Maturity Date**" means (a) with respect to Tranche B Term Loans (other than Series C Tranche B Term Loans, Series C-1 Tranche B Term Loans, Series C-2 Tranche B Term Loans and Series E Tranche B Term Loans) the earlier of (i) the date which is seven years after the Third Restatement Date and (ii) the date on which all Tranche B Term Loans shall become due and payable in

full hereunder, whether by acceleration or otherwise, (b) with respect to Series C Tranche B Term Loans, Series C-1 Tranche B Term Loans and Series C-~~1~~2 Tranche B Term Loans, December 11, 2019 (the "**Series C Tranche B Term Loan Maturity Date**") and (c) with respect to Series E Tranche B Term Loans, August 5, 2020 (the "**Series E Tranche B Term Loan Maturity Date**").

"**Tranche B Term Loan Note**" means a promissory note in the form of Exhibit B-4, as it may be amended, restated, supplemented or otherwise modified from time to time.

"**Transactions**" means the entry into this Agreement, the Original Credit Agreement, the First Amended and Restated Credit Agreement, the Second Amended and Restated Credit Agreement and the Credit Documents and the making of the Loans hereunder and thereunder and the consummation of the Acquisitions on and after the Second Restatement Date, and the payment of all fees and expenses related thereto.

"**Type of Loan**" means (i) with respect to Tranche A Term Loans, a Base Rate Loan or a Eurodollar Rate Loan, (ii) with respect to Tranche B Term Loans, a Base Rate Loan or a Eurodollar Rate Loan and (iii) with respect to Revolving Loans, a Base Rate Loan or a Eurodollar Rate Loan and (iv) with respect to Swing Line Loans, a Base Rate Loan.

"**UCC**" means the Uniform Commercial Code (or any similar or equivalent legislation) as in effect in any applicable jurisdiction.

"**Underlying Debt**" means in relation to a Credit Party and at any time, each obligation (whether present or future, actual or contingent) owing by that Credit Party to a Secured Party under the Credit Documents (including for the avoidance of doubt any change or increase in those obligations pursuant to or in connection with any amendment or supplement or restatement or novation of any Credit Document, in each case whether or not anticipated as of the date of this Agreement) excluding that Credit Party's Dutch Parallel Debts.

"**Unrestricted Subsidiary**" means any Subsidiary of the Borrower designated by the Borrower after the Amendment No. 6 Effective Date as an Unrestricted Subsidiary hereunder by written notice to the Administrative Agent so long as (i) no Default or Event of Default has occurred and is continuing or would result therefrom, (ii) immediately after giving effect to such designation (as well as all other such designations theretofore consummated after the first day of such applicable period), Borrower and its Subsidiaries shall be in compliance with the financial covenants set forth in Section 6.7 on a Pro Forma Basis as of the last day of the Fiscal Quarter most recently ended for which financial statements are required to have been delivered pursuant to Section 5.1(a) or 5.1(b), as applicable (as determined in accordance with Section 1.5), (iii) such Unrestricted Subsidiary shall be capitalized (to the extent capitalized by the Borrower or any of its Subsidiaries) through Investments as permitted by, and in compliance with, Section 6.6(i), and any prior or concurrent Investments in such Subsidiary by the Borrower or any of its Subsidiaries shall be deemed to have been made under Section 6.6(i), (iv) without duplication of clause (iii), any assets owned by such Unrestricted Subsidiary at the time of the initial designation thereof shall be treated as Investments pursuant to Section 6.6(i), (v) such Subsidiary shall have been designated an "unrestricted subsidiary" (or otherwise not be subject to the covenants and defaults) under any other Indebtedness permitted to be incurred hereunder (to the extent the concept of unrestricted subsidiaries exists in the documents governing such Indebtedness) and all Refinancing Indebtedness in respect of any of the foregoing and all Disqualified Equity Interests and (vi) without duplication of clause (iii) and (iv), such designation shall constitute an Investment by the Borrower therein at the date of such designation in an amount equal to the net book value of the Borrower's or its Subsidiary's (as applicable) investment therein (and such designation shall only be permitted to the extent such Investment is permitted under Section 6.6(i)). The Borrower may designate any Unrestricted Subsidiary to be a Subsidiary for purposes of this

Agreement (each, a "Subsidiary Redesignation"); provided, that (i) such Unrestricted Subsidiary, both before and after giving effect to such designation, shall be a wholly owned Subsidiary of the Borrower, (ii) no Default or Event of Default has occurred and is continuing or would result therefrom, (iii) immediately after giving effect to such Subsidiary Redesignation (as well as all other Subsidiary Redesignations theretofore consummated after the first day of such applicable period), Borrower and its Subsidiaries shall be in compliance with the financial covenants set forth in Section 6.7 on a Pro Forma Basis as of the last day of the Fiscal Quarter most recently ended for which financial statements are required to have been delivered pursuant to Section 5.1(a) or 5.1(b), as applicable (as determined in accordance with Section 1.5), and (iv) the Borrower shall have delivered to the Administrative Agent an officer's certificate executed by a Responsible Officer of such Borrower, certifying to the best of such officer's knowledge, compliance with the requirements of preceding clauses (i) through (iii), inclusive, and containing the calculations and information required by the preceding clause (iii).

"**VPI**" as defined in the recitals hereto.

"**VPI Convertible Notes**" means VPI's 4.0% Convertible Subordinated Notes due 2013, issued under that certain indenture dated as of November 19, 2003, among VPI, Ribapharm Inc. and The Bank of New York Mellon, as trustee.

"**Waivable Mandatory Prepayment**" as defined in Section 2.15(d).

"**WURA**" means the *Winding-Up and Restructuring Act* (Canada).

1.2 Accounting Terms. Except as otherwise expressly provided herein, all accounting terms not otherwise defined herein shall have the meanings assigned to them in conformity with GAAP; provided that, if Borrower notifies the Administrative Agent that Borrower requests an amendment to any provision (including any definition) hereof to eliminate the effect of any change occurring after the date hereof in GAAP or in the application thereof on the operation of such provision (or if the Administrative Agent notifies Borrower that the Requisite Lenders request an amendment to any provision hereof for such purpose), regardless of whether any such notice is given before or after such change in GAAP or in the application thereof, then such provision shall be interpreted on the basis of GAAP as in effect and applied immediately before such change shall have become effective until such notice shall have been withdrawn or such provision amended in accordance herewith. Financial statements and other information required to be delivered by Borrower to Lenders pursuant to Sections 5.1(a) and 5.1(b) shall be prepared in accordance with GAAP as in effect at the time of such preparation (and delivered together with the reconciliation statements provided for in Section 5.1(d), if applicable).

1.3 Interpretation, etc. Any of the terms defined herein may, unless the context otherwise requires, be used in the singular or the plural, depending on the reference. References herein to any Section, Appendix, Schedule or Exhibit shall be to a Section, an Appendix, a Schedule or an Exhibit, as the case may be, hereof unless otherwise specifically provided. The use herein of the word "include" or "including," when following any general statement, term or matter, shall not be construed to limit such statement, term or matter to the specific items or matters set forth immediately following such word or to similar items or matters, whether or not non limiting language (such as "without limitation" or "but not limited to" or words of similar import) is used with reference thereto, but rather shall be deemed to refer to all other items or matters that fall within the broadest possible scope of such general statement, term or matter. The terms lease and license shall include sub lease and sub license, as applicable. A reference to a statute includes all regulations made pursuant to such statute and, unless otherwise specified, the provisions of any statute or regulation which amends, revises, restates, supplements or supersedes any such statute or any such regulation. In this Agreement, where the terms "continuing," "continuance" or words to similar effect are used in relation to a Default or an Event of Default, the terms shall mean only, in the

case of a Default, that the applicable event or circumstance has not been waived or, if capable of being cured, cured, prior to the event becoming or resulting in an Event of Default, and in the case of an Event of Default, that such event or circumstance has not been waived.

For purposes of any assets, liabilities or entities located in the Province of Québec or charged by any deed of hypothec (or any other Credit Document) and for all other purposes pursuant to which the interpretation or construction of this Agreement may be subject to the laws of the Province of Québec or a court or tribunal exercising jurisdiction in the Province of Québec, (a) "personal property" shall include "movable property," (b) "real property" or "real estate" shall include "immovable property," (c) "tangible property" shall include "corporeal property," (d) "intangible property" shall include "incorporeal property," (e) "security interest," "mortgage" and "lien" shall include a "hypothec," "right of retention," "prior claim" and a "resolutory clause," (f) all references to filing, perfection, priority, remedies, registering or recording under the UCC or PPSA shall include publication under the *Civil Code of Québec*, (g) all references to "perfection" of or "perfected" liens or security interest shall include a reference to a hypothec which is "opposable" or can be "set up" as against third parties, (h) any "right of offset," "right of setoff" or similar expression shall include a "right of compensation," (i) "common law" shall include "civil law," (j) "tort" shall include "extracontractual liability," (k) "bailor" shall include "depositor" and "bailee" shall include "depositary," (l) "goods" shall include "corporeal movable property" other than chattel paper, documents of title, instruments, money and securities, (m) an "agent" shall include a "mandatary," (n) "construction liens" shall include "legal hypothecs in favour of persons having taken part in the construction or renovation of an immovable," (o) "joint and several" shall include "solidary," (p) "gross negligence or willful misconduct" shall be deemed to be "intentional or gross fault," (q) "beneficial ownership" shall include "ownership" and "legal title" shall include holding title on behalf of an owner as mandatary or prete-nom"; (r) "easement" shall include "servitude," (s) "priority" shall include "prior claim" or "rank," as applicable; (t) "survey" shall include "certificate of location and plan," (u) "state" shall include "province," (v) "fee simple title" shall include "ownership," (w) "accounts" shall include "claims," (x) "conditional sale" shall include "instalment sale," (y) "purchase money financing" or "purchase money lien" shall include "instalment sales, reservations of ownership, contracts of lease, leasing contracts and vendor's hypothecs." The parties hereto confirm that it is their wish that this Agreement and any other document executed in connection with the transactions contemplated herein be drawn up in the English language only and that all other documents contemplated thereunder or relating thereto, including notices, may also be drawn up in the English language only. *Les parties aux présentes confirment que c'est leur volonté que cette convention et les autres documents de crédit soient rédigés en langue anglaise seulement et que tous les documents, y compris tous avis, envisagés par cette convention et les autres documents peuvent être rédigés en langue anglaise seulement.*

1.4 Currency Matters. All Obligations of each Credit Party under the Credit Documents shall be payable in Dollars, and all calculations, comparisons, measurements or determinations under the Credit Documents shall be made in Dollars. For the purpose of such calculations, comparisons, measurements or determinations, amounts denominated in other currencies shall be converted into the Equivalent Amount of Dollars on the date of calculation, comparison, measurement or determination.

1.5 Pro Forma Transactions; Covenant Calculations. (a) With respect to any period during which any Permitted Acquisition or any sale, transfer or other disposition of any material assets outside the ordinary course of business occurs, for purposes of determining compliance with the covenants contained in Sections 6.1 and 6.7, or for purposes of determining the Leverage Ratio as of any date, calculations with respect to such period shall be made on a Pro Forma Basis. (b) All Indebtedness that has been defeased, satisfied and discharged or irrevocably called for redemption in accordance with the terms of the agreements governing such Indebtedness with such Cash sufficient to satisfy such defeasance, satisfaction and discharge or redemption irrevocably deposited with the appropriate entity for such purpose will be deemed not to be outstanding for purposes of calculating the amount of Indebtedness outstanding

at any time under the covenants and financial or other calculations under this Agreement; provided, that all such Cash and other assets deposited pursuant to the foregoing will not be included in any such covenant or financial or other calculation under this Agreement which are calculated on a basis net of Cash.

1.6 Effect of This Agreement on the Second Amended and Restated Credit Agreement and Other Credit Documents. Upon satisfaction of the conditions precedent to the effectiveness of this Agreement set forth in Section 3.1 hereof, this Agreement shall be binding on Borrower, the Agents, the Lenders and the other parties hereto, and the Second Amended and Restated Credit Agreement and the provisions thereof shall be replaced in their entirety by this Agreement and the provisions hereof, with the parties hereby agreeing that there is no novation of the Second Amended and Restated Credit Agreement; provided that the Collateral and the Credit Documents shall continue to secure, guarantee, support and otherwise benefit the Obligations of Borrower and the other Credit Parties under this Agreement and the other Credit Documents. Upon the effectiveness of this Agreement, each Credit Document that was in effect immediately prior to the date of this Agreement shall continue to be effective and, unless the context otherwise requires, any reference to the Credit Agreement contained therein shall be deemed to refer to this Agreement.

1.7 Medicis Transactions. Notwithstanding anything to the contrary in any Credit Document, nothing contained in any Credit Document shall prevent (a) the granting or existence of any Liens on the Escrow Account, the Escrowed Funds or any New Senior Notes Documents or pursuant to any New Senior Notes Escrow Documents, in each case, in favor of the Escrow Agent or the trustee under the New Senior Notes Indenture (or their designees), (b) the making of any Restricted Junior Payment in connection with the consummation of the Medicis Acquisition and the other Medicis Transactions, (c) the holding of the Escrowed Funds in the Escrow Account or (d) any other transaction contemplated by the New Senior Notes Documents (it being understood, for the avoidance of doubt, that any such granting of Liens, making of Restricted Junior Payments and other transactions shall be deemed made exclusively in reliance upon this Section 1.7 and not any other exception or basket under any other provision of any Credit Document). In addition, prior to the consummation of the Medicis Acquisition, Escrow Issuer shall not be deemed a Subsidiary for purposes of this Agreement or any other Credit Document, and, for the avoidance of doubt, shall not be subject to the (i) requirements of Section 5 (including, for the avoidance of doubt, Section 5.10) or Section 6 hereof, (ii) representations and warranties in Section 4 hereof or (iii) Events of Default in Section 8 hereof. The Lenders, the Issuing Bank and their respective Affiliates hereby agree that none of the Administrative Agent, the Collateral Agent or any Affiliate thereof shall have any liability or obligation to the Lenders, in their capacities as such, with respect to any transactions contemplated by the New Senior Notes Documents.

1.8 Bausch & Lomb Transactions. Notwithstanding anything to the contrary in any Credit Document, nothing contained in any Credit Document shall prevent (a) the granting or existence of any Liens on the Bausch & Lomb Escrow Account, the Bausch & Lomb Escrowed Funds or any Bausch & Lomb New Senior Notes Documents or pursuant to any Bausch & Lomb New Senior Notes Escrow Documents, in each case, in favor of the Bausch & Lomb Escrow Agent or the trustee under the Bausch & Lomb New Senior Notes Indenture (or their designees), (b) the making of any Restricted Junior Payment in connection with the consummation of the Bausch & Lomb Acquisition and the other Bausch & Lomb Transactions, (c) the holding of the Bausch & Lomb Escrowed Funds in the Bausch & Lomb Escrow Account or (d) any other transaction contemplated by the Bausch & Lomb New Senior Notes Documents (it being understood, for the avoidance of doubt, that any such granting of Liens, making of Restricted Junior Payments and other transactions shall be deemed made exclusively in reliance upon this Section 1.8 and not any other exception or basket under any other provision of any Credit Document). In addition, prior to the consummation of the Bausch & Lomb Acquisition, Bausch & Lomb Escrow Issuer shall not be deemed a Subsidiary for purposes of this Agreement or any other Credit Document, and, for the avoidance of doubt, shall not be subject to the (i) requirements of Section 5 (including, for the avoidance of

doubt, Section 5.10) or Section 6 hereof, (ii) representations and warranties in Section 4 hereof or (iii) Events of Default in Section 8 hereof. The Lenders, the Issuing Bank and their respective Affiliates hereby agree that none of the Administrative Agent, the Collateral Agent or any Affiliate thereof shall have any liability or obligation to the Lenders, in their capacities as such, with respect to any transactions contemplated by the Bausch & Lomb New Senior Notes Documents.

1.9 Acquisition Escrow Debt Transactions. Notwithstanding anything to the contrary in any Credit Document, nothing contained in any Credit Document shall prevent (a) the incurrence of Acquisition Escrow Debt, (b) the granting or existence of any Liens on any Acquisition Debt Escrow Account, any Acquisition Debt Escrowed Funds or any Acquisition Debt Escrow Debt Documents, in each case, in favor of any Acquisition Debt Escrow Agent or the agent or trustee under any Acquisition Debt Escrow Debt Documents (or any designee thereof), (c) the holding of any Acquisition Debt Escrowed Funds in an Acquisition Debt Escrow Account or (d) any other transaction contemplated by any Acquisition Debt Escrow Debt Document (it being understood, for the avoidance of doubt, that any such incurrence of Acquisition Escrow Debt, granting of Liens and other transactions shall, prior to the consummation of the applicable Escrow Acquisition be deemed made exclusively in reliance upon this Section 1.8 and not any other exception or basket under any other provision of any Credit Document). In addition, prior to the consummation of the applicable Escrow Acquisition, the applicable Acquisition Debt Escrow Issuer shall not be deemed a Subsidiary for purposes of this Agreement or any other Credit Document, and, for the avoidance of doubt, shall not be subject to the (i) requirements of Section 5 (including, for the avoidance of doubt, Section 5.10) or Section 6 hereof, (ii) representations and warranties in Section 4 hereof or (iii) Events of Default in Section 8 hereof. It is understood, for the avoidance of doubt, that from and after the date of the consummation of the applicable Escrow Acquisition, any Indebtedness incurred to finance such Permitted Acquisition, the granting or existing of any Liens in connection with such Indebtedness (or otherwise) or any other transaction in connection with such Permitted Acquisition shall be subject to the applicable (i) covenants in Section 5 and Section 6 hereof, and (ii) Events of Default in Section 8 hereof. The Lenders, the Issuing Bank and their respective Affiliates hereby agree that none of the Administrative Agent, the Collateral Agent or any Affiliate thereof shall have any liability or obligation to the Lenders, in their capacities as such, with respect to any transactions contemplated by any Acquisition Debt Escrow Debt Documents.

SECTION 2. LOANS AND LETTERS OF CREDIT

2.1 Term Loans.

(a) Loan Commitments. Subject to the terms and conditions hereof, each Lender severally agrees to make, on the Third Restatement Date, Tranche B Term Loans in Dollars to Borrower in an amount equal to such Lender's Tranche B Term Loan Commitment.

Any amount borrowed under this Section 2.1(a) and subsequently repaid or prepaid may not be reborrowed. Subject to Sections 2.13(a) and 2.14, all amounts owed hereunder with respect to the Tranche A Term Loans and the Tranche B Term Loans shall be paid in full no later than the Tranche A Term Loan Maturity Date and the Tranche B Term Loan Maturity Date, respectively. Each Lender's Tranche B Term Loan Commitment shall terminate immediately and without further action on the Third Restatement Date after giving effect to the funding of such Lender's Tranche B Term Loan Commitment on such date.

(b) Borrowing Mechanics for Tranche B Term Loans on the Third Restatement Date.

(i) Borrower shall deliver to Administrative Agent a fully executed Funding Notice for Tranche B Term Loans no later than three days prior to the Third Restatement Date. Promptly

upon receipt by Administrative Agent of such Funding Notice, Administrative Agent shall notify each Lender of the proposed borrowings.

(ii) Each Lender shall make its Tranche B Term Loan available to Administrative Agent not later than 11:00 a.m. (New York City time) on the Third Restatement Date, by wire transfer of same day funds in Dollars at the Principal Office designated by Administrative Agent.

Upon satisfaction or waiver of the conditions precedent specified herein, Administrative Agent shall make the proceeds of the Tranche B Term Loans available to Borrower on the Third Restatement Date by causing an amount of same day funds in Dollars equal to the proceeds of all such Loans received by Administrative Agent from Lenders to be credited to the account of Borrower, at the Principal Office designated by Administrative Agent or to such other account as may be designated in writing to Administrative Agent by Borrower.

2.2 Revolving Loans.

(a) Revolving Commitments. During the Revolving Commitment Period, subject to the terms and conditions hereof, each Lender severally agrees to make Revolving Loans in Dollars to Borrower in an aggregate amount up to but not exceeding such Lender's Revolving Commitment; provided, that after giving effect to the making of any Revolving Loans in no event shall the Total Utilization of Revolving Commitments exceed the Revolving Commitments then in effect. Amounts borrowed pursuant to this Section 2.2(a) may be repaid and reborrowed, only in the currency borrowed, during the Revolving Commitment Period. Each Lender's Revolving Commitment shall expire on the Revolving Commitment Termination Date and all Revolving Loans and all other amounts owed hereunder with respect to the Revolving Loans and the Revolving Commitments shall be paid in full no later than such date.

(b) Borrowing Mechanics for Revolving Loans.

(i) Except pursuant to Section 2.4(d), Revolving Loans that are Base Rate Loans shall be made in an aggregate minimum amount of $5,000,000 and integral multiples of $1,000,000 in excess of that amount, Revolving Loans that are Eurodollar Rate Loans shall be in an aggregate minimum amount of $5,000,000 and integral multiples of $1,000,000 in excess of that amount.

(ii) Subject to Section 3.3(b), whenever Borrower desires that Lenders make Revolving Loans, Borrower shall deliver to Administrative Agent a fully executed and delivered Funding Notice no later than 1:00 p.m. (New York City time) at least three Business Days in advance of the proposed Credit Date in the case of a Eurodollar Rate Loan and at least one Business Day in advance of the proposed Credit Date in the case of a Revolving Loan that is a Base Rate Loan.

(iii) Notice of receipt of each Funding Notice in respect of Revolving Loans, together with the amount of each Lender's Pro Rata Share thereof, if any, together with the applicable interest rate, shall be provided by Administrative Agent to each applicable Lender by telefacsimile with reasonable promptness, but (provided Administrative Agent shall have received such notice by 1:00 p.m. (New York City time)) not later than 2:00 p.m. (New York City time) on the same day as Administrative Agent's receipt of such Notice from Borrower.

(iv) Each Lender shall make the amount of its Revolving Loan available to Administrative Agent not later than 12:00 p.m. (New York City time) on the applicable Credit Date by wire transfer of same day funds in Dollars, at the Principal Office designated by Administrative

Agent. Except as provided herein, upon satisfaction or waiver of the conditions precedent specified herein, Administrative Agent shall make the proceeds of such Revolving Loans available to Borrower on the applicable Credit Date by causing an amount of same day funds in Dollars, equal to the proceeds of all such Revolving Loans received by Administrative Agent from Lenders to be credited to the account of Borrower at the Principal Office designated by Administrative Agent or such other account as may be designated in writing to Administrative Agent by Borrower.

2.3 Swing Line Loans.

(a) Swing Line Loans Commitments. During the Revolving Commitment Period, subject to the terms and conditions hereof, Swing Line Lender shall make Swing Line Loans in Dollars to Borrower in the aggregate amount up to but not exceeding the Swing Line Sublimit; provided, that after giving effect to the making of any Swing Line Loan, in no event shall the Total Utilization of Revolving Commitments exceed the Revolving Commitments then in effect. Amounts borrowed pursuant to this Section 2.3 may be repaid and reborrowed during the Revolving Commitment Period. Swing Line Lender's Revolving Commitment shall expire on the Revolving Commitment Termination Date and all Swing Line Loans and all other amounts owed hereunder with respect to the Swing Line Loans and the Revolving Commitments shall be paid in full no later than such date.

(b) Borrowing Mechanics for Swing Line Loans.

(i) Swing Line Loans shall be made in an aggregate minimum amount of $500,000 and integral multiples of $100,000 in excess of that amount.

(ii) Subject to Section 3.3(b), whenever Borrower desires that Swing Line Lender make a Swing Line Loan, Borrower shall deliver to Administrative Agent a Funding Notice no later than 12:00 p.m. (New York City time) on the proposed Credit Date.

(iii) Swing Line Lender shall make the amount of its Swing Line Loan available to Administrative Agent not later than 2:00 p.m. (New York City time) on the applicable Credit Date by wire transfer of same day funds in Dollars, at the Principal Office designated by Administrative Agent. Except as provided herein, upon satisfaction or waiver of the conditions precedent specified herein, Administrative Agent shall make the proceeds of such Swing Line Loans available to Borrower on the applicable Credit Date by causing an amount of same day funds in Dollars equal to the proceeds of all such Swing Line Loans received by Administrative Agent from Swing Line Lender to be credited to the account of Borrower at the Principal Office designated by Administrative Agent, or to such other account as may be designated in writing to Administrative Agent by Borrower.

(iv) With respect to any Swing Line Loans which have not been voluntarily prepaid by Borrower pursuant to Section 2.13, Swing Line Lender may at any time in its sole and absolute discretion, deliver to Administrative Agent (with a copy to Borrower), no later than 1:00 p.m. (New York City time) at least one Business Day in advance of the proposed Credit Date, a notice (which shall be deemed to be a Funding Notice given by Borrower) requesting that each Lender holding a Revolving Commitment make Revolving Loans that are Base Rate Loans to Borrower on such Credit Date in an amount equal to the amount of such Swing Line Loans (the "**Refunded Swing Line Loans**") outstanding on the date such notice is given which Swing Line Lender requests Lenders to prepay. Anything contained in this Agreement to the contrary notwithstanding, (1) the proceeds of such Revolving Loans made by the Lenders other than Swing Line Lender shall be immediately delivered by Administrative Agent to Swing Line Lender (and not to Borrower) and applied to repay a corresponding portion of the Refunded Swing Line Loans and (2)

on the day such Revolving Loans are made, Swing Line Lender's Pro Rata Share of the Refunded Swing Line Loans (determined by reference to Swing Line Lender's Revolving Commitment, if any) shall be deemed to be paid with the proceeds of a Revolving Loan made by Swing Line Lender to Borrower, and such portion of the Swing Line Loans deemed to be so paid shall no longer be outstanding as Swing Line Loans and shall no longer be due under the Swing Line Note of Swing Line Lender but shall instead constitute part of Swing Line Lender's outstanding Revolving Loans to Borrower and shall be due under the Revolving Loan Note issued by Borrower to Swing Line Lender. Borrower hereby authorizes Administrative Agent and Swing Line Lender to charge Borrower's accounts with Administrative Agent and Swing Line Lender (up to the amount available in each such account) in order to immediately pay Swing Line Lender the amount of the Refunded Swing Line Loans to the extent of the proceeds of such Revolving Loans made by Lenders, including the Revolving Loans deemed to be made by Swing Line Lender, are not sufficient to repay in full the Refunded Swing Line Loans. If any portion of any such amount paid (or deemed to be paid) to Swing Line Lender should be recovered by or on behalf of Borrower from Swing Line Lender in bankruptcy, by assignment for the benefit of creditors or otherwise, the loss of the amount so recovered shall be ratably shared among all Lenders in the manner contemplated by Section 2.17.

(v) If for any reason Revolving Loans are not made pursuant to Section 2.3(b)(iv) in an amount sufficient to repay any amounts owed to Swing Line Lender in respect of any outstanding Swing Line Loans on or before the third Business Day after demand for payment thereof by Swing Line Lender, each Lender holding a Revolving Commitment shall be deemed to, and hereby agrees to, have purchased a participation in such outstanding Swing Line Loans, and in an amount equal to its Pro Rata Share of the applicable unpaid amount together with accrued interest thereon. Upon one Business Day's notice from Swing Line Lender, each Lender holding a Revolving Commitment shall deliver to Swing Line Lender an amount equal to its respective participation in the applicable unpaid amount in same day funds at the Principal Office of Swing Line Lender. In order to evidence such participation each Lender holding a Revolving Commitment agrees to enter into a participation agreement at the request of Swing Line Lender in form and substance reasonably satisfactory to Swing Line Lender. In the event any Lender holding a Revolving Commitment fails to make available to Swing Line Lender the amount of such Lender's participation as provided in this paragraph, Swing Line Lender shall be entitled to recover such amount on demand from such Lender together with interest thereon for three Business Days at the rate customarily used by Swing Line Lender for the correction of errors among banks and thereafter at the Base Rate, as applicable.

(vi) Notwithstanding anything contained herein to the contrary, (1) each Lender's obligation to make Revolving Loans for the purpose of repaying any Refunded Swing Line Loans pursuant to the second preceding paragraph and each Lender's obligation to purchase a participation in any unpaid Swing Line Loans pursuant to the immediately preceding paragraph shall be absolute and unconditional and shall not be affected by any circumstance, including (A) any set-off, counterclaim, recoupment, defense or other right which such Lender may have against Swing Line Lender, any Credit Party or any other Person for any reason whatsoever; (B) the occurrence or continuation of a Default or Event of Default; (C) any adverse change in the business, operations, properties, assets, condition (financial or otherwise) or prospects of any Credit Party; (D) any breach of this Agreement or any other Credit Document by any party thereto; or (E) any other circumstance, happening or event whatsoever, whether or not similar to any of the foregoing; provided that such obligations of each Lender are subject to the condition that Swing Line Lender had not received prior notice from Borrower or the Requisite Lenders that any of the conditions under Section 3.3 to the making of the applicable Refunded Swing Line Loans or other unpaid Swing Line Loans, were not satisfied at the time such Refunded Swing Line Loans or unpaid

Swing Line Loans were made; and (2) Swing Line Lender shall not be obligated to make any Swing Line Loans (A) if it has elected not to do so after the occurrence and during the continuation of a Default or Event of Default, (B) it does not in good faith believe that all conditions under Section 3.3 to the making of such Swing Line Loan have been satisfied or waived by the Requisite Lenders or (C) at a time when any Lender is a Defaulting Lender unless Swing Line Lender has entered into arrangements reasonably satisfactory to it and Borrower to eliminate Swing Line Lender's risk with respect to the Defaulting Lender's participation in such Swing Ling Loan, including by cash collateralizing such Defaulting Lender's Pro Rata Share of the outstanding Swing Line Loans.

(c) Resignation and Removal of Swing Line Lender. Swing Line Lender may resign as Swing Line Lender upon 30 days' prior written notice to Administrative Agent, Lenders and Borrower. Swing Line Lender may be replaced at any time by written agreement among Borrower, Administrative Agent, the replaced Swing Line Lender (provided that no consent will be required if the replaced Swing Line Lender has no Swing Line Loans outstanding) and the successor Swing Line Lender. Administrative Agent shall notify the Lenders of any such replacement of Swing Line Lender. At the time any such replacement or resignation shall become effective, (i) Borrower shall prepay any outstanding Swing Line Loans made by the resigning or removed Swing Line Lender, (ii) upon such prepayment, the resigning or removed Swing Line Lender shall surrender any Swing Line Note held by it to Borrower for cancellation, and (iii) Borrower shall issue, if so requested by the successor Swing Line Lender, a new Swing Line Note to the successor Swing Line Lender, in the principal amount of the Swing Line Sublimit then in effect and with other appropriate insertions. From and after the effective date of any such replacement or resignation, (x) any successor Swing Line Lender shall have all the rights and obligations of a Swing Line Lender under this Agreement with respect to Swing Line Loans made thereafter and (y) references herein to the term "Swing Line Lender" shall be deemed to refer to such successor or to any previous Swing Line Lender, or to such successor and all previous Swing Line Lenders, as the context shall require.

2.4 Issuance of Letters of Credit and Purchase of Participations Therein.

(a) Letters of Credit. During the Revolving Commitment Period, subject to the terms and conditions hereof, Issuing Bank agrees to issue Letters of Credit for the account of Borrower; provided, (i~~) each Letter of Credit shall be denominated in Dollars; (ii~~) the stated amount of each Letter of Credit shall not be less than $~~250,000~~100,000 (or the Equivalent Amount thereof in any alternative currency) or such lesser amount as is acceptable to Issuing Bank; (~~iii~~ii) after giving effect to such issuance, in no event shall the Total Utilization of Revolving Commitments exceed the Revolving Commitments then in effect; (~~iv~~iii) after giving effect to such issuance, in no event shall the Letter of Credit Usage exceed the Letter of Credit Sublimit then in effect; (~~v~~iv) in no event shall any standby Letter of Credit have an expiration date later than the earlier of (1) the Revolving Commitment Termination Date and (2) the date which is ~~one year~~30 months from the date of issuance of such standby Letter of Credit; (~~vi~~v) in no event shall any Letter of Credit have an expiration date later than the earlier of (1) the Revolving Commitment Termination Date and (2) the date which is ~~one year~~30 months from the date of issuance of such commercial Letter of Credit; and (~~vii~~vi) Issuing Bank shall be under no obligation to issue any Letter of Credit if the issuance of such Letter of Credit would violate one or more policies of Issuing Bank applicable to letters of credit generally and not solely to letters of credit issuable to Borrower. Subject to the foregoing, Issuing Bank may agree that a standby Letter of Credit will automatically be extended for one or more successive periods not to exceed one year each, unless Issuing Bank elects not to extend for any such additional period, and so notifies the beneficiary thereof 30 days in advance that such standby Letter of Credit will not be so extended; provided that Issuing Bank shall not extend any such Letter of Credit if it has received written notice that an Event of Default has occurred and is continuing at the time Issuing Bank must elect to allow such extension; provided, further, that if any Lender is a Defaulting Lender, Issuing Bank shall not be required to issue any Letter of Credit unless Issuing Bank has entered into arrangements reasonably satis-

factory to it and Borrower to eliminate Issuing Bank's risk with respect to the participation in Letters of Credit of the Defaulting Lender, including by cash collateralizing such Defaulting Lender's Pro Rata Share of the Letter of Credit Usage.

(b) Notice of Issuance. Subject to Section 3.3(b), whenever Borrower desires the issuance, amendment or modification of a Letter of Credit, it shall deliver to Administrative Agent an Issuance Notice no later than 12:00 p.m. (New York City time) at least three Business Days (in the case of standby letters of credit) or five Business Days (in the case of commercial letters of credit), or in each case such shorter period as may be agreed to by Issuing Bank in any particular instance, in advance of the proposed date of issuance, amendment or modification. Upon satisfaction or waiver of the conditions set forth in Section 3.3, Issuing Bank shall issue, amend or modify the requested Letter of Credit only in accordance with Issuing Bank's standard operating procedures. Upon the issuance of any Letter of Credit or amendment or modification to a Letter of Credit, Issuing Bank shall promptly notify each Lender with a Revolving Commitment of such issuance, which notice shall be accompanied by a copy of such Letter of Credit or amendment or modification to a Letter of Credit and the amount of such Lender's respective participation in such Letter of Credit pursuant to Section 2.4(e).

(c) Responsibility of Issuing Bank with Respect to Requests for Drawings and Payments. In determining whether to honor any drawing under any Letter of Credit by the beneficiary thereof, Issuing Bank shall be responsible only to examine the documents delivered under such Letter of Credit with reasonable care so as to ascertain whether they appear on their face to be in accordance with the terms and conditions of such Letter of Credit. As between Borrower and Issuing Bank, Borrower assumes all risks of the acts and omissions of, or misuse of the Letters of Credit issued by Issuing Bank, by the respective beneficiaries of such Letters of Credit. In furtherance and not in limitation of the foregoing, Issuing Bank shall not be responsible for: (i) the form, validity, sufficiency, accuracy, genuineness or legal effect of any document submitted by any party in connection with the application for and issuance of any such Letter of Credit, even if it should in fact prove to be in any or all respects invalid, insufficient, inaccurate, fraudulent or forged; (ii) the validity or sufficiency of any instrument transferring or assigning or purporting to transfer or assign any such Letter of Credit or the rights or benefits thereunder or proceeds thereof, in whole or in part, which may prove to be invalid or ineffective for any reason; (iii) failure of the beneficiary of any such Letter of Credit to comply fully with any conditions required in order to draw upon such Letter of Credit; (iv) errors, omissions, interruptions or delays in transmission or delivery of any messages, by mail, cable, telegraph, telex or otherwise, whether or not they be in cipher; (v) errors in interpretation of technical terms; (vi) any loss or delay in the transmission or otherwise of any document required in order to make a drawing under any such Letter of Credit or of the proceeds thereof; (vii) the misapplication by the beneficiary of any such Letter of Credit of the proceeds of any drawing under such Letter of Credit; or (viii) any consequences arising from causes beyond the control of Issuing Bank, including any Governmental Acts; none of the above shall affect or impair, or prevent the vesting of, any of Issuing Bank's rights or powers hereunder. Without limiting the foregoing and in furtherance thereof, any action taken or omitted by Issuing Bank under or in connection with the Letters of Credit or any documents and certificates delivered thereunder, if taken or omitted in good faith, shall not give rise to any liability on the part of Issuing Bank to Borrower. Notwithstanding anything to the contrary contained in this Section 2.4(c), Borrower shall retain any and all rights it may have against Issuing Bank for any liability arising solely out of the gross negligence or willful misconduct of Issuing Bank.

(d) Reimbursement by Borrower of Amounts Drawn or Paid Under Letters of Credit. In the event Issuing Bank has determined to honor a drawing under a Letter of Credit, it shall immediately notify Borrower and Administrative Agent, and Borrower shall reimburse Issuing Bank on or before the Business Day immediately following the date on which Borrower was notified by Issuing Bank that such drawing was honored (the "**Reimbursement Date**") in an ~~amount~~Equivalent Amount in Dollars and in same day funds equal to the amount of such honored drawing; provided that anything contained herein to

the contrary notwithstanding, (i) unless Borrower shall have notified Administrative Agent and Issuing Bank prior to 10:00 a.m. (New York City time) on the date such drawing is honored that Borrower intends to reimburse Issuing Bank for the amount of such honored drawing with funds other than the proceeds of Revolving Loans, Borrower shall be deemed to have given a timely Funding Notice to Administrative Agent requesting Lenders with Revolving Commitments to make Revolving Loans that are Base Rate Loans on the Reimbursement Date in an ~~amount~~Equivalent Amount in Dollars equal to the amount of such honored drawing, and (ii) subject to satisfaction or waiver of the conditions specified in Section 3.3, Lenders with Revolving Commitments shall, on the Reimbursement Date, make Revolving Loans that are Base Rate Loans in the amount of such honored drawing, the proceeds of which shall be applied directly by Administrative Agent to reimburse Issuing Bank for the amount of such honored drawing; and provided, further, that if for any reason proceeds of Revolving Loans are not received by Issuing Bank on the Reimbursement Date in an amount equal to the amount of such honored drawing, Borrower shall reimburse Issuing Bank, on demand, in an amount in same day funds equal to the excess of the amount of such honored drawing over the aggregate amount of proceeds of such Revolving Loans, if any, which are so received. Nothing in this Section 2.4(d) shall be deemed to relieve any Lender with a Revolving Commitment from its obligation to make Revolving Loans on the terms and conditions set forth herein, and Borrower shall retain any and all rights it may have against any such Lender resulting from the failure of such Lender to make such Revolving Loans under this Section 2.4(d).

(e) Lenders' Purchase of Participations in Letters of Credit. Immediately upon the issuance of each Letter of Credit, each Lender having a Revolving Commitment shall be deemed to have purchased, and hereby agrees to irrevocably purchase, from Issuing Bank a participation in such Letter of Credit and any drawings honored thereunder in an amount equal to such Lender's Pro Rata Share (with respect to the Revolving Commitments) of the maximum amount which is or at any time may become available to be drawn thereunder. In the event that Borrower shall fail for any reason to reimburse Issuing Bank as provided in Section 2.4(d), Issuing Bank shall promptly notify Administrative Agent of the unreimbursed amount of such honored drawing and Administrative Agent shall notify each Lender with a Revolving Commitment of such Lender's respective participation therein based on such Lender's Pro Rata Share of the Revolving Commitments. Each Lender with a Revolving Commitment shall make available to Administrative Agent for the account of the Issuing Bank an amount equal to its respective participation, in an Equivalent Amount in Dollars and in same day funds, at the office of Administrative Agent specified in such notice, not later than 12:00 p.m. (New York City time) on the first business day (under the laws of the jurisdiction in which such office of Issuing Bank is located) after the date notified by Administrative Agent. The Administrative Agent shall remit the funds so received to the Issuing Bank. In the event that any Lender with a Revolving Commitment fails to make available to Administrative Agent for the account of the Issuing Bank on such business day the amount of such Lender's participation in such Letter of Credit as provided in this Section 2.4(e), Issuing Bank (acting through the Administrative Agent) shall be entitled to recover such amount on demand from such Lender together with interest thereon for three Business Days at the rate customarily used by Issuing Bank for the correction of errors among banks and thereafter at the Base Rate. Nothing in this Section 2.4(e) shall be deemed to prejudice the right of any Lender with a Revolving Commitment to recover from Issuing Bank any amounts made available by such Lender to Issuing Bank pursuant to this Section in the event that the payment with respect to a Letter of Credit in respect of which payment was made by such Lender constituted gross negligence or willful misconduct on the part of Issuing Bank. In the event Issuing Bank (acting through the Administrative Agent) shall have been reimbursed by other Lenders pursuant to this Section 2.4(e) for all or any portion of any drawing honored by Issuing Bank under a Letter of Credit, the Issuing Bank (acting through the Administrative Agent) shall distribute to each Lender which has paid all amounts payable by it under this Section 2.4(e) with respect to such honored drawing such Lender's Pro Rata Share of all payments subsequently received by Issuing Bank from Borrower in reimbursement of such honored drawing when such payments are received. Any such distribution shall be made to a Lender at its primary address set forth below its name on Appendix B or at such other address as such Lender may request.

(f) Obligations Absolute. The obligation of Borrower to reimburse Issuing Bank for drawings honored under the Letters of Credit issued by it and to repay any Revolving Loans made by Lenders pursuant to Section 2.4(d) and the obligations of Lenders under Section 2.4(e) shall be unconditional and irrevocable and shall be paid strictly in accordance with the terms hereof under all circumstances including any of the following circumstances: (i) any lack of validity or enforceability of any Letter of Credit; (ii) the existence of any claim, set-off, defense or other right which Borrower or any Lender may have at any time against a beneficiary or any transferee of any Letter of Credit (or any Persons for whom any such transferee may be acting), Issuing Bank, Lender or any other Person or, in the case of a Lender, against Borrower, whether in connection herewith, the transactions contemplated herein or any unrelated transaction (including any underlying transaction between Borrower or one of its Subsidiaries and the beneficiary for which any Letter of Credit was procured); (iii) any draft or other document presented under any Letter of Credit proving to be forged, fraudulent, invalid or insufficient in any respect or any statement therein being untrue or inaccurate in any respect; (iv) payment by Issuing Bank under any Letter of Credit against presentation of a draft or other document which does not substantially comply with the terms of such Letter of Credit; (v) any adverse change in the business, operations, properties, assets, condition (financial or otherwise) or prospects of Borrower or any of its Subsidiaries; (vi) any breach hereof or any other Credit Document by any party thereto; (vii) any other circumstance or happening whatsoever, whether or not similar to any of the foregoing; or (viii) the fact that an Event of Default or a Default shall have occurred and be continuing; provided, in each case, that payment by Issuing Bank under the applicable Letter of Credit shall not have constituted gross negligence or willful misconduct of Issuing Bank under the circumstances in question.

(g) Indemnification. Without duplication of any obligation of Borrower under Section 10.2 or 10.3, in addition to amounts payable as provided herein, Borrower hereby agrees to protect, indemnify, pay and save harmless Issuing Bank from and against any and all claims, demands, liabilities, damages, losses, costs, charges and expenses (including reasonable fees, expenses and disbursements of counsel and allocated costs of internal counsel) which Issuing Bank may incur or be subject to as a consequence, direct or indirect, of (i) the issuance of any Letter of Credit by Issuing Bank, other than as a result of (1) the gross negligence or willful misconduct of Issuing Bank or (2) the wrongful dishonor by Issuing Bank of a proper demand for payment made under any Letter of Credit issued by it, or (ii) the failure of Issuing Bank to honor a drawing under any such Letter of Credit as a result of any Governmental Act, other than any Governmental Act resulting from the gross negligence or willful misconduct of Issuing Bank.

(h) Resignation and Removal of Issuing Bank. An Issuing Bank may resign as Issuing Bank upon 60 days prior written notice to Administrative Agent, Lenders and Borrower. An Issuing Bank may be replaced at any time by written agreement among Borrower, Administrative Agent, the replaced Issuing Bank (provided that no consent will be required if the replaced Issuing Bank has no Letters of Credit or reimbursement Obligations with respect thereto outstanding) and the successor Issuing Bank. Administrative Agent shall notify the Lenders of any such replacement of the Issuing Bank. At the time any such replacement or resignation shall become effective, Borrower shall pay all unpaid fees accrued for the account of the replaced Issuing Bank. From and after the effective date of any such replacement or resignation, (i) any successor Issuing Bank shall have all the rights and obligations of an Issuing Bank under this Agreement with respect to Letters of Credit to be issued thereafter and (ii) references herein to the term "Issuing Bank" shall be deemed to refer to such successor or to any previous Issuing Bank, or to such successor and all previous Issuing Banks, as the context shall require. After the replacement or resignation of an Issuing Bank hereunder, the replaced Issuing Bank shall remain a party hereto to the extent that Letters of Credit issued by it remain outstanding and shall continue to have all the rights and obligations of an Issuing Bank under this Agreement with respect to Letters of Credit issued by it prior to such replacement or resignation, but shall not be required to issue additional Letters of Credit.

2.5 Pro Rata Shares; Availability of Funds.

(a) Pro Rata Shares. All Loans shall be made, and all participations shall be purchased, by Lenders simultaneously and proportionately to their respective Pro Rata Shares, it being understood that no Lender shall be responsible for any default by any other Lender in such other Lender's obligation to make a Loan requested hereunder or purchase a participation required hereby nor shall any Term Loan Commitment or Revolving Commitment of any Lender be increased or decreased as a result of a default by any other Lender in such other Lender's obligation to make a Loan requested hereunder or purchase a participation required hereby.

(b) Availability of Funds. Unless Administrative Agent shall have been notified by any Lender prior to the applicable Credit Date that such Lender does not intend to make available to Administrative Agent the amount of such Lender's Loan requested on such Credit Date, Administrative Agent may assume that such Lender has made such amount available to Administrative Agent on such Credit Date and Administrative Agent may, in its sole discretion, but shall not be obligated to, make available to Borrower a corresponding amount on such Credit Date. If such corresponding amount is not in fact made available to Administrative Agent by such Lender, Administrative Agent shall be entitled to recover such corresponding amount on demand from such Lender together with interest thereon, for each day from such Credit Date until the date such amount is paid to Administrative Agent, at the customary rate set by Administrative Agent for the correction of errors among banks for three Business Days and thereafter at the Base Rate. If such Lender does not pay such corresponding amount forthwith upon Administrative Agent's demand therefor, Administrative Agent shall promptly notify Borrower and Borrower shall immediately pay such corresponding amount to Administrative Agent together with interest thereon, for each day from such Credit Date until the date such amount is paid to Administrative Agent, at the rate payable hereunder for Base Rate Loans for such Class of Loans. Nothing in this Section 2.5(b) shall be deemed to relieve any Lender from its obligation to fulfill its Term Loan Commitments and Revolving Commitments hereunder or to prejudice any rights that Borrower may have against any Lender as a result of any default by such Lender hereunder.

2.6 Use of Proceeds.

(a) The proceeds of the Loans shall be used as follows:

(i) the proceeds of the Revolving Loans, Swing Line Loans and Letters of Credit made after the Third Restatement Date shall be applied by Borrower, as applicable, to (A) finance a portion of any Acquisition and pay related fees and expenses, (B) fund permitted capital expenditures and permitted acquisitions, (C) provide for the ongoing working capital requirements of Borrower and its Subsidiaries and (D) provide for general corporate purposes of Borrower and its Subsidiaries; and

(ii) the proceeds of the Tranche B Term Loans made on the Third Restatement Date shall be applied by Borrower, as applicable, to (A) repay a portion of the Revolving Loans outstanding as of the Third Restatement Date (but not to permanently reduce Revolving Commitments with respect thereto), (B) fund permitted capital expenditures and permitted acquisitions, (C) provide for general corporate purposes of Borrower and its Subsidiaries and (D) pay all fees and expenses in connection with the incurrence of the Tranche B Term Loans and the repayment of Revolving Loans (including fees and expenses in connection with the amendment and restatement of the Second Amended and Restated Credit Agreement).

(b) No portion of the proceeds of any Credit Extension shall be used in any manner that causes or might cause such Credit Extension or the application of such proceeds to violate Regulation T, Regulation U or Regulation X of the Board of Governors or any other regulation thereof.

2.7 Evidence of Debt; Register; Lenders' Books and Records; Notes.

(a) Lenders' Evidence of Debt. Each Lender shall maintain on its internal records an account or accounts evidencing the Obligations of Borrower to such Lender, including the amounts of the Loans made by it and each repayment and prepayment in respect thereof. Any such recordation shall be conclusive and binding on Borrower, absent manifest error; provided, that the failure to make any such recordation, or any error in such recordation, shall not affect any Lender's Revolving Commitments or Borrower's Obligations in respect of any applicable Loans; and provided further that, in the event of any inconsistency between the Register and any Lender's records, the recordations in the Register shall govern.

(b) Register. Administrative Agent (or its agent or sub-agent appointed by it) shall maintain at the Principal Office designated by Administrative Agent a register for the recordation of the names and addresses of Lenders and the Revolving Commitments and Loans of each Lender from time to time (the "**Register**"). The Register shall be available for inspection by Borrower or any Lender (with respect to any entry relating to such Lender's Loans) at any reasonable time and from time to time upon reasonable prior notice. Administrative Agent shall record, or shall cause to be recorded, in the Register the Revolving Commitments and the Loans in accordance with the provisions of Section 10.6, and each repayment or prepayment in respect of the principal amount of the Loans, and any such recordation shall be conclusive and binding on Borrower and each Lender, absent manifest error; provided that failure to make any such recordation, or any error in such recordation, shall not affect any Lender's Revolving Commitments or Borrower's Obligations in respect of any Loan. Borrower hereby designates Administrative Agent to serve as Borrower's agent solely for purposes of maintaining the Register as provided in this Section 2.7, and Borrower hereby agrees that, to the extent Administrative Agent serves in such capacity, Administrative Agent and its officers, directors, employees, agents, sub-agents and affiliates shall constitute "Indemnitees."

(c) Notes. If so requested by any Lender by written notice to Borrower (with a copy to Administrative Agent) at least two Business Days prior to the Third Restatement Date, or at any time thereafter, Borrower shall execute and deliver to such Lender (and/or, if applicable and if so specified in such notice, to any Person who is an assignee of such Lender pursuant to Section 10.6) on the Third Restatement Date (or, if such notice is delivered after the Third Restatement Date, as promptly as practicable after Borrower's receipt of such notice) a Note or Notes to evidence such Lender's Tranche A Term Loans, Tranche B Term Loans, New Term Loans, Revolving Loan or Swing Line Loan, as the case may be.

2.8 Interest on Loans.

(a) Except as otherwise set forth herein, each Class of Loans shall bear interest on the unpaid principal amount thereof from the date made through repayment (whether by acceleration or otherwise) thereof as follows:

(i) in the case of Tranche A Term Loans and Revolving Loans:

- if a Base Rate Loan, at the Base Rate plus the Applicable Margin; or
- if a Eurodollar Rate Loan, at the Adjusted Eurodollar Rate plus the Applicable Margin; and

(ii) in the case of Swing Line Loans, at the Base Rate plus the Applicable Margin; and

(iii) in the case of Tranche B Loans:

- if a Base Rate Loan, at the Base Rate plus the Applicable Margin; or
- if a Eurodollar Rate Loan, at the Adjusted Eurodollar Rate plus the Applicable Margin.

(b) The basis for determining the rate of interest with respect to any Loan (except a Swing Line Loan which can be made and maintained as a Base Rate Loan only), and the Interest Period with respect to any Eurodollar Rate Loan, shall be selected by Borrower and notified to Administrative Agent and Lenders pursuant to the applicable Funding Notice or Conversion/Continuation Notice, as the case may be; provided that, until the date on which Administrative Agent notifies Borrower that the primary syndication of the Loans and Revolving Commitments has been completed, as determined by Administrative Agent (but in no event to exceed 90 days after the Third Restatement Date), the Tranche B Term Loans shall be maintained as either (1) Eurodollar Rate Loans having an Interest Period of no longer than three months or (2) Base Rate Loans. If on any day a Loan is outstanding with respect to which a Funding Notice or Conversion/Continuation Notice has not been delivered to Administrative Agent in accordance with the terms hereof specifying the applicable basis for determining the rate of interest, then for that day such Loan shall be a Base Rate Loan.

(c) In connection with Eurodollar Rate Loans there shall be no more than seven (7) Interest Periods outstanding at any time. In the event Borrower fails to specify between a Base Rate Loan or a Eurodollar Rate Loan in the applicable Funding Notice or Conversion/Continuation Notice, such Loan (if outstanding as a Eurodollar Rate Loan) will be automatically converted into a Base Rate Loan on the last day of then current Interest Period for such Loan (or if outstanding as a Base Rate Loan will remain as, or (if not then outstanding) will be made as, a Base Rate Loan). In the event Borrower fails to specify an Interest Period for any Eurodollar Rate Loan in the applicable Funding Notice or Conversion/Continuation Notice, Borrower shall be deemed to have selected an Interest Period of one month. As soon as practicable after 10:00 a.m. (New York City time) on each Interest Rate Determination Date, Administrative Agent shall determine (which determination shall, absent manifest error, be final, conclusive and binding upon all parties) the interest rate that shall apply to the Eurodollar Rate Loans for which an interest rate is then being determined for the applicable Interest Period and shall promptly give notice thereof (in writing or by telephone confirmed in writing) to Borrower and each Lender.

(d) Interest payable pursuant to Section 2.8(a) shall be computed (i) in the case of Base Rate Loans (other than Base Rate Loans for which the Base Rate has been calculated pursuant to the third sentence of the definition thereof), on the basis of a 365 day or 366 day year, as the case may be, and (ii) in the case of Eurodollar Rate Loans and Base Rate Loans for which the Base Rate has been calculated pursuant to the third sentence of the definition thereof, on the basis of a 360 day year, in each case for the actual number of days elapsed in the period during which it accrues. In computing interest on any Loan, the date of the making of such Loan or the first day of an Interest Period applicable to such Loan or, with respect to a Term Loan, the last Interest Payment Date with respect to such Term Loan or, with respect to a Base Rate Loan being converted from a Eurodollar Rate Loan, the date of conversion of such Eurodollar Rate Loan to such Base Rate Loan shall be included, and the date of payment of such Loan or the expiration date of an Interest Period applicable to such Loan or, with respect to a Base Rate Loan being converted to a Eurodollar Rate Loan, the date of conversion of such Base Rate Loan to such Eurodollar Rate Loan shall be excluded; provided that, if a Loan is repaid on the same day on which it is made, one day's interest shall be paid on that Loan.

(e) Except as otherwise set forth herein, interest on each Loan (i) shall accrue on a daily basis and shall be payable in arrears on each Interest Payment Date with respect to interest accrued on and to each such payment date; (ii) shall accrue on a daily basis and shall be payable in arrears upon any prepayment of that Loan, whether voluntary or mandatory, to the extent accrued on the amount being prepaid; and (iii) shall accrue on a daily basis and shall be payable in arrears at maturity of the Loans, including final maturity of the Loans; provided, however, with respect to any voluntary prepayment of a Revolving Loan that is a Base Rate Loan, accrued interest shall instead be payable on the applicable Interest Payment Date.

(f) Borrower agrees to pay to Issuing Bank, with respect to drawings honored under any Letter of Credit, interest on the amount paid by Issuing Bank in respect of each such honored drawing from the date such drawing is honored to but excluding the date such amount is reimbursed by or on behalf of Borrower at a rate equal to (i) for the period from the date such drawing is honored to but excluding the applicable Reimbursement Date, the rate of interest otherwise payable hereunder with respect to Revolving Loans that are Base Rate Loans, and (ii) thereafter, the rate of interest required pursuant to Section 2.10.

(g) Interest payable pursuant to Section 2.8(f) shall be computed on the basis of a 365/366 day year for the actual number of days elapsed in the period during which it accrues, and shall be payable on demand or, if no demand is made, on the date on which the related drawing under a Letter of Credit is reimbursed in full. Promptly upon receipt by Issuing Bank of any payment of interest pursuant to Section 2.8(g), Issuing Bank shall distribute to each Lender, out of the interest received by Issuing Bank in respect of the period from the date such drawing is honored to but excluding the date on which Issuing Bank is reimbursed for the amount of such drawing (including any such reimbursement out of the proceeds of any Revolving Loans), the amount that such Lender would have been entitled to receive in respect of the letter of credit fee that would have been payable in respect of such Letter of Credit for such period if no drawing had been honored under such Letter of Credit. In the event Issuing Bank shall have been reimbursed by Lenders for all or any portion of such honored drawing, Issuing Bank shall distribute to each Lender which has paid all amounts payable by it under Section 2.4(e) with respect to such honored drawing such Lender's Pro Rata Share of any interest received by Issuing Bank in respect of that portion of such honored drawing so reimbursed by Lenders for the period from the date on which Issuing Bank was so reimbursed by Lenders to but excluding the date on which such portion of such honored drawing is reimbursed by Borrower.

2.9 Conversion/Continuation.

(a) Subject to Section 2.18 and so long as no Default or Event of Default shall have occurred and then be continuing, Borrower shall have the option:

(i) to convert at any time all or any part of any Term Loan or Revolving Loan equal to $5,000,000 and integral multiples of $1,000,000 in excess of that amount from one Type of Loan to another Type of Loan; provided that a Eurodollar Rate Loan may only be converted on the expiration of the Interest Period applicable to such Eurodollar Rate Loan unless Borrower shall pay all amounts due under Section 2.18 in connection with any such conversion;

(ii) upon the expiration of any Interest Period applicable to any Eurodollar Rate Loan, to continue all or any portion of such Loan equal to $5,000,000 and integral multiples of $1,000,000 in excess of that amount as a Eurodollar Rate Loan;

(b) Subject to Section 3.3(b), Borrower shall deliver a Conversion/Continuation Notice to Administrative Agent no later than 10:00 a.m. (New York City time) at least one Business Day in ad-

vance of the proposed conversion date (in the case of a conversion to a Base Rate Loan), at least three Business Days in advance of the proposed conversion/continuation date (in the case of a conversion to, or a continuation of, a Eurodollar Rate Loan).

2.10 Default Interest. Upon the occurrence and during the continuance of an Event of Default, any overdue amounts shall thereafter bear interest (including post petition interest in any proceeding under Insolvency Laws) payable on demand at a rate which is 2% per annum in excess of the interest rate otherwise payable hereunder for Base Rate Loans (or, in the case of any fees and other amounts, at a rate which is 2% per annum in excess of the interest rate otherwise payable hereunder for Base Rate Loans). Payment or acceptance of the increased rates of interest provided for in this Section 2.10 is not a permitted alternative to timely payment and shall not constitute a waiver of any Event of Default or otherwise prejudice or limit any rights or remedies of Administrative Agent or any Lender.

2.11 Fees.

(a) Borrower agrees to pay to Lenders having Revolving Exposure (for purposes of clarity, excluding the Issuing Bank, in its capacity as such):

(i) commitment fees accruing at 0.50% per annum on the average of the daily difference between (a) the Revolving Commitments, and (b) the aggregate principal amount of (x) all outstanding Revolving Loans (for the avoidance of doubt, excluding Swing Line Loans) plus (y) the Letter of Credit Usage; and

(ii) letter of credit fees accruing at the Applicable Margin for Revolving Loans that are Eurodollar Rate Loans on the average aggregate daily maximum amount available to be drawn under all such Letters of Credit (regardless of whether any conditions for drawing could then be met and determined as of the close of business on any date of determination).

Notwithstanding the foregoing, any commitment fee which accrued with respect to the Revolving Commitment of a Defaulting Lender during the period prior to the time such Lender became a Defaulting Lender and unpaid at such time shall not be payable by Borrower so long as such Lender shall be a Defaulting Lender except to the extent that such commitment fee shall otherwise have been due and payable by Borrower prior to such time; and provided, further, that no such commitment fee shall accrue on the Revolving Commitment of a Defaulting Lender so long as such Lender shall be a Defaulting Lender. All fees referred to in this Section 2.11(a) shall be paid to Administrative Agent at its Principal Office and upon receipt, Administrative Agent shall promptly distribute to each Lender its Pro Rata Share thereof.

(b) Borrower agrees to pay directly to Issuing Bank, for its own account, the following fees:

(i) a fronting fee accruing at ~~0.25~~0.125% per annum on the average aggregate daily maximum amount available to be drawn under all Letters of Credit (determined as of the close of business on any date of determination); and

(ii) such documentary and processing charges for any issuance, amendment, transfer or payment of a Letter of Credit as are in accordance with Issuing Bank's standard schedule for such charges and as in effect at the time of such issuance, amendment, transfer or payment, as the case may be.

(c) Borrower agrees to pay on the Third Restatement Date to Administrative Agent, for the account of each Lender party to this Agreement as a Lender on Third Restatement Date, as fee compensation for the funding of such Lender's Tranche B Term Loans, a closing fee in an amount equal to the per-

centage of the stated principal amount of such Lender's Tranche B Term Loans set forth in Schedule 2.11(c) payable to such Lender from the proceeds of its Tranche B Term Loan as and when funded on the Third Restatement Date. Such closing fee will be in all respects fully earned, due and payable on the Third Restatement Date and non-refundable and non-creditable thereafter.

(d) All fees referred to in Section 2.11(a) and 2.11(b)(i) shall be calculated on the basis of a 360-day year and the actual number of days elapsed and shall be payable quarterly in arrears on March 31, June 30, September 30 and December 31 of each year during the Revolving Commitment Period, commencing on March 31, 2012, and on the Revolving Commitment Termination Date.

(e) In addition to any of the foregoing fees, Borrower agrees to pay to Agents such other fees in the amounts and at the times separately agreed upon.

(f) Borrower agrees to pay on the Series A Tranche B Term Loan Funding Date to Administrative Agent, for the account of each New Term Loan Lender party to the Series A Tranche B Term Loan Joinder Agreement, as fee compensation for the funding of such New Term Loan Lender's Series A Tranche B Term Loans, a closing fee in an amount equal to 2.50% of the aggregate principal amount of such New Term Loan Lender's Series A Tranche B Term Loans funded as of the Series A Tranche B Term Loan Funding Date.

(g) Borrower agrees to pay on the Series B Tranche B Term Loan Funding Date to Administrative Agent, for the account of each New Term Loan Lender party to the Series B Tranche B Term Loan Joinder Agreement, as fee compensation for the funding of such New Term Loan Lender's Series B Tranche B Term Loans, a closing fee in an amount equal to 2.00% of the aggregate principal amount of such New Term Loan Lender's Series B Tranche B Term Loans funded as of the Series B Tranche B Term Loan Funding Date.

(h) Borrower agrees to pay on New Revolving Loan Commitment Effective Date to Administrative Agent, for the account of each New Revolving Loan Lender party to the Revolving Loan Commitment Increase Joinder Agreement, as fee compensation for the commitments of such New Revolving Loan Lender's New Revolving Loan Commitments (as defined in the Revolving Loan Commitment Increase Joinder Agreement), a closing fee in an amount equal to 1.00% of the aggregate principal amount of such New Revolving Loan Lender's New Revolving Loan Commitments as of the New Revolving Loan Commitment Effective Date.

(i) Borrower agrees to pay on the Series C Tranche B Term Loan Funding Date to Administrative Agent, for the account of each New Term Loan Lender party to the Series C Tranche B Term Loan Joinder Agreement, (1) as fee compensation for the funding of such New Term Loan Lender's Series C Tranche B Term Loans, a closing fee in an amount equal to 0.50% of the aggregate principal amount of such New Term Loan Lender's Series C Tranche B Term Loans funded as of the Series C Tranche B Term Loan Funding Date, and (2) a nonrefundable ticking fee on the amount of such New Term Loan Lender's respective New Term Loan Commitment (as in effect on such date), for the period from October 4, 2012 to but excluding the Series C Tranche B Term Loan Funding Date, at a rate per annum, calculated on the basis of a year of 360 days and the actual number of days expired during the applicable period, equal to 3.25%.

(j) Borrower agrees to pay on the Amendment No. 3 Effective Date to the Administrative Agent, for the account of (i) each New Term Loan Lender (as defined in Amendment No. 3) party to Amendment No. 3, as fee compensation for the funding of such New Term Loan Lender's Series A-1 Tranche A Term Loans, a closing fee in an amount equal to 0.10% of the aggregate principal amount of such New Lender's Series A-1 Tranche A Term Loans funded on the Amendment No. 3 Effective Date,

and (ii) each New Revolving Loan Lender (as defined in Amendment No. 3) party to Amendment No. 3, as fee compensation for the establishment of the New Revolving Loan Commitments (as defined in Amendment No. 3) of such New Revolving Loan Lender, a closing fee in an amount equal to 0.10% of the aggregate principal amount of the New Revolving Commitments of such New Revolving Loan Lender established as of the Amendment No. 3 Effective Date; provided that, notwithstanding the foregoing, (x) the closing fee payable to any New Term Loan Lender in respect of Exchanged Series A-1 Tranche A Term Loans (as defined in Amendment No. 3) shall be 0.10% of the aggregate principal amount of such Exchanged Series A-1 Tranche A Term Loans, and (y) with respect to any New Revolving Loan Lender that had outstanding Revolving Commitments immediately prior to the Amendment No. 3 Effective Date, the closing fee payable to such New Revolving Loan Lender in respect of the aggregate principal amount of its New Revolving Loan Commitments that are equal to or less than the aggregate principal amount of its Revolving Commitments that were outstanding immediately prior to the Amendment No. 3 Effective Date shall be 0.10% of the aggregate principal amount of its New Revolving Loan Commitments established as of the Amendment No. 3 Effective Date.

(k) Borrower agrees to pay: (i) on the Series A-2 Tranche A Term Loan Funding Date to the Administrative Agent, for the account of each New Term Loan Lender party to the Series A-2 Tranche A Term Loan Joinder Agreement, (1) as fee compensation for the funding of such New Term Loan Lender's Series A-2 Tranche A Term Loans, a closing fee in an amount equal to 1.50% of the aggregate principal amount of such New Term Loan Lender's Series A-2 Tranche A Term Loans funded as of the Series A-2 Tranche A Term Loan Funding Date and (2) a nonrefundable ticking fee on the aggregate principal amount of such New Term Loan Lender's Series A-2 Tranche A Term Loan Commitment as of June 28, 2013, for the period from July 29, 2013, to but excluding the Series A-2 Tranche A Term Loan Funding Date, at a rate per annum, calculated on the basis of a year of 360 days and the actual number of days expired during the applicable period, equal to 2.25%; and (ii) (i) on the Series E Tranche B Term Loan Funding Date to the Administrative Agent, for the account of each New Term Loan Lender party to the Series E Tranche B Term Loan Joinder Agreement, (1) as fee compensation for the funding of such New Term Loan Lender's Series E Tranche B Term Loans, a closing fee in an amount equal to 1.50% of the aggregate principal amount of such New Term Loan Lender's Series E Tranche B Term Loans funded as of the Series E Tranche B Term Loan Funding Date and (2) a nonrefundable ticking fee on the aggregate principal amount of such New Term Loan Lender's Series E Tranche B Term Loan Commitment as of June 28, 2013, for the period from July 29, 2013, to but excluding the Series E Tranche B Term Loan Funding Date, at a rate per annum, calculated on the basis of a year of 360 days and the actual number of days expired during the applicable period, equal to 3.75%.

2.12 Scheduled Payments/Commitment Reductions.

(a) Scheduled Installments. The principal amounts of the Tranche A Term Loans and Tranche B Term Loans shall be repaid in consecutive quarterly installments (each, an "**Installment**") equal to the percentage set forth below of, initially, an amount equal to the aggregate principal amount of Tranche A Term Loans and Tranche B Term Loans outstanding on the Third Restatement Date on the four quarterly scheduled Interest Payment Dates (each such date, an "**Installment Date**"), commencing March 31, 2012:

Amortization Date	Tranche A Term Loan Installments	Series C-~~1~~2 Tranche B Term Loan Installments	Series D-~~1~~2 Tranche B Term Loan Installments	Series E Tranche B Term Loan Installments
March 31, 2012	1.25%	--	--	--
June 30, 2012	1.25%	--	--	--
September 30, 2012	1.25%	--	--	--
December 31, 2012	1.25%	--	--	--

Amortization Date	Tranche A Term Loan Installments	Series C-~~1~~2 Tranche B Term Loan Installments	Series D-~~1~~2 Tranche B Term Loan Installments	Series E Tranche B Term Loan Install-ments
March 31, 2013	2.5%	~~0.25%~~--	~~0.25%~~--	--
June 30, 2013	2.5%	~~0.25%~~--	~~0.25%~~--	--
September 30, 2013	2.5%	~~0.25%~~--	~~0.25%~~--	0.25%
December 31, 2013	2.5%	~~0.25%~~--	~~0.25%~~--	0.25%
March 31, 2014	5.0%	0.25%	0.25%	0.25%
June 30, 2014	5.0%	0.25%	0.25%	0.25%
September 30, 2014	5.0%	0.25%	0.25%	0.25%
December 31, 2014	5.0%	0.25%	0.25%	0.25%
March 31, 2015	5.0%	0.25%	0.25%	0.25%
June 30, 2015	5.0%	0.25%	0.25%	0.25%
September 30, 2015	5.0%	0.25%	0.25%	0.25%
December 31, 2015	5.0%	0.25%	0.25%	0.25%
March 31, 2016	5.0%	0.25%	0.25%	0.25%
Tranche A Term Loan Maturity Date	Remaining Balance	--	--	--
June 30, 2016	--	0.25%	0.25%	0.25%
September 30, 2016	--	0.25%	0.25%	0.25%
December 31, 2016	--	0.25%	0.25%	0.25%
March 31, 2017	--	0.25%	0.25%	0.25%
June 30, 2017	--	0.25%	0.25%	0.25%
September 30, 2017	--	0.25%	0.25%	0.25%
December 31, 2017	--	0.25%	0.25%	0.25%
March 31, 2018	--	0.25%	0.25%	0.25%
June 30, 2018	--	0.25%	0.25%	0.25%
September 30, 2018	--	0.25%	0.25%	0.25%
December 31, 2018	--	0.25%	0.25%	0.25%
Tranche B Term Loan Maturity Date	--	--	Remaining Balance	--
March 31, 2019	--	0.25%	--	0.25%
June 30, 2019	--	0.25%	--	0.25%
September 30, 2019	--	0.25%	--	0.25%
Series C Tranche B Term Loan Maturity Date	--	Remaining Balance	--	--
December 31, 2019	--	--	--	0.25%
March 31, 2020	--	--	--	0.25%
June 30, 2020	--	--	--	0.25%
Series E Tranche B Term Loan Maturity Date	--	--	--	Remaining Balance

Notwithstanding the foregoing, (x) such Installments shall be reduced in connection with any voluntary or mandatory prepayments of the Tranche A Term Loans and/or the Tranche B Term Loans as the case may be, in accordance with Sections 2.13, 2.14 and 2.15, as applicable; and (y) the Tranche A Term Loans and the Tranche B Term Loans, together with all other amounts owed hereunder with respect thereto, shall, in

any event, be paid in full no later than the Tranche A Term Loan Maturity Date and the Tranche B Term Loan Maturity Date, respectively.

2.13 Voluntary Prepayments/Commitment Reductions.

(a) Voluntary Prepayments.

(i) Any time and from time to time:

(A) with respect to Base Rate Loans, Borrower may prepay any such Loans on any Business Day in whole or in part (in the case of a partial prepayment of Loans borrowed in Dollars, in an aggregate minimum amount of $5,000,000 and integral multiples of $1,000,000 in excess of that amount);

(B) with respect to Eurodollar Rate Loans, subject to Section 2.18(c), Borrower may prepay any such Loans on any Business Day in whole or in part (in the case of a partial prepayment, in an aggregate minimum amount of $5,000,000 and integral multiples of $1,000,000 in excess of that amount); and

(C) with respect to Swing Line Loans, Borrower may prepay any such Loans on any Business Day in whole or in part (in the case of a partial prepayment, in an aggregate minimum amount of $500,000, and in integral multiples of $100,000 in excess of that amount).

(ii) All such prepayments shall be made:

(A) upon not less than one Business Day's prior written or telephonic notice in the case of Base Rate Loans;

(B) upon not less than three Business Days' prior written or telephonic notice in the case of Eurodollar Rate Loans; and

(C) upon written or telephonic notice on the date of prepayment, in the case of Swing Line Loans;

in each case given to Administrative Agent or Swing Line Lender, as the case may be, by 12:00 p.m. (New York City time) on the date required and, if given by telephone, promptly confirmed by delivery of written notice thereof to Administrative Agent (and Administrative Agent will promptly transmit such original notice for Term Loans or Revolving Loans, as the case may be, by telefacsimile or telephone to each Lender) or Swing Line Lender, as the case may be. Upon the giving of any such notice, the principal amount of the Loans specified in such notice shall become due and payable on the prepayment date specified therein; provided that a notice of voluntary prepayment may state that such notice is conditional upon the effectiveness of other credit facilities or the receipt of the proceeds from the issuance of other Indebtedness or upon the closing of an acquisition transaction, in which case such notice of prepayment may be revoked by Borrower (by notice to Administrative Agent on or prior to the specified date) if such condition is not satisfied. Any such voluntary prepayment shall be applied as specified in Section 2.15(a).

Notwithstanding Section 2.13(a) above, in the event that on or prior to the first anniversary of the Third Restatement Date, the Borrower (x) makes any prepayment of Tranche B Term Loans in connection with any Repricing Transaction or (y) effects any amendment of this Agreement resulting in a Repricing Transaction, the Borrower shall pay to the Administrative Agent, for the ratable account of each of the applicable Lenders, (I) in the case of clause (x) above, a prepayment premium of 1% of the amount of the

Tranche B Term Loans being prepaid and (II) in the case of clause (y) above, a payment equal to 1% of the aggregate amount of the applicable Tranche B Term Loans outstanding immediately prior to such amendment.

Notwithstanding Section 2.13(a) above, in the event that on or prior to the first anniversary of the Series A Tranche B Term Loan Funding Date, the Borrower (x) makes any prepayment of the Series A Tranche B Term Loans in connection with any Repricing Transaction or (y) effects any amendment of the Credit Agreement resulting in a Repricing Transaction, the Borrower shall pay to the Administrative Agent, for the ratable account of each of the applicable Lenders, (I) in the case of clause (x) above, a prepayment premium of 1% of the amount of the Series A Tranche B Term Loans being prepaid and (II) in the case of clause (y) above, a payment equal to 1% of the aggregate amount of the applicable Series A Tranche B Term Loans outstanding immediately prior to such amendment.

Notwithstanding Section 2.13(a) above, in the event that on or prior to the first anniversary of the Series A Tranche B Term Loan Funding Date, the Borrower (x) makes any prepayment of the Series B Tranche B Term Loans in connection with any Repricing Transaction or (y) effects any amendment of the Credit Agreement resulting in a Repricing Transaction, the Borrower shall pay to the Administrative Agent, for the ratable account of each of the applicable Lenders, (I) in the case of clause (x) above, a prepayment premium of 1% of the amount of the Series B Tranche B Term Loans being prepaid and (II) in the case of clause (y) above, a payment equal to 1% of the aggregate amount of the applicable Series B Tranche B Term Loans outstanding immediately prior to such amendment.

Notwithstanding Section 2.13(a) above, in the event that on or prior to the first anniversary of the Series D Tranche B Term Loan Funding Date, the Borrower (x) makes any prepayment of the Series C Tranche B Term Loans in connection with any Repricing Transaction or (y) effects any amendment of the Credit Agreement resulting in a Repricing Transaction, the Borrower shall pay to the Administrative Agent, for the ratable account of each of the applicable Lenders, (I) in the case of clause (x) above, a prepayment premium of 1% of the amount of the Series C Tranche B Term Loans being prepaid and (II) in the case of clause (y) above, a payment equal to 1% of the aggregate amount of the applicable Series C Tranche B Term Loans outstanding immediately prior to such amendment.

Notwithstanding Section 2.13(a) above, in the event that on or prior to the first anniversary of the Series D Tranche B Term Loan Funding Date, the Borrower (x) makes any prepayment of the Series D Tranche B Term Loans in connection with any Repricing Transaction or (y) effects any amendment of the Credit Agreement resulting in a Repricing Transaction, the Borrower shall pay to the Administrative Agent, for the ratable account of each of the applicable Lenders, (I) in the case of clause (x) above, a prepayment premium of 1% of the amount of the Series D Tranche B Term Loans being prepaid and (II) in the case of clause (y) above, a payment equal to 1% of the aggregate amount of the applicable Series D Tranche B Term Loans outstanding immediately prior to such amendment.

Notwithstanding Section 2.13(a) above, in the event that on or prior to the six month anniversary of the Series C-1 Tranche B Term Loan Funding Date, the Borrower (x) makes any prepayment of the Series C-1 Tranche B Term Loans in connection with any Repricing Transaction or (y) effects any amendment of the Credit Agreement resulting in a Repricing Transaction, the Borrower shall pay to the Administrative Agent, for the ratable account of each of the applicable Lenders, (I) in the case of clause (x) above, a prepayment premium of 1% of the amount of the Series C-1 Tranche B Term Loans being prepaid and (II) in the case of clause (y) above, a payment equal to 1% of the aggregate amount of the applicable Series C-1 Tranche B Term Loans outstanding immediately prior to such amendment.

Notwithstanding Section 2.13(a) above, in the event that on or prior to the six month anniversary of the Series D-1 Tranche B Term Loan Funding Date, the Borrower (x) makes any prepayment of the

Series D-1 Tranche B Term Loans in connection with any Repricing Transaction or (y) effects any amendment of the Credit Agreement resulting in a Repricing Transaction, the Borrower shall pay to the Administrative Agent, for the ratable account of each of the applicable Lenders, (I) in the case of clause (x) above, a prepayment premium of 1% of the amount of the Series D-1 Tranche B Term Loans being prepaid and (II) in the case of clause (y) above, a payment equal to 1% of the aggregate amount of the applicable Series D-1 Tranche B Term Loans outstanding immediately prior to such amendment.

Notwithstanding Section 2.13(a) above, in the event that on or prior to the six month anniversary of the Series E Tranche B Term Loan Funding Date, the Borrower (x) makes any prepayment of the Series E Tranche B Term Loans in connection with any Repricing Transaction or (y) effects any amendment of the Credit Agreement resulting in a Repricing Transaction, the Borrower shall pay to the Administrative Agent, for the ratable account of each of the applicable Lenders, (I) in the case of clause (x) above, a prepayment premium of 1% of the amount of the Series E Tranche B Term Loans being prepaid and (II) in the case of clause (y) above, a payment equal to 1% of the aggregate amount of the applicable Series E Tranche B Term Loans outstanding immediately prior to such amendment.

Notwithstanding Section 2.13(a) above, in the event that on or prior to the six month anniversary of the Series C-2 Tranche B Term Loan Funding Date, the Borrower (x) makes any prepayment of the Series C-2 Tranche B Term Loans in connection with any Repricing Transaction or (y) effects any amendment of the Credit Agreement resulting in a Repricing Transaction, the Borrower shall pay to the Administrative Agent, for the ratable account of each of the applicable Lenders, (I) in the case of clause (x) above, a prepayment premium of 1% of the amount of the Series C-2 Tranche B Term Loans being prepaid and (II) in the case of clause (y) above, a payment equal to 1% of the aggregate amount of the applicable Series C-2 Tranche B Term Loans outstanding immediately prior to such amendment.

Notwithstanding Section 2.13(a) above, in the event that on or prior to the six month anniversary of the Series D-2 Tranche B Term Loan Funding Date, the Borrower (x) makes any prepayment of the Series D-2 Tranche B Term Loans in connection with any Repricing Transaction or (y) effects any amendment of the Credit Agreement resulting in a Repricing Transaction, the Borrower shall pay to the Administrative Agent, for the ratable account of each of the applicable Lenders, (I) in the case of clause (x) above, a prepayment premium of 1% of the amount of the Series D-2 Tranche B Term Loans being prepaid and (II) in the case of clause (y) above, a payment equal to 1% of the aggregate amount of the applicable Series D-2 Tranche B Term Loans outstanding immediately prior to such amendment.

(b) Voluntary Commitment Reductions.

(i) Borrower may, upon not less than three Business Days' prior written or telephonic notice promptly confirmed by delivery of written notice thereof to Administrative Agent (which original written or telephonic notice Administrative Agent will promptly transmit by telefacsimile or telephone to each applicable Lender), at any time and from time to time terminate in whole or permanently reduce in part, without premium or penalty, the Revolving Commitments in an amount up to the amount by which the Revolving Commitments exceed the Total Utilization of Revolving Commitments at the time of such proposed termination or reduction; provided that any such partial reduction of the Revolving Commitments shall be in an aggregate minimum amount of $5,000,000 and integral multiples of $1,000,000 in excess of that amount.

(ii) Borrower's notice to Administrative Agent shall designate the date (which shall be a Business Day) of such termination or reduction and the amount of any partial reduction, and such termination or reduction of the Revolving Commitments shall be effective on the date specified in Borrower's notice and shall reduce the Revolving Commitment of each Lender proportionately to its Pro Rata Share thereof; provided that a notice of termination or partial reduction may state that such notice is conditional

upon the effectiveness of other credit facilities or the receipt of the proceeds from the issuance of other Indebtedness or upon the closing of an acquisition transaction, in which case such notice of termination or partial reduction may be revoked by Borrower (by notice to the Administrative Agent on or prior to the specified date) if such condition is not satisfied.

2.14 Mandatory Prepayments.

(a) Asset Sales. No later than three Business Days following the date of receipt by Borrower or any of its Subsidiaries of any Net Asset Sale Proceeds, Borrower shall prepay the Loans as set forth in Section 2.15(b) in an aggregate amount equal to such Net Asset Sale Proceeds; provided that so long as no Event of Default shall have occurred and be continuing, Borrower or any of its Subsidiaries may invest an amount equal to all or any portion of such Net Asset Sale Proceeds received from Asset Sales of assets within 365 days of receipt thereof in real estate, equipment and other tangible assets, Intellectual Property or Intellectual Property licenses useful in the business of Borrower and its Subsidiaries (or any similar or related or ancillary business), in which case the amount of Net Asset Sale Proceeds so invested shall not be required to be applied to prepay the Loans pursuant to this Section 2.14(a).

(b) Insurance/Condemnation Proceeds. No later than three Business Days following the date of receipt by Borrower or any of its Subsidiaries, or Administrative Agent as loss payee, of any Net Insurance/Condemnation Proceeds in excess of $25,000,000 in the aggregate in any Fiscal Year, Borrower shall prepay the Loans as set forth in Section 2.15(b) in an aggregate amount equal to such Net Insurance/Condemnation Proceeds; provided that, so long as no Event of Default shall have occurred and be continuing, Borrower or any of its Subsidiaries may invest an amount equal to all or any portion of such Net Insurance/Condemnation Proceeds within 365 days of receipt thereof in real estate, equipment and other tangible assets useful in the business of Borrower and its Subsidiaries (or any similar or related or ancillary business), which investment may include the repair, restoration or replacement of the applicable assets thereof, in which case the amount of Net Insurance/Condemnation Proceeds so invested shall not be required to be applied to prepay the Loans pursuant to this Section 2.14(b).

(c) Issuance of Equity Securities. No later than three Business Days following the date of receipt by Borrower or any of its Subsidiaries of any Cash proceeds from a capital contribution to, or the issuance of any Equity Interests of, Borrower or any of its Subsidiaries (other than (i) pursuant to any employee stock or stock option compensation plan or any employment agreement, (ii) the receipt of a capital contribution from, or the issuance of Equity Interests to, Borrower or any of its Subsidiaries, (iii) the issuance of directors' qualifying shares or of other nominal amounts of other Equity Interests that are required to be held by specified Persons under Applicable Law and (iv) in connection with a Permitted Majority Investment), Borrower shall prepay the Loans as set forth in Section 2.15(b) in an aggregate amount equal to 50% of such proceeds, in each case, net of underwriting discounts and commissions and other reasonable costs and expenses associated therewith, including reasonable legal fees and expenses; provided that if, as of the end of the most recent four consecutive Fiscal Quarter period (determined for any such period by reference to the Compliance Certificate delivered pursuant to Section 5.1(c) calculating the Leverage Ratio as of the last day of such four consecutive Fiscal Quarter period), the Leverage Ratio determined on a Pro Forma Basis shall be 3.25:1.00 or less, Borrower shall only be required to make prepayments otherwise required hereby in an amount equal to 25% of such proceeds.

(d) Issuance of Debt. No later than two Business Days following the date of receipt by Borrower or any of its Subsidiaries of any Cash proceeds from the incurrence of any Indebtedness of Borrower or any of its Subsidiaries (other than with respect to any Indebtedness permitted to be incurred pursuant to Section 6.1), Borrower shall prepay the Loans as set forth in Section 2.15(b) in an aggregate amount equal to 100% of such proceeds, net of underwriting discounts and commissions and other reasonable costs and expenses associated therewith, including reasonable legal fees and expenses.

(e) Consolidated Excess Cash Flow. In the event that there shall be Consolidated Excess Cash Flow for any Fiscal Year (commencing with Fiscal Year 2012), Borrower shall, no later than ninety days after the end of such Fiscal Year, prepay the Loans as set forth in Section 2.15(b) in an aggregate amount equal to (i) 50% of such Consolidated Excess Cash Flow; provided that if, as of the last day of the most recently ended Fiscal Year the Leverage Ratio (determined for any such period by reference to the Compliance Certificate delivered pursuant to Section 5.1(c) calculating the Leverage Ratio as of the last day of such Fiscal Year) shall be (x) 3.25:1.00 or less, Borrower shall only be required to make the prepayments otherwise required hereby in an amount equal to 25% of such Consolidated Excess Cash Flow or (y) 2.50:1.00 or less, Borrower shall not be required to make prepayments pursuant to this Section 2.14(e) with respect to such Fiscal Year; minus (ii) voluntary repayments of the Loans (excluding repayments of Revolving Loans or Swing Line Loans except to the extent the Revolving Commitments are permanently reduced in connection with such repayments) made with Internally Generated Cash.

(f) Revolving Loans and Swing Line Loans. (i) Borrower shall from time to time prepay *first*, the Swing Line Loans, and *second*, the Revolving Loans to the extent necessary so that the Total Utilization of Revolving Commitments shall not at any time exceed the Revolving Commitments then in effect.

(g) Prepayment Certificate. Concurrently with any prepayment of the Loans pursuant to Sections 2.14(a) through 2.14(e), Borrower shall deliver to Administrative Agent a certificate of an Authorized Officer demonstrating the calculation of the amount of the applicable net proceeds or Consolidated Excess Cash Flow, as the case may be. In the event that Borrower shall subsequently determine that the actual amount received exceeded the amount set forth in such certificate, Borrower shall promptly make an additional prepayment of the Loans in an amount equal to such excess, and Borrower shall concurrently therewith deliver to Administrative Agent a certificate of an Authorized Officer demonstrating the derivation of such excess.

2.15 Application of Prepayments.

(a) Application of Voluntary Prepayments by Type of Loans. Any prepayment of any Loan pursuant to Section 2.13(a) shall be applied as specified by Borrower in the applicable notice of prepayment; provided that, in the event Borrower fails to specify the Loans to which any such prepayment shall be applied, such prepayment shall be applied as follows:

first, to repay outstanding Swing Line Loans to the full extent thereof;

second, to repay outstanding Revolving Loans to the full extent thereof; and

third, to prepay the Term Loans on a pro rata basis (in accordance with the respective outstanding principal amounts thereof); and further applied on a pro rata basis to reduce the remaining scheduled Installments of principal of the Tranche A Term Loans, Tranche B Term Loans and the New Term Loans (if any).

(b) Application of Mandatory Prepayments by Type of Loans. Any amount required to be paid pursuant to Sections 2.14(a) through 2.14(e) shall be applied as follows:

first, to prepay Term Loans on a pro rata basis (in accordance with the respective outstanding principal amounts thereof) and further applied on a pro rata basis to reduce the remaining scheduled Installments of principal of the Tranche A Term Loans, Tranche B Term Loans and the New Term Loans (if any);

second, to prepay the Swing Line Loans to the full extent thereof;

third, to prepay the Revolving Loans to the full extent thereof;

fourth, to prepay outstanding reimbursement obligations with respect to Letters of Credit;

fifth, to cash collateralize Letters of Credit; and

sixth, to Borrower.

(c) Application of Prepayments of Loans to Base Rate Loans and Eurodollar Rate Loans. Considering each Class of Loans being prepaid separately, any prepayment thereof shall be applied, as between the Base Rate Loans and the Eurodollar Rate Loans, as directed by Borrower.

(d) Waivable Mandatory Prepayment. Anything contained herein to the contrary notwithstanding, so long as any Tranche A Term Loans are outstanding, in the event Borrower is required to make any mandatory prepayment (a "**Waivable Mandatory Prepayment**") of the Tranche B Term Loans, not less than five Business Days prior to the date (the "**Required Prepayment Date**") on which Borrower is required to make such Waivable Mandatory Prepayment, Borrower shall notify Administrative Agent of the amount of such prepayment, and Administrative Agent will promptly thereafter notify each Lender holding an outstanding Tranche B Term Loan of the amount of such Lender's Pro Rata Share of such Waivable Mandatory Prepayment and such Lender's option to refuse such amount. Each such Lender may exercise such option by giving written notice to Borrower and Administrative Agent of its election to do so on or before the third Business Day prior to the Required Prepayment Date (it being understood that any Lender which does not notify Borrower and Administrative Agent of its election to exercise such option on or before the third Business Day prior to the Required Prepayment Date shall be deemed to have elected, as of such date, not to exercise such option). On the Required Prepayment Date, Borrower shall pay to Administrative Agent the amount of the Waivable Mandatory Prepayment, which amount shall be applied (i) in an amount equal to that portion of the Waivable Mandatory Prepayment payable to those Lenders that have elected not to exercise such option, to prepay the Tranche B Term Loans of such Lenders (which prepayment shall be applied to the scheduled Installments of principal of the Tranche B Term Loans in accordance with Section 2.15(b)), and (ii) in an amount equal to that portion of the Waivable Mandatory Prepayment otherwise payable to those Lenders that have elected to exercise such option, to prepay the Tranche A Term Loans (which prepayment shall be further applied to the scheduled installments of principal of the Tranche A Term Loans in accordance with Section 2.15(b)), with any excess after such prepayment of the Tranche A Term Loans being further applied in accordance with clauses *second* through *sixth* of Section 2.15(b).

2.16 General Provisions Regarding Payments.

(a) All payments by Borrower of principal, interest, fees and other Obligations shall be made in Dollars in same day funds, without defense, recoupment, set-off or counterclaim, free of any restriction or condition, and delivered to Administrative Agent not later than (x) 12:00 p.m. (New York City time) on the date due at the Principal Office designated by Administrative Agent for the account of Lenders; for purposes of computing interest and fees, funds received by Administrative Agent after that time on such due date shall be deemed to have been paid by Borrower on the next succeeding Business Day.

(b) All payments in respect of the principal amount of any Loan (other than voluntary prepayments of Revolving Loans that are Base Rate Loans) shall be accompanied by payment of accrued interest on the principal amount being repaid or prepaid, and all such payments (and, in any event, any

payments in respect of any Loan on a date when interest is due and payable with respect to such Loan) shall be applied to the payment of interest then due and payable before application to principal.

(c) Administrative Agent (or its agent or sub-agent appointed by it) shall promptly distribute to each Lender at such address as such Lender shall indicate in writing, such Lender's applicable Pro Rata Share of all payments and prepayments of principal and interest due hereunder, together with all other amounts due thereto, including, all fees payable with respect thereto, to the extent received by Administrative Agent.

(d) Notwithstanding the foregoing provisions hereof, if any Conversion/Continuation Notice is withdrawn as to any Affected Lender or if any Affected Lender makes Base Rate Loans in lieu of its Pro Rata Share of any Eurodollar Rate Loans, Administrative Agent shall give effect thereto in apportioning payments received thereafter.

(e) Subject to the provisos set forth in the definition of "Interest Period" as they may apply to Revolving Loans, whenever any payment to be made hereunder with respect to any Loan shall be stated to be due on a day that is not a Business Day, such payment shall be made on the next succeeding Business Day and, with respect to Revolving Loans only, such extension of time shall be included in the computation of the payment of interest hereunder or of the Revolving Commitment fees hereunder.

(f) Except as otherwise expressly provided herein, all payments by Borrower hereunder shall be made to Administrative Agent, for the account of the respective Lenders to which such payment is owed, in Dollars and otherwise in the manner set forth in clause (a) of this Section 2.16.

(g) Administrative Agent shall deem any payment by or on behalf of Borrower hereunder that is not made in same day funds prior to 12:00 p.m. (New York City time) to be a non-conforming payment. Any such payment shall not be deemed to have been received by Administrative Agent until the later of (i) the time such funds become available funds, and (ii) the next succeeding Business Day. Administrative Agent shall give prompt telephonic notice to Borrower and each applicable Lender (confirmed in writing) if any payment is non-conforming. Any non-conforming payment may constitute or become a Default or Event of Default in accordance with the terms of Section 8.1(a). Interest shall continue to accrue on any principal as to which a non-conforming payment is made until such funds become available funds (but in no event less than the period from the date of such payment to the next succeeding applicable Business Day) at the rate determined pursuant to Section 2.10 from the date such amount was due and payable until the date such amount is paid in full.

(h) If an Event of Default shall have occurred and not otherwise been waived, and the maturity of the Obligations shall have been accelerated pursuant to Section 8.1, all payments or proceeds received by Agents hereunder in respect of any of the Obligations, shall be applied in accordance with the application arrangements described in Section 9.2 of the Second Amended and Restated Pledge and Security Agreement and the analogous sections of any other Collateral Documents.

2.17 Ratable Sharing. Lenders hereby agree among themselves that, except as otherwise provided in the Collateral Documents with respect to amounts realized from the exercise of rights with respect to Liens on the Collateral, if any of them shall, whether by voluntary payment (other than a voluntary prepayment of Loans made and applied in accordance with the terms hereof), through the exercise of any right of set-off, consolidation or banker's lien, by counterclaim or cross action or by the enforcement of any right under the Credit Documents or otherwise, or as adequate protection of a deposit treated as cash collateral under any Insolvency Laws, receive payment or reduction of a proportion of the aggregate amount of principal, interest, amounts payable in respect of Letters of Credit, fees and other amounts then due and owing to such Lender hereunder or under the other Credit Documents (collectively, the "**Aggre-**

gate Amounts Due" to such Lender) which is greater than the proportion received by any other Lender in respect of the Aggregate Amounts Due to such other Lender, then the Lender receiving such proportionately greater payment shall (a) notify Administrative Agent and each other Lender of the receipt of such payment and (b) apply a portion of such payment to purchase participations (which it shall be deemed to have purchased from each seller of a participation simultaneously upon the receipt by such seller of its portion of such payment) in the Aggregate Amounts Due to the other Lenders so that all such recoveries of Aggregate Amounts Due shall be shared by all Lenders in proportion to the Aggregate Amounts Due to them; provided that, if all or part of such proportionately greater payment received by such purchasing Lender is thereafter recovered from such Lender upon the bankruptcy or reorganization of Borrower or otherwise, those purchases shall be rescinded and the purchase prices paid for such participations shall be returned to such purchasing Lender ratably to the extent of such recovery, but without interest. Borrower expressly consents to the foregoing arrangement and agrees that any holder of a participation so purchased may exercise any and all rights of banker's lien, consolidation, set-off or counterclaim with respect to any and all monies owing by Borrower to that holder with respect thereto as fully as if that holder were owed the amount of the participation held by that holder. The provisions of this Section 2.17 shall not be construed to apply to (a) any payment made by Borrower pursuant to and in accordance with the express terms of this Agreement or (b) any payment obtained by any Lender as consideration for the assignment or sale of a participation in any of its Loans or other Obligations owed to it in accordance herewith.

2.18 Making or Maintaining Eurodollar Rate Loans.

(a) Inability to Determine Applicable Interest Rate. In the event that Administrative Agent shall have determined (which determination shall be final and conclusive and binding upon all parties hereto absent manifest error), on any Interest Rate Determination Date with respect to any Eurodollar Rate Loans, that by reason of circumstances affecting the London interbank market, adequate and fair means do not exist for ascertaining the interest rate applicable to such Loans on the basis provided for in the definition of Adjusted Eurodollar Rate for any requested Interest Period with respect to a proposed Eurodollar Rate Loan does not adequately and fairly reflect the cost to such Lenders of funding such Loan, Administrative Agent shall on such date give notice (by email or by telephone confirmed in writing) to Borrower and each Lender of such determination, whereupon (i) no Loans may be made as, or converted to, Eurodollar Rate Loans until such time as Administrative Agent notifies Borrower and Lenders that the circumstances giving rise to such notice no longer exist, and (ii) any Funding Notice or Conversion/Continuation Notice given by Borrower with respect to the Loans in respect of which such determination was made shall be deemed to be rescinded by Borrower.

(b) Illegality or Impracticability of Eurodollar Rate Loans. In the event that on any date any Lender shall have determined (which determination shall be final and conclusive and binding upon all parties hereto absent manifest error) that the making, maintaining or continuation of its Eurodollar Rate Loans (i) has become unlawful as a result of compliance by such Lender in good faith with any law, treaty, governmental rule, regulation, guideline or order (or would conflict with any such treaty, governmental rule, regulation, guideline or order not having the force of law even though the failure to comply therewith would not be unlawful), or (ii) has become impracticable, as a result of contingencies occurring after the date hereof which materially and adversely affect the London interbank market or the position of such Lender in that market, then, and in any such event, such Lender shall be an "**Affected Lender**" and it shall on that day give notice (by email or by telephone confirmed in writing) to Borrower and Administrative Agent of such determination (which notice Administrative Agent shall promptly transmit to each other Lender). If the Administrative Agent receives a notice from (x) any Lender pursuant to clause (i) of the preceding sentence or (y) a notice from Lenders constituting Requisite Lenders pursuant to clause (ii) of the preceding sentence, then (1) the obligation of the Lenders (or, in the case of any notice pursuant to clause (i) of the preceding sentence, such Lender) to make Loans as, or to convert Loans to, Eurodollar

Rate Loans shall be suspended until such notice shall be withdrawn by each Affected Lender, (2) to the extent such determination by the Affected Lender relates to a Eurodollar Rate Loan then being requested by Borrower pursuant to a Funding Notice or a Conversion/Continuation Notice, Lenders (or in the case of any notice pursuant to clause (i) of the preceding sentence, such Lender) shall make such Loan as (or continue such Loan as or convert such Loan to, as the case may be) a Base Rate Loan, (3) the Lenders' (or in the case of any notice pursuant to clause (i) of the preceding sentence, such Lender's) obligations to maintain their respective outstanding Eurodollar Rate Loans (the "**Affected Loans**"), shall be terminated at the earlier to occur of the expiration of the Interest Period then in effect with respect to the Affected Loans or when required by law, and (4) the Affected Loans shall automatically convert into Base Rate Loans on the date of such termination. Notwithstanding anything herein to the contrary, to the extent a determination by an Affected Lender as described above relates to a Eurodollar Rate Loan then being requested by Borrower pursuant to a Funding Notice or a Conversion/Continuation Notice, Borrower shall have the option, subject to the provisions of Section 2.18(c), to rescind such Funding Notice or Conversion/Continuation Notice as to all Lenders by giving written or telephonic notice (promptly confirmed by delivery of written notice thereof) to Administrative Agent of such rescission on the date on which the Affected Lender gives notice of its determination as described above (which notice of rescission Administrative Agent shall promptly transmit to each other Lender).

(c) Compensation for Breakage or Non-Commencement of Interest Periods. Borrower shall compensate each Lender, as promptly as practicable after written request by such Lender (which request shall set forth the basis for requesting such amounts and shall be conclusive absent manifest error), for all reasonable losses, expenses and liabilities (including any interest paid or calculated to be due and payable by such Lender to lenders of funds borrowed by it to make or carry its Eurodollar Rate Loans and any loss, expense or liability sustained by such Lender in connection with the liquidation or deployment of such funds but excluding loss of anticipated profits) which such Lender may sustain: (i) if for any reason (other than a default by such Lender) a borrowing of any Eurodollar Rate Loan does not occur on a date specified therefor in a Funding Notice or a telephonic request for borrowing, or a conversion to or continuation of any Eurodollar Rate Loan does not occur on a date specified therefor in a Conversion/Continuation Notice or a telephonic request for conversion or continuation; (ii) if any prepayment or other principal payment of, or any conversion of, any of its Eurodollar Rate Loans occurs on a date prior to the last day of an Interest Period applicable to that Loan; or (iii) if any prepayment of any of its Eurodollar Rate Loans is not made on any date specified in a notice of prepayment given by Borrower.

(d) Booking of Eurodollar Rate Loans. Any Lender may make, carry or transfer Eurodollar Rate Loans at, to, or for the account of any of its branch offices or the office of an Affiliate of such Lender.

(e) Assumptions Concerning Funding of Eurodollar Rate Loans. Calculation of all amounts payable to a Lender under this Section 2.18 and under Section 2.19 shall be made as though such Lender had actually funded each of its relevant Eurodollar Rate Loans a matching deposit or other borrowing in the offshore interbank market for such currency for a comparable amount and for a comparable period through the transfer of such matching deposit or other borrowing from an offshore office of such Lender to a domestic office of such Lender in the United States of America; provided, however, each Lender may fund each of its Eurodollar Rate Loans in any manner it sees fit and the foregoing assumptions shall be utilized only for the purposes of calculating amounts payable under this Section 2.18 and under Section 2.19.

2.19 Increased Costs; Capital Adequacy.

(a) Compensation for Increased Costs and Taxes. In the event that any Lender (which term shall include Issuing Bank for purposes of this Section 2.19(a)) shall reasonably determine (which deter-

mination shall, absent manifest error, be final and conclusive and binding upon all parties hereto) that any Applicable Law, or any change therein or in the interpretation, administration or application thereof (including the introduction of any new Applicable Law), or any determination of any Governmental Authority, in each case that becomes effective after the date hereof, or compliance by such Lender with any guideline, request or directive issued or made after the date hereof by any Governmental Authority (whether or not having the force of law): (i) subjects such Lender (or its applicable lending office) to any additional Tax (other than any Excluded Taxes (including any change in the rate of Excluded Taxes), Indemnified Taxes or Other Taxes indemnified under Section 2.20) with respect to this Agreement or any of the other Credit Documents or any of its obligations hereunder or thereunder or any payments to such Lender (or its applicable lending office) of principal, interest, fees or any other amount payable hereunder; (ii) imposes, modifies or holds applicable any reserve (including any marginal, emergency, supplemental, special or other reserve), special deposit, compulsory loan, FDIC insurance or similar requirement against assets held by, or deposits or other liabilities in or for the account of, or advances or loans by, or other credit extended by, or any other acquisition of funds by, any office of such Lender (other than any such reserve or other requirements with respect to Eurodollar Rate Loans that are reflected in the definition of "Adjusted Eurodollar Rate"); or (iii) imposes any other condition, cost or expense (other than with respect to a Tax matter) on or affecting such Lender (or its applicable lending office) or its obligations hereunder or the London interbank market and the result of any of the foregoing is to increase the cost to such Lender of agreeing to make, making or maintaining Loans hereunder or to reduce any amount received or receivable by such Lender (or its applicable lending office) with respect thereto; provided that, notwithstanding anything herein to the contrary, (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (y) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed a change of law, regardless of the date enacted, adopted or issued; then, in any such case, Borrower shall pay to such Lender, as promptly as practicable after receipt of the statement referred to in the next sentence, such additional amount or amounts (in the form of an increased rate of, or a different method of calculating, interest or otherwise as such Lender in its sole discretion shall determine) as may be necessary to compensate such Lender for any such increased cost or reduction in amounts received or receivable hereunder. Such Lender shall deliver to Borrower (with a copy to Administrative Agent) a written statement, setting forth in reasonable detail the basis for calculating the additional amounts owed to such Lender under this Section 2.19(a), which statement shall be conclusive and binding upon all parties hereto absent manifest error.

(b) Capital Adequacy Adjustment. In the event that any Lender (which term shall include Issuing Bank for purposes of this Section 2.19(b)) shall have reasonably determined that the adoption, effectiveness, phase in or applicability after the Third Restatement Date of any Applicable Law regarding capital or liquidity adequacy, reserve requirements or similar requirements, or any change therein or in the interpretation, application or administration thereof by any Governmental Authority, central bank or comparable agency charged with the interpretation or administration thereof, or compliance by any Lender (or its applicable lending office) with any Applicable Law regarding capital or liquidity adequacy, reserve requirements or similar requirements (whether or not having the force of law) of any such Governmental Authority, has or would have the effect of reducing the rate of return on the capital of such Lender or any corporation controlling such Lender as a consequence of, or with reference to, such Lender's Loans or Revolving Commitments or Letters of Credit, or participations therein or other obligations hereunder with respect to the Loans or the Letters of Credit to a level below that which such Lender or such controlling corporation could have achieved but for such adoption, effectiveness, phase in, applicability, change or compliance (taking into consideration the policies of such Lender or such controlling corporation with regard to capital adequacy); provided that, notwithstanding anything herein to the contrary, (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or

directives thereunder or issued in connection therewith and (y) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed a change of law, regardless of the date enacted, adopted or issued, then from time to time, within five Business Days after receipt by Borrower from such Lender of the statement referred to in the next sentence, Borrower shall pay to such Lender such additional amount or amounts as will compensate such Lender or such controlling corporation on an after tax basis for such reduction. Such Lender shall deliver to Borrower (with a copy to Administrative Agent) a written statement, setting forth in reasonable detail the basis for calculating the additional amounts owed to Lender under this Section 2.19(b), which statement shall be conclusive and binding upon all parties hereto absent manifest error.

2.20 Taxes; Withholding, etc.

(a) Payments to Be Free and Clear. All sums payable by or on behalf of any Credit Party hereunder and under the other Credit Documents shall (except to the extent required by law) be paid free and clear of, and without any deduction or withholding on account of, any Tax.

(b) Withholding of Taxes. If any Credit Party or any other applicable withholding agent is required by law to make any deduction or withholding on account of any Indemnified Taxes or Other Taxes from any sum paid or payable by any Credit Party to any Agent or any Lender (which term shall include each Swing Line Lender and Issuing Bank for purposes of this Section 2.20) under any of the Credit Documents: (i) Borrower shall notify Administrative Agent of any such requirement or any change in any such requirement as soon as Borrower becomes aware of it; (ii) the applicable withholding agent shall make such deduction or withholding and pay such Indemnified Taxes or Other Taxes before the date on which penalties attach thereto, such payment to be made (if the liability to pay is imposed on any Credit Party) for its own account or (if that liability is imposed on Administrative Agent or such Lender, as the case may be) on behalf of and in the name of Administrative Agent or such Lender; (iii) the sum payable by the Credit Party in respect of which the relevant deduction, withholding or payment is required shall be increased to the extent necessary to ensure that, after the making of that deduction, withholding or payment (including any deduction, withholding or payment applicable to additional amounts payable under this Section 2.20), Administrative Agent or such Lender, as the case may be, receives on the due date a net sum equal to what it would have received had no such deduction, withholding or payment been required or made; and (iv) within thirty days after paying any sum from which it is required by law to make any deduction or withholding, and within thirty days after the due date of payment of any Indemnified Taxes or Other Taxes which it is required by clause (ii) above to pay, Borrower (if Borrower is the withholding agent) shall deliver to Administrative Agent evidence reasonably satisfactory to the other affected parties of such deduction, withholding or payment and of the remittance thereof to the relevant taxing or other authority.

(c) Borrower agrees to indemnify each Agent and each Lender for (i) the full amount of Indemnified Taxes and Other Taxes (including any Indemnified Taxes or Other Taxes attributable to any amounts payable under this Section 2.20) payable by such Agent or such Lender (whether or not such Taxes are correctly or legally imposed) and (ii) any reasonable expenses arising therefrom or with respect thereto. A certificate from the relevant Lender or Agent, setting forth in reasonable detail the basis and calculation of such Taxes shall be conclusive, absent manifest error.

(d) Evidence of Exemption from Withholding Tax. Each Lender shall, at such times as are reasonably requested by Borrower or the Administrative Agent, provide Borrower and the Administrative Agent with any documentation prescribed by law or reasonably requested by Borrower or Administrative Agent certifying as to any entitlement of such Lender to an exemption from, or reduction in, withholding

tax with respect to any payments to be made to such Lender under the Credit Documents. Each Lender shall, whenever a lapse in time or change in such Lender's circumstances renders such documentation obsolete, expired or inaccurate in any material respect, deliver promptly to Borrower and the Administrative Agent updated or other appropriate documentation (including any new documentation reasonably requested by the applicable withholding agent) or promptly notify Borrower and the Administrative Agent of its inability to do so.

Notwithstanding anything to the contrary, a Lender shall be required to provide any documentation under this Section 2.20(d) only to the extent it is legally eligible to do so.

(e) Payment of Taxes. In addition, Borrower agrees to pay any present or future stamp, court or documentary, intangible, recording, filing or similar Taxes imposed by any Governmental Authority, which arise from any payment made under any Credit Document or from the execution, delivery, performance, enforcement or registration of, or otherwise with respect to, any Credit Document ("**Other Taxes**").

(f) Treatment of Certain Refunds. If any party determines, in its sole discretion exercised in good faith, that it has received a refund of any Taxes (whether received in cash or applied by the taxing authority granting the refund to offset another Taxes otherwise owed) as to which it has been indemnified pursuant to this Section 2.20 (including additional amounts paid pursuant to this Section 2.20), it shall pay to the indemnifying party an amount equal to such refund (but only to the extent of indemnity payments made under this Section with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses (including any Taxes) of such indemnified party and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund). Such indemnifying party, upon the request of such indemnified party, shall repay to such indemnified party the amount paid to such indemnified party pursuant to the previous sentence (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) in the event such indemnified party is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this Section 2.20(f), in no event will any indemnified party be required to pay any amount to any indemnifying party pursuant to this Section 2.20(f) if such payment would place such indemnified party in a less favorable position (on a net after-Tax basis) than such indemnified party would have been in if the indemnification payments or additional amounts giving rise to such refund had never been paid. This Section 2.20(f) shall not be construed to require any indemnified party to make available its Tax returns (or any other information relating to its Taxes which it deems confidential) to the indemnifying party or any other Person.

(g) Minimum Interest. As part of entering into this Agreement, the parties hereto have assumed that the interest payable at the rates set forth in this Agreement is not and will not become subject to Swiss Federal Withholding Tax. Notwithstanding the foregoing, the parties hereto agree that in the event that (A) Swiss Federal Withholding Tax is due on interest payments or other payments by any Credit Party under this Agreement and (B) Section 2.20(b) (*Withholding of Taxes*) is unenforceable for any reason:

(x) the applicable interest rate in relation to that interest payment shall be (i) the interest rate which would have applied to that interest payment as provided for in Section 2.8 divided by (ii) 1 minus the rate at which the relevant Swiss Federal Withholding Tax deduction is required to be made under Swiss domestic tax law and / or applicable double taxation treaties (where the rate at which the relevant Swiss Federal Withholding Tax deduction is required to be made is for this purpose expressed as a fraction of 1); and

(y) the Credit Party shall (i) pay the relevant interest at the adjusted rate in accordance with paragraph (x) above, (ii) make the Swiss Federal Withholding Tax deduction on the in-

terest so recalculated and (iii) all references to a rate of interest under the Agreement shall be construed accordingly.

To the extent that interest payable by any Credit Party under this Agreement becomes subject to Swiss Federal Withholding Tax, the parties shall promptly co-operate in completing any procedural formalities (including submitting forms and documents required by the Swiss or foreign tax authorities) to the extent possible and necessary for the Credit Party to obtain the tax ruling from the Swiss Federal Tax Administration.

Section 2.20(f) equally applies to this Section 2.20(g).

2.21 Obligation to Mitigate. Each Lender (which term shall include Issuing Bank for purposes of this Section 2.21) agrees that, as promptly as practicable after the officer of such Lender responsible for administering its Loans or Letters of Credit, as the case may be, becomes aware of the occurrence of an event or the existence of a condition that would cause such Lender to become an Affected Lender or that would entitle such Lender to receive payments under Section 2.18, 2.19 or 2.20, it will, to the extent not inconsistent with the internal policies of such Lender and any applicable legal or regulatory restrictions, use reasonable efforts to (a) make, issue, fund or maintain its Credit Extensions, including any Affected Loans, through another office of such Lender, or (b) take such other measures as such Lender may deem reasonable, if as a result thereof the circumstances which would cause such Lender to be an Affected Lender would cease to exist or the additional amounts which would otherwise be required to be paid to such Lender pursuant to Section 2.18, 2.19 or 2.20 would be materially reduced and if, as determined by such Lender in its sole discretion, the making, issuing, funding or maintaining of such Revolving Commitments, Loans or Letters of Credit through such other office or in accordance with such other measures, as the case may be, would not otherwise adversely affect such Revolving Commitments, Loans or Letters of Credit or the interests of such Lender; provided, such Lender will not be obligated to utilize such other office or take such other measures pursuant to this Section 2.21 unless Borrower agrees to pay all reasonable incremental expenses incurred by such Lender as a result of utilizing such other office or take such other measures as described above. A certificate as to the amount of any such expenses payable by Borrower pursuant to this Section 2.21 (setting forth in reasonable detail the basis for requesting such amount) submitted by such Lender to Borrower (with a copy to Administrative Agent) shall be conclusive absent manifest error.

2.22 Defaulting Lenders. Anything contained herein to the contrary notwithstanding, in the event that any Lender becomes a Defaulting Lender, then during any Default Period with respect to such Defaulting Lender, such Defaulting Lender shall be deemed not to be a "Lender" for purposes of any amendment, waiver or consent with respect to any provision of the Credit Documents that requires the approval of Requisite Lenders, and Borrower shall pay to Administrative Agent such additional amounts of cash as reasonably requested by the Issuing Bank or the Swing Line Lender to be held as security for Borrower's reimbursement Obligations in respect of Letters of Credit and Swing Line Loans then outstanding (such amount not to exceed such Defaulting Lender's obligations under Sections 2.3 and 2.4). During any Default Period with respect to a Funds Defaulting Lender that is not also an Insolvency Defaulting Lender, (a) any amounts that would otherwise be payable to such Funds Defaulting Lender with respect to its Revolving Loans and Revolving Commitments under the Credit Documents (including, without limitation, voluntary and mandatory prepayments and fees) shall, in lieu of being distributed to such Funds Defaulting Lender, be retained by Administrative Agent and applied in the following order of priority: *first*, to the payment of any amounts owing by such Funds Defaulting Lender to Administrative Agent, *second*, to the payment of any amounts owing by such Funds Defaulting Lender to the Swing Line Lender, *third*, to the payment of any amounts owing by such Funds Defaulting Lender to the Issuing Bank, and *fourth*, to the payment of the Revolving Loans of other Lenders (but not to the Revolving Loans of such Funds Defaulting Lender) as if such Funds Defaulting Lender had funded all Defaulted

Loans of such Funds Defaulting Lender; and (b) the Total Utilization of Revolving Commitments as at any date of determination shall be calculated as if such Defaulting Lender had funded all Defaulted Loans of such Defaulting Lender. During any Default Period with respect to an Insolvency Defaulting Lender, any amounts that would otherwise be payable to such Insolvency Defaulting Lender under the Credit Documents (including, without limitation, voluntary and mandatory prepayments and fees including fees payable under Section 2.11) may, in lieu of being distributed to such Insolvency Defaulting Lender, be retained by Administrative Agent to collateralize indemnification and reimbursement obligations of such Insolvency Defaulting Lender in an amount reasonably determined by Administrative Agent. No Revolving Commitment of any Lender shall be increased or otherwise affected, and, except as otherwise expressly provided in this Section 2.22, performance by Borrower of its obligations hereunder and the other Credit Documents shall not be excused or otherwise modified as a result of any Lender becoming a Defaulting Lender or the operation of this Section 2.22. The rights and remedies against a Defaulting Lender under this Section 2.22 are in addition to other rights and remedies which Borrower may have against such Defaulting Lender as a result of it becoming a Defaulting Lender and which Administrative Agent or any Lender may have against such Defaulting Lender with respect thereto. If any Letter of Credit Usage exists at the time such Lender becomes a Defaulting Lender then all or any part of such Letter of Credit Usage shall be reallocated among the non-Defaulting Lenders in accordance with their respective Pro Rata Share but only to the extent (x) the sum of each non-Defaulting Lender's Revolving Exposures plus such Defaulting Lender's Letter of Credit Usage does not exceed the total of such non-Defaulting Lender's Revolving Commitments and (y) no Default or Event of Default exists or shall have occurred.

2.23 Removal or Replacement of a Lender. Anything contained herein to the contrary notwithstanding, in the event that: (a) (i) any Lender (an "**Increased Cost Lender**") shall give notice to Borrower that such Lender is an Affected Lender or that such Lender is entitled to receive payments under Section 2.18, 2.19 or 2.20, (ii) the circumstances which have caused such Lender to be an Affected Lender or which entitle such Lender to receive such payments shall remain in effect, and (iii) such Lender shall fail to withdraw such notice within five Business Days after Borrower's request for such withdrawal; or (b) (i) any Lender shall become a Defaulting Lender, (ii) the Default Period for such Defaulting Lender shall remain in effect, and (iii) such Defaulting Lender shall fail to cure the default as a result of which it has become a Defaulting Lender within five Business Days after Borrower's request that it cure such default; or (c) in connection with any proposed amendment, modification, termination, waiver or consent with respect to any of the provisions hereof as contemplated by Section 10.5(b), the consent of Requisite Lenders shall have been obtained but the consent of one or more of such other Lenders (each a "**Non-Consenting Lender**") whose consent is required shall not have been obtained; then, with respect to each such Increased Cost Lender, Defaulting Lender or Non-Consenting Lender (the "**Terminated Lender**"), Borrower may, by giving written notice to Administrative Agent and any Terminated Lender of its election to do so, elect to cause such Terminated Lender (and such Terminated Lender hereby irrevocably agrees) to assign its outstanding Loans and its Revolving Commitments, if any, in full to one or more Eligible Assignees (each a "**Replacement Lender**") in accordance with the provisions of Section 10.6 and Borrower shall pay the fees, if any, payable thereunder in connection with any such assignment from an Increased Cost Lender, a Non-Consenting Lender or Insolvency Defaulting Lender, and the Funds Defaulting Lender (if not also an Insolvency Defaulting Lender) shall pay the fees, if any, payable thereunder in connection with any such assignment from such Defaulting Lender; provided, (1) on the date of such assignment, the Replacement Lender shall pay to Terminated Lender an amount equal to the sum of (A) an amount equal to the principal of, and all accrued interest on, all outstanding Loans of the Terminated Lender, (B) an amount equal to all unreimbursed drawings that have been funded by such Terminated Lender, together with all then unpaid interest with respect thereto at such time and (C) an amount equal to all accrued, but theretofore unpaid fees owing to such Terminated Lender pursuant to Section 2.11; (2) on the date of such assignment, Borrower shall pay any amounts payable to such Terminated Lender pursuant to Section 2.18(c), 2.19 or 2.20; or otherwise as if it were a prepayment; (3) in the case of any assignment resulting from a claim for compensation under Section 2.19 or payments required to be

made under Section 2.20, such assignment will result in a reduction in such compensation or payment and (4) in the event such Terminated Lender is a Non-Consenting Lender, each Replacement Lender shall consent, at the time of such assignment, to each matter in respect of which such Terminated Lender was a Non-Consenting Lender; provided that Borrower may not make such election with respect to any Terminated Lender that is also an Issuing Bank unless, prior to the effectiveness of such election, Borrower shall have caused each outstanding Letter of Credit issued thereby to be cancelled. Upon the prepayment of all amounts owing to any Terminated Lender and the termination of such Terminated Lender's Revolving Commitments, if any, such Terminated Lender shall no longer constitute a "Lender" for purposes hereof; provided that any rights of such Terminated Lender to indemnification hereunder shall survive as to such Terminated Lender. Each Lender agrees that if Borrower exercises its option hereunder to cause an assignment by such Lender as a Terminated Lender, such Lender shall, promptly after receipt of written notice of such election, execute and deliver all documentation necessary to effectuate such assignment in accordance with Section 10.6. In the event that a Terminated Lender does not comply with the requirements of the immediately preceding sentence within one Business Day after receipt of such notice, each Lender hereby authorizes and directs the Administrative Agent to execute and deliver such documentation as may be required to give effect to an assignment in accordance with Section 10.6 on behalf of such Terminated Lender and any such documentation so executed by the Administrative Agent shall be effective for purposes of documenting an assignment pursuant to Section 10.6.

2.24 Interest Act (Canada). For purposes of disclosure pursuant to the Interest Act (Canada), the annual rates of interest or fees to which the rates of interest or fees provided for in this Agreement and the other Credit Documents (and stated herein or therein, as applicable, to be computed on the basis of a 360 day year or any other period of time less than a calendar year) are equivalent are the rates so provided for multiplied by the actual number of days in the applicable calendar year and divided by 360 or the actual number of days in such other period of time, respectively.

2.25 Incremental Facilities. Borrower may by written notice to Administrative Agent elect to request (A) prior to the Revolving Commitment Termination Date, an increase to the existing Revolving Loan Commitments (any such increase, the "**New Revolving Loan Commitments**") and/or (B) the establishment of one or more new term loan commitments (the "**New Term Loan Commitments**"), by an amount such that Borrower and its Subsidiaries shall be in compliance, on a Pro Forma Basis after giving effect to such New Term Loans or New Revolving Loan Commitments and the application of the proceeds thereof, with a Secured Leverage Ratio of 2.50 to 1.00; provided, that any New Revolving Loan Commitment or New Term Loan Commitment shall not be less than $25,000,000 individually (or such lesser amount which shall be approved by Administrative Agent or such lesser amount that represents all remaining availability under any limit set forth above in this Section 2.25), and integral multiples of $10,000,000 in excess of that amount. Each such notice shall specify (A) the date (each, an "**Increased Amount Date**") on which Borrower proposes that the New Revolving Loan Commitments or New Term Loan Commitments shall be effective and (B) the identity of each Lender or other Person that is an Eligible Assignee; provided that, Issuing Bank shall have consented (such consent not to be unreasonably withheld or delayed) to the allocation of New Revolving Loan Commitments to any Eligible Assignee under clause (ii) of the definition thereof (each, a "**New Revolving Loan Lender**" or "**New Term Loan Lender**," as applicable) to whom Borrower proposes any portion of such New Revolving Loan Commitments or New Term Loan Commitments, as applicable, be allocated and the amounts of such allocations; provided that GSLP may elect or decline to arrange such New Revolving Loan Commitments or New Term Loan Commitments, as applicable, in its sole discretion and any Lender approached to provide all or a portion of the New Revolving Loan Commitments or New Term Loan Commitments may elect or decline, in its sole discretion, to provide a New Revolving Loan Commitments or New Term Loan Commitment.

Such New Revolving Loan Commitments or New Term Loan Commitments shall become effective, as of such Increased Amount Date; provided that (1) no Default or Event of Default shall exist on such Increased Amount Date before or after giving effect to such New Revolving Loan Commitments or New Term Loan Commitments; (2) both before and after giving effect to the making of any Series of New Term Loans, each of the conditions set forth in Section 3.3(a) shall be satisfied; provided that, solely with respect to the effectiveness of New Term Loans incurred and/or New Revolving Loan Commitments established to finance the Medicis Acquisition, the Bausch & Lomb Acquisition or any Permitted Acquisition consummated after the Amendment No. 5 Effective Date, the Borrower shall not be required to satisfy the conditions set forth in clause (iii) or (iv) of such Section 3.3(a); (3) Borrower and its Subsidiaries shall be in compliance, on a Pro Forma Basis after giving effect to such New Term Loans and the application of the proceeds thereof, with each of the covenants set forth in Section 6.7 as of the last day of the most recently ended Fiscal Quarter after giving effect to such New Revolving Loan Commitments or New Term Loan Commitments; (4) the New Revolving Loan Commitments or New Term Loan Commitments, as applicable, shall be effected pursuant to one or more Joinder Agreements executed and delivered by the applicable New Revolving Loan Lender or New Term Loan Lender, as the case may be, Borrower and Administrative Agent (it being understood that the only representations and warranties that shall be certified in the Joinder Agreement with respect to New Term Loans incurred and/or New Revolving Loan Commitments established to finance the Medicis Acquisition, the Bausch & Lomb Acquisition or any Permitted Acquisition consummated after the Amendment No. 5 Effective Date shall be those representations and warranties set forth in the seventh paragraph of this Section 2.25), and each of which shall be recorded in the Register and shall be subject to the requirements set forth in Section 2.20(d); (5) Borrower shall make any payments required pursuant to Section 2.18(c) in connection with the New Revolving Loan Commitments or New Term Loan Commitments, as applicable; (6) Borrower shall deliver or cause to be delivered any legal opinions or other documents reasonably requested by Administrative Agent in connection with any such transaction. Any New Term Loans made on an Increased Amount Date shall be designated a separate series (a "**Series**") of New Term Loans for all purposes of this Agreement and (7) Borrower and its Subsidiaries shall be in compliance, on a Pro Forma Basis, with a Leverage Ratio as of the Increased Amount Date (assuming in the case of any New Revolving Commitments, that the full amount of all outstanding Revolving Commitments, including New Revolving Commitments, are borrowed on such date), of 5.25 to 1.00; provided, further, that, (x) the effectiveness of New Term Loans incurred to finance the Medicis Acquisition or the Bausch & Lomb Acquisition shall not be subject to Borrower's compliance with clauses (1), (3) or (7) of the foregoing proviso and (y) the effectiveness of New Term Loans incurred and/or New Revolving Loan Commitments established to finance any Permitted Acquisition consummated after the Amendment No. 5 Effective Date shall not be subject to compliance with clause (1) of the foregoing proviso.

On any Increased Amount Date on which New Revolving Loan Commitments are effected, subject to the satisfaction of the foregoing terms and conditions, (a) each of the Revolving Lenders shall assign to each of the New Revolving Loan Lenders, and each of the New Revolving Loan Lenders shall purchase from each of the Revolving Loan Lenders, at the principal amount thereof (together with accrued interest), such interests in the Revolving Loans outstanding on such Increased Amount Date as shall be necessary in order that, after giving effect to all such assignments and purchases, such Revolving Loans will be held by existing Revolving Loan Lenders and New Revolving Loan Lenders ratably in accordance with their Revolving Loan Commitments after giving effect to the addition of such New Revolving Loan Commitments to the Revolving Loan Commitments, (b) each New Revolving Loan Commitment shall be deemed for all purposes a Revolving Loan Commitment and each Loan made thereunder (a "**New Revolving Loan**") shall be deemed, for all purposes, a Revolving Loan and (c) each New Revolving Loan Lender shall become a Lender with respect to the New Revolving Loan Commitment and all matters relating thereto.

On any Increased Amount Date on which any New Term Loan Commitments of any Series are effective, subject to the satisfaction of the foregoing terms and conditions, (i) each New Term Loan Lender of any Series shall make a Loan to Borrower (a "**New Term Loan**") in an amount equal to its New Term Loan Commitment of such Series (unless the Joinder Agreement with respect to any Series of New Term Loans shall provide for the making of such Series of New Term Loans on a date subsequent to the applicable Increased Amount Date), and (ii) each New Term Loan Lender of any Series shall become a Lender hereunder with respect to the New Term Loan Commitment of such Series and the New Term Loans of such Series made pursuant thereto.

Administrative Agent shall notify Lenders promptly upon receipt of Borrower's notice of each Increased Amount Date and in respect thereof (x) the New Revolving Loan Commitments and the New Revolving Loan Lenders or the Series of New Term Loan Commitments and the New Term Loan Lenders of such Series, as applicable, and (y) in the case of each notice to any Revolving Loan Lender, the respective interests in such Revolving Loan Lender's Revolving Loans, in each case subject to the assignments contemplated by this Section.

The terms and provisions of the Tranche A New Term Loans of any Series shall be, except with respect to pricing, amortization and maturity and except as otherwise set forth herein or in the Joinder Agreement and otherwise reasonably satisfactory to Administrative Agent, identical to the Tranche A Term Loans. The terms and provisions of the Tranche B New Term Loans of any Series shall be, except with respect to pricing, amortization and maturity and except as otherwise set forth herein or in the Joinder Agreement and otherwise reasonably satisfactory to Administrative Agent, identical to the Tranche B Term Loans. The terms and provisions of the New Revolving Loans shall be, except with respect to maturity, identical to the Revolving Loans. In any event (i) the weighted average life to maturity of all New Term Loans of any Series shall be no shorter than the then-remaining weighted average life to maturity of the Tranche B Term Loans (other than with respect to a Tranche A New Term Loan, which shall have a weighted average life to maturity not shorter than the remaining weighted average life to maturity of the Tranche A Term Loans), (ii) the applicable New Term Loan Maturity Date of each Series shall be no shorter than the latest of the final maturity of the Tranche B Term Loans (other than with respect to a Tranche A New Term Loan, which shall have a maturity date not earlier than the Tranche A Term Loan Maturity Date), and (iii) the yield applicable to the New Term Loans of each Series shall be determined by Borrower and the applicable new Lenders and shall be set forth in each applicable Joinder Agreement; provided however (A) that the yield applicable to the Tranche A New Term Loans (after giving effect to all upfront or similar fees or original issue discount payable with respect to such Tranche A New Term Loans) shall not be greater than the applicable yield payable pursuant to the terms of this Agreement as amended through the date of such calculation with respect to Tranche A Term Loans (including any upfront or similar fees or original issue discount paid and payable to the initial Lenders hereunder) plus 0.50% per annum unless the interest rate with respect to the Tranche A Term Loan is increased so as to cause the then applicable yield under this Agreement on the Tranche A Term Loans (including any upfront or similar fees or original issue discount paid and payable to the initial Lenders hereunder) to equal the yield then applicable to the Tranche A New Term Loans (after giving effect to all upfront or similar fees or original issue discount payable with respect to such Tranche A New Term Loans) minus 0.50% per annum and (B) that the yield applicable to the Tranche B New Term Loans (after giving effect to all upfront or similar fees or original issue discount payable with respect to such Tranche B New Term Loans) shall not be greater than the applicable yield payable pursuant to the terms of this Agreement as amended through the date of such calculation with respect to Tranche B Term Loans (including any upfront or similar fees or original issue discount paid and payable to the initial Lenders hereunder) plus 0.50% per annum unless the interest rate with respect to the Tranche B Term Loan is increased so as to cause the then applicable yield under this Agreement on the Tranche B Term Loans (including any upfront or similar fees or original issue discount paid and payable to the initial Lenders hereunder) to equal the yield then applicable to the Tranche B New Term Loans (after giving effect to all upfront or similar

fees or original issue discount payable with respect to such Tranche B New Term Loans) minus 0.50% per annum. For purposes of clause (iii) of the immediately preceding sentence, upfront or similar fees and original issue discount will be equated to interest rates based upon an assumed four-year average life. Each Joinder Agreement may, without the consent of any other Lenders, effect such amendments to this Agreement and the other Credit Documents as may be necessary or appropriate, in the opinion of the Administrative Agent, to effect the provisions of this Section 2.25.

Except as expressly set forth in this Section 2.25, New Term Loans incurred and/or New Revolving Loan Commitments established to finance the Medicis Acquisition, the Bausch & Lomb Acquisition or any Permitted Acquisition after the Amendment No. 5 Effective Date shall be entered into in accordance with this Section 2.25 and shall be subject to the terms and conditions hereof; provided that as of the date of establishment of such New Term Loans incurred to finance the Medicis Acquisition or the Bausch & Lomb Acquisition, Borrower shall not be required to comply with the Secured Leverage Ratio set forth in the first paragraph of this Section 2.25; provided that, as of such date, the representations and warranties set forth in Section 4.1(a) (solely with respect to due organization) 4.1(b) (solely with respect to the Joinder Agreement to be entered into with respect to such New Term Loans and/or New Revolving Loan Commitments, as applicable), 4.3 (solely with respect to the Joinder Agreement to be entered into with respect to such New Term Loans and/or New Revolving Loan Commitments, as applicable), 4.4(a)(ii) (solely with respect to the Joinder Agreement to be entered into with respect to such New Term Loans and/or New Revolving Loan Commitments, as applicable), 4.6 (solely with respect to the Joinder Agreement to be entered into with respect to such New Term Loans and/or New Revolving Loan Commitments, as applicable), 4.15 (solely with respect to regulation under the Investment Company Act of 1940), 4.16 (solely with respect to the Joinder Agreement to be entered into with respect to such New Term Loans and/or New Revolving Loan Commitments, as applicable) and 4.23 (solely with respect to the PATRIOT Act), in each case, shall be true and correct in all material respects on and as of such date to the same extent as though made on and as of that date, except to the extent such representations and warranties specifically relate to an earlier date, in which case such representations and warranties shall have been true and correct in all material respects on and as of such earlier date; provided that, in each case, such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof.

SECTION 3. CONDITIONS PRECEDENT

3.1 Third Restatement Date. The effectiveness of this Agreement and the obligation of each Lender to make a Tranche B Term Loan, a Revolving Loan, or to issue a Letter of Credit, in each case on the Third Restatement Date are subject to the prior or concurrent satisfaction, or waiver in accordance with Section 10.5, of the following conditions:

(a) Credit Party Documents. Administrative Agent and Arrangers shall have received sufficient copies of each Credit Document executed and delivered by each applicable Credit Party for each Lender.

(b) Organizational Documents; Incumbency. Administrative Agent and Arrangers shall have received (i) a copy of each Organizational Document executed and delivered by each Credit Party, as applicable, and, to the extent applicable, certified as of a recent date by the appropriate governmental official, each dated the Third Restatement Date or a recent date prior thereto (or a certificate of a Responsible Officer certifying that the Organizational Documents previously delivered to Administrative Agent and Arranger on or about the Second Restatement Date or the Second Amendment and Restatement Joinder Date remain in full force and effect and unmodified as of the Third Restatement Date); (ii) signature and incumbency certificates of the officers of such Person executing the Credit Documents to which it is a party; (iii) resolutions of

the board of directors or similar governing body of each Credit Party approving and authorizing the execution, delivery and performance of this Agreement and the other Credit Documents to which it is a party or by which it or its assets may be bound as of the Third Restatement Date, including the Amendment Agreement, certified as of the Third Restatement Date by its secretary or an assistant secretary as being in full force and effect without modification or amendment; (iv) a certificate of status, certificate of compliance or other certificate of good standing from the applicable Governmental Authority of each Credit Party's jurisdiction of incorporation, organization, amalgamation or formation and in each jurisdiction in which it is qualified as a foreign corporation or other entity to do business, each dated a recent date prior to the Third Restatement Date; and (v) such other documents, including, without limitation, current international SRL licenses for the applicable Barbados Credit Parties, a negative certificate from the Luxembourg Trade and Companies Register with respect to the Luxembourg Guarantor, an excerpt from the Luxembourg Trade and Companies Register for the Luxembourg Guarantor and an excerpt from the applicable commercial register for the Swiss Guarantor as Administrative Agent and Arrangers may reasonably request.

(c) [Intentionally Omitted].

(d) Personal Property Collateral. Each Credit Party shall have delivered to Collateral Agent:

(i) evidence satisfactory to Collateral Agent of the compliance by each Credit Party with their obligations under the Second Amended and Restated Pledge and Security Agreement, the Canadian Pledge and Security Agreement, the Quebec Security Documents, the Barbados Security Documents, the Luxembourg Security Documents, the Swiss Security Documents and the other Collateral Documents (including their obligations to execute and deliver, file or register UCC and PPSA financing statements (or equivalent filings), as applicable, to deliver originals of securities, instruments and chattel paper and any agreements governing deposit and/or securities accounts as provided therein);

(ii) a completed supplement to the Collateral Questionnaire dated on or prior to the Third Restatement Date and executed by an Authorized Officer of each Additional Credit Party, together with all attachments contemplated thereby; and

(iii) the results of a recent bring down lien search, by a Person reasonably satisfactory to the Collateral Agent, of all effective UCC and PPSA financing statements (or equivalent filings, including Quebec Register of Personal and Moveable Real Rights filings) made with respect to any Credit Party in each jurisdiction where the Collateral Agent, acting reasonably, considers it to be necessary or desirable that such searches be conducted, together with copies of all such filings disclosed by such search and (B) UCC and PPSA financing change statements (or similar documents) duly executed or authorized by all applicable Persons for filing in all applicable jurisdictions as may be necessary to terminate any effective UCC or PPSA financing statements (or equivalent filings) disclosed in such search (other than any such financing statements in respect of Permitted Liens).

(e) Opinions of Counsel to Credit Parties. Lenders and their respective counsel shall have received originally executed copies of the favorable written opinions of:

(i) Skadden, Arps, Slate, Meagher & Flom LLP, U.S. counsel to Borrower;

(ii) Chancery Chambers, special Barbados counsel to Borrower;

(iii) Norton Rose Canada LLP, special Canadian counsel to Borrower;

(iv) Stewart McKelvey, special Nova Scotia counsel to Borrower;

(v) Fillmore Riley LLP, special Manitoba counsel to Borrower;

(vi) Clark Wilson LLP, special British Columbia counsel to Borrower; and

(vii) Baker & McKenzie, special Luxembourg and Swiss counsel to Borrower.

in each case as to such matters as Administrative Agent may reasonably request, dated as of the Third Restatement Date and otherwise in form and substance reasonably satisfactory to Administrative Agent and Arrangers (and each Credit Party hereby instructs such counsel to deliver such opinions to Agents and Lenders).

(f) Fees and Expenses. Borrower shall have paid to the Administrative Agent all fees payable on the Third Restatement Date referred to in Section 2.11(c) and shall have reimbursed the Administrative Agent and the Arrangers for their out-of-pocket expenses, including the invoiced legal fees and expenses of Cahill Gordon & Reindel LLP; Lex Caribbean; Osler, Hoskin & Harcourt LLP, Lenz & Staehelin and Elvinger, Hoss & Prussen and Mallesons Stephen Jaques.

(g) Solvency Certificate. On the Third Restatement Date, Administrative Agent and Arrangers shall have received a Solvency Certificate dated the Third Restatement Date and addressed to Administrative Agent and Lenders, and in form, scope and substance satisfactory to Administrative Agent, certifying that Borrower and its Subsidiaries that are Credit Parties are and will be Solvent on a consolidated basis.

(h) Third Restatement Date Certificate. Borrower shall have delivered to Administrative Agent and Arrangers an originally executed Third Restatement Date Certificate.

(i) Title Insurance. Administrative Agent shall have received an executed copy of an endorsement amending the name of the insured under the title insurance policy in respect of the real property secured by the Quebec Security Documents.

Each Lender, by delivering its signature page to this Agreement, shall be deemed to have acknowledged receipt of, and consented to and approved, each Credit Document and each other document required to be approved by any Agent, Requisite Lenders or Lenders, as applicable on the Third Restatement Date.

Notwithstanding anything to the contrary contained in this Agreement or the other Credit Documents, the parties hereto acknowledge and agree that (i) the delivery of any document or instrument, and the taking of any action, set forth on Schedule 5.15 hereto shall not be a condition precedent to the Third Restatement Date but shall be required to be satisfied after the Third Restatement Date in accordance with Schedule 5.15 hereto, and (ii) all conditions precedent and representations, warranties, covenants, Events of Default and other provisions contained in this Agreement and the other Credit Documents shall be deemed modified as set forth on Schedule 5.15 hereto (and to permit the taking of the actions described therein within the time periods required therein, rather than as elsewhere provided in the Credit Documents); provided that (x) to the extent any representation and warranty would not be true because the actions set forth therein were not taken on the Third Restatement Date, the respective representation and

warranty shall be required to be true and correct in all material respects at the time the respective action is taken (or was required to be taken) in accordance with the provisions of Schedule 5.15 and (y) all representations and warranties relating to the Collateral Documents set forth in Schedule 5.15 shall be required to be true immediately after the actions required to be taken by Schedule 5.15 have been taken (or were required to be taken).

3.2 Prior Credit Dates. The obligations of (a) the Lenders (including the Swing Line Lender) to make Loans and (b) Issuing Bank to issue Letters of Credit on the Original Closing Date, the First Restatement Date and the Second Restatement Date was subject to the satisfaction of all of the conditions precedent set forth in Section 3.1 of the Original Credit Agreement, the First Amended and Restated Credit Agreement, and the Second Amended and Restated Credit Agreement, respectively.

3.3 Conditions to Each Credit Extension.

(a) Conditions Precedent. The obligation of each Lender to make any Loan, or Issuing Bank to issue, amend, modify, renew or extend any Letter of Credit, on any Credit Date, on or after the Third Restatement Date, are subject to the satisfaction, or waiver in accordance with Section 10.5, of the following conditions precedent:

(i) Administrative Agent shall have received a fully executed and delivered Funding Notice or Issuance Notice, as the case may be;

(ii) after making the Credit Extensions requested on such Credit Date, the Total Utilization of Revolving Commitments shall not exceed the Revolving Commitments then in effect;

(iii) as of such Credit Date, the representations and warranties contained herein and in the other Credit Documents, in each case, shall be true and correct in all material respects on and as of that Credit Date to the same extent as though made on and as of that date, except to the extent such representations and warranties specifically relate to an earlier date, in which case such representations and warranties shall have been true and correct in all material respects on and as of such earlier date; provided that, in each case, such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof;

(iv) no event shall have occurred and be continuing or would result from the consummation of the applicable Credit Extension that would constitute an Event of Default or a Default; and

(v) on or before the date of issuance, amendment, modification, renewal or extension of any Letter of Credit, Administrative Agent shall have received all other information required by the applicable Letter of Credit application, and such other documents or information as Issuing Bank may reasonably require in connection with the issuance amendment, modification, renewal or extension of such Letter of Credit.

(b) Notices. Any Notice shall be executed by an Authorized Officer in a writing delivered to Administrative Agent. In lieu of delivering a Notice, Borrower may give Administrative Agent telephonic notice by the required time of any proposed borrowing, conversion/continuation or issuance of a Letter of Credit, as the case may be; provided that each such telephonic notice shall be promptly confirmed in writing by delivery of the applicable Notice to Administrative Agent on or before the close of business on the date that the telephonic notice is given. In the event of a discrepancy between the telephonic notice and the written Notice, the written Notice shall govern. In the case of any Notice that is irrevocable once

given, if Borrower provides telephonic notice in lieu thereof, such telephone notice shall also be irrevocable once given. Neither Administrative Agent nor any Lender shall incur any liability to Borrower in acting upon any telephonic notice referred to above that Administrative Agent believes in good faith to have been given by a duly authorized officer or other person authorized on behalf of Borrower or for otherwise acting in good faith.

SECTION 4. REPRESENTATIONS AND WARRANTIES

In order to induce Agents, Lenders and Issuing Bank to enter into this Agreement and to make each Credit Extension to be made thereby, each Credit Party represents and warrants to each Agent, each Lender and Issuing Bank, on the Third Restatement Date and on each Credit Date, that the following statements are true and correct.

4.1 Organization; Requisite Power and Authority; Qualification. Except as otherwise set forth on Schedule 4.1, each of Borrower and its Subsidiaries (a) is duly organized, validly existing and, to the extent such concept is applicable in the relevant jurisdiction, in good standing under the laws of its jurisdiction of organization as identified in Schedule 4.1, (b) has all requisite power and authority to own and operate its properties, to carry on its business as now conducted and as proposed to be conducted, to enter into the Credit Documents to which it is a party and to carry out the transactions contemplated thereby, and (c) to the extent such concept is applicable in the relevant jurisdiction, is qualified to do business and in good standing in every jurisdiction where its assets are located and wherever necessary to carry out its business and operations, except in jurisdictions where the failure to be so qualified or in good standing has not had, and could not be reasonably expected to have, a Material Adverse Effect.

4.2 Equity Interests and Ownership. The Equity Interests of each of Borrower and its Subsidiaries have been duly authorized and validly issued and are fully paid and non-assessable. Except as set forth on Schedule 4.2, as of the date hereof, there is no existing option, warrant, call, right, commitment or other agreement to which Borrower or any of its Subsidiaries is a party requiring, and there is no membership interest or other Equity Interests of Borrower or any of its Subsidiaries outstanding which upon conversion or exchange would require, the issuance by Borrower or any of its Subsidiaries of any additional membership interests or other Equity Interests of Borrower or any of its Subsidiaries or other Securities convertible into, exchangeable for or evidencing the right to subscribe for or purchase a membership interest or other Equity Interests of Borrower or any of its Subsidiaries. Schedule 4.2 correctly sets forth the ownership interest of Borrower and each of its Subsidiaries as of the Third Restatement Date.

4.3 Due Authorization. The execution, delivery and performance of the Credit Documents have been duly authorized by all necessary action on the part of each Credit Party that is a party thereto.

4.4 No Conflict. The execution, delivery and performance by Credit Parties of the Credit Documents to which they are parties and the consummation of the transactions contemplated by the Credit Documents do not and will not (a) violate (i) any provision of any Applicable Law, (ii) any of the Organizational Documents of Borrower or any of its Subsidiaries, or (iii) any order, judgment or decree of any court or other agency of government binding on Borrower or any of its Subsidiaries, except with respect to clauses (i) and (iii) to the extent that such violation could not reasonably be expected to have a Material Adverse Effect; (b) conflict with, result in a breach of or constitute (with due notice or lapse of time or both) a default under any Contractual Obligation of Borrower or any of its Subsidiaries, except to the extent that such conflict, breach or default could not reasonably be expected to have a Material Adverse Effect; (c) result in or require the creation or imposition of any Lien upon any of the properties or assets of Borrower or any of its Subsidiaries (other than any Liens created under any of the Credit Documents in favor of Collateral Agent, on behalf of Secured Parties); or (d) require any approval of stock-

holders, members or partners or any approval or consent of any Person under any Contractual Obligation of Borrower or any of its Subsidiaries, except for such approvals or consents which will be obtained on or before the Third Restatement Date and disclosed in writing to Lenders and except for any such approval or consent the failure of which to obtain could not reasonably be expected to have a Material Adverse Effect.

4.5 Governmental Consents. (a) The execution, delivery and performance by Credit Parties of the Credit Documents to which they are parties and the consummation of the financing contemplated by this Agreement do not and will not require any registration with, consent or approval of, or notice to, or other action to, with or by, any Governmental Authority, except for filings and recordings with respect to the Collateral to be made, or otherwise delivered to Collateral Agent for filing and/or recordation, and (b) with respect to the consummation of each Acquisition, as of the date thereof, consummation of such Acquisition did not require any registration with, consent or approval of, or notice to, or other action to, with or by, any Governmental Authority as of the date thereof, except for such registrations, consents, notices or other actions which were obtained or made on or before such date.

4.6 Binding Obligation. Each Credit Document has been duly executed and delivered by each Credit Party that is a party thereto and is the legally valid and binding obligation of such Credit Party, enforceable against such Credit Party in accordance with its respective terms, except as may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or limiting creditors' rights generally or by equitable principles relating to enforceability.

4.7 Historical Financial Statements. The Historical Financial Statements were prepared in conformity with GAAP and fairly present, in all material respects, the financial position, on a consolidated basis, of the Persons described in such financial statements as at the respective dates thereof and the results of operations and cash flows, on a consolidated basis, of the Persons described therein for each of the periods then ended, subject, in the case of any such unaudited financial statements, to changes resulting from audit and normal year end adjustments and the absence of footnotes. As of the Third Restatement Date, none of Borrower or any of its Subsidiaries has any contingent liability or liability for taxes, long term lease or unusual forward or long term commitment that is not reflected in the Historical Financial Statements or the notes thereto and which in any such case is material in relation to the business, operations, properties, assets or condition (financial or otherwise) of Borrower and its Subsidiaries taken as a whole.

4.8 Projections. On and as of the Third Restatement Date, the Projections of Borrower and its Subsidiaries for the period of Fiscal Year 2012 through and including Fiscal Year 2016 provided to Lenders or prospective Lenders in writing on or prior to the Third Restatement Date (the "**Projections**") are based on good faith estimates and assumptions made by the management of Borrower; provided that the Projections are not to be viewed as facts and that actual results during the period or periods covered by the Projections may differ from such Projections and that the differences may be material.

4.9 No Material Adverse Change. Since January 1, 2011, no event, circumstance or change has occurred that has caused or evidences, or could reasonably be expected to have, either in any case or in the aggregate, a Material Adverse Effect.

4.10 Adverse Proceedings, etc. There are no Adverse Proceedings, individually or in the aggregate, that could reasonably be expected to have a Material Adverse Effect. None of Borrower or any of its Subsidiaries (a) is in violation of any Applicable Laws (including Environmental Laws) that, individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect, or (b) is subject to or in default with respect to any Governmental Authority or any final judgments, writs, injunc-

tions, decrees, rules or regulations of any Governmental Authority, that, individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect.

4.11 Payment of Taxes. Except for any failure that would not be reasonably expected to, individually or in the aggregate, result in a Material Adverse Effect:

(a) all Tax returns and reports of Borrower and each of its Subsidiaries required to be filed by any of them have been timely filed, and all Taxes (whether or not shown on such Tax returns) of Borrower and each of its Subsidiaries and upon their respective properties, assets, income, businesses and franchises (including in the capacity of a withholding agent) which are due and payable have been timely paid (except for Taxes that are being contested in accordance with the terms of Section 5.3) and adequate accruals and reserves have been made in accordance with GAAP for Taxes of Borrower and each of its Subsidiaries in that are not due and payable; and

(b) there is no current, or, to the knowledge of Borrower or its Subsidiaries, proposed or pending audit, examination, Tax assessment, claims or proceedings against Borrower or any of its Subsidiaries which is not being actively contested by Borrower or such Subsidiary in good faith and by appropriate proceedings and for which adequate reserves have been made in accordance with GAAP by Borrower or any of its Subsidiaries, as applicable.

4.12 Properties.

(a) Title. Each of Borrower and its Subsidiaries has (i) good, sufficient and legal and beneficial title to (in the case of fee interests in real property), (ii) valid leasehold interests in (in the case of leasehold interests in real or personal property), (iii) valid licensed rights in (in the case of licensed interests in intellectual property) and (iv) good title to (in the case of all other personal property), all of their respective properties and assets material to its business, except for minor defects in title that do not interfere with its ability to conduct its business as currently conducted or to utilize such properties for their intended purposes. Except as permitted by this Agreement, all such properties and assets are free and clear of Liens.

(b) Real Estate. As of the Third Restatement Date, Schedule 4.12 contains a true, accurate and complete list of (i) all Real Estate Assets, and (ii) all leases, subleases, licenses or assignments of leases, subleases, licenses or other agreements (together with all amendments, modifications, supplements, renewals or extensions of any thereof) affecting each Real Estate Asset of any Credit Party, regardless of whether such Credit Party is the landlord (licensor) or tenant (licensee) (whether directly or as an assignee or successor in interest) under such lease, sublease, license, assignment or other agreement. Each agreement listed in clause (ii) of the immediately preceding sentence is in full force and effect and Borrower does not have knowledge of any default that has occurred and is continuing thereunder, except to the extent that the failure to be in full force and effect or the occurrence and continuance of a default, individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect, and each such agreement constitutes the legally valid and binding obligation of each applicable Credit Party, enforceable against such Credit Party in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or limiting creditors' rights generally or by equitable principles. To the knowledge of the Credit Parties, none of the buildings or other structures located on any Real Estate Asset encroaches upon any land not owned or leased by a Credit Party (except in a manner that constitutes a Permitted Lien), and there are no restrictive covenants or statutes, regulations, orders or other laws which restrict or prohibit the use in any material respect of any Real Estate Asset or such buildings or structures for the purposes for which they are currently used. To the knowledge of the Credit Parties, there

are no expropriation or similar proceedings, actual or threatened, against any Real Estate Asset or any part thereof.

(c) Intellectual Property. Each Credit Party possesses or has, by valid and enforceable license, ownership or the right to use all Intellectual Property used in the conduct of its business and, to each Credit Party's knowledge, has the right to use such Intellectual Property without violation or infringement of any rights of others with respect thereto.

4.13 Environmental Matters. None of Borrower or any of its Subsidiaries or any of their respective Facilities or operations are subject to any actual or, to Borrower's knowledge, as applicable, threatened, order, consent decree or settlement agreement with any Person pursuant to any Environmental Law or relating to any Environmental Claim or any Release or threat of Release of Hazardous Materials, that, individually or in the aggregate, could reasonably be expected to result in a Material Adverse Effect. None of Borrower or any of its Subsidiaries has received any written notice of non-compliance with any Environmental Law, letter or request for information under Section 104 of the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. § 9604) or any comparable state law, except as, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect. Each Facility is free from the presence of Hazardous Materials, except for such materials the presence of which, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect. There are and, to each of Borrower's and its Subsidiaries' knowledge, have been no conditions, occurrences, or Release or threat of Release of Hazardous Materials that could reasonably be expected to form the basis of a Environmental Claim against Borrower or any of its Subsidiaries that, individually or in the aggregate, could reasonably be expected to result in a Material Adverse Effect. None of Borrower or any of its Subsidiaries or, to any Credit Party's knowledge, any predecessor of Borrower or any of its Subsidiaries has filed any notice under any Environmental Law indicating past or present treatment of Hazardous Materials at any Facility, except as, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect, and none of Borrower's or any of its Subsidiaries' operations involves the generation, transportation, treatment, storage or disposal of hazardous waste, as defined under 40 C.F.R. Parts 260 or 270 or any state or other equivalent, in each case, except as, individually or in the aggregate could not reasonably be expected to result in a Material Adverse Effect. Borrower and each of its Subsidiaries, Facilities and operations are in compliance with applicable Environmental Laws, in each case, except as, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect.

4.14 No Defaults. None of Borrower or any of its Subsidiaries is in default in the performance, observance or fulfillment of any of the obligations, covenants or conditions contained in any of its Contractual Obligations, and no condition exists which, with the giving of notice or the lapse of time or both, could constitute such a default, except where the consequences, direct or indirect, of such default or defaults, if any, could not reasonably be expected to have a Material Adverse Effect.

4.15 Governmental Regulation. Borrower and its Subsidiaries are not subject to regulation under the Investment Company Act of 1940 or any other Applicable Law or Governmental Authorization that restricts or limits their ability to incur Indebtedness or to perform or satisfy the Obligations.

4.16 Federal Reserve Regulations.

(a) None of Borrower or any of its Subsidiaries is engaged principally, or as one of its important activities, in the business of extending credit for the purpose of buying or carrying Margin Stock.

(b) No portion of the proceeds of any Credit Extension shall be used in any manner, whether directly or indirectly, that causes or could reasonably be expected to cause, such Credit Extension or the

application of such proceeds to violate Regulation T, Regulation U or Regulation X of the Board of Governors or any other regulation thereof.

4.17 Employee Matters. None of Borrower or any of its Subsidiaries is engaged in any unfair labor practice or other labor proceeding (including certification) or complaint that could reasonably be expected to have a Material Adverse Effect. Except as could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, there is (a) no unfair labor practice complaint pending against Borrower or any of its Subsidiaries or, to the knowledge of Borrower, threatened against any of them before the National Labor Relations Board or a labor board of any other jurisdiction, and no grievance or arbitration proceeding arising out of or under any collective bargaining agreement pending against Borrower or any of its Subsidiaries or, to the knowledge of Borrower, threatened against any of them, and none of Borrower or any of its Subsidiaries is in violation of any collective bargaining agreement, (b) no strike or work stoppage in existence or, to the knowledge of Borrower, threatened involving Borrower or any of its Subsidiaries and (c) to the knowledge of Borrower, no union representation question existing with respect to the employees of Borrower or any of its Subsidiaries and, to the knowledge of Borrower, no union organization activity is taking place with respect to the employees of Borrower or any of its Subsidiaries. Except as could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, all payments due from any Canadian Credit Party for employee health and welfare insurance have been paid or accrued as a liability on the books of such Canadian Credit Party and such Canadian Credit Party has withheld and remitted all employee withholdings to be withheld or remitted by it and has made all employer contributions to be made by it, in each case, pursuant to applicable law on account of the Canada Pension Plan maintained by the Government of Canada, employment insurance, employee income taxes, and any other required payroll deduction.

4.18 Employee Benefit Plans. Except as could not reasonably be expected to have a Material Adverse Effect, (a) Borrower, each of its Subsidiaries and each of their respective ERISA Affiliates are in compliance with all applicable provisions and requirements of ERISA and the Internal Revenue Code and the regulations and published interpretations thereunder with respect to each Employee Benefit Plan, and have performed all their obligations under each Employee Benefit Plan, (b) each Employee Benefit Plan which is intended to qualify under Section 401(a) of the Internal Revenue Code has received a favorable determination letter from the Internal Revenue Service indicating that such Employee Benefit Plan is so qualified and, to the knowledge of Borrower, nothing has occurred subsequent to the issuance of such determination letter which would cause such Employee Benefit Plan to lose its qualified status, (c) no liability to the PBGC (other than required premium payments), the Internal Revenue Service, any Employee Benefit Plan or any trust established under Title IV of ERISA has been or is expected to be incurred by Borrower, any of its Subsidiaries or any of their ERISA Affiliates, (d) no ERISA Event has occurred or is reasonably expected to occur and (e) except to the extent required under Section 4980B of the Internal Revenue Code or similar state laws, no Employee Benefit Plan provides health or welfare benefits (through the purchase of insurance or otherwise) for any retired or former employee of Borrower, any of its Subsidiaries or any of their respective ERISA Affiliates. The present value of the aggregate benefit liabilities under each Pension Plan sponsored, maintained or contributed to by Borrower, any of its Subsidiaries or any of their ERISA Affiliates (determined as of the end of the most recent plan year on the basis of the actuarial assumptions specified for funding purposes in the most recent actuarial valuation for such Pension Plan), did not exceed the then-current aggregate value of the assets of such Pension Plan by more than $~~70,000,000.~~150,000,000. As of the most recent valuation date for each Multiemployer Plan for which the actuarial report is available, the potential liability of Borrower, its Subsidiaries and their respective ERISA Affiliates for a complete withdrawal from such Multiemployer Plan (within the meaning of Section 4203 of ERISA), when aggregated with such potential liability for a complete withdrawal from all Multiemployer Plans, based on information available pursuant to Section 4221(e) of ERISA, is not more than $~~70,000,000.~~150,000,000. Except as could not reasonably be expected to have a Material Adverse Effect, Borrower, each of its Subsidiaries and each of their ERISA Affiliates have complied with

the requirements of Section 515 of ERISA with respect to each Multiemployer Plan and are not in "default" (as defined in Section 4219(c)(5) of ERISA) with respect to payments to a Multiemployer Plan.

4.19 Canadian Employee Benefit Plans.

(a) Except as could not reasonably be expected to have a Material Adverse Effect and except as set forth on Schedule 4.18, the Canadian Employee Benefit Plans are, and have been, established, registered, amended, funded, invested and administered in compliance with the terms of such Canadian Employee Benefit Plans (including the terms of any documents in respect of such Canadian Employee Benefit Plans), all Applicable Laws and any applicable collective agreements. There is no investigation by a Governmental Authority or claim (other than routine claims for payment of benefits) pending or, to the knowledge of a Canadian Credit Party, threatened involving any Canadian Employee Benefit Plan or its assets, and no facts exist which could reasonably be expected to give rise to any such investigation or claim (other than routine claims for payment of benefits) which if determined adversely, could reasonably be expected to have a Material Adverse Effect.

(b) All employer and employee payments, contributions and premiums required to be remitted, paid to or in respect of each Canadian Pension Plan have been paid or remitted in accordance with its terms and all applicable laws.

(c) No Canadian Pension Plan Termination Events have occurred that individually or in the aggregate, would result in a Canadian Credit Party owing an amount that could reasonably be expected to have a Material Adverse Effect.

(d) Except as set forth on Schedule 4.18, no Credit Party has any liability (contingent, matured or otherwise) in respect of a Defined Benefit Plan.

None of the Canadian Employee Benefit Plans, other than the Canadian Pension Plans, provide benefits beyond retirement or other termination of service to employees or former employees of a Canadian Credit Party, or to the beneficiaries or dependants of such employees.

4.20 Solvency. The Credit Parties are and, upon the incurrence of any Obligation by any Credit Party on any date on which this representation and warranty is made, will be, Solvent, on a consolidated basis.

4.21 Compliance with Statutes, etc. Each of Borrower and its Subsidiaries is in compliance with all Applicable Laws imposed by all Governmental Authorities, in respect of the conduct of its business and the ownership of its property (including compliance with all applicable Environmental Laws with respect to any Real Estate Asset or governing its business and the requirements of any permits issued under such Environmental Laws with respect to any such Real Estate Asset or the operations of Borrower or any of its Subsidiaries as currently operated or conducted), except such non-compliance that, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect.

4.22 Disclosure. None of the reports, certificates or written statements furnished to Lenders by or on behalf of Borrower or any of its Subsidiaries for use in connection with the Transactions, other than projections and information of a general economic or general industry nature, contains any untrue statement of a material fact or omits to state a material fact (known to Borrower, in the case of any document not furnished by either of them) necessary in order to make the statements contained herein or therein not misleading as of the date made, in light of the circumstances in which the same were made. Any projections and pro forma financial information contained in such materials are based upon good faith estimates and assumptions believed by Borrower to be reasonable at the time made, it being recognized

by Lenders that such projections as to future events are not to be viewed as facts and that actual results during the period or periods covered by any such projections may differ from the projected results and such differences may be material. There are no facts known (or which should upon the reasonable exercise of diligence be known) to Borrower (other than matters of a general economic nature) that, individually or in the aggregate, could reasonably be expected to result in a Material Adverse Effect and that have not been disclosed herein or other documents, certificates and statements furnished to Lenders for use in connection with the Transactions.

4.23 PATRIOT Act and PCTFA. To the extent applicable, each Credit Party is in compliance, in all material respects, with the (i) Trading with the Enemy Act, as amended, and each of the foreign assets control regulations of the United States Treasury Department (31 CFR, Subtitle B, Chapter V, as amended) and any other enabling legislation or executive order relating thereto, (ii) the PATRIOT Act, (iii) Part II.1 of the *Criminal Code* (Canada), (iv) *the Proceeds of Crime (money laundering) and Terrorist Financing Act* (Canada) (the "**PCTFA**"), (v) the *Regulations Implementing the United Nations Resolutions on the Suppression of Terrorism* (Canada) and (vi) *United Nations Al-Qaida and Taliban Regulations* (Canada). No part of the proceeds of the Loans will be used, directly or indirectly, for any payments to any governmental official or employee, political party, official of a political party, candidate for political office, or anyone else acting in an official capacity, in order to obtain, retain or direct business or obtain any improper advantage, in violation of the United States Foreign Corrupt Practices Act of 1977, as amended.

4.24 Creation, Perfection, etc. Except as otherwise contemplated hereby or under any other Credit Document, including without limitation in Section 3 hereof, all filings and other actions necessary to perfect the Liens on the Collateral created under, and in the manner contemplated by, the Collateral Documents have been duly made or taken or otherwise provided for (to the extent required hereby or by the applicable Collateral Documents), and, to the extent not previously executed and delivered, when executed and delivered, the Collateral Documents will create in favor of Collateral Agent for the benefit of the Secured Parties, or in favor of the Secured Parties, a valid and, together with such filings and other actions (to the extent required hereby or by the applicable Collateral Documents), perfected First Priority Lien on the Collateral, securing the payment of the Obligations.

4.25 OFAC Matters. None of Borrower, any of its Subsidiaries or, to the knowledge of Borrower, any director, officer, agent, employee or affiliate of Borrower or any of its Subsidiaries is currently subject to any U.S. sanctions administered by the Office of Foreign Assets Control of the U.S. Department of the Treasury ("**OFAC**"); and Borrower and its Subsidiaries will not, directly or indirectly, use the proceeds of the Loans, or lend, contribute or otherwise make available such proceeds to any Subsidiary, joint venture partner or other Person or entity, for the purpose of financing the activities of any Person currently subject to any U.S. sanctions administered by OFAC.

SECTION 5. AFFIRMATIVE COVENANTS

Each Credit Party covenants and agrees that so long as any Commitment is in effect and until payment in full of all principal of and interest on each Loan and all fees, expenses and other amounts (other than contingent amounts not yet due) payable under any Credit Document and cancellation or expiration of all Letters of Credit, each Credit Party shall perform, and shall cause each of its Subsidiaries to perform, all covenants in this Section 5.

5.1 Financial Statements and Other Reports. Borrower will deliver to Administrative Agent on behalf of each Lender:

(a) Quarterly Financial Statements. Within 45 days after the end of each Fiscal Quarter of each Fiscal Year (other than the fourth Fiscal Quarter of any such Fiscal Year), commencing with the Fiscal Quarter ending September 30, 2011, the consolidated balance sheets of Borrower and its Subsidiaries as at the end of such Fiscal Quarter and the related consolidated statements of income and cash flows of Borrower and its Subsidiaries for such Fiscal Quarter and for the period from the beginning of the then current Fiscal Year to the end of such Fiscal Quarter, setting forth in each case in comparative form the corresponding figures for the corresponding periods of the previous Fiscal Year, commencing with the first Fiscal Quarter for which such corresponding figures are available, all in reasonable detail, together with a Financial Officer Certification and a Narrative Report with respect thereto;

(b) Annual Financial Statements. Within 90 days after the end of each Fiscal Year, commencing with the Fiscal Year ending December 31, 2011, (i) the consolidated balance sheets of Borrower and its Subsidiaries as at the end of such Fiscal Year and the related consolidated statements of income, stockholders' equity and cash flows of Borrower and its Subsidiaries for such Fiscal Year, setting forth in each case in comparative form the corresponding figures for the previous Fiscal Year commencing with the first Fiscal Year for which such corresponding figures are available, all in reasonable detail, together with a Financial Officer Certification and a Narrative Report with respect thereto; and (ii) with respect to such consolidated financial statements a report thereon by an independent certified public accountant (or accountants) of recognized national standing selected by Borrower, and reasonably satisfactory to Administrative Agent (which report and/or the accompanying financial statements shall be unqualified as to going concern and scope of audit, and shall state that such consolidated financial statements fairly present, in all material respects, the consolidated financial position of Borrower and its Subsidiaries as at the dates indicated and the results of their operations and their cash flows for the periods indicated in conformity with GAAP applied on a basis consistent with prior years (except as otherwise disclosed in such financial statements) and that the examination by such accountants in connection with such consolidated financial statements has been made in accordance with generally accepted auditing standards) together with a written statement by such independent certified public accountants stating (1) that their audit examination has included a review of the terms of Section 6.7 of this Agreement and the related definitions, (2) whether, in connection therewith, any condition or event that constitutes a Default or an Event of Default under Section 6.7 has come to their attention and, if such a condition or event has come to their attention, specifying the nature and period of existence thereof, and (3) that nothing has come to their attention that causes them to believe that the information contained in any Compliance Certificate is not correct or that the matters set forth in such Compliance Certificate are not stated in accordance with the terms hereof (which statement may be limited to the extent required by accounting rules or guidelines);

(c) Compliance Certificate. Together with each delivery of financial statements of Borrower and its Subsidiaries pursuant to Sections 5.1(a) and 5.1(b), a duly executed and completed Compliance Certificate;

(d) Statements of Reconciliation after Change in Accounting Principles. If, as a result of any change in accounting principles and policies from those used in the preparation of the Historical Financial Statements, the consolidated financial statements of Borrower and its Subsidiaries delivered pursuant to Section 5.1(a) or 5.1(b) will differ in any material respect from the consolidated financial statements that would have been delivered pursuant to such subdivisions had no such change in accounting principles and policies been made, then, together with the first delivery of such financial statements after such change, one or more statements of reconciliation for all such prior financial statements in form and substance reasonably satisfactory to Administrative Agent;

(e) Notice of Default. Promptly upon any Responsible Officer of Borrower obtaining knowledge (i) of any condition or event that constitutes a Default or an Event of Default or that notice has been given to Borrower with respect thereto; (ii) that any Person has given any notice to Borrower or any of its Subsidiaries or taken any other action with respect to any event or condition set forth in Section 8.1(b); or (iii) of the occurrence of any event or change that has caused or evidences or could reasonably be expected to result in, either individually or in the aggregate, a Material Adverse Effect, a certificate of an Authorized Officer specifying the nature and period of existence of such condition, event or change, or specifying the notice given and action taken by any such Person and the nature of such claimed Event of Default, Default, default, event or condition, and what action Borrower has taken, is taking and proposes to take with respect thereto;

(f) Notice of Litigation. Promptly upon any Responsible Officer of Borrower obtaining knowledge of any actual or threatened (i) Adverse Proceeding not previously disclosed in writing by Borrower to Lenders, or (ii) development in any Adverse Proceeding that, in the case of either clause (i) or (ii), if adversely determined could be reasonably expected to result in a Material Adverse Effect, or seeks to enjoin or otherwise prevent the consummation of, or to recover any damages or obtain relief as a result of, the Transactions, written notice thereof together with such other information as may be reasonably available to Borrower to enable Lenders and their counsel to evaluate such matters;

(g) ERISA. (i) Promptly upon any Responsible Officer of Borrower obtaining knowledge of the occurrence of or forthcoming occurrence of any ERISA Event, a written notice specifying the nature thereof, what action Borrower, any of its Subsidiaries or any of their respective ERISA Affiliates has taken, is taking or proposes to take with respect thereto and, when known, any action taken or threatened by the Internal Revenue Service, the Department of Labor or the PBGC with respect thereto; and (ii) with reasonable promptness, copies of (1) each Schedule B (Actuarial Information) to the annual report (Form 5500 Series) filed by Borrower, any of its Subsidiaries or any of their respective ERISA Affiliates with the Internal Revenue Service with respect to each Pension Plan; (2) all notices received by Borrower, any of its Subsidiaries or any of their respective ERISA Affiliates from a Multiemployer Plan sponsor concerning an ERISA Event; and (3) copies of such other documents or governmental reports or filings relating to any Employee Benefit Plan as Administrative Agent shall reasonably request;

(h) Canadian Employee Benefit Plans. Promptly upon any Responsible Officer of Borrower obtaining knowledge of: (1) a Canadian Pension Plan Termination Event; (2) the failure to make a required contribution to or payment under any Canadian Pension Plan when due; (3) the occurrence of any event which is reasonably likely to result in a Canadian Credit Party incurring any liability, fine or penalty with respect to any Canadian Employee Benefit Plan that could reasonably be expected to result in a Material Adverse Effect; (4) the establishment of any material new Canadian Employee Benefit Plans or (5) any change to an existing Canadian Employee Benefit Plan that could reasonably be expected to result in a Material Adverse Effect; in the notice to the Administrative Agent of the foregoing, copies of all documentation relating thereto as Administrative Agent shall reasonably request shall be provided;

(i) Financial Plan. As soon as practicable and in any event no later than 60 days subsequent to the beginning of each Fiscal Year (beginning with the Fiscal Year ending December 31, 2012), a consolidated plan and financial forecast for such Fiscal Year and each Fiscal Year (or portion thereof) through the final maturity date of the Loans (a "**Financial Plan**"), including forecasted consolidated statements of income of Borrower for each Fiscal Quarter of such Fiscal Year (it being understood that the forecasted financial information is not to be viewed as

facts and that actual results during the period or periods covered by the Financial Plan may differ from such forecasted financial information and that such differences may be material);

(j) Insurance Report. As soon as practicable and in any event within 60 days after the last day of each Fiscal Year, a certificate from Borrower's insurance broker in form and substance satisfactory to Administrative Agent outlining all material insurance coverage maintained as of the date of such certificate by Borrower and its Subsidiaries;

(k) Information Regarding Collateral. Borrower will furnish to Collateral Agent prompt (and in any event within 30 days of such change) written notice of any change (i) in any Credit Party's legal name, (ii) in any Credit Party's identity or corporate structure, (iii) in any Credit Party's jurisdiction of organization or of the jurisdiction in which its chief executive office is located or (iv) in any Credit Party's Federal Taxpayer Identification Number or state organizational identification number. Borrower agrees not to effect or permit any change referred to in the preceding sentence unless all filings have been made under the Uniform Commercial Code, the PPSA or similar laws of jurisdictions in which Credit Parties are organized or otherwise that are required in order for Collateral Agent to continue at all times following such change to have a valid, legal and perfected security interest in all the Collateral as contemplated in the Collateral Documents. Borrower also agrees promptly to notify Collateral Agent if any material portion of the Collateral is damaged or destroyed;

(l) Annual Collateral Verification. Each year, at the time of delivery of annual financial statements with respect to the preceding Fiscal Year pursuant to Section 5.1(b), Borrower shall deliver to Collateral Agent a certificate of an Authorized Officer (i) either confirming that there has been no change in the information required by the Collateral Questionnaire since the date of the most recently delivered Collateral Questionnaire or the date of the most recent certificate delivered pursuant to this Section and/or identifying such changes and (ii) certifying that all Uniform Commercial Code and PPSA financing statements (including fixtures filings, as applicable) and all supplemental Intellectual Property Security Agreements or other appropriate filings, recordings or registrations, have been filed or recorded in each governmental, municipal or other appropriate office in each jurisdiction identified in the Collateral Questionnaire or pursuant to clause (i) above to the extent necessary to effect, protect and perfect the security interests under the Collateral Documents for a period of not less than 18 months after the date of such certificate (except as noted therein with respect to any continuation statements to be filed within such period);

(m) Other Information. (A) Promptly upon their becoming publicly available, copies (or e-mail notice) of (i) all financial statements, reports, notices and proxy statements sent or made available generally by Borrower to its security holders acting in such capacity or by any Subsidiary of Borrower to its security holders other than Borrower or another Subsidiary of Borrower, (ii) all regular and periodic reports and all registration statements and prospectuses, if any, filed by Borrower or any of its Subsidiaries with any securities exchange or with the Securities and Exchange Commission, the Ontario Securities Commission or any other Governmental Authority and (iii) all press releases and other statements made available generally by Borrower or any of its Subsidiaries to the public concerning material developments in the business of Borrower or any of its Subsidiaries, and (B) such other information and data with respect to the operations, business affairs and financial condition of Borrower or any of its Subsidiaries as from time to time may be reasonably requested by Administrative Agent or any Lender;

(n) Certification of Public Information. Borrower and each Lender acknowledge that certain of the Lenders may be Public Lenders and, if documents or notices required to be deliv-

ered pursuant to this Section 5.1 or otherwise are being distributed through IntraLinks, SyndTrak or another relevant website or other information platform (the "**Platform**"), any document or notice that Borrower has indicated contains Non-Public Information shall not be posted on that portion of the Platform designated for such Public Lenders. Borrower agrees to clearly designate all information provided to Administrative Agent by or on behalf of Borrower which is suitable to make available to Public Lenders. If Borrower has not indicated whether a document or notice delivered pursuant to this Section 5.1 contains Non-Public Information, Administrative Agent reserves the right to post such document or notice solely on that portion of the Platform designated for Lenders who wish to receive material non-public information with respect to Borrower, its Subsidiaries and their respective Securities; and

(o) Environmental Reports and Audits. As soon as practicable following receipt thereof, copies of all environmental audits and written reports with respect to environmental matters at any Facility or that relate to any environmental liabilities of any Credit Party, in each case that, individually or in the aggregate, could reasonably be expected to result in a Material Adverse Effect.

(p) General. Any financial statement, report, notice, proxy statement, registration statement, prospectus or other document required to be delivered pursuant to this Section 5.1 shall be delivered in accordance with Section 10.1 and shall be deemed to have been delivered on the date on which such financial statement, report, notice, proxy statement, registration statement, prospectus or other document is posted on the SEC's website on the Internet at www.sec.gov and, in each case, such financial statement, report, notice, proxy statement, registration statement, prospectus or other document is readily accessible to the Administrative Agent on such date; provided that Borrower shall give notice of any such posting to Administrative Agent (who shall then give notice of any such posting to the Lenders). Furthermore, if any financial statement, certificate or other information required to be delivered pursuant to this Section 5.1 shall be required to be delivered on any date that is not a Business Day, such financial statement, certificate or other information may be delivered to Administrative Agent on the next succeeding Business Day after such date.

5.2 Existence. Except as otherwise permitted under Section 6.8, each Credit Party will, and will cause each of its Subsidiaries to, at all times preserve and keep in full force and effect its existence and all rights and franchises, licenses and permits material to its business; provided that no Credit Party (other than Borrower with respect to existence) or any of its Subsidiaries shall be required to preserve any such existence, right or franchise, licenses and permits if such Person's board of directors (or similar governing body) shall determine that the preservation thereof is no longer desirable in the conduct of the business of such Person, and that the loss thereof is not disadvantageous in any material respect to such Person or to Lenders.

5.3 Payment of Taxes and Claims. Except for failures that, individually and in the aggregate, would not reasonably be expected to result in a Material Adverse Effect, each Credit Party will, and will cause each of its Subsidiaries to, pay all Taxes imposed upon it or any of its properties or assets or in respect of any of its income, businesses or franchises before any penalty or fine accrues thereon, and all claims (including claims for labor, services, materials and supplies) for sums that have become due and payable and that by law have or may become a Lien upon any of its properties or assets, prior to the time when any penalty or fine shall be incurred with respect thereto; provided, no such Tax or claim need be paid if it is being contested in good faith by appropriate proceedings promptly instituted and diligently conducted, so long as (a) adequate reserve or other appropriate provision, as shall be required in conformity with GAAP shall have been made therefor, and (b) in the case of a Tax or claim which has or may become a Lien against any of the Collateral, such contest proceedings conclusively operate to stay the sale

of any portion of the Collateral to satisfy such Tax or claim. No Credit Party will, nor will it permit any of its Subsidiaries to, file or consent to the filing of any consolidated income tax return with any Person (other than Borrower or any of its Subsidiaries).

5.4 Maintenance of Properties. Each Credit Party will, and will cause each of its Subsidiaries to, maintain or cause to be maintained in good repair, working order and condition, ordinary wear and tear excepted, all material properties used or useful in the business of Borrower and its Subsidiaries.

5.5 Insurance. Borrower and its Subsidiaries will maintain or cause to be maintained, with financially sound and reputable insurers, such public liability insurance, property damage insurance and business interruption insurance with respect to liabilities, losses or damage in respect of the assets, properties and businesses of Borrower and its Subsidiaries as is customarily carried or maintained under similar circumstances by Persons of established reputation engaged in similar businesses in the same or similar locations, in each case in such amounts (giving effect to self-insurance), with such deductibles, covering such risks and otherwise on such terms and conditions as shall be customary for such Persons. Without limiting the generality of the foregoing, Borrower will maintain or cause to be maintained (a) flood insurance with respect to each Flood Hazard Property that is located in a community that participates in the National Flood Insurance Program, in each case in compliance with any applicable regulations of the Board of Governors of the Federal Reserve System, and (b) replacement value property damage insurance on the Collateral under such policies of insurance, with such insurance companies, in such amounts, with such deductibles, and covering such risks as are carried or maintained under similar circumstances by Persons of established reputation engaged in similar businesses in the same or similar locations. Each such policy of insurance shall (i) name Collateral Agent, on behalf of the Secured Parties, as an additional insured thereunder as its interests may appear and (ii) in the case of each property damage insurance policy, contain a loss payable clause or endorsement, reasonably satisfactory in form and substance to Collateral Agent, that names Collateral Agent, on behalf of the Secured Parties, as the loss payee thereunder and provides for at least thirty days' prior written notice to Collateral Agent of any modification or cancellation of such policy; provided that the provisions of the foregoing sentence shall not apply to any policy of insurance maintained solely for the purpose of compliance with Applicable Law to the extent that the assets, properties and businesses that are the subject of such policy are separately the subject of an insurance policy with respect to which Borrower shall have satisfied the provision of the foregoing sentence.

5.6 Books and Records; Inspections. Each Credit Party will, and will cause each of its Subsidiaries to, keep proper books of record and accounts in which full, true and correct entries in conformity in all material respects with GAAP shall be made of all dealings and transactions in relation to its business and activities. Each Credit Party will, and will cause each of its Subsidiaries to, permit any authorized representatives designated by any Lender to visit and inspect any of the properties of any Credit Party and any of its respective Subsidiaries, to inspect, copy and take extracts from its and their financial and accounting records, and to discuss its and their affairs, finances and accounts with its and their officers and independent public accountants, all upon reasonable notice and at such reasonable times during normal business hours and as often as may reasonably be requested; provided that, excluding any such visits and inspections during the continuation of an Event of Default, only the Administrative Agent on behalf of the Lenders may exercise rights under this Section 5.6 and the Administrative Agent shall not exercise such rights more often than once during any calendar year absent the existence of an Event of Default. Notwithstanding anything to the contrary in this Section 5.6 or any other Credit Document, none of Borrower or any of its Subsidiaries shall be required to disclose, permit the inspection, examination or making of copies or taking of extracts of, or discussion of, any document, information or other matter (a) that constitutes non-financial trade secrets or non-financial proprietary information, (b) in respect of which disclosure to Administrative Agent or any Lender (or any of their respective representatives) is prohibited by any Applicable Law or any binding contractual agreement or (c) is subject to attorney-client or similar privilege or constitutes attorney work product.

5.7 Lenders Meetings. Borrower will, upon the request of Administrative Agent or Requisite Lenders, participate in a meeting of Administrative Agent and Lenders once during each Fiscal Year to be held at Borrower's corporate offices (or at such other location as may be agreed to by Borrower and Administrative Agent) at such time as may be agreed to by Borrower and Administrative Agent.

5.8 Compliance with Laws. Each Credit Party will comply, and shall cause each of its Subsidiaries to comply, with the requirements of all Applicable Law, rules, regulations and orders of any Governmental Authority (including all Environmental Laws), non-compliance with which could reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

5.9 Environmental.

(a) Environmental Disclosure. Borrower will deliver to Administrative Agent and Lenders:

(i) as soon as practicable following receipt thereof, copies of all written reports of environmental audits, investigations or analyses of any kind or character, whether prepared by personnel of Borrower or any of its Subsidiaries or, to the extent in Borrower's or any of its Subsidiaries' possession or control, by independent consultants, Governmental Authorities or any other Persons, with respect to significant environmental matters at any Facility or with respect to any Environmental Claims that, individually or in the aggregate, could reasonably be expected to result in a Material Adverse Effect;

(ii) promptly upon the occurrence thereof, written notice describing in reasonable detail (1) any Release required to be reported to any Governmental Authority under any applicable Environmental Laws that, individually or in the aggregate, could reasonably be expected to result in a Material Adverse Effect, (2) any response or remedial action taken by Borrower or any other Person as a result of (A) any Hazardous Materials at a Facility the existence of which could reasonably be expected to result in one or more Environmental Claims having, individually or in the aggregate, a Material Adverse Effect, or (B) any Environmental Claims that, individually or in the aggregate, could reasonably be expected to result in a Material Adverse Effect, (3) Borrower's discovery of any occurrences or conditions at any Facility that, individually or in the aggregate, could reasonably be expected to result in a Material Adverse Effect, and (4) Borrower's discovery of any occurrence or condition on any real property adjoining or in the vicinity of any Facility that could cause such Facility or any part thereof to be subject to any material restrictions on the ownership, occupancy, transferability or use thereof under any Environmental Laws that, individually or in the aggregate, could reasonably be expected to result in a Material Adverse Effect;

(iii) as soon as practicable following the sending or receipt thereof by Borrower or any of its Subsidiaries, a copy of any and all written communications to or from any Governmental Authority or third party claimant or their representatives with respect to any Environmental Claims that, individually or in the aggregate, could reasonably be expected to result in a Material Adverse Effect;

(iv) prompt written notice describing in reasonable detail (1) any proposed acquisition of stock, assets, or property by Borrower or any of its Subsidiaries that could reasonably be expected to (A) expose Borrower or any of its Subsidiaries to, or result in, Environmental Claims that could reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect or (B) adversely affect the ability of Borrower or any of its Subsidiaries to maintain in full force and effect Governmental Authorizations required under any Environmental Laws for their respective operations, the absence of which could reasonably be expected to result in a Material Adverse Effect and (2) any proposed action to be taken by Borrower or any of its Subsidiaries to

modify current operations in a manner that could reasonably be expected to subject Borrower or any of its Subsidiaries to any additional obligations or requirements under any Environmental Laws, to the extent any such obligation or requirement could reasonably be expected to result in a Material Adverse Effect; and

(v) with reasonable promptness, such other documents and information as from time to time may be reasonably requested by Administrative Agent in relation to any matters disclosed pursuant to this Section 5.9(a).

(b) Environmental Matters. Each Credit Party shall promptly take, and shall cause each of its Subsidiaries promptly to take, any and all actions necessary to (i) cure any violation of applicable Environmental Laws by such Credit Party or its Subsidiaries that could reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, and (ii) make an appropriate response to any Environmental Claim against such Credit Party or any of its Subsidiaries and discharge any obligations it may have to any Person thereunder where failure to do so could reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, except in each case to the extent such Credit Party or Subsidiary is contesting such violation, Environmental Claim or obligation in good faith and by proper proceedings and appropriate reserves are being maintained in accordance with GAAP.

5.10 Subsidiaries.

(1) In the event that any Person becomes a Domestic Subsidiary of Borrower (including with respect to any Subsidiary Redesignation resulting in an Unrestricted Subsidiary becoming a Subsidiary) (other than a Subsidiary that is, or would be, an Excluded Subsidiary), Borrower shall: (I) promptly cause such Domestic Subsidiary to become a Guarantor hereunder and a Grantor under the Second Amended and Restated Pledge and Security Agreement by executing and delivering to Administrative Agent and Collateral Agent a Counterpart Agreement and a Pledge Supplement (as defined in the Second Amended and Restated Pledge and Security Agreement), and (II) take all such actions and execute and deliver, or cause to be executed and delivered, all such documents, instruments, agreements, and certificates as are similar to those described in Sections 3.1(b), 3.1(f), 3.1(h) and 3.1(i) of the Original Credit Agreement.

(2) In the event that any Person becomes a Foreign Subsidiary of VPI (including with respect to any Subsidiary Redesignation resulting in an Unrestricted Subsidiary becoming a Subsidiary) (other than a Subsidiary that is, or would be, an Excluded Subsidiary), and the ownership interests of such Foreign Subsidiary are directly owned by VPI or by any Guarantor that is a Domestic Subsidiary thereof, Borrower shall, or shall cause such Domestic Subsidiary to: (I) deliver all such documents, instruments, agreements, and certificates as are similar to those described in Section 3.1(b), and (II) take all of the actions referred to in Section 3.1(d)(i) necessary to grant and to perfect a First Priority Lien in favor of Collateral Agent, for the benefit of Secured Parties, under the Second Amended and Restated Pledge and Security Agreement (subject to the limitations set forth therein) in 65% of such ownership interests that is voting stock and 100% of such ownership interest that is not voting stock.

(3) In the event that any Person becomes a Foreign Subsidiary of Borrower (but not a Subsidiary of VPI) (including with respect to any Subsidiary Redesignation resulting in an Unrestricted Subsidiary becoming a Subsidiary) (other than a Subsidiary that is, or would be, an Excluded Subsidiary), Borrower shall: (I) promptly cause such Subsidiary to become a Guarantor (and to deliver (x) a Canadian Guarantee in respect of any such Foreign Subsidiary that is a Canadian Credit Party satisfying clause (i) of the definition thereof, (y) a Barbados Guarantee in respect of any such Foreign Subsidiary that is a Barbados Credit Party and (z) a Counterpart Agreement in form and substance sufficient to create a binding Guarantee of the Obligations by each such Foreign Subsidiary not meeting the requirements of clauses (x) and (y) above) (and to deliver (v) the Luxembourg Security Documents in respect of any such For-

eign Subsidiary that is a Luxembourg Guarantor, (w) the Swiss Security Documents, in respect of any such Foreign Subsidiary that is a Swiss Guarantor, (x) the Canadian Pledge and Security Agreement and, as applicable, Quebec Security Documents, in respect of any such Foreign Subsidiary that is a Canadian Credit Party satisfying clause (i) of the definition thereof, (y) the Barbados Security Documents in respect of any such Foreign Subsidiary that is a Barbados Credit Party and (z) such agreement or agreements under the laws of the jurisdiction of organization of such Foreign Subsidiary as are analogous to the Collateral Documents described under clauses (v), (w), (x) and (y) above), and (II) take all such actions and execute and deliver, or cause to be executed and delivered, all such documents, instruments, agreements, and certificates as are similar to those described in Sections 3.1(b), 3.1(f), 3.1(h) and 3.1(i) of the Original Credit Agreement.

(4) With respect to each such Subsidiary described in paragraph (1) through (3) of this Section 5.10, Borrower shall promptly send to Administrative Agent written notice setting forth with respect to such Person (i) the date on which such Person became a Subsidiary of Borrower, and (ii) all of the data required to be set forth in Schedules 4.1 and 4.2 with respect to all Subsidiaries of Borrower, and such written notice shall be deemed to supplement Schedules 4.1 and 4.2 for all purposes hereof.

(5) Notwithstanding anything in this Section 5.10 to the contrary, in no event shall (i) any Subsidiary that is otherwise prohibited by Applicable Law from guaranteeing the Obligations or pledging

its assets in support of the Obligations be required to execute a Counterpart Agreement or any Collateral Document or take any other action set forth in paragraph (1), (2) or (3) of this Section 5.10 (including, without limitation, Biovail Insurance) and (ii) Borrower or any Guarantor be required to pledge the Equity Interests of any Subsidiary in support of the Obligations if such pledge is otherwise prohibited by Applicable Law.

(6) Notwithstanding anything in this Agreement or any other Credit Document to the contrary (including this Section 5.10 and Sections 5.11 and 5.13), no Credit Document shall require the creation or perfection of pledges of or security interests in, or the obtaining of title insurance, legal opinions or other deliverables with respect to, particular assets of the Credit Parties, if, and for so long as, Administrative Agent, in consultation with Borrower, determines in writing that the cost of creating or perfecting such pledges or security interests in such assets, or obtaining such title insurance, legal opinions or other deliverables in respect of such assets (taking into account any adverse tax consequences to Borrower and its Subsidiaries (including the imposition of withholding or other material taxes)), shall be excessive in view of the benefits to be obtained by the Secured Parties therefrom. Administrative Agent may grant extensions of time for the creation and perfection of security interests in or the obtaining of title insurance, legal opinions or other deliverables with respect to particular assets or the provision of the Guarantee (or any other guarantee in support of the Obligations) by any Subsidiary where it determines that such action cannot be accomplished without undue effort or expense by the time or times at which it would otherwise be required to be accomplished by this Agreement or the other Credit Documents.

(7) If it becomes illegal for any Lender to hold or benefit from a Lien over real or personal property pursuant to any law of the United States of America, such Lender may, in its sole discretion, notify the Administrative Agent and disclaim any benefit of such security interest to the extent of such illegality, but the election by any Lender to so disclaim the benefit of such security interest shall not invalidate or render unenforceable such Lien for the benefit of each of the other Lenders.

5.11 Additional Material Real Estate Assets. In the event that any Credit Party acquires a Material Real Estate Asset or a Real Estate Asset owned or leased on the Third Restatement Date becomes a Material Real Estate Asset and such interest has not otherwise been made subject to the Lien of the Collateral Documents in favor of Collateral Agent, for the benefit of Secured Parties, then such Credit

Party shall promptly take all such actions and execute and deliver, or cause to be executed and delivered, all such mortgages, documents, instruments, agreements, opinions and certificates similar to those described in Sections 3.1(h) and 3.1(i) of the Original Credit Agreement with respect to each such Material Real Estate Asset that Collateral Agent shall reasonably request to create in favor of Collateral Agent, for the benefit of Secured Parties, a valid and, subject to any filing and/or recording referred to herein, perfected First Priority security interest in such Material Real Estate Asset. In addition to the foregoing, Borrower shall, at the request of Collateral Agent, deliver, from time to time, to Collateral Agent such appraisals as are required by Applicable Law of Material Real Estate Assets with respect to which Collateral Agent has been granted a Lien.

5.12 Interest Rate Protection. No later than ninety (90) days following the Third Restatement Date and at all times thereafter until the third anniversary of the Third Restatement Date, Borrower shall obtain and cause to be maintained protection against fluctuations in interest rates pursuant to one or more Interest Rate Agreements in form and substance reasonably satisfactory to Administrative Agent, in order to ensure that for a period of not less than three years after the Third Restatement Date, no less than 35% of the aggregate principal amount of the total Indebtedness for borrowed money of Borrower and its Subsidiaries then outstanding is either (i) subject to such Interest Rate Agreements or (ii) Indebtedness that bears interest at a fixed rate.

5.13 Further Assurances. At any time or from time to time, each Credit Party will, at its expense, promptly execute, acknowledge and deliver such further documents and do such other acts and things as Administrative Agent or Collateral Agent may reasonably request in order to effect fully the purposes of the Credit Documents. In furtherance and not in limitation of the foregoing, each Credit Party shall take such actions as Administrative Agent or Collateral Agent may reasonably request from time to time to ensure that the Obligations are guarantied by the Guarantors and are secured by substantially all of the assets of Borrower and the other Guarantors (subject to the limitations contained herein and in the other Credit Documents).

5.14 Maintenance of Ratings. At all times, Borrower shall use commercially reasonable efforts to maintain (x) a corporate family rating issued by Moody's and a corporate credit rating issued by S&P and (y) public ratings issued by Moody's and S&P with respect to its senior secured debt.

5.15 Post-Closing Matters. Borrower and its Subsidiaries, as applicable, agree to execute and deliver the documents and take the actions set forth on Schedule 5.15, in each case within the time limits specified on such schedule (unless Administrative Agent, in its sole and absolute discretion, shall have agreed to any particular longer period).

5.16 Canadian Employee Benefit Plans. Each Canadian Credit Party shall:

(a) with respect to each Canadian Pension Plan, pay all contributions, premiums and payments when due in accordance with its terms and applicable law; and

(b) promptly deliver to the Administrative Agent copies of: (A) annual information returns, actuarial valuations and any other reports which have been filed with a Governmental Authority with respect to each Canadian Pension Plan; and (B) any direction, order, notice, ruling or opinion that a Canadian Credit Party may receive from a Governmental Authority with respect to any Canadian Employee Benefit Plan.

SECTION 6. NEGATIVE COVENANTS

Each Credit Party covenants and agrees that, so long as any Commitment is in effect and until payment in full of all principal of and interest on each Loan and all fees, expenses and other amounts (other than contingent amounts not yet due) payable under any Credit Document and cancellation or expiration of all Letters of Credit, such Credit Party shall perform, and shall cause each of its Subsidiaries to perform, all covenants in this Section 6.

6.1 Indebtedness. No Credit Party shall, nor shall it permit any of its Subsidiaries to, directly or indirectly, create, incur, assume or guaranty, or otherwise become or remain directly or indirectly liable with respect to any Indebtedness, except:

(a) the Obligations;

(b) Senior Notes in an aggregate principal amount not to exceed $4,350,000,000;

(c) Indebtedness of any Subsidiary of Borrower to Borrower or any other such Subsidiary or of Borrower to any of its Subsidiaries; provided that (i) all such Indebtedness, if owed to a Credit Party, shall be evidenced by the Intercompany Note or another promissory note and shall be subject to a First Priority Lien pursuant to the applicable Collateral Document, (ii) all such Indebtedness owing by a Credit Party to a Subsidiary that is not a Credit Party shall be unsecured and subordinated in right of payment to the payment in full of the Obligations pursuant to the terms of a subordination agreement with respect to such Indebtedness substantially in the form of Exhibit J-2 among the Credit Parties and such Subsidiaries party to such Indebtedness and (iii) in respect of any Indebtedness owing by a Subsidiary that is not a Credit Party to a Credit Party, such Indebtedness is permitted as an Investment under the proviso to Section 6.6(d);

(d) Indebtedness incurred by Borrower or any of its Subsidiaries arising from agreements providing for indemnification, adjustment of purchase price or similar obligations (including Indebtedness consisting of the deferred purchase price of property acquired in a Permitted Acquisition) or from guaranties or letters of credit, surety bonds, performance bonds or similar obligations securing the performance of Borrower or any such Subsidiary pursuant to such agreements, in connection with Permitted Acquisitions or permitted dispositions of any business, assets or Subsidiary of Borrower or any of its Subsidiaries;

(e) Indebtedness which may be deemed to exist pursuant to any guaranties, performance, surety, statutory, appeal or similar obligations incurred in the ordinary course of business;

(f) Indebtedness in respect of netting services, overdraft protections and otherwise in connection with deposit accounts;

(g) guaranties in the ordinary course of business of the obligations of suppliers, customers, franchisees of and licensees to and of Borrower and its Subsidiaries;

(h) guaranties by Borrower of Indebtedness of a Subsidiary of Borrower or guaranties by a Subsidiary of Borrower of Indebtedness of Borrower or any other such Subsidiary, in each case with respect to Indebtedness otherwise permitted to be incurred pursuant to this Section 6.1; provided that (i) if the Indebtedness that is being guarantied is unsecured and/or subordinated to the Obligations, the guaranty thereof shall be unsecured and/or subordinated to the Obligations to the same extent and (ii) in respect of any guaranty by a Credit Party of Indebtedness of a Sub-

sidiary that is not a Credit Party, such guaranty is permitted as an Investment under Section 6.6(d);

(i) Indebtedness described in Schedule 6.1 (other than Indebtedness described in clauses (a) or (b) of this Section 6.1);

(j) Indebtedness of Borrower or its Subsidiaries with respect to Capital Leases or purchase money Indebtedness in an aggregate principal amount at any time outstanding not to exceed the greater of (x) $50,000,000 and (y) 1.00% of Consolidated Total Assets; provided, any such Indebtedness shall be secured only by the asset acquired in connection with the incurrence of such Indebtedness;

(k) Indebtedness of a Person or Indebtedness attaching to assets of a Person that, in either case, becomes a Subsidiary of Borrower or Indebtedness attaching to assets that are acquired by Borrower or any of its Subsidiaries, in each case after the Third Restatement Date; provided that (x) on a Pro Forma Basis (including, for the avoidance of doubt, Subordinated Indebtedness) after giving effect to the incurrence of such Indebtedness (including the use of proceeds thereof), the Leverage Ratio of Borrower shall be less than or equal to 5.25 to 1.00, as of the last day of the most recently ended Fiscal Quarter for which financial statements were required to have been delivered pursuant to Section 5.1(a) or (b), (y) such Indebtedness existed at the time such Person became a Subsidiary or at the time such assets were acquired and, in each case, was not created in anticipation thereof and (z) such Indebtedness is not guaranteed in any respect by Borrower or any Subsidiary (other than by any such Person that so becomes a Subsidiary);

(l) Indebtedness representing the deferred purchase price of property (including Intellectual Property) or services, including earn-out obligations, purchase price adjustments, escrow arrangements or other arrangements representing deferred payments incurred in connection with the acquisition of equity or assets permitted or consented to hereunder;

(m) (i) Indebtedness under any Hedge Agreement (and any guarantees thereof), (ii) Indebtedness under any Cash Management Agreement (and any guarantees thereof) and (iii) Indebtedness arising under any Currency Agreement or Interest Rate Agreement (and, in each case, any guarantees thereof), including any extensions thereof and such increases, if any, as shall result when the underlying obligations of such agreements are marked to market or increased to address accrued interest on the obligation relating to such agreement; provided, that, with respect to Indebtedness under Hedge Agreements, Interest Rate Agreements or Currency Agreements (or Guarantees thereof), such Indebtedness is entered into in the ordinary course of business and not for speculative purposes;

(n) Indebtedness in respect of performance and surety bonds and completion guarantees provided by Borrower or any of its Subsidiaries;

(o) Indebtedness of Borrower or any Subsidiary as an account party in respect of trade letters of credit;

(p) [Reserved];

(q) other Indebtedness (including, for the avoidance of doubt, Subordinated Indebtedness) of Borrower or any Guarantor; provided that on a Pro Forma Basis after giving effect to the incurrence of such Indebtedness (including the use of proceeds thereof including, without limitation, after the date of incurrence or issuance of any such Indebtedness pursuant to any escrow

arrangement, delayed draw, delayed closing or similar or analogous arrangement), (x) no Default or Event of Default has occurred and is continuing or would result therefrom and (y) the Leverage Ratio of Borrower and its Subsidiaries shall be less than or equal to 5.25 to 1.00, as of the last day of the most recently ended Fiscal Quarter for which financial statements were required to have been delivered pursuant to Section 5.1(a) or (b);

(r) provided that no Default or Event of Default has occurred and is continuing or would result therefrom, the incurrence or issuance by Borrower or any Subsidiary of Borrower of Indebtedness which serves to extend, replace, refund, renew, defease or refinance any Indebtedness incurred as permitted under clause (b), (i), (j), (k), (r), (s) or (v) of this Section 6.1 or any Indebtedness issued to so extend, replace, refund, renew, defease or refinance such Indebtedness, or any Indebtedness, including additional Indebtedness, incurred to pay premiums (including tender premiums), defeasance costs and fees and expenses in connection therewith (the "**Refinancing Indebtedness**"); provided, however, that such Refinancing Indebtedness:

(1) has a final maturity date later than the date that is 91 days after the latest Term Loan Maturity Date, and has a weighted average life to the date of the latest Term Loan Maturity Date that is not less than the weighted average life to the date of the latest Term Loan Maturity Date of the Indebtedness being extended, replaced, renewed, defeased, refunded or refinanced,

(2) to the extent such Refinancing Indebtedness extends, replaces, refunds, renews, defeases or refinances (x) Indebtedness subordinated or pari passu to the Obligations, such Refinancing Indebtedness is subordinated or pari passu to the Obligations at least to the same extent (as determined in good faith by the board of directors of Borrower) as the Indebtedness being extended, replaced, renewed, defeased, refinanced or refunded or (y) Disqualified Equity Interests such Refinancing Indebtedness must be Disqualified Equity Interests,

(3) shall have direct and contingent obligors that are the same as (or, in the case of contingent obligors, no more expansive than) the direct and contingent obligors, respectively, of the refinanced Indebtedness, or

(4) shall not be secured by any assets that were not required to be used to secure the Indebtedness being extended, replaced, renewed, defeased, refunded or refinanced;

(s) Permitted Secured Notes;

(t) Indebtedness owed to any Person (including obligations in respect of letters of credit for the benefit of such Person) providing workers' compensation, health, death, disability or other employee benefits or property, casualty or liability insurance or self-insurance, or other Indebtedness regarding workers' compensation claims pursuant to reimbursement or indemnification obligations to such Person, in each case incurred in the ordinary course of business;

(u) Indebtedness of Borrower or any of its Subsidiaries consisting of (x) the financing of insurance premiums or (y) take-or-pay obligations contained in supply arrangements, in each case, incurred in the ordinary course of business;

(v) Indebtedness of Subsidiaries of Borrower (other than Biovail Insurance and any other such Subsidiary that is not permitted by Applicable Law to guaranty the Obligations) that

are not Credit Parties and that are organized under the laws of any jurisdiction other than the United States of America consisting of working capital credit facilities in an aggregate principal amount at any time outstanding under this clause (v) not to exceed the greatest of (i) 2.5% of the consolidated total revenues for the four Fiscal Quarter period most recently ended, (ii) 2.5% of the consolidated total assets, as determined in accordance with GAAP, as of the applicable date of determination, in each case of subclause (i) and (ii), of all Subsidiaries of Borrower (other than Biovail Insurance and any other such Subsidiary that is not permitted by Applicable Law to guaranty the Obligations) that are not Credit Parties, and (iii) $40,000,000; and

(w) the Bausch & Lomb Unsecured Debt.

6.2 Liens. No Credit Party shall, nor shall it permit any of its Subsidiaries to, directly or indirectly, create, incur, assume or permit to exist any Lien on or with respect to any property or asset of any kind (including any document or instrument in respect of goods or accounts receivable) of Borrower or any of its Subsidiaries, whether now owned or hereafter acquired, or any income, profits or royalties therefrom, or file or permit the filing of any financing statement or other similar notice of any Lien with respect to any such property, asset, income, profits or royalties under the UCC of any State, the PPSA of any province or territory or under any similar recording or notice statute of jurisdictions in which Credit Parties are organized or under any applicable intellectual property laws, rules or procedures, except:

(a) Liens in favor of Collateral Agent for the benefit of Secured Parties granted pursuant to any Credit Document;

(b) Liens for Taxes not yet due and payable or that are being contested in accordance with Section 5.3;

(c) statutory Liens of landlords, banks (and rights of set-off), of carriers, warehousemen, mechanics, repairmen, workmen and materialmen, and other Liens imposed by law (other than any such Lien imposed pursuant to Section 430(k) of the Internal Revenue Code or ERISA or a violation of Section 436 of the Internal Revenue Code or, in respect of a Canadian Credit Party, a Lien imposed pursuant to pension benefits standards legislation; provided that, in each case, such Liens shall be governed by Sections 5.1(g), 5.1(h), 8.1(j) and 8.1(k) and not this Section 6.2), in each case incurred in the ordinary course of business (i) for amounts not yet overdue or (ii) for amounts that are overdue and that (in the case of any such amounts overdue for a period in excess of five days) are being contested in good faith by appropriate proceedings, so long as such reserves or other appropriate provisions, if any, as shall be required by GAAP shall have been made for any such contested amounts;

(d) Liens incurred in the ordinary course of business in connection with workers' compensation, unemployment insurance and other types of social security, or to secure the performance of tenders, statutory obligations, surety and appeal bonds, bids, leases, government contracts, trade contracts, performance and return of money bonds and other similar obligations (exclusive of obligations for the payment of borrowed money or other Indebtedness), so long as no foreclosure, sale or similar proceedings have been commenced with respect to any portion of the Collateral on account thereof;

(e) easements, rights of way, restrictions, encroachments, encumbrances and other minor defects or irregularities in title, in each case which do not and will not interfere in any material respect with the ordinary conduct of the business of Borrower or any of its Subsidiaries;

(f) any interest or title of a lessor, lessee, sublessor or sublessee under any lease or sublease permitted hereunder and any interest or title of a licensor, licensee, sublicensor or sublicensee under any license or sublicense permitted hereunder;

(g) Liens solely on any cash earnest money deposits, escrow arrangements or similar arrangements made by Borrower or any of its Subsidiaries in connection with any letter of intent or purchase agreement permitted hereunder;

(h) purported Liens evidenced by the filing of precautionary UCC or PPSA financing statements (or any similar precautionary filings) relating solely to operating leases of personal property entered into in the ordinary course of business;

(i) Liens in favor of customs and revenue authorities arising as a matter of law to secure payment of customs duties in connection with the importation of goods;

(j) any zoning or similar law or right reserved to or vested in any Governmental Authority to control or regulate the use of any real property;

(k) outbound licenses of patents, copyrights, trademarks and other Intellectual Property rights granted by Borrower or any of its Subsidiaries in the ordinary course of business and not interfering in any material respect with the ordinary conduct of, or materially detracting from the aggregate value of, the business of Borrower or such Subsidiary (taking into account the value of the license as well);

(l) Liens described in Schedule 6.2 or on a title report delivered pursuant to Section 3.1(e)(iii) of the Original Credit Agreement and any modifications, renewals and extensions thereof and any Lien granted as a replacement or substitute therefor; provided that (x) such Lien shall not apply to any other property or asset of Borrower or any Subsidiary other than improvements thereon or proceeds from the disposition of such asset and (y) such Lien shall secure only those obligations which it secures on the date hereof and any refinancing, extensions, renewals or replacements thereof that do not increase the outstanding principal amount thereof (except by an amount not greater than accrued and unpaid interest with respect to such original obligations and any premium, fees, costs and expenses incurred in connection with such extension, renewal or refinancing) and, in the case of any such obligations constituting Indebtedness, that are permitted under Section 6.1(r) as Refinancing Indebtedness in respect thereof;

(m) Liens securing Indebtedness permitted pursuant to Section 6.1(j) (and any Refinancing Indebtedness in respect thereof permitted under Section 6.1(r)); provided, any such Lien shall encumber only the asset acquired with the proceeds of such Indebtedness;

(n) Liens securing Indebtedness permitted by Sections 6.1(k) (and any Refinancing Indebtedness in respect thereof permitted under Section 6.1(r)), provided any such Lien shall encumber only those assets which secured such Indebtedness at the time such assets were acquired by Borrower or its Subsidiaries;

(o) other Liens on assets other than the Collateral securing obligations in an aggregate principal amount not to exceed 1.25% of Consolidated Total Assets at any time outstanding;

(p) Liens securing Indebtedness permitted by Section 6.1(m);

(q) Liens arising out of judgments, decrees, orders or awards that do not constitute an Event of Default under Section 8.1(h);

(r) Liens securing Indebtedness permitted by Sections 6.1(q) and (s); provided that either (x) on a Pro Forma Basis after giving effect to the incurrence of such Indebtedness (and the use of proceeds thereof) Borrower and its Subsidiaries shall be in compliance with each of the covenants set forth in Section 6.7 as of the last day of the most recently ended Fiscal Quarter, as if such Indebtedness had been outstanding on the last day of such Fiscal Quarter or (y) the Cash proceeds of Indebtedness secured by such Liens are applied to prepay Term Loans in accordance with Section 2.15;

(s) Liens on assets of any Subsidiary of Borrower (other than Biovail Insurance and any other such Subsidiary that is not permitted by Applicable Law to guaranty the Obligations) that is not a Credit Party and that is organized in a jurisdiction other than the United States of America to the extent such Liens secure Indebtedness of such Subsidiary permitted under Section 6.1(v);

(t) Liens granted by any Canadian Credit Party to a landlord to secure the payment of rent and other obligations under a lease with such landlord for premises situated in the Province of Québec; provided that such Lien (i) is limited to the tangible assets located at or about such leased premises and (ii) is incurred in the ordinary course of business (a) for amounts not yet overdue or (b) for amounts that are overdue and that (in the case of any such amounts overdue for a period in excess of five days) are being contested in good faith by appropriate proceedings, so long as such reserves or other appropriate provisions, if any, as shall be required by GAAP shall have been made for any such contested amounts;

(u) Liens arising by reason of deposits necessary to obtain standby letters of credit in the ordinary course of business;

(v) Liens in connection with repurchase obligations referred to in clause (vi) of the definition of the term "Cash Equivalents";

(w) in connection with the sale or transfer of any Equity Interests or other assets in a transaction permitted by Section 6.8, customary rights and restrictions contained in agreements relating to such sale or transfer pending the completion thereof;

(x) in the case of any Joint Venture, any put and call arrangements related to its Equity Interests set forth in its Organizational Documents or any related joint venture or similar agreement;

(y) Liens in the nature of the right of setoff in favor of counterparties to contractual agreements with Borrower or any of its Subsidiaries in the ordinary course of business; and

(z) Liens in favor of customs and revenue authorities arising as a matter of law to secure payment of customs duties in connection with the importation of goods in the ordinary course of business.

provided, however, that no reference herein to Liens permitted hereunder (including Permitted Liens), including any statement or provision as to the acceptability of any Liens (including Permitted Liens), shall in any way constitute or be construed as to provide for a subordination of any rights of the Agents, Lend-

ers or other Secured Parties hereunder or arising under any of the other Credit Documents in favor of such Liens.

6.3 No Further Negative Pledges. Except with respect to (a) specific property encumbered to secure payment of particular Indebtedness or to be sold pursuant to an executed agreement with respect to a permitted Asset Sale or other sale or disposition permitted by Section 6.8, (b) restrictions by reason of customary provisions restricting assignments, subletting or other transfers contained in leases, licenses, agreements in connection with a Permitted Majority Investment, Joint Venture agreements and similar agreements entered into in the ordinary course of business (provided that such restrictions are limited to the property or assets secured by such Liens or the property or assets subject to such Liens or the property or assets subject to such leases, licenses, agreements in connection with a Permitted Majority Investment, Joint Venture agreements and similar agreements, as the case may be), (c) restrictions and conditions imposed by law, and (d) restrictions identified on Schedule 6.3, no Credit Party nor any of its Subsidiaries shall enter into any agreement prohibiting the creation or assumption of any Lien upon any of its properties or assets, whether now owned or hereafter acquired, to secure the Obligations.

6.4 Restricted Junior Payments. No Credit Party shall, nor shall it permit any of its Subsidiaries through any manner or means or through any other Person to, directly or indirectly, declare, order, pay, make or set apart, or agree to declare, order, pay, make or set apart, any sum for any Restricted Junior Payment except for:

(a) the declaration and payment of dividends or the making of other distributions by any Subsidiary of Borrower ratably to its direct equity holders;

(b) the redemption, repurchase, retirement, defeasance or other acquisition of any Equity Interests, including any accrued and unpaid dividends thereon, or Subordinated Indebtedness of Borrower or any Equity Interests of any direct or indirect parent company of Borrower, in exchange for, or out of the proceeds of, the substantially concurrent sale (other than to a Subsidiary) of, Equity Interests of Borrower or any direct or indirect parent company of Borrower to the extent contributed to Borrower (in each case, other than any Disqualified Equity Interests) or Subordinated Indebtedness incurred under Section 6.1; provided that any such Subordinated Indebtedness shall be Refinancing Indebtedness;

(c) refinancings of Indebtedness permitted by Section 6.1;

(d) any Restricted Junior Payment to pay for the repurchase, retirement or other acquisition or retirement for value of Equity Interests (other than Disqualified Equity Interests) of Borrower held by any future, present or former employee, director, officer or consultant of Borrower or any of its Subsidiaries or any direct or indirect parent companies pursuant to any management equity plan or stock option plan or any other management or employee benefit plan or agreement (including, for the avoidance of doubt, any principal and interest payable on any notes issued by Borrower or any direct or indirect parent company of Borrower in connection with any such repurchase, retirement or other acquisition), or any stock subscription or shareholder agreement, including any Equity Interest rolled over by management of Borrower or any direct or indirect parent company of Borrower in connection with the 2010 Transactions; provided, that the aggregate amount of Restricted Junior Payments made under this clause (d) shall not exceed in any calendar year $25,000,000 (with unused amounts for any year being carried over to the next succeeding year, but not to any subsequent year, and the permitted amount for each year shall be used prior to any amount carried over from the previous year); provided further that such amount in any calendar year may be increased by an amount not to exceed:

(i) the cash proceeds of key man life insurance policies received by Borrower or its Subsidiaries after the Original Closing Date; less

(ii) the amount of any Restricted Junior Payments previously made with the cash proceeds described in subclause (i) of this clause (d);

(e) cashless repurchases of Equity Interests deemed to occur upon exercise of stock options or warrants if such Equity Interests represent a portion of the exercise price of such options or warrants;

(f) cash payments in lieu of issuing fractional shares in connection with the exercise of warrants, options or other securities convertible into or exchangeable for Equity Interests of Borrower or any direct or indirect parent company of Borrower;

(g) so long as no Default or Event of Default has occurred and is continuing, (i) Borrower may repurchase shares of Borrower's common stock within six months before or after any conversion date for Borrower Convertible Notes, which repurchases may be in an aggregate amount not to exceed the number of shares of Borrower's common stock delivered upon conversion of Borrower Convertible Notes on such conversion date and (ii) Borrower may repurchase shares of Borrower's common stock within six months before or after the settlement of any written call option agreements entered into in connection with the issuance of the VPI Convertible Notes, which repurchases may be in an aggregate amount not to exceed the number of shares of Borrower's common stock delivered upon settlement of such written call options;

(h) other Restricted Junior Payments in an aggregate amount taken together with all other Restricted Junior Payments made pursuant to this clause (h) not to exceed $350,000,000 (reduced on a dollar for dollar basis by outstanding Investments pursuant to clause (i) of Section 6.6, other than Investments under such clause made using the CNI Growth Amount) at any time outstanding from and after the Amendment No. 6 Effective Date; provided that such amount shall be increased (but not decreased) by the CNI Growth Amount as in effect immediately prior to the time of making of such Restricted Junior Payment; and

(i) Restricted Junior Payments in connection with the Pre-Merger Special Dividend and/or the Post-Merger Special Dividend in an aggregate amount not to exceed $10,000,000.

6.5 Restrictions on Subsidiary Distributions. Except as provided herein, no Credit Party shall, nor shall it permit any of its Subsidiaries to, create or otherwise cause or suffer to exist or become effective any consensual encumbrance or restriction of any kind on the ability of any Subsidiary of Borrower to (a) pay dividends or make any other distributions on any of such Subsidiary's Equity Interests owned by Borrower or any other Subsidiary of Borrower, (b) repay or prepay any Indebtedness owed by such Subsidiary to Borrower or any other Subsidiary of Borrower, (c) make loans or advances to Borrower or any other Subsidiary of Borrower, or (d) transfer, lease or license any of its property or assets to Borrower or any other Subsidiary of Borrower other than restrictions (i) imposed by law or by any Credit Document, (ii) in agreements evidencing Indebtedness permitted by Section 6.1(k) that impose restrictions on the property so acquired, and any amendments, modifications, extensions or renewals thereof (including any such extension or renewal arising as a result of an extension, renewal or refinancing of any Indebtedness containing such restriction or condition) that do not materially expand the scope of any such restriction or condition taken as a whole, (iii) by reason of customary provisions restricting assignments, subletting or other transfers contained in leases, licenses, Joint Venture agreements and similar agreements entered into in the ordinary course of business, (iv) that are or were created by virtue of any transfer of, agreement to transfer or option or right with respect to any property, assets or Equity Interests not

otherwise prohibited under this Agreement, (v) in the case of any Subsidiary that is not directly or indirectly wholly owned by Borrower, restrictions and conditions imposed by its Organizational Documents or any related joint venture, shareholders' or similar agreement; provided that such restrictions and conditions apply only to such Subsidiary and to any Equity Interests in such Subsidiary, or (vi) identified on Schedule 6.5, and any amendments, modifications, extensions or renewals thereof (including any such extension or renewal arising as a result of an extension, renewal or refinancing of any Indebtedness containing such restriction or condition) that do not materially expand the scope of any such restriction or condition taken as a whole.

6.6 Investments. No Credit Party shall, nor shall it permit any of its Subsidiaries to, directly or indirectly, make or own any Investment in any Person, including any Joint Venture, except:

(a) Investments in Cash and Cash Equivalents;

(b) equity Investments owned as of the Third Restatement Date in any Subsidiary and Investments made after the Third Restatement Date in any Guarantor;

(c) Investments (i) received in connection with the bankruptcy or reorganization of, or settlement of delinquent accounts and disputes with, customers and suppliers, in each case in the ordinary course of business and (ii) consisting of deposits, prepayments and other credits to suppliers made in the ordinary course of business consistent with the past practices of Borrower or any of its Subsidiaries, as applicable;

(d) intercompany loans and advances to the extent permitted under Section 6.1(c) and other Investments (i) in (including Guarantees of Indebtedness of) any Credit Party and (ii) in (including (without duplication for purposes of the proviso to this clause (ii)) Guarantees of Indebtedness of) Subsidiaries of Borrower which are not Guarantors; provided that such Investments under this clause (ii) shall not exceed at any one time outstanding an aggregate amount of 4.0% of Consolidated Total Assets;

(e) Permitted Interim Investments and intercompany loans and advances and capital contributions by Credit Parties to Subsidiaries that are not Credit Parties in connection with any Permitted Interim Investment; provided, that, for the avoidance of doubt, the acquisition of the remaining Equity Interests of a Person such that such Person becomes a wholly owned Subsidiary of Borrower shall either (x) be subject to the provisions of Section 6.8(h) or (y) be made pursuant to and in compliance with Section 6.6(d)(ii) or 6.6(i);

(f) loans and advances to employees of Borrower and its Subsidiaries made in the ordinary course of business in an aggregate principal amount not to exceed $25,000,000;

(g) Permitted Acquisitions permitted under Section 6.8;

(h) Investments described in Schedule 6.6 and any modification, replacement, renewal or extension thereof to the extent not involving an additional Investment;

(i) (a) other Investments in an aggregate amount not to exceed $350,000,000 (reduced on a dollar for dollar basis by Restricted Junior Payments pursuant to clause (h) of Section 6.4, other than Restricted Junior Payments under such clause made using the CNI Growth Amount) at any time outstanding from and after the Amendment No. 6 Effective Date; provided that such amount shall be increased (but not decreased) by the CNI Growth Amount as in effect

immediately prior to the time of making of such Investments and (b) Investments in Pele Nova Biotecnologia S.A. at any time outstanding not to exceed $8,000,000;

(j) Investments represented by (i) any Hedge Agreement (and any guarantees thereof), (ii) any Cash Management Agreement (and any guarantees thereof) and (iii) any Interest Rate Agreement or Currency Agreement (and any guarantees thereof); provided, that, with respect to Indebtedness under Hedge Agreements for Interest Rate Agreements or Currency Agreements (or Guarantees thereof), such Indebtedness is entered into in the ordinary course of business and not for speculative purposes;

(k) Investments received in connection with the disposition of any asset permitted by Section 6.8;

(l) Investments (which may take the form of asset contributions) in (x) Joint Ventures consisting primarily of a Prescription Drug Business, (y) Joint Ventures involving aesthetic product lines of Borrower or its Subsidiaries and consisting of any or all of the Sculptra, Succeev, Artesense, Selphyl, Viscountour, Renova, Kinerase and Refissa products, and/or (z) Joint Ventures (in addition to those described in clauses (x) and (y)) in an aggregate amount not exceeding 1.50% of Consolidated Total Assets in any calendar year (with unused amounts for any year being carried over to the next succeeding year, but not to any subsequent year, and the permitted amount for each year shall be used prior to any amount carried over from the previous year);

(m) Investments of any Person existing at the time such Person becomes a Subsidiary of Borrower or consolidates or merges with Borrower or any of its Subsidiaries (including in connection with a Permitted Acquisition) and any modification, replacement, renewal or extension thereof to the extent not involving an additional Investment so long as such Investments were not made in contemplation of such Person becoming a Subsidiary of Borrower or of such consolidation or merger;

(n) extensions of trade credit in the ordinary course of business; and

(o) Investments in the capital stock of non-wholly owned Subsidiaries in jurisdictions where Applicable Law does not permit Borrower to own 100% of the capital stock of such Subsidiary; provided that, Borrower or one or more of its wholly owned Subsidiaries owns more than 50% of such capital stock and the aggregate amount of Investments made pursuant to this subclause (o) shall not exceed $150,000,000 per annum (with unused amounts in any calendar year permitted to be carried over to the next succeeding calendar year, but not to any subsequent year, and the amount permitted pursuant to this subclause (o) being used prior to the use of any unused amount carried over from the previous year) (all such Investments pursuant to this subclause (o) "**Permitted Majority Investments**").

Notwithstanding the foregoing, in no event shall any Credit Party make any Investment which results in or facilitates in any manner any Restricted Junior Payment not otherwise permitted under the terms of Section 6.4.

6.7 Financial Covenants.

(a) Interest Coverage Ratio. Borrower shall not permit the Interest Coverage Ratio as of the last day of any Fiscal Quarter, beginning with the Fiscal Quarter ending December 31, 2011, to be less than 3.00:1.00.

(b) Secured Leverage Ratio. Borrower shall not permit the Secured Leverage Ratio as of the last day of (i) the Fiscal Quarter ending December 31, 2011, to exceed 1.75 to 1.0 and (ii) any subsequent Fiscal Quarter, beginning with Fiscal Quarter ending March 31, 2012, to exceed 2.50 to 1.0.

6.8 Fundamental Changes; Disposition of Assets; Acquisitions. No Credit Party shall, nor shall it permit any of its Subsidiaries to, enter into any transaction of merger, amalgamation, arrangement, reorganization or consolidation, or liquidate, wind up or dissolve itself (or suffer any liquidation or dissolution), or convey, sell, lease or license, exchange, transfer or otherwise dispose of, in one transaction or a series of transactions, all or any part of its business, assets or property of any kind whatsoever, whether real, personal or mixed and whether tangible or intangible, whether now owned or hereafter acquired, leased or licensed, or acquire by purchase or otherwise (other than purchases or other acquisitions of inventory, materials and equipment and capital expenditures in the ordinary course of business) the business or fixed assets of, or stock or other evidence of beneficial ownership of, any Person or any division or line of business or other business unit of any Person, except:

(a) any Subsidiary of Borrower may be (i) merged or amalgamated with or merged into Borrower or any other Subsidiary of Borrower; provided that (A) in the case of such a merger or amalgamation involving Borrower, Borrower shall be the surviving Person or a Person that continues as an amalgamated corporation and (B) in the case of such a merger or amalgamation involving any other Guarantor (and not involving Borrower), the surviving Person, or a Person that continues as an amalgamated corporation, shall be a Guarantor; provided further that, in the case of this clause (B), solely for the purpose of internal corporate tax restructuring, it is understood that any Guarantor may merge or amalgamate with a non-Guarantor Subsidiary so long as (x) such non-Guarantor Subsidiary merges or amalgamates with the Borrower or a Guarantor substantially simultaneous with, or no longer than one Business Day after the internal merger or amalgamation involving a Guarantor, with the surviving person, or the Person that continues as an amalgamated corporation from such subsequent merger or amalgamation being the Borrower or a Guarantor, and (y) the Borrower shall certify to the Administrative Agent on the date of any such merger or amalgamation that such merger or amalgamation shall comply with this Section 6.8(a), or (ii) other than with respect to Borrower, liquidated, wound up or dissolved if Borrower determines in good faith that such liquidation, winding up or dissolution is in the best interest of Borrower and is not materially disadvantageous to the Lenders;

(b) sales or other dispositions of assets or property that do not constitute Asset Sales (which sales or other dispositions may take the form of a merger, amalgamation or similar transaction);

(c) Asset Sales (which Asset Sale may take the form of a merger, amalgamation or similar transaction), the proceeds of which (valued at the principal amount thereof in the case of non-Cash proceeds consisting of notes or other debt Securities and valued at fair market value in the case of other non-Cash proceeds) when aggregated with the proceeds of all other Asset Sales made within the same Fiscal Year, are less than 4.00% of Consolidated Total Assets (with the amount for any Fiscal Year increased by an amount equal to the excess, if any, of such amount for the immediately preceding Fiscal Year over the amount of proceeds from Asset Sales made pursuant to this clause (c) in such immediately preceding Fiscal Year); provided that (1) the consideration received for such assets shall be in an amount at least equal to the fair market value thereof (determined in good faith by the board of directors of Borrower (or similar governing body) of Borrower or the applicable Subsidiary or Credit Party for Asset Sales with a fair market value in excess of $75,000,000), (2) no less than 75% thereof shall be paid in Cash, and (3) the Net Asset Sale Proceeds thereof shall be applied as required by Section 2.14(a);

(d) Asset Sales consisting of obsolete, worn out or surplus assets or property, including, for greater certainty, Intellectual Property;

(e) Asset Sales consisting of sale and leaseback transactions permitted by Section 6.10; provided that the Net Asset Sale Proceeds in excess of $50,000,000 from any such Asset Sale shall be applied as required by Section 2.14(a);

(f) Specified Asset Disposition; provided that the Net Asset Sale Proceeds thereof shall be applied as required by Section 2.14(a);

(g) Asset Sales of property to the extent that (i) such property is concurrently exchanged for credit against the purchase price of similar replacement property or (ii) the proceeds of such Asset Sales are promptly applied to the purchase price of such replacement property;

(h) Permitted Acquisitions (which acquisition may take the form of a merger, amalgamation or similar transaction so long as such merger, amalgamation or similar transaction would be permitted by clause (a) of this Section 6.8 if the acquired Person was, initially, a Subsidiary of Borrower); provided that (x) in respect of acquisitions of assets that are not or have not become subject to the Collateral Documents and/or acquisitions of Equity Interests of Persons (other than Excluded Subsidiaries) that do not become Guarantors or are not owned by a Credit Party, the consideration (other than Equity Interests of Borrower issued in payment of a portion of such consideration and the net proceeds of the issuance of Equity Interests of Borrower to the extent used to pay a portion of such consideration) shall not exceed, collectively with any Investments then outstanding under Section 6.6(d)(ii) in Persons other than Credit Parties~~, 2.0~~ (without duplication of any such Investments then outstanding under Section 6.6(d)(ii)), 4.0% of Consolidated Total Assets per Fiscal Year and (y) immediately prior to such Permitted Acquisition and on a Pro Forma Basis after giving effect thereto, Borrower and its Subsidiaries shall be in compliance with each of the covenants set forth in Section 6.7 as of the last day of the most recently ended Fiscal Quarter;

(i) Investments made in accordance with Section 6.6, other than pursuant to clause (g) thereof (which Investment may take the form of a merger, amalgamation or similar transaction so long as such merger, amalgamation or similar transaction would be permitted by clause (a) of this Section 6.8 if the acquired Person was, initially, a Subsidiary of Borrower);

(j) Liens incurred in compliance with Section 6.2;

(k) dispositions of investments in Joint Ventures, to the extent required by, or made pursuant to buy/sell arrangements between the joint venture parties set forth in joint venture arrangements and similar binding arrangements; provided that the consideration received shall be in an amount at least equal to the fair market value thereof (determined in good faith by the board of directors of Borrower; provided that any Net Asset Sale Proceeds from any such disposition shall be applied as required by Section 2.14(a);

(l) the disposition by Dow Pharmaceutical Sciences, Inc. of its Equity Interests in Bioskin GmbH, a company with limited liability organized under the laws of Germany; provided that any Net Asset Sale Proceeds from any such disposition shall be applied as required by Section 2.14(a);

(m) Asset Sales in connection with any Acquisition or the Bausch & Lomb Acquisition, for regulatory reasons; provided that any Net Asset Sale Proceeds therefrom shall be applied as required by Section 2.14(a);

(n) the Acquisitions; and

(o) Asset Sales by Sanitas AB of real property; provided that any Net Asset Sale Proceeds from any such disposition shall be applied as required by Section 2.14(a).

For purposes of clause (c) of this Section 6.8, each of the following will be deemed Cash:

(i) any liabilities, as shown on Borrower's most recent consolidated balance sheet, of Borrower or any of its Subsidiaries (other than contingent liabilities and liabilities that are by their terms subordinated to the Loans) that are assumed by the transferee of any such assets pursuant to an agreement that releases Borrower or such Subsidiary from further liability;

(ii) any securities, notes or other obligations received by Borrower or any such Subsidiary from such transferee that are converted by Borrower or such Subsidiary into Cash within 180 days after the consummation of the applicable Asset Sale, to the extent of the Cash received in that conversion; and

(iii) any Designated Noncash Consideration having an aggregate fair market value that, when taken together with all other Designated Noncash Consideration previously received and then outstanding, does not exceed at the time of the receipt of such Designated Noncash Consideration (with the fair market value of each item of Designated Noncash Consideration being measured at the time received and without giving effect to subsequent changes in value) the greater of $100,000,000 or 1.00% of Consolidated Total Assets.

6.9 Disposal of Subsidiary Interests. Except for any sale of all of its interests in the Equity Interests of any of its Subsidiaries in compliance with the provisions of Section 6.8, no Credit Party shall, nor shall it permit any of its Subsidiaries to directly or indirectly sell, assign, pledge or otherwise encumber or dispose of any Equity Interests of any of its Subsidiaries, except to another Credit Party (subject to the restrictions on such disposition otherwise imposed hereunder), or to qualify directors if required by Applicable Law.

6.10 Sales and Leasebacks. No Credit Party shall, nor shall it permit any of its Subsidiaries to, directly or indirectly, become or remain liable as lessee or as a guarantor or other surety with respect to any lease of any property (whether real, personal or mixed), whether now owned or hereafter acquired, which such Credit Party (a) has sold or transferred or is to sell or to transfer to any other Person (other than Borrower or any of its Subsidiaries), or (b) intends to use for substantially the same purpose as any other property which has been or is to be sold or transferred by such Credit Party to any Person (other than Borrower or any of its Subsidiaries) in connection with such lease, except for any such sale and subsequent lease of any fixed or capital assets by a Credit Party or any of its Subsidiaries that is made for Cash consideration in an amount not less than the fair value of such fixed or capital asset and is consummated within 90 days after such Credit Party or such Subsidiary acquires or completes the construction of such fixed or capital asset, provided that, if such sale and leaseback results in Indebtedness with respect to Capital Leases, such Indebtedness is permitted by Section 6.1(j) and any Lien made the subject of such Indebtedness is permitted by Section 6.2(m).

6.11 Transactions with Shareholders and Affiliates. No Credit Party shall, nor shall it permit any of its Subsidiaries to, directly or indirectly, enter into or permit to exist any transaction (including

the purchase, sale, lease or exchange of any property or the rendering of any service) with any Affiliate of Borrower on terms that are less favorable to Borrower or that Subsidiary, as the case may be, than those that might be obtained at the time from a Person who is not such an Affiliate; provided that the foregoing restriction shall not apply to (a) any transaction between or among Borrower and the Guarantors; (b) reasonable and customary fees paid to members of the board of directors (or similar governing body) of Borrower or of its Subsidiaries; (c) compensation arrangements (including severance arrangements to the extent approved by a majority of the disinterested members of Borrower's or the applicable Subsidiary's board of directors (or similar governing body) or the applicable committee thereof) for present or former officers and other employees of Borrower or of its Subsidiaries entered into in the ordinary course of business; (d) transactions described in Schedule 6.11; (e) any Restricted Junior Payment permitted pursuant to Section 6.4; (f) indemnities provided for the benefit of, directors, officers or employees of Borrower or of its Subsidiaries in the ordinary course of business; and (g) loans and advances to employees of Borrower or of its Subsidiaries permitted by Section 6.6(f) (as well as advances to employees contemplated by clause (iii) of the defined term "Investment").

6.12 Conduct of Business. From and after the Third Restatement Date, no Credit Party shall, nor shall it permit any of its Subsidiaries to, engage in any business other than (i) the businesses engaged in by such Credit Party or Subsidiary on the Third Restatement Date and similar or related or ancillary businesses and (ii) such other lines of business as may be consented to by Requisite Lenders.

6.13 Amendments or Waivers with Respect to Subordinated Indebtedness. No Credit Party shall, nor shall it permit any of its Subsidiaries to, amend or otherwise change the terms of any Subordinated Indebtedness, if such amendment or change would be materially adverse to any Credit Party or Lenders.

6.14 Amendments or Waivers of Organizational Documents. No Credit Party shall, nor shall it permit any of its Subsidiaries to, agree to any amendment, restatement, supplement or other modification to, or waiver of, any of its Organizational Documents after the Third Restatement Date that is materially adverse to such Credit Party or such Subsidiary, as applicable, and to the Lenders.

6.15 Fiscal Year. No Credit Party shall, nor shall it permit any of its Subsidiaries to, change its Fiscal Year end from December 31.

6.16 Specified Subsidiary Dispositions. Borrower will not, and will not permit any Subsidiary to, sell, transfer, lease or otherwise dispose of the Equity Interests it holds in Biovail Insurance.

6.17 Biovail Insurance. Borrower will not permit Biovail Insurance to (i) carry on any business other than the business of an Exempt Insurance Company as defined under the Exempt Insurance Act of Barbados for the purpose of insuring Borrower and/or some or all of its Subsidiaries or (ii) cancel, terminate or otherwise amend or modify the Biovail Insurance Trust Indenture.

6.18 Establishment of Defined Benefit Plan. No Credit Party shall (a) sponsor, administer, maintain, contribute to, participate in or assume or incur any liability in respect of, any Defined Benefit Plan, or (b) acquire an interest in any Person if such Person sponsors, administers, maintains, contributes to, participates in or has any liability in respect of, any Defined Benefit Plan, other than, with respect to clauses (a) and (b), Defined Benefit Plans that do not, in the aggregate, have a solvency deficit in excess of $10,000,000 at any time.

SECTION 7. GUARANTY

7.1 Guaranty of the Obligations. Subject to the provisions of the Contribution Agreement, Guarantors jointly and severally hereby irrevocably and unconditionally guaranty to Administrative Agent for the ratable benefit of the Beneficiaries the due and punctual payment in full of all Obligations when the same shall become due, whether at stated maturity, by required prepayment, declaration, acceleration, demand or otherwise (including amounts that would become due but for the operation of the automatic stay under Section 362(a) of the Bankruptcy Code, 11 U.S.C. § 362(a) or other Insolvency Laws) (collectively, the "**Guaranteed Obligations**").

7.2 Contribution by Guarantors. Each of the Guarantors shall be party to, and subject to the terms of, the Contribution Agreement.

7.3 Payment by Guarantors. Subject to the Contribution Agreement, Guarantors hereby jointly and severally agree, in furtherance of the foregoing and not in limitation of any other right which any Beneficiary may have at law or in equity against any Guarantor by virtue hereof, that upon the failure of Borrower to pay any of the Guaranteed Obligations when and as the same shall become due, whether at stated maturity, by required prepayment, declaration, acceleration, demand or otherwise (including amounts that would become due but for the operation of the automatic stay under Section 362(a) of the Bankruptcy Code, 11 U.S.C. § 362(a) or analogous provisions of other Insolvency Laws), Guarantors will upon demand pay, or cause to be paid, in Cash, to Administrative Agent for the ratable benefit of Beneficiaries, an amount equal to the sum of the unpaid principal amount of all Guaranteed Obligations then due as aforesaid, accrued and unpaid interest on such Guaranteed Obligations (including interest which, but for Borrower's becoming the subject of a case or proceeding under any Insolvency Law, would have accrued on such Guaranteed Obligations, whether or not a claim is allowed against Borrower for such interest in the related bankruptcy case) and all other Guaranteed Obligations then owed to Beneficiaries as aforesaid.

7.4 Liability of Guarantors Absolute. To the extent permitted under Applicable Law, each Guarantor agrees that its obligations hereunder are irrevocable, absolute, independent and unconditional and shall not be affected by any circumstance which constitutes a legal or equitable discharge of a guarantor or surety other than satisfaction in full of the Guaranteed Obligations. In furtherance of the foregoing and without limiting the generality thereof, each Guarantor agrees as follows:

(a) this Guaranty is a guaranty of payment and performance when due and not of collectability. This Guaranty is a primary obligation of each Guarantor and not merely a contract of surety;

(b) to the extent permitted under Applicable Law, Administrative Agent may enforce this Guaranty upon the occurrence of an Event of Default notwithstanding the existence of any dispute between Borrower and any Beneficiary with respect to the existence of such Event of Default;

(c) the obligations of each Guarantor hereunder are independent of the obligations of Borrower and the obligations of any other guarantor (including any other Guarantor) of the obligations of Borrower, and a separate action or actions may be brought and prosecuted against such Guarantor whether or not any action is brought against Borrower or any of such other guarantors and whether or not Borrower is joined in any such action or actions;

(d) payment by any Guarantor of a portion, but not all, of the Guaranteed Obligations shall in no way limit, affect, modify or abridge any Guarantor's liability for any portion of

the Guaranteed Obligations which has not been paid. Without limiting the generality of the foregoing, if Administrative Agent is awarded a judgment in any suit brought to enforce any Guarantor's covenant to pay a portion of the Guaranteed Obligations, such judgment shall not be deemed to release such Guarantor from its covenant to pay the portion of the Guaranteed Obligations that is not the subject of such suit, and such judgment shall not, except to the extent satisfied by such Guarantor, limit, affect, modify or abridge any other Guarantor's liability hereunder in respect of the Guaranteed Obligations;

(e) any Beneficiary, upon such terms as it deems appropriate, without notice or demand and without affecting the validity or enforceability hereof or giving rise to any reduction, limitation, impairment, discharge or termination of any Guarantor's liability hereunder, from time to time may (i) renew, extend, accelerate, increase the rate of interest on, or otherwise change the time, place, manner or terms of payment of the Guaranteed Obligations; (ii) settle, compromise, release or discharge, or accept or refuse any offer of performance with respect to, or substitutions for, the Guaranteed Obligations or any agreement relating thereto and/or subordinate the payment of the same to the payment of any other obligations; (iii) request and accept other guaranties of the Guaranteed Obligations and take and hold security for the payment hereof or the Guaranteed Obligations; (iv) release, surrender, exchange, substitute, compromise, settle, rescind, waive, alter, subordinate or modify, with or without consideration, any security for payment of the Guaranteed Obligations, any other guaranties of the Guaranteed Obligations, or any other obligation of any Person (including any other Guarantor) with respect to the Guaranteed Obligations; (v) enforce and apply any security now or hereafter held by or for the benefit of such Beneficiary in respect hereof or the Guaranteed Obligations and direct the order or manner of sale thereof, or exercise any other right or remedy that such Beneficiary may have against any such security, in each case as such Beneficiary in its discretion may determine consistent herewith or the applicable Hedge Agreement or Cash Management Agreement and any applicable security agreement, including foreclosure on any such security pursuant to one or more judicial or nonjudicial sales, whether or not every aspect of any such sale is commercially reasonable, and even though such action operates to impair or extinguish any right of reimbursement or subrogation or other right or remedy of any Guarantor against Borrower or any security for the Guaranteed Obligations; and (vi) exercise any other rights available to it under the Credit Documents or any Hedge Agreements or any Cash Management Agreements; and

(f) this Guaranty and the obligations of Guarantors hereunder shall be valid and enforceable and shall not be subject to any reduction, limitation, impairment, discharge or termination for any reason (other than payment in full of the Guaranteed Obligations), including the occurrence of any of the following, whether or not any Guarantor shall have had notice or knowledge of any of them: (i) any failure or omission to assert or enforce or agreement or election not to assert or enforce, or the stay or enjoining, by order of court, by operation of law or otherwise, of the exercise or enforcement of, any claim or demand or any right, power or remedy (whether arising under the Credit Documents or any Hedge Agreements or any Cash Management Agreements, at law, in equity or otherwise) with respect to the Guaranteed Obligations or any agreement relating thereto, or with respect to any other guaranty of or security for the payment or performance of the Guaranteed Obligations; (ii) any rescission, waiver, amendment or modification of, or any consent to departure from, any of the terms or provisions (including provisions relating to events of default) hereof, any of the other Credit Documents, any of the Hedge Agreements, any of the Cash Management Agreements or any agreement or instrument executed pursuant thereto, or of any other guaranty or security for the Guaranteed Obligations, in each case whether or not in accordance with the terms hereof or such Credit Document, such Hedge Agreement, such Cash Management Agreement or any agreement relating to such other guaranty or security; (iii) to the extent permitted by Applicable Law, the Guaranteed Obligations, or any

agreement relating thereto, at any time being found to be illegal, invalid or unenforceable in any respect; (iv) the application of payments received from any source (other than payments received pursuant to the other Credit Documents, any of the Hedge Agreements, any of the Cash Management Agreements or from the proceeds of any security for the Guaranteed Obligations, except to the extent such security also serves as collateral for indebtedness other than the Guaranteed Obligations) to the payment of indebtedness other than the Guaranteed Obligations, even though any Beneficiary might have elected to apply such payment to any part or all of the Guaranteed Obligations; (v) any Beneficiary's consent to the change, reorganization or termination of the corporate structure or existence of Borrower or any of its Subsidiaries and to any corresponding restructuring of the Guaranteed Obligations; (vi) any failure to perfect or continue perfection of a security interest in any collateral which secures any of the Guaranteed Obligations; (vii) to the extent permitted by Applicable Law, any defenses, set-offs or counterclaims which Borrower may allege or assert against any Beneficiary in respect of the Guaranteed Obligations, including failure of consideration, breach of warranty, payment, statute of frauds, statute of limitations, accord and satisfaction and usury; and (viii) any other act or thing or omission, or delay to do any other act or thing, which may or might in any manner or to any extent vary the risk of any Guarantor as an obligor in respect of the Guaranteed Obligations.

(g) Each of the Secured Parties agrees not to enforce the guarantee created hereunder by, or any other Obligations under the Credit Document of a Guarantor established in Luxembourg (a "**Luxembourg Guarantor**") in so far as the aggregate obligations and liabilities of any Luxembourg Guarantor with respect to the repayment under a joint and several liability clause of any borrowing or costs or expenses not incurred directly or indirectly by or on behalf of the Luxembourg Guarantor, and the granting of any guarantee, indemnity or security under the Credit Documents exceed 90% each time the higher of (i) the book value of all the assets of the Luxembourg Guarantor at the time of this Agreement or at the time the relevant guarantee or security is enforced or (ii) the net assets (capitaux propres as referred to in article 34 of the Luxembourg law on the commercial register and annual accounts) of such Luxembourg Guarantor as shown in the financial statements as of the date of this Agreement or in the latest financial statements (comptes annuels) available at the date of the relevant payment hereunder and approved by the shareholders of such Luxembourg Company, and as audited by its statutory auditor or its external auditor (réviseur d'entreprise), if required by law; it being understood that the payment obligations of the Luxembourg Guarantor shall not be limited to the extent that the Luxembourg Guarantor secures obligations of its direct or indirect Subsidiaries or in respect of sums that have been made directly or indirectly available to the Luxembourg Guarantor. Notwithstanding anything to the contrary in the Credit Documents, the limitation set out in this Section 7.4(g) shall apply to the aggregate of all securities, whether guarantees, pledges, security assignments, or otherwise, granted or to be granted by the Luxembourg Guarantor.

7.5 Waivers by Guarantors. To the extent permitted by Applicable Law, each Guarantor hereby waives, for the benefit of Beneficiaries: (a) any right to require any Beneficiary, as a condition of payment or performance by such Guarantor, to (i) proceed against Borrower, any other guarantor (including any other Guarantor) of the Guaranteed Obligations or any other Person, (ii) proceed against or exhaust any security held from Borrower, any such other guarantor or any other Person, (iii) proceed against or have resort to any balance of any Deposit Account or credit on the books of any Beneficiary in favor of Borrower or any other Person, or (iv) pursue any other remedy in the power of any Beneficiary whatsoever; (b) any defense arising by reason of the incapacity, lack of authority or any disability or other defense of Borrower or any other Guarantor including any defense based on or arising out of the lack of validity or the unenforceability of the Guaranteed Obligations or any agreement or instrument relating thereto or by reason of the cessation of the liability of Borrower or any other Guarantor from any cause other than satisfaction in full of the Guaranteed Obligations; (c) any defense based upon any statute or rule of law

which provides that the obligation of a surety must be neither larger in amount nor in other respects more burdensome than that of the principal; (d) any defense based upon any Beneficiary's errors or omissions in the administration of the Guaranteed Obligations, except behavior which amounts to gross negligence, willful misconduct or bad faith; (e) (i) any principles or provisions of law, statutory or otherwise, which are or might be in conflict with the terms hereof and any legal or equitable discharge of such Guarantor's obligations hereunder, (ii) the benefit of any statute of limitations affecting such Guarantor's liability hereunder or the enforcement hereof, (iii) any rights to set-offs, recoupments and counterclaims, and (iv) promptness, diligence and any requirement that any Beneficiary protect, secure, perfect or insure any security interest or lien or any property subject thereto; (f) notices, demands, presentments, protests, notices of protest, notices of dishonor and notices of any action or inaction, including acceptance hereof, notices of default hereunder, the Hedge Agreements, the Cash Management Agreements or any agreement or instrument related thereto, notices of any renewal, extension or modification of the Guaranteed Obligations or any agreement related thereto, notices of any extension of credit to Borrower and notices of any of the matters referred to in Section 7.4 and any right to consent to any thereof; and (g) any defenses or benefits that may be derived from or afforded by law which limit the liability of or exonerate guarantors or sureties, or which may conflict with the terms hereof.

7.6 Guarantors' Rights of Subrogation, Contribution, etc. Until the Guaranteed Obligations shall have been indefeasibly paid in full and the Revolving Commitments shall have terminated and all Letters of Credit shall have expired or been cancelled, each Guarantor hereby waives, to the extent permitted by Applicable Law, any claim, right or remedy, direct or indirect, that such Guarantor now has or may hereafter have against Borrower or any other Guarantor or any of its assets in connection with this Guaranty or the performance by such Guarantor of its obligations hereunder, in each case whether such claim, right or remedy arises in equity, under contract, by statute, under common law or otherwise and including (a) any right of subrogation, reimbursement or indemnification that such Guarantor now has or may hereafter have against Borrower with respect to the Guaranteed Obligations, (b) any right to enforce, or to participate in, any claim, right or remedy that any Beneficiary now has or may hereafter have against Borrower, and (c) any benefit of, and any right to participate in, any collateral or security now or hereafter held by any Beneficiary. In addition, until the Guaranteed Obligations shall have been indefeasibly paid in full and the Revolving Commitments shall have terminated and all Letters of Credit shall have expired or been cancelled, each Guarantor shall withhold exercise of any right of contribution such Guarantor may have against any other guarantor (including any other Guarantor) of the Guaranteed Obligations, including any such right of contribution as contemplated by the Contribution Agreement. Each Guarantor further agrees that, to the extent the waiver or agreement to withhold the exercise of its rights of subrogation, reimbursement, indemnification and contribution as set forth herein is found by a court of competent jurisdiction to be void or voidable for any reason, any rights of subrogation, reimbursement or indemnification such Guarantor may have against Borrower or against any collateral or security, and any rights of contribution such Guarantor may have against any such other guarantor, shall be junior and subordinate to any rights any Beneficiary may have against Borrower, to all right, title and interest any Beneficiary may have in any such collateral or security, and to any right any Beneficiary may have against such other guarantor. If any amount shall be paid to any Guarantor on account of any such subrogation, reimbursement, indemnification or contribution rights at any time when all Guaranteed Obligations shall not have been finally and indefeasibly paid in full, such amount shall be held in trust for Administrative Agent on behalf of Beneficiaries and shall forthwith be paid over to Administrative Agent for the benefit of Beneficiaries to be credited and applied against the Guaranteed Obligations, whether matured or unmatured, in accordance with the terms hereof.

7.7 Subordination of Other Obligations. Any Indebtedness of Borrower or any Guarantor now or hereafter held by any Guarantor (the "**Obligee Guarantor**") is hereby subordinated in right of payment to the Guaranteed Obligations, and any such Indebtedness collected or received by the Obligee Guarantor after an Event of Default has occurred and is continuing shall be held in trust for Administra-

tive Agent on behalf of Beneficiaries and shall forthwith be paid over to Administrative Agent for the benefit of Beneficiaries to be credited and applied against the Guaranteed Obligations but without affecting, impairing or limiting in any manner the liability of the Obligee Guarantor under any other provision hereof.

7.8 Continuing Guaranty. This Guaranty is a continuing guaranty and shall remain in effect until all of the Guaranteed Obligations shall have been paid in full and the Revolving Commitments shall have terminated and all Letters of Credit shall have expired or been cancelled. Each Guarantor hereby irrevocably waives any right to revoke this Guaranty as to future transactions giving rise to any Guaranteed Obligations.

7.9 Authority of Guarantors or Borrower. It is not necessary for any Beneficiary to inquire into the capacity or powers of any Guarantor or Borrower or the officers, directors or any agents acting or purporting to act on behalf of any of them.

7.10 Financial Condition of Borrower. Any Credit Extension may be made to Borrower or continued from time to time, and any Hedge Agreements or Cash Management Agreements may be entered into from time to time, in each case without notice to or authorization from any Guarantor regardless of the financial or other condition of Borrower at the time of any such grant or continuation or at the time such Hedge Agreement or Cash Management Agreement is entered into, as the case may be. No Beneficiary shall have any obligation to disclose or discuss with any Guarantor its assessment, or any Guarantor's assessment, of the financial condition of Borrower. Each Guarantor has adequate means to obtain information from Borrower on a continuing basis concerning the financial condition of Borrower and its ability to perform its obligations under the Credit Documents and the Hedge Agreements and the Cash Management Agreements, and each Guarantor assumes the responsibility for being and keeping informed of the financial condition of Borrower and of all circumstances bearing upon the risk of nonpayment of the Guaranteed Obligations. Each Guarantor hereby waives and relinquishes any duty on the part of any Beneficiary to disclose any matter, fact or thing relating to the business, operations or conditions of Borrower now known or hereafter known by any Beneficiary.

7.11 Bankruptcy, etc.

(a) So long as any Guaranteed Obligations remain outstanding, no Guarantor shall, without the prior written consent of Administrative Agent acting pursuant to the instructions of Requisite Lenders, commence or join with any other Person in commencing any bankruptcy, reorganization or insolvency case, application or proceeding of or against Borrower or any other Guarantor. The obligations of Guarantors hereunder shall not be reduced, limited, impaired, discharged, deferred, suspended or terminated by any case, application or proceeding, voluntary or involuntary, involving the bankruptcy, insolvency, receivership, reorganization, liquidation or arrangement of Borrower or any other Guarantor or by any defense which Borrower or any other Guarantor may have by reason of the order, decree or decision of any court or administrative body resulting from any such proceeding.

(b) Each Guarantor acknowledges and agrees that any interest on any portion of the Guaranteed Obligations which accrues after the commencement of any case, application or proceeding referred to in clause (a) above (or, if interest on any portion of the Guaranteed Obligations ceases to accrue by operation of law by reason of the commencement of such case, application or proceeding, such interest as would have accrued on such portion of the Guaranteed Obligations if such case, application or proceeding had not been commenced) shall be included in the Guaranteed Obligations because it is the intention of Guarantors and Beneficiaries that the Guaranteed Obligations which are guaranteed by Guarantors pursuant hereto should be determined without regard to any rule of law or order which may relieve Borrower of any portion of such Guaranteed Obligations. Guarantors will permit any trustee in bankruptcy, receiver,

debtor in possession, assignee for the benefit of creditors or similar Person to pay Administrative Agent, or allow the claim of Administrative Agent in respect of, any such interest accruing after the date on which such case, application or proceeding is commenced.

(c) In the event that all or any portion of the Guaranteed Obligations are paid by Borrower, the obligations of Guarantors hereunder shall continue and remain in full force and effect or be reinstated, as the case may be, in the event that all or any part of such payment(s) are rescinded or recovered directly or indirectly from any Beneficiary as a preference, fraudulent transfer or otherwise, and any such payments which are so rescinded or recovered shall constitute Guaranteed Obligations for all purposes hereunder.

7.12 Discharge of Guaranty upon Sale of Guarantor. If all of the Equity Interests of any Guarantor or any of its successors in interest hereunder shall be sold or otherwise disposed of (including by merger, amalgamation or consolidation) in accordance with the terms and conditions hereof, the Guaranty of such Guarantor or such successor in interest, as the case may be, hereunder shall automatically be discharged and released without any further action by any Beneficiary or any other Person effective as of the time of such Asset Sale.

7.13 Swiss Guarantee Limitations. Notwithstanding anything to the contrary in this Agreement or any other Credit Document, the following limitations shall apply to any Swiss Guarantor:

(a) If complying with the obligations of the Swiss Guarantor under the guarantee (including for the avoidance of doubt, any restrictions of the Swiss Guarantor's rights of set-off and/or subrogation or its duties to subordinate or waive claims, if any) would constitute a repayment of capital (*Einlagerückgewähr*), a violation of the legally protected reserves (*gesetzlich geschützte Reserven*) or the payment of a (constructive) dividend (*Gewinnausschüttung*) by the Swiss Guarantor or would otherwise be restricted under Swiss corporate law then applicable (the "**Restricted Obligations**"), the aggregate liability of the Swiss Guarantor for Restricted Obligations shall not exceed the amount of the Swiss Guarantor's freely disposable equity in accordance with Swiss law, being the total assets of the relevant Swiss Guarantor less the total of (1) the aggregate of the relevant Swiss Guarantor's liabilities, (2) the aggregate share capital and (3) statutory reserves (including reserves for own shares and revaluations as well as capital surplus (*agio*) to the extent such reserves cannot be transferred into unrestricted, distributable reserves (the "**Maximum Amount**"). The amount of freely disposable equity shall be determined on the basis of an audited interim balance sheet as set out in clause (b)(ii) below. This limitation shall only apply to the extent that it is a requirement under applicable Swiss mandatory law at the time the Swiss Guarantor is required to perform its guarantee obligations under the Credit Documents. Such limitation shall not free the Swiss Guarantor from its obligations in excess thereof, but merely postpone the performance date therefor until such time as performance is again permitted notwithstanding such limitation.

(b) Immediately after having been requested to make any payments or otherwise perform Restricted Obligations under the guarantee, the Swiss Guarantor shall, and any parent company of the Swiss Guarantor being a party to this Agreement shall procure that, the Swiss Guarantor will:

(i) perform any Restricted Obligations which are not affected by the above limitations and take and cause to be taken all and any action, including, without limitation, (1) the passing of any shareholders' resolutions to approve any payment or other performance under this Agreement or any other Credit Document and (2) the obtaining of any confirmations which may be required as a matter of Swiss mandatory law in force at

the time the Swiss Guarantor is required to make a payment or perform other obligations under this Agreement or any other Credit Document, in order to allow a prompt payment of amounts owed by the Swiss Guarantor under this Agreement or any other Credit Document as well as the performance by the Swiss Guarantor of other obligations there related with a minimum of limitations; and

(ii) in respect of any balance, if and to the extent requested by the Collateral Agent or required under then applicable Swiss law, provide the Collateral Agent with an interim balance sheet audited by the statutory auditors of the Swiss Guarantor setting out the Maximum Amount, take such further corporate and other action as may be required by law (such as board and shareholders' approvals and the receipt of any confirmations from the Swiss Guarantor's statutory auditors) and other measures necessary to allow the Swiss Guarantor to make the payments agreed hereunder with a minimum of limitations and, immediately thereafter, pay up to the Maximum Amount to the Collateral Agent.

(c) If the enforcement of the obligations of the Swiss Guarantor under the Credit Documents would be limited due to the effects referred to in this Agreement, the Swiss Guarantor shall further, to the extent permitted by applicable law and Swiss accounting standards and upon request by the Collateral Agent, write up or sell any of its assets that are shown in its balance sheet with a book value that is significantly lower than the market value of the assets, in case of sale, however, only if such assets are not necessary for the Swiss Guarantor's business (*nicht betriebsnotwendig*) and such sale is permitted under the Credit Documents.

(d) To the extent required by applicable law, including double tax treaties, in force at the time, the Swiss Guarantor is required to make a payment under this Agreement it shall:

(i) use its best efforts to ensure that such payments can be made without deduction of Swiss Withholding Tax, or with deduction of Swiss Federal Withholding Tax at a reduced rate, by discharging the liability to such tax by notification pursuant to applicable law (including tax treaties) rather than payment of the tax;

(ii) deduct the Swiss Federal Withholding Tax at such rate (being 35% on the date hereof) as in force from time to time if the notification procedure pursuant to sub-paragraph (i) above does not apply; or shall deduct the Swiss Federal Withholding Tax at the reduced rate resulting after discharge of part of such tax by notification if the notification procedure pursuant to sub-paragraph (i) applies for a part of the Swiss Federal Withholding Tax only; and shall pay within the time allowed any such taxes deducted to the Swiss Federal Tax Administration; and

(iii) notify and provide evidence to the Collateral Agent that the Swiss Federal Withholding Tax has been paid to the Swiss Federal Tax Administration.

(e) To the extent such deduction is made, and to the extent the maximum amount of freely disposable shareholder equity pursuant to this Agreement is not fully utilized, the Swiss Guarantor shall be required to pay an additional amount so that after making any required deduction of Swiss Federal Withholding Tax the aggregate net amount paid to the Lenders is equal to the amount which would have been paid if no deduction of Swiss Federal Withholding Tax had been required, provided that the aggregate amount paid (and including amounts withheld) shall in any event be limited to the maximum amount of freely disposable shareholder equity pursuant to this Agreement.

(f) The Swiss Guarantor shall use its reasonable efforts to ensure that any Person which is, as a result of a deduction of Swiss Federal Withholding Tax, entitled to a full or partial refund of the Swiss Federal Withholding Tax, will, as soon as possible after the deduction of the Swiss Federal Withholding Tax,

(i) request a refund of the Swiss Federal Withholding Tax under any applicable law (including double tax treaties), and

(ii) pay to the Collateral Agent upon receipt any amount so refunded (and after deduction of any tax) if so required under the guarantee or the Indenture and to the extent legally permissible.

(g) Notwithstanding anything to the contrary in the Credit Documents, the limitation set out in this Section 7.13 shall apply to the aggregate of all securities, whether guarantees, pledges, security assignments, or otherwise, granted or to be granted by the Swiss Guarantor.

SECTION 8. EVENTS OF DEFAULT

8.1 Events of Default. If any one or more of the following conditions or events shall occur:

(a) Failure to Make Payments When Due. Failure by Borrower to pay (i) when due any installment of principal of any Loan, whether at stated maturity, by acceleration, by notice of voluntary prepayment, by mandatory prepayment or otherwise; (ii) when due any amount payable to Issuing Bank in reimbursement of any drawing under a Letter of Credit; or (iii) any interest on any Loan or any fee or any other amount due hereunder within three days after the date due; or

(b) Default in Other Agreements. (i) Failure of any Credit Party or any of their respective Subsidiaries to pay when due any principal of or interest on or any other amount, including any payment in settlement, payable in respect of one or more items of Indebtedness (other than Indebtedness referred to in Section 8.1(a)) in an individual principal amount (or Net Mark-to-Market Exposure) of $100,000,000 or with an aggregate principal amount (or Net Mark-to-Market Exposure) of $100,000,000 or more, in each case beyond the grace period, if any, provided therefor; or (ii) breach or default by any Credit Party with respect to any other material term of (1) one or more items of Indebtedness in the individual or aggregate principal amounts (or Net Mark-to-Market Exposure) referred to in clause (i) above or (2) any loan agreement, mortgage, indenture or other agreement relating to such item(s) of Indebtedness, in each case beyond the grace period, if any, provided therefor, if the effect of such breach or default is to cause, or to permit the holder or holders of that Indebtedness (or a trustee on behalf of such holder or holders), to cause, that Indebtedness to become or be declared due and payable (or redeemable) prior to its stated maturity or the stated maturity of any underlying obligation, as the case may be; or

(c) Breach of Certain Covenants. Failure of any Credit Party to perform or comply with any term or condition contained in Section 2.6, Section 5.1(e), Section 5.2 or Section 6; or

(d) Breach of Representations, Etc. Any representation, warranty, certification or other statement made or deemed made by any Credit Party in any Credit Document or in any statement or certificate at any time given by any Credit Party or any of its Subsidiaries in writing pursuant hereto or thereto or in connection herewith or therewith shall be false in any material respect as of the date made or deemed made; or

(e) Other Defaults Under Credit Documents. Any Credit Party shall default in the performance of or compliance with any term contained herein or any of the other Credit Documents, other than any such term referred to in any other Section of this Section 8.1, and such default shall not have been remedied or waived within thirty days after the earlier of (i) an officer of such Credit Party becoming aware of such default or (ii) receipt by Borrower of notice from Administrative Agent or any Lender of such default; or

(f) Involuntary Bankruptcy; Appointment of Receiver, etc. (i) A court of competent jurisdiction shall enter a decree or order for relief in respect of Borrower or any of its Subsidiaries (other than any Immaterial Subsidiaries) in an involuntary case under any Insolvency Law, which decree or order is not stayed; or any other similar relief shall be granted under any Applicable Law; or (ii) an involuntary case or proceeding (including the filing of any notice of intention in respect thereof) shall be commenced against Borrower or any of its Subsidiaries (other than any Immaterial Subsidiaries) under any Insolvency Law now or hereafter in effect; or a decree or order of a court having jurisdiction in the premises for the appointment of a receiver, receiver-manager, administrative receiver, administrator, liquidator, sequestrator, trustee, custodian or other officer having similar powers over Borrower or any of its Subsidiaries (other than any Immaterial Subsidiaries), or over all or a substantial part of its property, shall have been entered; or there shall have occurred the involuntary appointment of an interim receiver, trustee, custodian or similar officer of Borrower or any of its Subsidiaries (other than any Immaterial Subsidiaries) for all or a substantial part of its property; or a warrant of attachment, execution or similar process shall have been issued against any substantial part of the property of Borrower or any of its Subsidiaries (other than any Immaterial Subsidiaries), and any such event described in this clause (ii) shall continue for sixty days without having been dismissed, bonded or discharged; or

(g) Voluntary Bankruptcy; Appointment of Receiver, etc. (i) Borrower or any of its Subsidiaries (other than any Immaterial Subsidiaries) shall have an order for relief entered with respect to it or shall file a petition or application seeking any relief or shall otherwise commence a voluntary case or proceeding under any Insolvency Law, or shall consent to, or fail to contest in a timely manner the commencement of, or the entry of an order for relief in an involuntary case or proceeding, or to the conversion of an involuntary case to a voluntary case or proceeding, under any such law, or shall consent to, or fail to contest in a timely manner, the commencement of, or the appointment of or taking possession by a receiver, receiver-manager, trustee, custodian or other similar officer for all or a substantial part of its property; or Borrower or any of its Subsidiaries (other than any Immaterial Subsidiaries) shall make any assignment for the benefit of creditors; or (ii) Borrower or any of its Subsidiaries (other than any Immaterial Subsidiaries) shall be unable, or shall fail generally, or shall admit in writing its inability, to pay its debts as such debts become due or is otherwise insolvent; or the board of directors (or similar governing body) of Borrower or any of its Subsidiaries (other than any Immaterial Subsidiaries) (or any committee thereof) shall adopt any resolution or otherwise authorize any action to approve any of the actions referred to herein or in Section 8.1(f); or

(h) Judgments and Attachments. Any money judgment, writ or warrant of attachment or similar process involving an amount in excess of $100,000,000 individually or in the aggregate at any time (in either case to the extent not adequately covered by insurance as to which a solvent and unaffiliated insurance company has acknowledged coverage) shall be entered or filed against Borrower, any of its Subsidiaries or any of their respective assets and shall remain undischarged, unvacated, unbonded or unstayed for a period of sixty days (or in any event later than five days prior to the date of any proposed sale thereunder); or

(i) Dissolution. Any order, judgment or decree shall be entered against any Credit Party decreeing the dissolution, winding-up or split-up of such Credit Party and such order shall remain undischarged or unstayed for a period in excess of thirty days; or

(j) Employee Benefit Plans. There shall occur one or more ERISA Events that have had or could reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect; or

(k) Canadian Employee Benefit Plans. (x) There shall occur one or more Canadian Pension Plan Termination Events that have had or could reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect or (y) a Canadian Credit Party fails to make a required contribution to or payment under any Canadian Pension Plan when due and such failure has had or could reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect; or

(l) Change of Control. A Change of Control shall occur; or

(m) Guaranties, Collateral Documents and Other Credit Documents. At any time after the execution and delivery thereof, (i) the Guaranty for any reason, other than the satisfaction in full of all Obligations, shall cease to be in full force and effect (other than in accordance with its terms) or shall be declared to be null and void or any Guarantor shall repudiate its obligations thereunder, (ii) this Agreement or any Collateral Document ceases to be in full force and effect (other than by reason of a release of Collateral in accordance with the terms hereof or thereof or the satisfaction in full of the Obligations (other than Obligations in respect of any Hedge Agreement or Cash Management Agreement) in accordance with the terms hereof) or shall be declared null and void, or Collateral Agent shall not have or shall cease to have a valid and perfected Lien in any Collateral purported to be covered by the Collateral Documents with the priority required by the relevant Collateral Document, in each case for any reason other than the failure of Collateral Agent or any Secured Party to take any action within its control, or (iii) any Credit Party shall contest the validity or enforceability of any Credit Document in writing or deny in writing that it has any further liability, including with respect to future advances by Lenders, under any Credit Document to which it is a party or shall contest the validity or perfection of any Lien in any portion of the Collateral purported to be covered by the Collateral Documents,

THEN, (1) upon the occurrence of any Event of Default described in Section 8.1(f) or 8.1(g) with respect to Borrower, automatically, and (2) upon the occurrence and during the continuance of any other Event of Default, at the request of (or with the consent of) Requisite Lenders, upon notice to Borrower by Administrative Agent, (A) the Revolving Commitments, if any, of each Lender having such Revolving Commitments and the obligation of Issuing Bank to issue any Letter of Credit shall immediately terminate; (B) each of the following shall immediately become due and payable, in each case without presentment, demand, protest or other requirements of any kind, all of which are hereby expressly waived by each Credit Party: (I) the unpaid principal amount of and accrued interest on the Loans, (II) an amount equal to the maximum amount that may at any time be drawn under all Letters of Credit then outstanding (regardless of whether any beneficiary under any such Letter of Credit shall have presented, or shall be entitled at such time to present, the drafts or other documents or certificates required to draw under such Letters of Credit), to be held as security for Borrower's reimbursement Obligations in respect of Letters of Credit then outstanding and (III) all other Obligations (other than Hedge Agreements and Cash Management Agreements unless and to the extent such agreements are independently declared due and payable in accordance with their respective terms); provided, the foregoing shall not affect in any way the obligations of Lenders under Section 2.3(b)(v) or Section 2.4(e); and (C) Administrative Agent may cause Collateral Agent to enforce any and all Liens and security interests created pursuant to Collateral Documents.

SECTION 9. AGENTS

9.1 Appointment of Agents. J.P. Morgan and Morgan Stanley are hereby appointed Co-Syndication Agents hereunder, and each Lender hereby authorizes J.P. Morgan and Morgan Stanley to act as Co-Syndication Agents in accordance with the terms hereof and the other Credit Documents. GSLP is hereby appointed Administrative Agent and Collateral Agent hereunder and under the other Credit Documents and each Lender hereby authorizes GSLP to act as Administrative Agent and Collateral Agent in accordance with the terms hereof and of the other Credit Documents. Each Agent hereby agrees to act in its capacity as such upon the express conditions contained herein and the other Credit Documents, as applicable. The provisions of this Section 9 are solely for the benefit of Agents and Lenders and no Credit Party shall have any rights as a third party beneficiary of any of the provisions thereof. In performing its functions and duties hereunder, each Agent shall act solely as an agent of Lenders and does not assume and shall not be deemed to have assumed any obligation towards or relationship of agency or trust with or for Borrower or any of its Subsidiaries. Each Co-Syndication Agent, without consent of or notice to any party hereto, may assign any and all of its rights or obligations hereunder (in its capacity as a Co-Syndication Agent) to any of its Affiliates. As of the Third Restatement Date, each of J.P. Morgan and Morgan Stanley, in each of their capacities as a Co-Syndication Agent, shall not have any obligations but shall be entitled to all benefits of this Section 9. The Syndication Agents and any Agent described in clause (d) of the definition thereof may resign from such role at any time, with immediate effect, by giving prior written notice thereof to Administrative Agent and Borrower.

9.2 Powers and Duties. Each Lender irrevocably authorizes each Agent to take such action on such Lender's behalf and to exercise such powers, rights and remedies hereunder and under the other Credit Documents as are specifically delegated or granted to such Agent by the terms hereof and thereof, together with such powers, rights and remedies as are reasonably incidental thereto. Each Agent shall have only those duties and responsibilities that are expressly specified herein and the other Credit Documents. Each Agent may exercise such powers, rights and remedies and perform such duties by or through its agents or employees. No Agent shall have, by reason hereof or any of the other Credit Documents, a fiduciary relationship in respect of any Lender (except, in respect of Collateral Agent in its capacity as trustee under Section 9.8(a), to the extent such fiduciary relationship cannot lawfully be excluded); and nothing herein or any of the other Credit Documents, expressed or implied, is intended to or shall be so construed as to impose upon any Agent any obligations in respect hereof or any of the other Credit Documents except as expressly set forth herein or therein.

9.3 General Immunity.

(a) No Responsibility for Certain Matters. No Agent shall be responsible to any Lender for the execution, effectiveness, genuineness, validity, enforceability, collectability or sufficiency hereof or any other Credit Document or for any representations, warranties, recitals or statements made herein or therein or made in any written or oral statements or in any financial or other statements, instruments, reports or certificates or any other documents furnished or made by any Agent to Lenders or by or on behalf of any Credit Party or to any Agent or any Lender in connection with the Credit Documents and the transactions contemplated thereby or for the financial condition or business affairs of any Credit Party or any other Person liable for the payment of any Obligations, nor shall any Agent be required to ascertain or inquire as to the performance or observance of any of the terms, conditions, provisions, covenants or agreements contained in any of the Credit Documents or as to the use of the proceeds of the Loans or as to the existence or possible existence of any Event of Default or Default or to make any disclosures with respect to the foregoing. Anything contained herein to the contrary notwithstanding, Administrative Agent shall not have any liability arising from confirmations of the amount of outstanding Loans or the Letter of Credit Usage or the component amounts thereof.

(b) Exculpatory Provisions. No Agent nor any of its officers, partners, directors, employees or agents shall be liable to Lenders for any action taken or omitted by any Agent under or in connection with any of the Credit Documents except to the extent caused by such Agent's gross negligence or willful misconduct, as determined by a final, non-appealable judgment of a court of competent jurisdiction. Each Agent shall be entitled to refrain from any act or the taking of any action (including the failure to take an action) in connection herewith or with any of the other Credit Documents or from the exercise of any power, discretion or authority vested in it hereunder or thereunder unless and until such Agent shall have received instructions in respect thereof from Requisite Lenders (or such other Lenders as may be required to give such instructions under Section 10.5) and, upon receipt of such instructions from Requisite Lenders (or such other Lenders, as the case may be), such Agent shall be entitled to act or (where so instructed) refrain from acting, or to exercise such power, discretion or authority, in accordance with such instructions. Without prejudice to the generality of the foregoing, (i) each Agent shall be entitled to rely, and shall be fully protected in relying, upon any communication, instrument or document believed by it to be genuine and correct and to have been signed or sent by the proper Person or Persons and shall be entitled to rely and shall be protected in relying on opinions and judgments of attorneys (who may be attorneys for Borrower and its Subsidiaries), accountants, experts and other professional advisors selected by it; and (ii) no Lender shall have any right of action whatsoever against any Agent as a result of such Agent acting or (where so instructed) refraining from acting hereunder or any of the other Credit Documents in accordance with the instructions of Requisite Lenders (or such other Lenders as may be required to give such instructions under Section 10.5).

(c) Delegation of Duties. Administrative Agent may perform any and all of its duties and exercise its rights and powers under this Agreement or under any other Credit Document by or through any one or more sub-agents appointed by Administrative Agent. Administrative Agent and any such sub-agent may perform any and all of its duties and exercise its rights and powers by or through their respective Affiliates. The exculpatory, indemnification and other provisions of this Section 9.3 and of Section 9.6 shall apply to any of the Affiliates of Administrative Agent and shall apply to their respective activities in connection with the syndication of the credit facilities provided for herein as well as activities as Administrative Agent. All of the rights, benefits, and privileges (including the exculpatory and indemnification provisions) of this Section 9.3 and of Section 9.6 shall apply to any such sub-agent and to the Affiliates of any such sub-agent, and shall apply to their respective activities as sub-agent as if such sub-agent and Affiliates were named herein. Notwithstanding anything herein to the contrary, with respect to each sub-agent appointed by the Administrative Agent, (i) such sub-agent shall be a third party beneficiary under this Agreement with respect to all such rights, benefits and privileges (including exculpatory rights and rights to indemnification) and shall have all of the rights and benefits of a third party beneficiary, including an independent right of action to enforce such rights, benefits and privileges (including exculpatory rights and rights to indemnification) directly, without the consent or joinder of any other Person, against any or all of Credit Parties and the Lenders, (ii) such rights, benefits and privileges (including exculpatory rights and rights to indemnification) shall not be modified or amended without the consent of such sub-agent, and (iii) such sub-agent shall only have obligations to Administrative Agent and not to any Credit Party, Lender or any other Person and no Credit Party, Lender or any other Person shall have any rights, directly or indirectly, as a third party beneficiary or otherwise, against such sub-agent; provided that the Administrative Agent shall be responsible for the gross negligence, willful misconduct or bad faith of such sub-agent.

9.4 Agents Entitled to Act as Lender. The agency hereby created shall in no way impair or affect any of the rights and powers of, or impose any duties or obligations upon, any Agent in its individual capacity as a Lender hereunder. With respect to its participation in the Loans and the Letters of Credit, each Agent shall have the same rights and powers hereunder as any other Lender and may exercise the same as if it were not performing the duties and functions delegated to it hereunder, and the term "Lender" shall, unless the context clearly otherwise indicates, include each Agent in its individual capacity.

Any Agent and its Affiliates may accept deposits from, lend money to, own securities of, and generally engage in any kind of banking, trust, financial advisory or other business with Borrower or any of its Affiliates as if it were not performing the duties specified herein, and may accept fees and other consideration from Borrower for services in connection herewith and otherwise without having to account for the same to Lenders.

9.5 Lenders' Representations, Warranties and Acknowledgment.

(a) Each Lender represents and warrants that it has made its own independent investigation of the financial condition and affairs of Borrower and its respective Subsidiaries in connection with Credit Extensions hereunder and that it has made and shall continue to make its own appraisal of the creditworthiness of Borrower and its Subsidiaries. No Agent shall have any duty or responsibility, either initially or on a continuing basis, to make any such investigation or any such appraisal on behalf of Lenders or to provide any Lender with any credit or other information with respect thereto, whether coming into its possession before the making of the Loans or at any time or times thereafter, and no Agent shall have any responsibility with respect to the accuracy of or the completeness of any information provided to Lenders.

(b) Each Lender, by delivering its signature page to this Agreement, or an Assignment Agreement or a Joinder Agreement and funding its Tranche A Term Loans, Tranche B Term Loans, New Term Loans and/or Revolving Loans shall be deemed to have acknowledged receipt of, and consented to and approved, each Credit Document and each other document required to be approved by any Agent, Requisite Lenders or Lenders, as applicable on the Original Closing Date, on the First Restatement Date, on the Second Restatement Date, on the Second Amendment and Restatement Joinder Date, on the Third Restatement Date or as of the date of funding of such New Term Loans and/or Revolving Loans.

9.6 Right to Indemnity. Each Lender, in proportion to its Pro Rata Share, severally agrees to indemnify each (a) Agent, their Affiliates and their respective officers, partners, directors, trustees, employees and agents of each Agent and (b) Issuing Bank, their Affiliates and their respective officers, partners, directors, trustees, employees and agents of Issuing Bank (each, an "**Indemnitee Agent Party**"), to the extent that such Indemnitee Agent Party shall not have been reimbursed by any Credit Party, for and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses (including counsel fees and disbursements) or disbursements of any kind or nature whatsoever which may be imposed on, incurred by or asserted against such Indemnitee Agent Party in exercising its powers, rights and remedies or performing its duties hereunder or under the other Credit Documents or otherwise in its capacity as such Agent or Issuing Bank in any way relating to or arising out of this Agreement or the other Credit Documents, in all cases, whether or not caused by or arising, in whole or in part, out of the negligence of such Indemnitee Agent Party; provided that no Lender shall be liable for any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements resulting from such Indemnitee Agent Party's gross negligence or willful misconduct as determined by a final, non-appealable judgment of a court of competent jurisdiction. If any indemnity furnished to any Indemnitee Agent Party for any purpose shall, in the opinion of such Indemnitee Agent Party, be insufficient or become impaired, such Indemnitee Agent Party may call for additional indemnity and cease, or not commence, to do the acts indemnified against until such additional indemnity is furnished; provided that in no event shall this sentence require any Lender to indemnify any Indemnitee Agent Party against any liability, obligation, loss, damage, penalty, action, judgment, suit, cost, expense or disbursement in excess of such Lender's Pro Rata Share thereof; and provided further that this sentence shall not be deemed to require any Lender to indemnify any Indemnitee Agent Party against any liability, obligation, loss, damage, penalty, action, judgment, suit, cost, expense or disbursement described in the proviso in the immediately preceding sentence.

9.7 Successor Administrative Agent, Collateral Agent and Swing Line Lender.

(a) Administrative Agent shall have the right to resign at any time by giving prior written notice thereof to Lenders and Borrower, and Administrative Agent may be removed at any time with or without cause by an instrument or concurrent instruments in writing delivered to Borrower and Administrative Agent and signed by Requisite Lenders. Administrative Agent shall have the right to appoint a financial institution to act as Administrative Agent and/or Collateral Agent hereunder, subject to the reasonable satisfaction of Borrower (other than at any time an Event of Default shall have occurred and then be continuing) and the Requisite Lenders, and Administrative Agent's resignation shall become effective on the earliest of (i) 30 days after delivery of the notice of resignation, (ii) the acceptance of such successor Administrative Agent by Borrower (other than at any time an Event of Default shall have occurred and then be continuing) and the Requisite Lenders or (iii) such other date, if any, agreed to by the Requisite Lenders. Upon any such notice of resignation or any such removal, if a successor Administrative Agent has not already been appointed by the retiring Administrative Agent, Requisite Lenders shall have the right, upon five Business Days' notice to Borrower, to appoint a successor Administrative Agent. If neither Requisite Lenders nor Administrative Agent have appointed a successor Administrative Agent, Requisite Lenders shall be deemed to have succeeded to and become vested with all the rights, powers, privileges and duties of the retiring Administrative Agent; provided that, until a successor Administrative Agent is so appointed by Requisite Lenders or Administrative Agent, any collateral security held by Administrative Agent in its role as Collateral Agent on behalf of the Lenders or the Issuing Bank under any of the Credit Documents shall continue to be held by the retiring Collateral Agent as nominee until such time as a successor Collateral Agent is appointed. Upon the acceptance of any appointment as Administrative Agent hereunder by a successor Administrative Agent, that successor Administrative Agent shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of the retiring or removed Administrative Agent and the retiring or removed Administrative Agent shall promptly (i) transfer to such successor Administrative Agent all sums, Securities and other items of Collateral held under the Collateral Documents, together with all records and other documents necessary or appropriate in connection with the performance of the duties of the successor Administrative Agent under the Credit Documents, and (ii) execute and deliver to such successor Administrative Agent such amendments to financing statements, and take such other actions, as may be necessary or appropriate in connection with the assignment to such successor Administrative Agent of the security interests created under the Collateral Documents, whereupon such retiring or removed Administrative Agent shall be discharged from its duties and obligations hereunder. Except as provided above, any resignation or removal of GSLP or its successor as Administrative Agent pursuant to this Section shall also constitute the resignation or removal of GSLP or its successor as Collateral Agent. After any retiring or removed Administrative Agent's resignation or removal hereunder as Administrative Agent, the provisions of this Section 9 shall inure to its benefit as to any actions taken or omitted to be taken by it while it was Administrative Agent hereunder. Any successor Administrative Agent appointed pursuant to this Section shall, upon its acceptance of such appointment, become the successor Collateral Agent for all purposes hereunder.

(b) In addition to the foregoing, Collateral Agent may resign at any time by giving prior written notice thereof to Lenders and the Grantors, and Collateral Agent may be removed at any time with or without cause by an instrument or concurrent instruments in writing delivered to the Grantors and Collateral Agent signed by Requisite Lenders. Administrative Agent shall have the right to appoint a financial institution as Collateral Agent hereunder, subject to the reasonable satisfaction of Borrower (other than at any time an Event of Default shall have occurred and then be continuing) and the Requisite Lenders and Collateral Agent's resignation shall become effective on the earliest of (i) 30 days after delivery of the notice of resignation, (ii) the acceptance of

such successor Collateral Agent by Borrower (other than at any time an Event of Default shall have occurred and then be continuing) and the Requisite Lenders or (iii) such other date, if any, agreed to by the Requisite Lenders. Upon any such notice of resignation or any such removal, Requisite Lenders shall have the right, upon five Business Days' notice to Administrative Agent, to appoint a successor Collateral Agent. Until a successor Collateral Agent is so appointed by Requisite Lenders or Administrative Agent, any collateral security held by Collateral Agent on behalf of the Lenders or the Issuing Bank under any of the Credit Documents shall continue to be held by the retiring Collateral Agent as nominee until such time as a successor Collateral Agent is appointed. Upon the acceptance of any appointment as Collateral Agent hereunder by a successor Collateral Agent, that successor Collateral Agent shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of the retiring or removed Collateral Agent under this Agreement and the Collateral Documents, and the retiring or removed Collateral Agent under this Agreement shall promptly (i) transfer to such successor Collateral Agent all sums, Securities and other items of Collateral held hereunder or under the Collateral Documents, together with all records and other documents necessary or appropriate in connection with the performance of the duties of the successor Collateral Agent under this Agreement and the Collateral Documents, and (ii) execute and deliver to such successor Collateral Agent or otherwise authorize the filing of such amendments to financing statements, and take such other actions, as may be necessary or appropriate in connection with the assignment to such successor Collateral Agent of the security interests created under the Collateral Documents, whereupon such retiring or removed Collateral Agent shall be discharged from its duties and obligations under this Agreement and the Collateral Documents. After any retiring or removed Collateral Agent's resignation or removal hereunder as the Collateral Agent, the provisions of this Agreement and the Collateral Documents shall inure to its benefit as to any actions taken or omitted to be taken by it under this Agreement or the Collateral Documents while it was the Collateral Agent hereunder.

(c) Any resignation or removal of GSLP or its successor as Administrative Agent pursuant to this Section shall also constitute the resignation or removal of GSLP or its successor as Swing Line Lender, and any successor Administrative Agent appointed pursuant to this Section shall, upon its acceptance of such appointment, become the successor Swing Line Lender for all purposes hereunder. In such event (i) Borrower shall prepay any outstanding Swing Line Loans made by the retiring or removed Administrative Agent in its capacity as Swing Line Lender, (ii) upon such prepayment, the retiring or removed Administrative Agent and Swing Line Lender shall surrender any Swing Line Note held by it to Borrower for cancellation, and (iii) Borrower shall issue, if so requested by successor Administrative Agent and Swing Line Loan Lender, a new Swing Line Note to the successor Administrative Agent and Swing Line Lender, in the principal amount of the Swing Line Sublimit then in effect and with other appropriate insertions.

9.8 Collateral Documents and Guaranty.

(a) Agents Under Collateral Documents and Guaranty. Each Secured Party hereby further authorizes Administrative Agent or Collateral Agent, as applicable, on behalf of and for the benefit of Secured Parties, to be the agent for and representative of Secured Parties with respect to the Guaranty, the Collateral and the Collateral Documents; provided that neither Administrative Agent nor Collateral Agent shall owe any fiduciary duty, duty of loyalty, duty of care, duty of disclosure or any other obligation whatsoever to any holder of Obligations with respect to any Hedge Agreement. Subject to Section 10.5, without further written consent or authorization from any Secured Party, Administrative Agent or Collateral Agent, as applicable may execute any documents or instruments necessary to (i) in connection with a sale or disposition of assets permitted by this Agreement, release any Lien encumbering any item of Collateral that is the subject of such sale or other disposition of assets or to which Requisite Lenders (or such other Lenders as may be required to give such consent under Section 10.5) have otherwise consented or

(ii) release any Guarantor from the Guaranty pursuant to Section 7.12 or with respect to which Requisite Lenders (or such other Lenders as may be required to give such consent under Section 10.5) have otherwise consented. Collateral Agent further declares that it holds all Australian Collateral acquired by the Collateral Agent after the date hereof on trust for the benefit of the Secured Parties from time to time (it being understood that the provisions of this Section 9 apply to Collateral Agent in its capacity as trustee of such trust).

(b) Right to Realize on Collateral and Enforce Guaranty. Anything contained in any of the Credit Documents to the contrary notwithstanding, Borrower, Administrative Agent, Collateral Agent and each Secured Party hereby agree that (i) no Secured Party shall have any right individually to realize upon any of the Collateral or to enforce the Guaranty, it being understood and agreed that all powers, rights and remedies hereunder may be exercised solely by Administrative Agent, on behalf of the Secured Parties in accordance with the terms hereof and all powers, rights and remedies under the Collateral Documents may be exercised solely by Collateral Agent, and (ii) in the event of a foreclosure by Collateral Agent on any of the Collateral pursuant to a public or private sale or other disposition, Collateral Agent or any Lender may be the purchaser or licensor of any or all of such Collateral at any such sale or other disposition and Collateral Agent, as agent for and representative of Secured Parties (but not any Lender or Lenders in its or their respective individual capacities unless Requisite Lenders shall otherwise agree in writing) shall be entitled, for the purpose of bidding and making settlement or payment of the purchase price for all or any portion of the Collateral sold at any such public sale, to use and apply any of the Obligations as a credit on account of the purchase price for any collateral payable by Collateral Agent at such sale or other disposition.

(c) Rights Under Hedge Agreements and Cash Management Agreements. No Hedge Agreement or Cash Management Agreement will create (or be deemed to create) in favor of any Lender Counterparty that is a party thereto any rights in connection with the management or release of any Collateral or of the obligations of any Guarantor under the Credit Documents except as expressly provided in Section 10.5(c)(v) of this Agreement, Section 9.2 of the Second Amended and Restated Pledge and Security Agreement and the analogous sections of any other Collateral Documents. By accepting the benefits of the Collateral, such Lender Counterparty shall be deemed to have appointed Collateral Agent as its agent and agreed to be bound by the Credit Documents as a Secured Party, subject to the limitations set forth in this clause (c).

(d) Release of Collateral and Guarantees, Termination of Credit Documents. Notwithstanding anything to the contrary contained herein or any other Credit Document, when all Obligations (other than obligations in respect of any Hedge Agreement or Cash Management Agreement) have been paid in full, all Commitments have terminated or expired and no Letter of Credit shall be outstanding (unless the outstanding amounts under all such Letters of Credit have been cash collateralized in a manner reasonably satisfactory to Issuing Bank or, if satisfactory to Issuing Bank in its sole discretion, a backstop Letter of Credit is in place), upon request of Borrower, (i) Collateral Agent shall (without notice to, or vote or consent of, any Lender, or any Affiliate of any Lender or any Lender Counterparty that is a party to any Hedge Agreement or Cash Management Agreement) take such actions as shall be required to release its security interest in all Collateral, and (ii) Administrative Agent shall (without notice to, or vote or consent of, any Lender, or any Affiliate of any Lender or any Lender Counterparty that is a party to any Hedge Agreement or Cash Management Agreement) take such actions as shall be required to release all guarantee obligations provided for in any Credit Document, whether or not on the date of such release there may be outstanding Obligations in respect of Hedge Agreements or Cash Management Agreements (and, subject to the next succeeding sentence, the provisions of Section 7 shall cease to apply). Any such release of guarantee obligations shall be deemed subject to the provision that such guarantee obligations shall be reinstated if after such release any portion of any payment in respect of the Obligations guaranteed thereby shall be rescinded or must otherwise be restored or returned upon the insolvency, bankruptcy, dissolu-

tion, liquidation or reorganization of Borrower or any Guarantor, or upon or as a result of the appointment of a receiver, intervenor or conservator of, or trustee or similar officer for, Borrower or any Guarantor or any substantial part of its property, or otherwise, all as though such payment had not been made. In addition, upon (a) any disposition of property permitted by this Agreement to a Person that is not a Credit Party, the Liens granted thereon shall be deemed to be automatically released and such property shall automatically revert to the applicable Grantor with no further action on the part of any Person and (b) the consummation of any transaction permitted by the Credit Agreement as a result of which a Guarantor ceases to be a Subsidiary of Borrower, such Guarantor shall automatically be released from its obligations hereunder and under the Collateral Documents and the guaranty and security interest in the Collateral of such Guarantor shall automatically be released.

9.9 Withholding Taxes. To the extent required by any Applicable Law, Administrative Agent may withhold from any payment to any Lender (which term shall include Swing Line Lender and Issuing Bank for purposes of this Section 9.9) an amount equivalent to any applicable withholding tax. If the Internal Revenue Service or any other Governmental Authority asserts a claim that Administrative Agent did not properly withhold Tax from amounts paid to or for the account of any Lender because the appropriate form was not delivered or was not properly executed or because such Lender failed to notify Administrative Agent of a change in circumstance which rendered the exemption from, or reduction of, withholding tax ineffective or for any other reason, such Lender shall indemnify fully and hold harmless Administrative Agent (to the extent that the Administrative Agent has not already been reimbursed by Borrower pursuant to Section 2.20 and without limiting or expanding the obligation of Borrower to do so) for all amounts paid, directly or indirectly, by the Administrative Agent as Taxes or otherwise, together with all expenses incurred, including legal expenses and any other out-of-pocket expenses, whether or not such Tax was correctly or legally imposed or asserted by the relevant governmental authority. A certificate as to the amount of such payment or liability delivered to any Lender by the Administrative Agent shall be conclusive absent manifest error. The agreements in this Section 9.9 shall survive the resignation and/or replacement of the Administrative Agent, any assignment of rights by, or the replacement of, a Lender, the termination of the Agreement and the repayment, satisfaction or discharge of all other Obligations.

9.10 Quebec Security. To the extent that any Canadian Credit Party now or in the future is required to grant security pursuant to the laws of the Province of Quebec, each Agent (other than the Collateral Agent) and Lender acting for itself and on behalf of all present and future Affiliates of such Agent or Lender that are or become a Lender Counterparty, hereby irrevocably authorizes and appoints the Collateral Agent to act as the holder of an irrevocable power of attorney (*fondé de pouvoir*) (within the meaning of Article 2692 of the *Civil Code of Quebec*) in order to hold any hypothec granted under the laws of the Province of Quebec as security for any debenture, bond or other title of indebtedness that may be issued by any Canadian Credit Party and to exercise such rights and duties as are conferred upon a *fondé de pouvoir* under the relevant deed of hypothec and applicable laws (with the power to delegate any such rights or duties). Moreover, in respect of any pledge by any such Canadian Credit Party of any such debenture, bond or other title of indebtedness as security in respect of any Obligations, the Collateral Agent shall also be authorized to hold such debenture, bond or other title of indebtedness as agent, mandatary, custodian and pledgee for the benefit of the Agents, the Lenders and the Lender Counterparties, the whole notwithstanding the provisions of Section 32 of the *An Act respecting the Special Powers of Legal Persons* (Quebec). The execution prior to the date hereof by the Collateral Agent of any deed of hypothec or other security documents made pursuant to the laws of the Province of Quebec, is hereby ratified and confirmed. Any person who becomes a Lender, Issuing Bank, an Agent or a Lender Counterparty shall be deemed to have consented to and ratified the foregoing appointment of each of the Collateral Agent as *fondé de pouvoir*, agent, mandatary and custodian on behalf of all Agents, Issuing Banks, Lenders and the Lender Counterparties, including such person. For greater certainty, the Collateral Agent, when acting as the holder of an irrevocable power of attorney (*fondé de pouvoir*), shall have the same rights, powers,

immunities, indemnities and exclusions from liability as are prescribed in favour of the Collateral Agent in this Agreement, which shall apply *mutatis mutandis*. In the event of the resignation and appointment of a successor Collateral Agent, such successor of the Collateral Agent shall also act as the holder of an irrevocable power of attorney (*fondé de pouvoir*), and as agent, mandatary and custodian for the purposes set forth above. Without limiting the foregoing, none of such Lenders shall have or be deemed to have a fiduciary relationship with any Lender. The Lenders are not partners or co-venturers, and no Lender shall be liable for the acts or omissions of, or (except as otherwise set forth herein in case of the Administrative Agent) authorized to act for, any other Lender.

SECTION 10. MISCELLANEOUS

10.1 Notices.

(a) Notices Generally. Any notice or other communication herein required or permitted to be given to a Credit Party, Co-Syndication Agent, Collateral Agent, Administrative Agent or Swing Line Lender, shall be sent to such Person's address as set forth on Appendix B or in the other relevant Credit Document, and in the case of Issuing Bank or Lender, the address as indicated on Appendix B or otherwise indicated to Administrative Agent in writing. Except as otherwise set forth in Section 3.3(b) or paragraph (b) below, each notice hereunder shall be in writing and may be personally served or sent by telefacsimile (except for any notices sent to Administrative Agent) or United States mail or Canada Post or courier service and shall be deemed to have been given when delivered in person or by courier service and signed for against receipt thereof, upon receipt of telefacsimile, or three Business Days after depositing it in the United States mail or Canada Post with postage prepaid and properly addressed; provided that no notice to any Agent shall be effective until received by such Agent; provided further that any such notice or other communication shall at the request of the Administrative Agent be provided to any sub-agent appointed pursuant to Section 9.3(c) hereto as designated by the Administrative Agent from time to time.

(b) Electronic Communications. (1) Notices and other communications to Lenders and the Issuing Bank hereunder may be delivered or furnished by electronic communication (including e mail and Internet or intranet websites, including the Platform) pursuant to procedures approved by Administrative Agent, provided that the foregoing shall not apply to notices to any Lender or the Issuing Bank pursuant to Section 2 if such Lender or Issuing Bank, as applicable, has notified Administrative Agent that it is incapable of receiving notices under such Section by electronic communication. Administrative Agent or Borrower may, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it, provided that approval of such procedures may be limited to particular notices or communications. Unless Administrative Agent otherwise prescribes, (i) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement), provided that if such notice or other communication is not sent during the normal business hours of the recipient, such notice or communication shall be deemed to have been sent at the opening of business on the next Business Day for the recipient, and (ii) notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient at its e-mail address as described in the foregoing clause (i) of notification that such notice or communication is available and identifying the website address therefor.

(2) Each Credit Party understands that the distribution of material through an electronic medium is not necessarily secure and that there are confidentiality and other risks associated with such distribution and agrees and assumes the risks associated with such electronic distribution, except to the extent caused by the willful misconduct or gross negligence of Administrative Agent, as determined by a final, non-appealable judgment of a court of competent jurisdiction.

(3) The Platform and any Approved Electronic Communications are provided "as is" and "as available." None of the Agents nor any of their respective officers, directors, employees, agents, advisors or representatives (the "**Agent Affiliates**") warrant the accuracy, adequacy, or completeness of the Approved Electronic Communications or the Platform and each expressly disclaims liability for errors or omissions in the Platform and the Approved Electronic Communications. No warranty of any kind, express, implied or statutory, including any warranty of merchantability, fitness for a particular purpose, non-infringement of third party rights or freedom from viruses or other code defects is made by the Agent Affiliates in connection with the Platform or the Approved Electronic Communications.

(4) Each Credit Party, each Lender, Issuing Bank and each Agent agrees that Administrative Agent may, but shall not be obligated to, store any Approved Electronic Communications on the Platform in accordance with Administrative Agent's customary document retention procedures and policies.

(5) Any notice of Default or Event of Default may be provided by telephone if confirmed promptly thereafter by delivery of written notice thereof.

(c) Private Side Information Contacts. Each Public Lender agrees to cause at least one individual at or on behalf of such Public Lender to at all times have selected the "Private Side Information" or similar designation on the content declaration screen of the Platform in order to enable such Public Lender or its delegate, in accordance with such Public Lender's compliance procedures and Applicable Law, including United States federal and state securities laws, to make reference to information that is not made available through the "Public Side Information" portion of the Platform and that may contain Non-Public Information with respect to Borrower, its Subsidiaries or their securities for purposes of Applicable Law, including United States federal or state securities laws.

10.2 Expenses. Whether or not the transactions contemplated hereby shall be consummated, Borrower agrees to pay promptly (a) all the actual and reasonable out-of-pocket costs and expenses incurred in connection with the negotiation, preparation and execution of the Credit Documents and any consents, amendments, waivers or other modifications thereto; (b) all the reasonable out-of-pocket costs of furnishing all opinions by counsel for Borrower and the other Credit Parties; (c) the reasonable and documented out-of-pocket fees, expenses and disbursements of counsel to Agents and Issuing Bank in connection with the negotiation, preparation, execution and administration of the Credit Documents and any consents, amendments, waivers or other modifications thereto and any other documents or matters requested by Borrower; (d) all the actual costs and reasonable out-of-pocket expenses of creating, perfecting, recording, maintaining and preserving Liens in favor of Collateral Agent, for the benefit of Secured Parties, including filing and recording fees, expenses and taxes, stamp or documentary taxes, search fees, title insurance premiums and reasonable fees, expenses and disbursements of counsel to each Agent and of counsel providing any opinions that any Agent or Requisite Lenders may request in respect of the Collateral or the Liens created pursuant to the Collateral Documents; (e) all the actual costs and reasonable out-of-pocket fees, expenses and disbursements of any auditors, accountants, consultants or appraisers; (f) all the actual costs and reasonable out-of-pocket expenses (including the reasonable fees, expenses and disbursements of any appraisers, consultants, advisors and agents employed or retained by Collateral Agent and its counsel) in connection with the custody or preservation of any of the Collateral; (g) all other actual and reasonable out-of-pocket costs and expenses incurred by each Agent or Issuing Bank in connection with the syndication of the Loans, including for purposes of this Section 10.2, Letters of Credit and Commitments and the transactions contemplated by the Credit Documents and any consents, amendments, waivers or other modifications thereto; and (h) after the occurrence of a Default or an Event of Default, all out-of-pocket costs and expenses, including reasonable attorneys' fees and costs of settlement, incurred by any Agent, Issuing Bank and Lender in enforcing any Obligations of or in collecting any payments due from any Credit Party hereunder or under the other Credit Documents by reason of such Default or Event of Default (including in connection with the sale, lease or license of, collection from, or

other realization upon any of the Collateral or the enforcement of the Guaranty) or in connection with any refinancing or restructuring of the credit arrangements provided hereunder in the nature of a "work-out" or pursuant to any insolvency or bankruptcy cases or proceedings.

10.3 Indemnity.

(a) In addition to the payment of expenses pursuant to Section 10.2, whether or not the transactions contemplated hereby shall be consummated, each Credit Party agrees to defend indemnify, pay and hold harmless each Agent, Issuing Bank and Lender and the officers, partners, members, directors, trustees, advisors, employees, agents, sub-agents and Affiliates of each Agent, Issuing Bank and each Lender (each, an "**Indemnitee**"), from and against any and all Indemnified Liabilities, in all cases, whether or not caused by or arising, in whole or in part, out of the negligence of such Indemnitee; provided that no Credit Party shall have any obligation to any Indemnitee hereunder with respect to any Indemnified Liabilities to the extent such Indemnified Liabilities arise from the gross negligence or willful misconduct of that Indemnitee, in each case as determined by a final, non-appealable judgment of a court of competent jurisdiction, or if such Indemnified Liabilities result from any action, suit or proceeding in contract brought by a Credit Party for direct damages (as opposed to special, indirect, consequential or punitive damages) against such Indemnitee for a material breach by such Indemnitee of its obligations under any Credit Document that is determined in favor of such Credit Party by a final, non-appealable judgment of a court of competent jurisdiction. To the extent that the undertakings to defend, indemnify, pay and hold harmless set forth in this Section 10.3 apply but are unenforceable in whole or in part because they are violative of any law or public policy, the applicable Credit Party shall contribute the maximum portion that it is permitted to pay and satisfy under Applicable Law to the payment and satisfaction of all Indemnified Liabilities incurred by Indemnitees or any of them.

(b) To the extent permitted by Applicable Law, no Credit Party shall assert, and each Credit Party hereby waives, any claim against each Lender, each Agent, Issuing Bank, Arranger and their respective Affiliates, directors, employees, attorneys, agents or sub-agents, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) (whether or not the claim therefor is based on contract, tort or duty imposed by any applicable legal requirement) arising out of, in connection with, as a result of, or in any way related to, this Agreement or any Credit Document or any agreement or instrument contemplated hereby or thereby or referred to herein or therein, the transactions contemplated hereby or thereby, any Loan or the use of the proceeds thereof or any act or omission or event occurring in connection therewith, and each Credit Party hereby waives, releases and agrees not to sue upon any such claim or any such damages, whether or not accrued and whether or not known or suspected to exist in its favor. No Indemnitee referred to above shall be liable for any damages arising from the use by unintended recipients of any information or other materials distributed by it through telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Credit Documents or the transactions contemplated hereby or thereby.

10.4 Set-Off. In addition to any rights now or hereafter granted under Applicable Law and not by way of limitation of any such rights, upon the occurrence of any Event of Default each Lender is hereby authorized by each Credit Party at any time or from time to time subject to the consent of Administrative Agent (such consent not to be unreasonably withheld or delayed), to set-off and to appropriate and to apply any and all deposits (general or special, including Indebtedness evidenced by certificates of deposit, whether matured or unmatured, but not including trust accounts (in whatever currency)) and any other Indebtedness at any time held or owing by such Lender to or for the credit or the account of any Credit Party (in whatever currency) against and on account of the obligations and liabilities of any Credit Party to such Lender hereunder, the Letters of Credit and participations therein and under the other Credit Documents, including all claims of any nature or description arising out of or connected hereto, the Letters of Credit and participations therein or with any other Credit Document, irrespective of whether or not (a)

such Lender shall have made any demand hereunder or (b) the principal of or the interest on the Loans or any amounts in respect of the Letters of Credit or any other amounts due hereunder shall have become due and payable pursuant to Section 2 and although such obligations and liabilities, or any of them, may be contingent or unmatured. The applicable Lender shall notify Borrower and Administrative Agent of such set-off and application, provided that any failure or any delay in giving such notice shall not affect the validity of any such set-off and application under this Section 10.4.

10.5 Amendments and Waivers.

(a) Requisite Lenders' Consent. Subject to the additional requirements of Sections 10.5(b) and 10.5(c), no amendment, modification, termination or waiver of any provision of the Credit Documents, or consent to any departure by any Credit Party therefrom, shall in any event be effective without the written concurrence of the Requisite Lenders; provided, that Administrative Agent may, with the consent of Borrower only, amend, modify or supplement this Agreement to cure any ambiguity, omission, defect or inconsistency, so long as such amendment, modification or supplement does not adversely affect the rights of any Lender or Issuing Bank.

(b) Affected Lenders' Consent. Without the written consent of each Lender that would be directly affected thereby, no amendment, modification, termination, or consent shall be effective if the effect thereof would:

(i) extend the scheduled final maturity of any Loan or Note;

(ii) waive, reduce or postpone any scheduled repayment (but not prepayment);

(iii) extend the stated expiration date of any Letter of Credit beyond the Revolving Commitment Termination Date;

(iv) reduce the rate of interest on any Loan (other than any waiver of any increase in the interest rate applicable to any Loan pursuant to Section 2.10) or any fee or any premium or other amount payable hereunder;

(v) extend the time for payment of any such interest or fees;

(vi) reduce the principal amount of any Loan or any reimbursement obligation in respect of any Letter of Credit;

(vii) amend, modify, terminate or waive any provision of Section 2.13(b)(iii), this Section 10.5(b), Section 10.5(c) or any other provision of this Agreement that expressly provides that the consent of all Lenders is required or for the pro rata treatment among Lenders;

(viii) amend the definition of "Requisite Lenders" or "Pro Rata Share"; provided, with the consent of Requisite Lenders, additional extensions of credit pursuant hereto may be included in the determination of "Requisite Lenders" or "Pro Rata Share" on substantially the same basis as the Term Loan Commitments, the Term Loans, Revolving Commitments and the Revolving Loans are included on the Second Restatement Date;

(ix) release all or substantially all of the Collateral or all or substantially all of the Guarantors from the Guaranty except as expressly provided in the Credit Documents; or

(x) consent to the assignment or transfer by any Credit Party of any of its rights and obligations under any Credit Document;

provided that for the avoidance of doubt, all Lenders shall be deemed directly affected thereby with respect to any amendment described in clauses (vii), (viii), (ix) and (x).

(c) Other Consents. No amendment, modification, termination or waiver of any provision of the Credit Documents, or consent to any departure by any Credit Party therefrom, shall:

(i) increase any Revolving Commitment of any Lender over the amount thereof then in effect without the consent of such Lender; provided that no amendment, modification or waiver of any condition precedent, covenant, Default or Event of Default shall constitute an increase in any Revolving Commitment of any Lender;

(ii) amend, modify, terminate or waive any provision hereof relating to the Swing Line Sublimit or the Swing Line Loans without the consent of Swing Line Lender;

(iii) alter the required application of any repayments or prepayments as between Classes pursuant to Section 2.17 without the consent of Lenders holding more than 50% of the aggregate Tranche A Term Loan Exposure of all Lenders, Tranche B Term Loan Exposure of all Lenders, New Term Loan Exposure of all Lenders, Revolving Exposure of all Lenders, as applicable, of each Class which is being allocated a lesser repayment or prepayment as a result thereof; provided that Requisite Lenders may waive, in whole or in part, any prepayment so long as the application, as between Classes, of any portion of such prepayment which is still required to be made is not altered;

(iv) amend, modify, terminate or waive any obligation of Lenders relating to the purchase of participations in Letters of Credit as provided in Section 2.4(e) without the written consent of Administrative Agent and of Issuing Bank;

(v) amend, modify or waive this Agreement, the Second Amended and Restated Pledge and Security Agreement, the Canadian Pledge and Security Agreement, the Quebec Security Documents, the Barbados Security Documents, the Luxembourg Security Documents or the Swiss Security Documents, so as to alter the ratable treatment of Obligations arising under the Credit Documents and Obligations arising under Hedge Agreements or Cash Management Agreements or the definition of "Lender Counterparty," "Hedge Agreement," "Cash Management Agreement," "Obligations," or "Secured Obligations" (as defined in any applicable Collateral Document) in each case in a manner adverse to any Lender Counterparty with Obligations then outstanding without the written consent of any such Lender Counterparty;

(vi) amend, modify, terminate or waive any provision of Section 9 as the same applies to any Agent, or any other provision hereof as the same applies to the rights or obligations of any Agent, in each case without the consent of such Agent;

(vii) amend any provision relating solely to the Delayed Draw Commitments without the written consent of Lenders holding a majority in aggregate principal amount of the Delayed Draw Commitments;

(viii) increase any Delayed Draw Commitment of any Lender over the amount thereof then in effect without the consent of such Lender; provided that no amendment, modifica-

tion or waiver of any condition precedent, covenant, Default or Event of Default shall constitute an increase in any Delayed Draw Commitment of any Lender; or

(ix) waive any condition to the making of any Revolving Loan or Delayed Draw Term Loan without the consent of a majority in interest of the Lenders holding Revolving Commitments or Delayed Draw Commitments, as applicable.

(d) Notwithstanding Section 10.5(a), any such agreement that shall extend the Revolving Commitment Termination Date or the Term Loan Maturity Date, as applicable, of one or more Lenders (the "**Extending Lender**") and does not amend any other provision of this Agreement or the Credit Documents other than to change the Applicable Margin of Extending Lenders shall only require the consent of Borrower, the Administrative Agent and the Extending Lenders.

Notwithstanding anything to the contrary, without the consent of any other Person, the applicable Credit Party or Credit Parties and the Administrative Agent and/or Collateral Agent may (in its or their respective sole discretion, or shall, to the extent required by any Credit Document) enter into any amendment or waiver of any Credit Document, or enter into any new agreement or instrument, to effect the granting, perfection, protection, expansion or enhancement of any security interest in Collateral or additional property to become Collateral for the benefit of the Secured Parties, or as required by local law to give effect to, or protect any security interest for the benefit of the Secured Parties, in any property or so that the security interests therein comply with applicable law.

(e) Execution of Amendments, etc. Administrative Agent may, but shall have no obligation to, with the concurrence of any Lender, execute amendments, modifications, waivers or consents on behalf of such Lender. Any waiver or consent shall be effective only in the specific instance and for the specific purpose for which it was given. No notice to or demand on any Credit Party in any case shall entitle any Credit Party to any other or further notice or demand in similar or other circumstances. Any amendment, modification, termination, waiver or consent effected in accordance with this Section 10.5 shall be binding upon each Lender at the time outstanding, each future Lender and, if signed by a Credit Party, on such Credit Party.

10.6 Successors and Assigns; Participations.

(a) Generally. This Agreement shall be binding upon the parties hereto and their respective successors and assigns and shall inure to the benefit of the parties hereto and the successors and assigns of Lenders. No Credit Party's rights or obligations hereunder nor any interest therein may be assigned or delegated by any Credit Party without the prior written consent of all Lenders. Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, Indemnitee Agent Parties under Section 9.6 and Indemnitees under Section 10.3, their respective successors and assigns permitted hereby and, to the extent expressly contemplated hereby, Affiliates of each of the Agents and Lenders) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) Register. Borrower, Administrative Agent and Lenders shall deem and treat the Persons listed as Lenders in the Register as the holders and owners of the corresponding Commitments and Loans listed therein for all purposes hereof, and no assignment or transfer of any such Commitment or Loan shall be effective, in each case, unless and until recorded in the Register following receipt of a fully executed Assignment Agreement effecting the assignment or transfer thereof, together with the required forms and certificates regarding tax matters and any fees payable in connection with such assignment, in each case, as provided in Section 10.6(d). Each assignment shall be recorded in the Register promptly following receipt by the Administrative Agent of the fully executed Assignment Agreement and all other

necessary documents and approvals, prompt notice thereof shall be provided to Borrower and a copy of such Assignment Agreement shall be maintained, as applicable. The date of such recordation of a transfer shall be referred to herein as the "**Assignment Effective Date**." Any request, authority or consent of any Person who, at the time of making such request or giving such authority or consent, is listed in the Register as a Lender shall be conclusive and binding on any subsequent holder, assignee or transferee of the corresponding Commitments or Loans, absent manifest error.

(c) Right to Assign. Each Lender shall have the right at any time to sell, assign or transfer all or a portion of its rights and obligations under this Agreement, including all or a portion of its Commitment or Loans owing to it or other Obligations; provided, however, that (x) pro rata assignments shall not be required and (y) each assignment, other than pursuant to Section 10.6(h), shall be of a uniform, and not varying, percentage of all rights and obligations under and in respect of any Loan and any related Commitments):

(i) to any Person meeting the criteria of clause (i) of the definition of the term "Eligible Assignee" upon the giving of notice to Borrower and Administrative Agent and with the prior written consent (such consent not to be unreasonably withheld or delayed) of Issuing Bank at the time of such assignment in the case of assignments of Revolving Loans or Revolving Commitments; and

(ii) to any Person meeting the criteria of clause (ii) of the definition of the term "Eligible Assignee" upon giving of notice to Borrower and Administrative Agent and, (x) in the case of assignments of Tranche A Term Loans, Tranche B Term Loans, Revolving Loans or Revolving Commitments to any such Person (except in the case of assignments made by or to GSLP or any of its affiliates), consented to by each of Borrower and Administrative Agent and (y) in the case of assignments of Revolving Loans or Revolving Commitments to any such Person, consented to by Issuing Bank; provided that any such consent (x) shall not be unreasonably withheld or delayed or (y) in the case of Borrower shall not be required at any time an Event of Default shall have occurred and then be continuing; provided, further that (A) each such assignment pursuant to this Section 10.6(c)(ii) shall be in an aggregate amount of not less than $1,000,000 (or such lesser amount as may be agreed to by Borrower and Administrative Agent or as shall constitute the aggregate amount of the Tranche B Term Loans, Revolving Commitments and Revolving Loans of the assigning Lender) with respect to the assignment of the Tranche B Term Loans, Revolving Commitments and Revolving Loans, and $2,500,000 (or such lesser amount as may be agreed to by Borrower and Administrative Agent or as shall constitute the aggregate of the Tranche A Term Loan) with respect to the assignment of Tranche A Term Loans and (B) any required Borrower consent shall be deemed to have been given to any assignment of Loans or Commitments unless it shall object thereto by written notice to Administrative Agent within 5 Business Days after having received notice thereof.

(d) Mechanics. Assignments and assumptions of Loans and Commitments by Lenders shall be effected by manual execution and delivery to Administrative Agent of an Assignment Agreement. Assignments made pursuant to the foregoing provision shall be effective as of the Assignment Effective Date. In connection with all assignments there shall be delivered to Administrative Agent such forms, certificates or other evidence, if any, with respect to United States federal income tax withholding matters as the assignee under such Assignment Agreement may be required to deliver pursuant to Section 2.20(d), together with payment to Administrative Agent of a registration and processing fee of $3,500 (except that no such registration and processing fee shall be payable (x) in connection with an assignment by or to GSLP or any Affiliate thereof or (y) in the case of an assignee which is already a Lender or is an Affiliate or Related Fund of a Lender or a Person under common management with a Lender).

(e) Representations and Warranties of Assignee. Each Lender, upon execution and delivery hereof or upon succeeding to an interest in the Commitments and Loans, as the case may be, represents and warrants as of the Third Restatement Date or as of the Assignment Effective Date that (i) it is an Eligible Assignee; (ii) it has experience and expertise in the making of or investing in commitments or loans such as the applicable Commitments or Loans, as the case may be; and (iii) it will make or invest in, as the case may be, its Commitments or Loans for its own account in the ordinary course and without a view to distribution of such Commitments or Loans within the meaning of the Securities Act or the Exchange Act or other federal securities laws (it being understood that, subject to the provisions of this Section 10.6, the disposition of such Revolving Commitments or Loans or any interests therein shall at all times remain within its exclusive control).

(f) Effect of Assignment. Subject to the terms and conditions of this Section 10.6, as of the "Assignment Effective Date" (i) the assignee thereunder shall have the rights and obligations of a "Lender" hereunder to the extent of its interest in the Loans and Commitments so assigned as reflected in the Register and shall thereafter be a party hereto and a "Lender" for all purposes hereof; (ii) the assigning Lender thereunder shall, to the extent that rights and obligations hereunder have been assigned to the assignee, relinquish its rights (other than any rights which survive the termination hereof under Section 10.8) and be released from its obligations hereunder (and, in the case of an assignment covering all or the remaining portion of an assigning Lender's rights and obligations hereunder, such Lender shall cease to be a party hereto on the Assignment Effective Date); provided that anything contained in any of the Credit Documents to the contrary notwithstanding, (y) Issuing Bank shall continue to have all rights and obligations thereof with respect to such Letters of Credit until the cancellation or expiration of such Letters of Credit and the reimbursement of any amounts drawn thereunder and (z) such assigning Lender shall continue to be entitled to the benefit of all indemnities hereunder as specified herein with respect to matters arising out of the prior involvement of such assigning Lender as a Lender hereunder; (iii) the Commitments shall be modified to reflect any Commitment of such assignee and any Revolving Commitment of such assigning Lender, if any; and (iv) if any such assignment occurs after the issuance of any Note hereunder, the assigning Lender shall, upon the effectiveness of such assignment or as promptly thereafter as practicable, surrender its applicable Notes to Administrative Agent for cancellation, and thereupon Borrower shall issue and deliver new Notes, if so requested by the assignee and/or assigning Lender, to such assignee and/or to such assigning Lender, with appropriate insertions, to reflect the new Commitments and/or outstanding Loans of the assignee and/or the assigning Lender.

(g) Participations.

(1) Each Lender shall have the right at any time to sell one or more participations to any Person (other than Borrower, its Subsidiaries or any of its Affiliates) in all or any part of its Commitments or Loans or in any other Obligation.

(2) The holder of any such participation, other than an Affiliate of the Lender granting such participation, shall not be entitled to require such Lender to take or omit to take any action hereunder except that the participation agreement may provide that the Lender must first obtain the participant's consent with respect to any amendment, modification or waiver that would (A) extend the final scheduled maturity of any Loan, Note or Letter of Credit (unless such Letter of Credit is not extended beyond the Revolving Commitment Termination Date) in which such participant is participating, or reduce the rate or extend the time of payment of interest or fees thereon (except in connection with a waiver of applicability of any post default increase in interest rates) or reduce the principal amount thereof, or increase the amount of the participant's participation over the amount thereof then in effect (it being understood that a waiver of any Default or Event of Default or of a mandatory reduction in the Commitment shall not constitute a change in the terms of such participation, and that an increase in any Commitment or Loan shall be permitted without the consent of any participant if the participant's participation is not increased as a

result thereof), (B) consent to the assignment or transfer by any Credit Party of any of its rights and obligations under this Agreement or (C) release all or substantially all of the Collateral under the Collateral Documents (except as expressly provided in the Credit Documents) supporting the Loans hereunder in which such participant is participating. Each Lender that sells a participation shall, acting solely for this purpose as a non-fiduciary agent of Borrower, maintain a register on which it enters the name and address of each participant and the principal amounts (and stated interest) of each participant's interest in the Loans or other obligations under this Agreement (the "**Participant Register**"). The entries in the Participant Register shall be conclusive and such Lender shall treat each person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary.

(3) Borrower agrees that each participant shall be entitled to the benefits of Sections 2.18(c), 2.19 and 2.20 to the same extent as if it were a Lender (subject to the requirements and limitations thereof, including the requirement to provide forms under Section 2.20(d)) and had acquired its interest by assignment pursuant to paragraph (c) of this Section; provided that a participant shall not be entitled to receive any greater payment under Section 2.19 or 2.20 than the applicable Lender would have been entitled to receive with respect to the participation sold to such participant, except to the extent that entitlement to a greater payment results from a change in law that occurs after such Participant acquires the applicable participation. To the extent permitted by law, each participant also shall be entitled to the benefits of Section 10.4 as though it were a Lender, provided such participant agrees to be subject to Section 2.17 as though it were a Lender.

(h) SPC. Notwithstanding anything to the contrary contained herein, any Lender (a "**Granting Lender**") may grant to a special purpose funding vehicle identified as such in writing from time to time by the Granting Lender to Administrative Agent and Borrower (an "**SPC**") the option to provide all or any part of any Loan that such Granting Lender would otherwise be obligated to make pursuant to this Agreement; provided that (i) nothing herein shall constitute a commitment by any SPC to fund any Loan, and (ii) if an SPC elects not to exercise such option or otherwise fails to make all or any part of such Loan, the Granting Lender shall be obligated to make such Loan pursuant to the terms hereof. Each party hereto hereby agrees that (i) an SPC shall be entitled to the benefits of Sections 2.18(c), 2.19 and 2.20 to the same extent as if it were a Lender (subject to the requirements and limitations thereof, including the requirement to provide forms under Section 2.20(d)) and had acquired its interest by assignment pursuant to paragraph (c) of this Section; provided that an SPC shall not be entitled to receive any greater payment under Section 2.19 or 2.20 than the applicable Lender would have been entitled to receive with respect to the Loans subject to such option, except to the extent that entitlement to a greater payment results from a change in law that occurs after such SPC acquires such option, (ii) no SPC shall be liable for any indemnity or similar payment obligation under this Agreement for which a Lender would be liable, and (iii) the Granting Lender shall for all purposes, including the approval of any amendment, waiver or other modification of any provision of any Credit Document, remain the lender of record hereunder. The making of a Loan by an SPC hereunder shall utilize the Commitment of the Granting Lender to the same extent, and as if, such Loan were made by such Granting Lender. Notwithstanding anything to the contrary contained herein, any SPC may (i) with notice to, but without prior consent of Borrower and Administrative Agent and with the payment of a processing fee of $3,500, assign all or any portion of its right to receive payment with respect to any Loan to the Granting Lender and (ii) disclose on a confidential basis any non-public information relating to its funding of Loans to any rating agency, commercial paper dealer or provider of any surety or Guarantee or credit or liquidity enhancement to such SPC.

(i) Certain Other Assignments and Participations. In addition to any other assignment or participation permitted pursuant to this Section 10.6, any Lender may assign and/or pledge all or any portion of its Loans, the other Obligations owed by or to such Lender, and its Notes, if any, to secure obligations of such Lender including any Federal Reserve Bank or any central bank having jurisdiction over

such Lender as collateral security pursuant to Regulation A of the Board of Governors and any operating circular issued by such Federal Reserve Bank or such other central bank having jurisdiction over such Lender; provided that no Lender, as between Borrower and such Lender, shall be relieved of any of its obligations hereunder as a result of any such assignment and pledge, and provided further that in no event shall the applicable Federal Reserve Bank, pledgee or trustee be considered to be a "Lender" or be entitled to require the assigning Lender to take or omit to take any action hereunder.

10.7 Independence of Covenants. All covenants hereunder shall be given independent effect so that if a particular action or condition is not permitted by any of such covenants, the fact that it would be permitted by an exception to, or would otherwise be within the limitations of, another covenant shall not avoid the occurrence of a Default or an Event of Default if such action is taken or condition exists.

10.8 Survival of Representations, Warranties and Agreements. All representations, warranties and agreements made herein shall survive the execution and delivery hereof and the making of any Credit Extension. Notwithstanding anything herein or implied by law to the contrary, the agreements of each Credit Party set forth in Sections 2.18(c), 2.19, 2.20, 10.2, 10.3 and 10.4 and the agreements of Lenders set forth in Sections 2.17, 9.3(b) and 9.6 shall survive the payment of the Loans, the cancellation or expiration of the Letters of Credit and the reimbursement of any amounts drawn thereunder, and the termination hereof.

10.9 No Waiver; Remedies Cumulative. No failure or delay on the part of any Agent or any Lender in the exercise of any power, right or privilege hereunder or under any other Credit Document shall impair such power, right or privilege or be construed to be a waiver of any default or acquiescence therein, nor shall any single or partial exercise of any such power, right or privilege preclude other or further exercise thereof or of any other power, right or privilege. The rights, powers and remedies given to each Agent and each Lender hereby are cumulative and shall be in addition to and independent of all rights, powers and remedies existing by virtue of any statute or rule of law or in any of the other Credit Documents or any of the Hedge Agreements or Cash Management Agreements. Any forbearance or failure to exercise, and any delay in exercising, any right, power or remedy hereunder shall not impair any such right, power or remedy or be construed to be a waiver thereof, nor shall it preclude the further exercise of any such right, power or remedy.

10.10 Marshalling; Payments Set Aside. Neither any Agent nor any Lender shall be under any obligation to marshal any assets in favor of any Credit Party or any other Person or against or in payment of any or all of the Obligations. To the extent that any Credit Party makes a payment or payments to Administrative Agent or Lenders (or to Administrative Agent, on behalf of Lenders), or any Agent or Lenders enforce any security interests or exercise their rights of set-off, and such payment or payments or the proceeds of such enforcement or set-off or any part thereof are subsequently invalidated, declared to be fraudulent or preferential, set aside and/or required to be repaid to a trustee, receiver or any other party under any bankruptcy law, any other state, provincial, territorial or federal law, common law or any equitable cause, then, to the extent of such recovery, the obligation or part thereof originally intended to be satisfied, and all Liens, rights and remedies therefor or related thereto, shall be revived and continued in full force and effect as if such payment or payments had not been made or such enforcement or set-off had not occurred.

10.11 Severability. In case any provision in or obligation hereunder or under any other Credit Document shall be invalid, illegal or unenforceable in any jurisdiction, the validity, legality and enforceability of the remaining provisions or obligations, or of such provision or obligation in any other jurisdiction, shall not in any way be affected or impaired thereby.

10.12 Obligations Several; Independent Nature of Lenders' Rights. The obligations of Lenders hereunder are several and no Lender shall be responsible for the obligations or Commitment of any other Lender hereunder. Nothing contained herein or in any other Credit Document, and no action taken by Lenders pursuant hereto or thereto, shall be deemed to constitute Lenders as a partnership, an association, a joint venture or any other kind of entity. The amounts payable at any time hereunder to each Lender shall be a separate and independent debt, and each Lender shall be entitled to protect and enforce its rights arising out hereof and it shall not be necessary for any other Lender to be joined as an additional party in any proceeding for such purpose.

10.13 Headings. Section headings herein are included herein for convenience of reference only and shall not constitute a part hereof for any other purpose or be given any substantive effect.

10.14 APPLICABLE LAW. THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY, AND SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

10.15 CONSENT TO JURISDICTION.

(a) SUBJECT TO CLAUSE (E) OF THE FOLLOWING SENTENCE, ALL JUDICIAL PROCEEDINGS BROUGHT AGAINST ANY PARTY ARISING OUT OF OR RELATING HERETO OR ANY OTHER CREDIT DOCUMENTS, OR ANY OF THE OBLIGATIONS, SHALL BE BROUGHT IN ANY STATE OR FEDERAL COURT OF COMPETENT JURISDICTION IN THE BOROUGH OF MANHATTAN IN THE STATE, COUNTY AND CITY OF NEW YORK. BY EXECUTING AND DELIVERING THIS AGREEMENT, EACH CREDIT PARTY, FOR ITSELF AND IN CONNECTION WITH ITS PROPERTIES, IRREVOCABLY (A) ACCEPTS GENERALLY AND UNCONDITIONALLY THE EXCLUSIVE JURISDICTION AND VENUE OF SUCH COURTS (OTHER THAN WITH RESPECT TO ACTIONS BY ANY AGENT IN RESPECT OF RIGHTS UNDER ANY COLLATERAL DOCUMENT GOVERNED BY LAWS OTHER THAN THE LAWS OF THE STATE OF NEW YORK OR WITH RESPECT TO ANY COLLATERAL SUBJECT THERETO); (B) WAIVES ANY DEFENSE OF FORUM NON CONVENIENS; (C) AGREES THAT SERVICE OF ALL PROCESS IN ANY SUCH PROCEEDING IN ANY SUCH COURT MAY BE MADE BY REGISTERED OR CERTIFIED MAIL, RETURN RECEIPT REQUESTED, TO THE APPLICABLE CREDIT PARTY AT ITS ADDRESS PROVIDED IN ACCORDANCE WITH SECTION 10.1; (D) AGREES THAT SERVICE AS PROVIDED IN CLAUSE (C) ABOVE IS SUFFICIENT TO CONFER PERSONAL JURISDICTION OVER THE APPLICABLE CREDIT PARTY IN ANY SUCH PROCEEDING IN ANY SUCH COURT, AND OTHERWISE CONSTITUTES EFFECTIVE AND BINDING SERVICE IN EVERY RESPECT; AND (E) AGREES THAT AGENTS AND LENDERS RETAIN THE RIGHT TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY LAW OR TO BRING PROCEEDINGS AGAINST ANY CREDIT PARTY IN THE COURTS OF ANY OTHER JURISDICTION IN CONNECTION WITH THE EXERCISE OF ANY RIGHTS UNDER ANY SECURITY DOCUMENT OR THE ENFORCEMENT OF ANY JUDGMENT.

(b) EACH CREDIT PARTY THAT IS ORGANIZED UNDER THE LAWS OF A JURISDICTION OUTSIDE THE UNITED STATES HEREBY APPOINTS VPI AS ITS AGENT FOR SERVICE OF PROCESS IN ANY MATTER RELATED TO THIS AGREEMENT OR THE OTHER CREDIT DOCUMENTS AND VPI HEREBY ACCEPTS SUCH APPOINTMENT.

10.16 WAIVER OF JURY TRIAL. EACH OF THE PARTIES HERETO HEREBY AGREES TO WAIVE ITS RESPECTIVE RIGHTS TO A JURY TRIAL OF ANY CLAIM OR

CAUSE OF ACTION BASED UPON OR ARISING HEREUNDER OR UNDER ANY OF THE OTHER CREDIT DOCUMENTS OR ANY DEALINGS BETWEEN THEM RELATING TO THE SUBJECT MATTER OF THIS LOAN TRANSACTION OR THE LENDER/BORROWER RELATIONSHIP THAT IS BEING ESTABLISHED. THE SCOPE OF THIS WAIVER IS INTENDED TO BE ALL ENCOMPASSING OF ANY AND ALL DISPUTES THAT MAY BE FILED IN ANY COURT AND THAT RELATE TO THE SUBJECT MATTER OF THIS TRANSACTION, INCLUDING CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS AND ALL OTHER COMMON LAW AND STATUTORY CLAIMS. EACH PARTY HERETO ACKNOWLEDGES THAT THIS WAIVER IS A MATERIAL INDUCEMENT TO ENTER INTO A BUSINESS RELATIONSHIP, THAT EACH HAS ALREADY RELIED ON THIS WAIVER IN ENTERING INTO THIS AGREEMENT, AND THAT EACH WILL CONTINUE TO RELY ON THIS WAIVER IN ITS RELATED FUTURE DEALINGS. EACH PARTY HERETO FURTHER WARRANTS AND REPRESENTS THAT IT HAS REVIEWED THIS WAIVER WITH ITS LEGAL COUNSEL AND THAT IT KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL. THIS WAIVER IS IRREVOCABLE, MEANING THAT IT MAY NOT BE MODIFIED EITHER ORALLY OR IN WRITING (OTHER THAN BY A MUTUAL WRITTEN WAIVER SPECIFICALLY REFERRING TO THIS SECTION 10.16 AND EXECUTED BY EACH OF THE PARTIES HERETO), AND THIS WAIVER SHALL APPLY TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, SUPPLEMENTS OR MODIFICATIONS HERETO OR ANY OF THE OTHER CREDIT DOCUMENTS OR TO ANY OTHER DOCUMENTS OR AGREEMENTS RELATING TO THE LOANS MADE HEREUNDER. IN THE EVENT OF LITIGATION, THIS AGREEMENT MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY THE COURT.

10.17 Confidentiality. Each Agent and each Lender (which term shall for the purposes of this Section 10.17 include the Issuing Bank) shall hold all Non-Public Information regarding Borrower and its Subsidiaries and their businesses identified as such by Borrower or such Subsidiary (or which is reasonably apparent to be of a confidential nature, even if not so identified) and obtained by such Agent and such Lender pursuant to the requirements hereof in accordance with such Agent's and such Lender's customary procedures for handling confidential information of such nature, it being understood and agreed by Borrower that, in any event, the Administrative Agent may disclose such information to the Lenders and each Agent and each Lender may make (i) disclosures of such information to Affiliates of such Lender and to their respective agents and advisors (and to other Persons authorized by a Lender or Agent to organize, present or disseminate such information in connection with disclosures otherwise made in accordance with this Section 10.17), (ii) disclosures of such information reasonably required by any bona fide or potential assignee, transferee or participant in connection with the contemplated assignment, transfer or participation of any Loans or any participations therein or by any direct or indirect contractual counterparties (or the professional advisors thereto) to any swap or derivative transaction relating to Borrower and its obligations (provided that such assignees, transferees, participants, counterparties and advisors are advised of and agree to be bound by either the provisions of this Section 10.17 or other provisions at least as restrictive as this Section 10.17), (iii) disclosure to any rating agency when required by it, provided that, prior to any disclosure, such rating agency shall undertake in writing to preserve the confidentiality of any confidential information relating to Credit Parties received by it from any Agent or any Lender, (iv) disclosures necessary in connection with the exercise of any remedies hereunder or under any other Credit Document, (v) disclosures required or requested by any Governmental Authority or pursuant to legal or judicial process; provided that, unless specifically prohibited by Applicable Law or court order, each Lender and each Agent shall make reasonable efforts to notify Borrower of any request by any Governmental Authority or representative thereof (other than any such request in connection with any examination of the financial condition or other routine examination of such Lender by such Governmental Authority) for disclosure of any such Non-Public Information reasonably in advance of disclosure of such information (and each Agent and Lender shall cooperate with Borrower and its Subsidiaries (at the sole cost

and expense of Borrower and its Subsidiaries) to limit any such disclosure) and (vi) disclosures to any other Person with the written consent of the Borrower. In addition, each Agent and each Lender may disclose the existence of this Agreement and the information about this Agreement to service providers to Agents and Lenders in connection with the administration and management of this Agreement and the other Credit Documents.

10.18 Usury Savings Clause. If any provision of this Agreement or of any of the other Credit Documents would obligate any Credit Party to make any payment of interest or other amount payable to any Agent or any Lender in an amount or calculated at a rate which would be prohibited by law or would result in a receipt by such Agent or Lender of interest at a criminal rate (as such terms are construed under the *Criminal Code* (Canada)) or in excess of the Highest Lawful Rate, then notwithstanding such provisions, such amount or rate shall be deemed to have been adjusted with retroactive effect to the maximum amount or rate of interest, as the case may be, as would not be so prohibited by law or so result in a receipt by such Agent or such Lender of interest at a criminal rate, such adjustment to be effected, to the extent necessary, as follows: (1) firstly, by reducing the amount or rate of interest required to be paid to such Agent or such Lender under Section 2.8, and (2) thereafter, by reducing any fees, commissions, premiums and other amounts required to be paid to such Agent or such Lender which would constitute "interest" for purposes of Section 347 of the *Criminal Code* (Canada) or for the purposes of determining the Highest Lawful Rate. Notwithstanding the foregoing, it is the intention of Lenders and Borrower to conform strictly to any applicable usury laws, and after giving effect to all adjustments contemplated in the preceding sentence, if an Agent or Lender shall have received an amount in excess of the maximum permitted by that section of the *Criminal Code* (Canada) or by application of the Highest Lawful Rate, such Credit Party shall be entitled, by notice in writing to such Agent or such Lender, to obtain reimbursement from such Agent or such Lender in an amount equal to such excess and, pending such reimbursement, such amount shall be deemed to be an amount payable by such Agent or such Lender to such Credit Party. Any amount or rate of interest referred to in this Section 10.18 shall be determined in accordance with GAAP as an effective annual rate of interest over the term that the applicable Loan remains outstanding on the assumption that any charges, fees or expenses that fall within the meaning of "interest" (as defined in the *Criminal Code* (Canada) or for the purposes of determining the Highest Lawful Rate) shall, if they relate to a specific period of time, be pro-rated over that period of time and otherwise be pro-rated over the period from the Third Restatement Date to the later of the Revolving Commitment Termination Date or the Term Loan Commitment Termination Date and, in the event of a dispute, a certificate of an actuary appointed by Administrative Agent shall be conclusive for the purposes of such determination absent manifest error.

10.19 Counterparts. This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original, but all such counterparts together shall constitute but one and the same instrument. Delivery of an executed counterpart to this Agreement by facsimile transmission or other electronic transmission shall be effective as delivery of a manually signed counterpart of this Agreement.

10.20 Effectiveness; Entire Agreement. This Agreement shall become effective upon the execution of a counterpart hereof by each of the parties hereto and receipt by Borrower and Administrative Agent of written notification of such execution and authorization of delivery thereof.

10.21 PATRIOT Act; PCTFA. Each Lender to whom the PATRIOT Act applies and Administrative Agent (for itself and not on behalf of any Lender) hereby notifies each Credit Party that pursuant to the requirements of the PATRIOT Act and the PCTFA, it is required to obtain, verify and record information that identifies each Credit Party, which information includes the name and address of each Credit Party and other information that will allow such Lender or Administrative Agent, as applicable, to identify such Credit Party in accordance with those Acts.

10.22 Electronic Execution of Assignments. The words "execution," "signed," "signature," and words of like import in any Assignment Agreement shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any Applicable Law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act, the Commerce Act (Ontario) or any similar provincial, territorial or federal laws.

10.23 No Fiduciary Duty. Each Agent, each Lender and their Affiliates (collectively, solely for purposes of this paragraph, the "**Lenders**") may have economic interests that conflict with those of Borrower, its stockholders and/or its affiliates. Borrower agrees that nothing in the Credit Documents or otherwise will be deemed to create an advisory, fiduciary or agency relationship or fiduciary or other implied duty between any Lender, on the one hand, and Borrower, its stockholders or its affiliates, on the other. The Credit Parties acknowledge and agree that (i) the transactions contemplated by the Credit Documents (including the exercise of rights and remedies hereunder and thereunder) are arm's-length commercial transactions between the Lenders, on the one hand, and Borrower, on the other, and (ii) in connection therewith and with the process leading thereto, (x) no Lender has assumed an advisory or fiduciary responsibility in favor of Borrower, its stockholders or its affiliates with respect to the transactions contemplated hereby (or the exercise of rights or remedies with respect thereto) or the process leading thereto (irrespective of whether any Lender has advised, is currently advising or will advise Borrower, its stockholders or its Affiliates on other matters) or any other obligation to Borrower except the obligations expressly set forth in the Credit Documents and (y) each Lender is acting solely as principal and not as the agent or fiduciary of Borrower, its management, stockholders, creditors or any other Person. Borrower has consulted its own legal and financial advisors to the extent it deemed appropriate and that it is responsible for making its own independent judgment with respect to such transactions and the process leading thereto. Borrower agrees that it will not claim that any Lender has rendered advisory services of any nature or respect, or owes a fiduciary or similar duty to Borrower, in connection with such transaction or the process leading thereto.

10.24 Judgment Currency.

(a) If, for the purpose of obtaining or enforcing judgment against any Credit Party in any court in any jurisdiction, it becomes necessary to convert into any other currency (such other currency being hereinafter in this Section 10.24 referred to as the "**Judgment Currency**") an amount due under any Credit Document in any currency (the "**Obligation Currency**") other than the Judgment Currency, the conversion shall be made at the rate of exchange prevailing on the Business Day immediately preceding the date of actual payment of the amount due, in the case of any proceeding in the courts of any jurisdiction that will give effect to such conversion being made on such date, or the date on which the judgment is given, in the case of any proceeding in the courts of any other jurisdiction (the applicable date as of which such conversion is made pursuant to this Section 10.24 being hereinafter in this Section 10.24 referred to as the "**Judgment Conversion Date**").

(b) If, in the case of any proceeding in the court of any jurisdiction referred to in Section 10.24(a), there is a change in the rate of exchange prevailing between the Judgment Conversion Date and the date of actual receipt for value of the amount due, then the applicable Credit Party or Credit Parties shall pay such additional amount (if any, but in any event not a lesser amount) as may be necessary to ensure that the amount actually received in the Judgment Currency, when converted at the rate of exchange prevailing on the date of payment, will provide the amount of the Obligation Currency which could have been purchased with the amount of the Judgment Currency stipulated in the judgment or judicial order at the rate of exchange prevailing on the Judgment Conversion Date. Any amount due from

any Credit Party under this Section 10.24(b) shall be due as a separate debt and shall not be affected by judgment being obtained for any other amounts due under or in respect of any of the Credit Documents.

(c) The term "rate of exchange" in this Section 10.24 means the rate of exchange at which Administrative Agent, on the relevant date at or about 12:00 noon (New York time), would be prepared to sell, in accordance with Administrative Agent's normal course foreign currency exchange practices, the Obligation Currency against the Judgment Currency.

10.25 Joint and Several Liability. Notwithstanding any other provision contained herein or in any other Credit Documents, if a "secured creditor" (as that term is defined under the BIA) is determined by a court of competent jurisdiction not to include a Person to whom obligations are owed on a joint or joint and several basis, then any Canadian Credit Party's Obligations (and the Obligations of each other Credit Party with respect thereto), to the extent such Obligations are secured, only shall be several obligations and not joint or joint and several obligations.

10.26 Advice of Counsel; No Strict Construction. Each of the parties represents to each other party hereto that it has discussed this Agreement and the other Credit Documents with its counsel. The parties hereto have participated jointly in the negotiation and drafting of this Agreement and the other Credit Documents. In the event an ambiguity or question of intent or interpretation arises, this Agreement and each of the other Credit Documents shall be construed as if drafted jointly by the parties hereto and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any provisions of this Agreement or any other Credit Document.

10.27 Day Not a Business Day. In the event that any day on or before which any action, calculation, determination or allocation is required to be taken hereunder is not a Business Day, then such action, calculation, determination or allocation shall be required to be taken at the requisite time on or before the first succeeding day that is a Business Day thereafter, unless such day is in the next calendar month, in which case such action, calculation, determination or allocation shall be required to be taken at the requisite time on the first preceding day that is a Business Day.

10.28 Limitations Act, 2002. Each of the parties hereto agrees that any and all limitation periods provided for in the *Limitations Act, 2002* (Ontario) or any other Applicable Law that provides for or relates to limitation periods, shall be excluded from application to the Obligations and any undertaking, covenant, indemnity or other agreement of any Credit Party provided for in any Credit Document to which it is a party in respect thereof, in each case to fullest extent permitted by such Act or other Applicable Law.

10.29 Parallel Debt.

(a) Notwithstanding anything to the contrary contained in this Agreement and the other Credit Documents and solely for the purpose of ensuring and preserving the validity and effect of the security rights granted and to be granted under or pursuant to the Collateral Documents governed by the laws of The Netherlands (the "**Dutch Security Agreements**"), each of the Lenders and the other parties hereto hereby acknowledges and consents to (i) each Credit Party that is a party to the Dutch Security Agreements undertaking herein to pay to the Administrative Agent, in its individual capacity and not as agent, representative or trustee, as a separate independent obligation to the Administrative Agent, the amount of its Dutch Parallel Debt (which each such Credit Party hereby so undertakes to do), and (ii) the security rights contemplated by the Dutch Security Agreements being granted in favor of the Administrative Agent in its individual capacity as security for its claims under the Dutch Parallel Debt.

(b) Each Credit Party acknowledges and agrees that it may not pay its Dutch Parallel Debt other than at the instruction of, and in the manner instructed by, the Administrative Agent; provided, however, that no Credit Party shall be obligated to pay any amount of its Dutch Parallel Debt unless and until a corresponding amount of its Underlying Debt shall have become due and payable.

(c) To the extent any amount is paid to and received by the Administrative Agent in payment of the Dutch Parallel Debt and the Administrative Agent has turned over any amounts received by it in respect to the Dutch Parallel Debt to the Secured Parties as their interests appeared with respect to the Underlying Debt, the total amount due and payable in respect of the Underlying Debt shall be decreased as if such amount were received by the Secured Parties or any of them in payment of the corresponding Underlying Debt.

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[Signature Pages Intentionally Omitted]

APPENDIX A-1

TO THIRD AMENDED AND RESTATED CREDIT AND GUARANTY AGREEMENT

Revolving Commitments

Lender	Revolving Commitment	Pro Rata Share
Goldman Sachs Lending Partners LLC	$30,937,500	11.25%
JPMorgan Chase Bank, N.A., Toronto Branch	$24,062,500	8.75%
Royal Bank Of Canada	$24,062,500	8.75%
Export Development Canada	$24,062,500	8.75%
The Bank of Nova Scotia	$20,625,000	7.50%
SunTrust Bank	$20,625,000	7.50%
DnB NOR Bank ASA	$20,625,000	7.50%
Morgan Stanley Bank, N.A.	$19,937,500	7.25%
Barclays Bank PLC	$19,937,500	7.25%
Bank of America, N.A.	$13,750,000	5.00%
The Toronto-Dominion Bank	$9,625,000	3.50%
HSBC Bank Canada	$6,875,000	2.50%
HSBC Bank USA, NA	$6,875,000	2.50%
ICICI Bank Canada	$6,187,500	2.25%
Canadian Imperial Bank of Commerce	$5,500,000	2.00%
Mizuho Corporate Bank, Ltd.	$5,500,000	2.00%
Raymond James Bank, FSB	$4,812,500	1.75%
Sumitomo Mitsui Banking Corp., New York	$3,437,500	1.25%
Union Bank, N.A.	$3,437,500	1.25%
Bank of Montreal	$2,750,000	1.00%
Manufacturers Bank	$1,375,000	0.50%
Total	**$275,000,000**	**100.00%**

APPENDIX A-2

TO THIRD AMENDED AND RESTATED CREDIT AND GUARANTY AGREEMENT

Tranche B Term Loan Commitments

Lender	Tranche B Term Loan Commitment	Pro Rata Share
JPMorgan Chase Bank, N.A., Toronto Branch	$600,000,000	100.00%
Total	**$600,000,000**	**100.00%**

Exhibit 31.1

CERTIFICATION OF THE CHIEF EXECUTIVE OFFICER
PURSUANT TO RULE 13a-14(a)
AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, J. Michael Pearson, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Valeant Pharmaceuticals International, Inc. (the "Company");

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Company as of, and for, the periods presented in this report;

4. The Company's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Company and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. Evaluated the effectiveness of the Company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. Disclosed in this report any change in the Company's internal control over financial reporting that occurred during the Company's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting; and

5. The Company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Company's auditors and the audit committee of the Company's board of directors (or persons performing the equivalent functions):

   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 the Company's ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal control over financial reporting.

Date: November 1, 2013
/s/ J. MICHAEL PEARSON

J. Michael Pearson
Chairman of the Board and Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION OF THE CHIEF FINANCIAL OFFICER
PURSUANT TO RULE 13a-14(a)
AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Howard B. Schiller, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Valeant Pharmaceuticals International, Inc. (the "Company");

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Company as of, and for, the periods presented in this report;

4. The Company's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Company and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. Evaluated the effectiveness of the Company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. Disclosed in this report any change in the Company's internal control over financial reporting that occurred during the Company's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting; and

5. The Company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Company's auditors and the audit committee of the Company's board of directors (or persons performing the equivalent functions):

   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 the Company's ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal control over financial reporting.

Date: November 1, 2013

/s/ HOWARD B. SCHILLER

Howard B. Schiller
Executive Vice-President and Chief Financial Officer
(Principal Financial Officer and Principal Accounting Officer)

Exhibit 32.1

CERTIFICATION OF THE CHIEF EXECUTIVE OFFICER
PURSUANT TO 18 U.S.C. § 1350
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, J. Michael Pearson, Chairman of the Board and Chief Executive Officer of Valeant Pharmaceuticals International, Inc. (the "Company"), certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

1. The Quarterly Report on Form 10-Q of the Company for the quarter ended September 30, 2013 (the "Report") fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: November 1, 2013

/s/ J. MICHAEL PEARSON

J. Michael Pearson
Chairman of the Board and Chief Executive Officer

This certification accompanies the Report pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not, except to the extent required by such Act, be deemed filed by the Company for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Such certification will not be deemed to be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, except to the extent that the Company specifically incorporates it by reference.

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

Exhibit 32.2

CERTIFICATION OF THE CHIEF FINANCIAL OFFICER
PURSUANT TO 18 U.S.C. § 1350
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Howard B. Schiller, Executive Vice-President and Chief Financial Officer of Valeant Pharmaceuticals International, Inc. (the "Company"), certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

1. The Quarterly Report on Form 10-Q of the Company for the quarter ended September 30, 2013 (the "Report") fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: November 1, 2013

/s/ HOWARD B. SCHILLER

Howard B. Schiller
Executive Vice-President and Chief Financial Officer

This certification accompanies the Report pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not, except to the extent required by such Act, be deemed filed by the Company for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Such certification will not be deemed to be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, except to the extent that the Company specifically incorporates it by reference.

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