

WALGREEN CO

FORM 425

(Filing of certain prospectuses and communications in connection with business combination transactions)

Filed 11/12/14

Address	108 WILMOT RD DEERFIELD, IL 60015
Telephone	8479402500
CIK	0000104207
Symbol	WAG
SIC Code	5912 - Drug Stores and Proprietary Stores
Industry	Retail (Drugs)
Sector	Services
Fiscal Year	08/31

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

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

Date of Report (Date of earliest event reported): November 6, 2014



WALGREEN CO.

(Exact name of registrant as specified in its charter)

Illinois
(State or other
jurisdiction of
incorporation)

1-604
(Commission File
Number)

36-1924025
(IRS Employer
Identification
Number)

108 Wilmot Road, Deerfield, Illinois
(Address of principal executive offices)

60015
(Zip Code)

Registrant's telephone number, including area code: (847) 315-2500

Not Applicable

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

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

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 1.01. Entry into a Material Definitive Agreement.

Term Loan Credit Agreement. On November 10, 2014, Walgreen Co., an Illinois corporation (the “Company” or “Walgreens”), and Walgreens Boots Alliance, Inc., a Delaware corporation (“WBA”) and direct, wholly owned subsidiary of Walgreens, entered into an unsecured Term Loan Credit Agreement (the “Term Loan Agreement”) with the lenders party thereto, Bank of America, N.A. (“Bank of America”), as administrative agent, and HSBC Bank plc, as syndication agent.

The Term Loan Agreement provides the Company or, to the extent the Holdco Reorganization (as defined in the Term Loan Agreement) is consummated on or prior to the Alliance Boots Acquisition Closing Date (as defined in the Term Loan Agreement), WBA (the Company or WBA, as applicable, the “Borrower”), with the ability to borrow up to £1.45 billion on an unsecured basis to finance a portion of the Alliance Boots Acquisition (as defined in the Term Loan Agreement), repay or refinance certain indebtedness of Walgreens, Alliance Boots GmbH and their respective subsidiaries and to pay related transaction costs.

To the extent the Holdco Reorganization is consummated on or prior to the Alliance Boots Acquisition Closing Date, Walgreens will guarantee (the “Walgreens Term Loan Guarantee”) the punctual payment when due, whether at stated maturity, by acceleration or otherwise, of all obligations of WBA under the Term Loan Agreement, which guarantee shall remain in full force and effect for so long as either (A) the aggregate outstanding principal amount of Capital Markets Indebtedness, including the Existing Notes, and Commercial Bank Indebtedness (as those terms are defined in the Term Loan Agreement), in each case, of Walgreens is greater than or equal to \$2.0 billion or (B) Walgreens guarantees any Capital Markets Indebtedness or Commercial Bank Indebtedness, in each case, of WBA.

The availability of the loans under the Term Loan Agreement, which have not yet been funded, is subject to the satisfaction (or waiver) of certain conditions set forth therein. The date on which such conditions are satisfied (or waived in accordance with the Term Loan Agreement) in connection with the consummation of the Alliance Boots Acquisition is the “Funding Date”. The loans under the Term Loan Agreement are to be made in a single borrowing on the Funding Date and will mature and be payable in full on the fifth anniversary of the Funding Date (and if such date is not a business day, then the immediately preceding business day).

Borrowings under the Term Loan Agreement will bear interest at a fluctuating rate per annum equal to the reserve adjusted Eurocurrency rate plus an applicable margin calculated based on the Borrower’s credit ratings. The Borrower will also pay to the lenders under this facility certain customary fees, including ticking fees accruing from and including the date that is 60 days after November 10, 2014.

Voluntary prepayments of the loans and voluntary reductions of the unutilized portion of the commitments under the Term Loan Agreement are permissible without penalty, subject to certain conditions pertaining to minimum notice and minimum reduction amounts as described in the Term Loan Agreement. The Term Loan Agreement requires the Borrower to repay to the administrative agent, for the account of the lenders, loans (i) in a principal amount equal to 1.250% of the aggregate principal amount of the loans made on the Funding Date on each of the dates that are three, six, nine and twelve months after the second anniversary of the Funding

Date, (ii) in a principal amount equal to 1.875% of the aggregate principal amount of the loans made on the Funding Date on each of the dates that are three, six, nine and twelve months after the third anniversary of the Funding Date and (iii) in a principal amount equal to 2.500% of the aggregate principal amount of the loans made on the Funding Date on each of the dates that are three, six and nine months after the fourth anniversary of the Funding Date.

The Term Loan Agreement contains representations and warranties and affirmative and negative covenants customary for unsecured financings of this type, as well as a financial covenant requiring that, as of the last day of each fiscal quarter, commencing with the first quarter-end after the Funding Date, the ratio of Consolidated Debt to Total Capitalization (as those terms are defined in the Term Loan Agreement and giving effect to the Alliance Boots Acquisition (and the repayment or refinancing of indebtedness of the Company, Alliance Boots GmbH and their respective subsidiaries in connection therewith)) shall not be greater than 0.60:1.00.

The Term Loan Agreement also contains various events of default (subject to grace periods, as applicable) including among others: nonpayment of principal, interest or fees when due; breach of covenant; payment default on, or acceleration under, certain other material indebtedness; inaccuracy of the representations or warranties in any material respect; bankruptcy or insolvency; certain unfunded liabilities under employee benefit plans; certain unsatisfied judgments; certain ERISA violations; and the invalidity or unenforceability of the Walgreens Term Loan Guarantee (so long as the Holdco Reorganization is consummated on or prior to the Alliance Boots Acquisition Closing Date), Term Loan Agreement or any note issued in accordance therewith.

Revolving Credit Agreement. On November 10, 2014, concurrently with the execution and delivery of the Term Loan Agreement, the Company and WBA entered into a Revolving Credit Agreement (the “Revolving Credit Agreement”) with the lenders party thereto, Bank of America, as administrative agent, and HSBC Securities (USA) Inc., as syndication agent. The Revolving Credit Agreement, which replaces the Former Credit Agreements (as defined below), is a five-year unsecured, multicurrency revolving facility. Prior to the Additional Commitment Availability Date (as defined in the Revolving Credit Agreement), the aggregate commitment of all lenders under the Revolving Credit Agreement will be equal to \$2.25 billion, of which \$375 million will be available for the issuance of letters of credit. On and after the Additional Commitment Availability Date, the aggregate commitment of all lenders under the Revolving Credit Agreement will be equal to \$3.0 billion, of which \$500 million will be available for the issuance of letters of credit. The issuance of letters of credit reduces the aggregate amount otherwise available under the Revolving Credit Agreement for the making of revolving loans. Under specified circumstances, the commitments under the Revolving Credit Agreement can be increased to up to \$4.5 billion in the aggregate.

The Company will be the initial borrower under the Revolving Credit Agreement. To the extent that the Holdco Reorganization is consummated on or prior to the Alliance Boots Acquisition Closing Date (and subject to the satisfaction (or waiver) of certain other conditions set forth therein), WBA will also be a borrower under the Revolving Credit Agreement. Walgreens or, to extent that the Holdco Reorganization is consummated on or prior to the Alliance Boots Acquisition Closing Date, WBA, as applicable, may also designate any wholly owned subsidiary as a borrower under the Revolving Credit Facility subject to certain conditions set forth therein (each, a “Designated Borrower”).

To the extent the Holdco Reorganization is consummated on or prior to the Alliance Boots Acquisition Closing Date, Walgreens will guarantee the punctual payment when due, whether at stated maturity, by acceleration or otherwise, of all obligations of WBA under the Revolving Credit Agreement, which guarantee shall remain in full force and effect for so long as either (A) the aggregate outstanding principal amount of Capital Markets Indebtedness, including the Existing Notes, and Commercial Bank Indebtedness (as those terms are defined in the Revolving Credit Agreement), in each case, of Walgreens is greater than or equal to \$2.0 billion or (B) Walgreens guarantees any Capital Markets Indebtedness or Commercial Bank Indebtedness, in each case, of WBA. In addition, Walgreens or, to extent that the Holdco Reorganization is consummated on or prior to the Alliance Boots Acquisition Closing Date, WBA, as applicable, will guarantee the punctual payment when due, whether at stated maturity, by acceleration or otherwise, of all obligations of each Designated Borrower under the Revolving Credit Agreement.

The ability of any borrower to request the making of revolving loans or issuance of letters of credit under the Revolving Credit Agreement is subject to the satisfaction (or waiver) of certain conditions set forth therein. Subject to the terms of the Revolving Credit Agreement, any borrower may borrow, repay and reborrow revolving loans at any time prior to the earlier of (a) November 10, 2019, subject to extension in accordance with the terms of Revolving Credit Agreement, and (b) the date of termination in whole of the lenders' commitments under the Revolving Credit Agreement in accordance with the terms thereof. Revolving loans and letters of credit will be available, at the option of the applicable borrower, in Dollars, Sterling, Euros, Yen, Swiss Franc or any other currency approved in accordance with the terms of the Revolving Credit Agreement.

Borrowings under the Revolving Credit Agreement will bear interest at a fluctuating rate per annum equal to, at the applicable borrower's option, the alternate base rate or the reserve adjusted Eurocurrency rate, in each case, plus an applicable margin calculated based on Walgreens' or, to extent that the Holdco Reorganization is consummated on or prior to the Alliance Boots Acquisition Closing Date, WBA's credit ratings. In addition, Walgreens or, to extent that the Holdco Reorganization is consummated on or prior to the Alliance Boots Acquisition Closing Date, WBA will also pay to the lenders under the Revolving Credit Agreement certain customary fees, including a commitment fee on the daily actual excess of each lender's commitment over its outstanding credit exposure under the Revolving Credit Agreement, calculated based on Walgreens' or, to extent that the Holdco Reorganization is consummated on or prior to the Alliance Boots Acquisition Closing Date, WBA's credit ratings.

Voluntary prepayments of the loans and voluntary reductions of the unutilized portion of the commitments under the Revolving Credit Agreement are permissible without penalty, subject to certain conditions pertaining to minimum notice and minimum reduction amounts as described in the Revolving Credit Agreement.

The Revolving Credit Agreement contains representations and warranties, affirmative, negative, and financial covenants, and events of default substantially similar to those contained in the Term Loan Agreement.

The foregoing descriptions of the Term Loan Agreement and the Revolving Credit Agreement do not purport to be complete and are qualified in their entirety by reference to the full text of the Term Loan Agreement and the Revolving Credit Agreement attached hereto as Exhibits 10.1 and 10.2, respectively, and incorporated herein by reference.

Many of the lenders under the Term Loan Agreement and the Revolving Credit Agreement and/or their affiliates have in the past performed, and may in the future from time to time perform, investment banking, financial advisory, lending and/or commercial banking services, or other services for Walgreens and its subsidiaries, for which they have received, and may in the future receive, customary compensation and expense reimbursement.

Item 1.02. Termination of a Material Definitive Agreement.

On November 10, 2014, the effective date of the Term Loan Agreement and Revolving Credit Agreement described in Item 1.01 above, the Company terminated (a) the Credit Agreement, dated as of July 20, 2011 (as amended by Amendment No. 1 thereto, dated as of February 29, 2012, and Amendment No. 2 thereto, dated as of July 23, 2012 and as amended, restated, supplemented or otherwise modified from time to time) among the Company, the lenders party thereto and Bank of America, N.A., as administrative agent and (b) the Credit Agreement, dated as of July 23, 2012 (as amended, restated, supplemented or otherwise modified from time to time), among the Company, the lenders party thereto and Bank of America, N.A., as administrative agent (collectively, the “Former Credit Agreements”) described in, and filed as exhibits to, the Form 8-K filed by the Company on July 26, 2012. In connection with such terminations, the Company repaid all outstanding obligations under each of the Former Credit Agreements. The disclosure in Item 1.01 of this Form 8-K is incorporated into this Item 1.02 by reference.

Item 2.03. Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

The disclosure in Item 1.01 of this Form 8-K is incorporated into this Item 2.03 by reference.

Item 8.01. Other Events

On November 6, 2014, the Company, WBA and Goldman, Sachs & Co., Deutsche Bank Securities Inc. and Merrill Lynch, Pierce, Fenner & Smith Incorporated, for themselves and as representatives of the several other underwriters named therein, entered into an underwriting agreement (the “USD Underwriting Agreement”), for the issuance and sale of \$8.0 billion aggregate principal amount of unsecured, unsubordinated notes, consisting of \$750 million of floating rate notes due 2016, \$750 million of 1.750% notes due 2017, \$1.25 billion of 2.700% notes due 2019, \$1.25 billion of 3.300% notes due 2021, \$2.0 billion of 3.800% notes due 2024, \$500 million of 4.500% notes due 2034 and \$1.5 billion of 4.800 % notes due 2044, in each case of WBA (collectively, the “USD Notes”). Upon issuance, the USD Notes will be fully and unconditionally guaranteed on an unsecured and unsubordinated basis by the Company. The USD Notes and related guarantees are being issued pursuant to the Prospectus Supplement, dated November 6, 2014 and filed with the Securities and Exchange Commission (the “SEC”) on November 7, 2014, and the Prospectus dated November 3, 2014, filed as part of the shelf registration statement, as amended (File No. 333-198773) that became effective under the Securities Act of 1933, as amended, when filed with the SEC on November 3, 2014 (the “Registration Statement”). Please refer to the Prospectus Supplement dated November 6, 2014 for additional information regarding the USD Notes offering and the terms and conditions of the

USD Notes and related guarantees. Closing of the USD Notes offering is subject to customary conditions and is scheduled for November 18, 2014. The foregoing description does not purport to be complete and is qualified in its entirety by reference to the full text of the USD Underwriting Agreement attached hereto as Exhibit 1.1 and incorporated herein by reference and into the Registration Statement.

On November 10, 2014, the Company, WBA and Goldman, Sachs & Co., Deutsche Bank AG, London Branch, Merrill Lynch International, HSBC Bank plc, J.P. Morgan Securities plc, Morgan Stanley & Co. International plc, Wells Fargo Securities, LLC, Mitsubishi UFJ Securities International plc, Société Générale, The Royal Bank of Scotland plc, UniCredit Bank AG, U.S. Bancorp Investments, Inc., Banca IMI S.p.A., Lloyds Bank plc, Mizuho International plc, Santander S.A. and SMBC Nikko Capital Markets Limited entered into an underwriting agreement (the “Sterling/Euro Underwriting Agreement”), for the issuance and sale of unsecured, unsubordinated notes, consisting of £400 million of 2.875% notes due 2020, £300 million of 3.600% notes due 2025 and €750 million of 2.125% notes due 2026, in each case of WBA (collectively, the “Sterling/Euro Notes”). Upon issuance, the Sterling/Euro Notes will be fully and unconditionally guaranteed on an unsecured and unsubordinated basis by the Company. The Sterling/Euro Notes and related guarantees are being issued pursuant to the Prospectus Supplement, dated November 10, 2014 and filed with the SEC on November 12, 2014, and the Prospectus dated November 3, 2014, filed as part of the Registration Statement. Please refer to the Prospectus Supplement dated November 10, 2014 for additional information regarding the Sterling/Euro Notes offering and the terms and conditions of the Sterling/Euro Notes and related guarantees. Closing of the Sterling/Euro Notes offering is subject to customary conditions and is scheduled for November 20, 2014. The foregoing description does not purport to be complete and is qualified in its entirety by reference to the full text of the Sterling/Euro Underwriting Agreement attached hereto as Exhibit 1.2 and incorporated herein by reference and into the Registration Statement.

Many of the underwriters in respect of the USD Underwriting Agreement and Sterling/Euro Underwriting Agreement and/or their affiliates have in the past performed, and may in the future from time to time perform, investment banking, financial advisory, lending and/or commercial banking services, or other services for Walgreens and its subsidiaries, for which they have received, and may in the future receive, customary compensation and expense reimbursement.

* * * * *

The representations, warranties and covenants of each party set forth in the agreements described in this Form 8-K have been made only for purposes of, and were and are solely for the benefit of the parties to, the applicable agreement, may be subject to limitations agreed upon by the contracting parties, including being qualified by confidential disclosures made for the purposes of allocating contractual risk between the parties to the agreement instead of establishing these matters as facts, and may be subject to standards of materiality applicable to the contracting parties that differ from those applicable to investors. In addition, certain representations and warranties were made only as of the date of the applicable agreement or such other date as is specified in the agreement. Moreover, information concerning the subject matter of the representations and warranties may change after the date of the applicable agreement, which subsequent information may or may not be fully reflected in the parties’ public disclosures. Accordingly, such agreements are included with this filing only to provide investors with information regarding the terms of those agreements, and not to provide investors with any other factual information regarding the parties, their respective affiliates or their respective

businesses. These agreements should not be read alone, but should instead be read in conjunction with the periodic and current reports and statements that the Company and/or its subsidiaries file with the SEC.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits. The following exhibits are provided as part of this Form 8-K:

<u>Exhibit</u>	<u>Description</u>
1.1	Underwriting Agreement, dated as of November 6, 2014, by and among Walgreen Co., Walgreens Boots Alliance, Inc., and Goldman, Sachs & Co., Deutsche Bank Securities Inc. and Merrill Lynch, Pierce, Fenner & Smith Incorporated, as representatives of the several other underwriters named therein.
1.2	Underwriting Agreement, dated as of November 10, 2014, by and among Walgreen Co., Walgreens Boots Alliance, Inc., and Goldman, Sachs & Co., Deutsche Bank AG, London Branch, Merrill Lynch International, HSBC Bank plc, J.P. Morgan Securities plc, Morgan Stanley & Co. International plc, Wells Fargo Securities, LLC, Mitsubishi UFJ Securities International plc, Société Générale, The Royal Bank of Scotland plc, UniCredit Bank AG, U.S. Bancorp Investments, Inc., Banca IMI S.p.A., Lloyds Bank plc, Mizuho International plc, Santander S.A. and SMBC Nikko Capital Markets Limited.
10.1	Term Loan Credit Agreement, dated as of November 10, 2014, among Walgreen Co., Walgreens Boots Alliance, Inc., the lenders from time to time party thereto, and Bank of America, N.A., as administrative agent
10.2	Revolving Credit Agreement, dated as of November 10, 2014, among Walgreen Co., Walgreens Boots Alliance, Inc., the lenders from time to time party thereto and Bank of America, N.A., as administrative agent

Cautionary Note Regarding Forward-Looking Statements

Statements in this report that are not historical are forward-looking statements for purposes of applicable securities laws. Words such as “expect,” “likely,” “outlook,” “forecast,” “would,” “could,” “should,” “can,” “will,” “project,” “intend,” “plan,” “goal,” “target,” “continue,” “sustain,” “synergy,” “on track,” “headwind,” “tailwind,” “believe,” “seek,” “estimate,” “anticipate,” “may,” “possible,” “assume,” variations of such words and similar expressions are intended to identify such forward-looking statements, which are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are not guarantees of future performance and are subject to risks, uncertainties, and assumptions that could cause actual results to vary materially from those indicated, including, but not limited to: those relating to the Purchase and Option Agreement, dated June 18, 2012, as amended on August 5, 2014, by and among Walgreens, Alliance Boots GmbH and AB Acquisitions Holdings Limited, and other agreements relating to our strategic

partnership with Alliance Boots GmbH, the arrangements and transactions contemplated thereby and their possible effects, the proposed holding company reorganization, the risks that one or more closing conditions to the transactions may not be satisfied or waived, on a timely basis or otherwise, including that a governmental entity may prohibit, delay or refuse to grant approval for the consummation of the transactions or that the required approvals by the Company's shareholders may not be obtained; the risk of a material adverse change that the Company or Alliance Boots GmbH or either of their respective businesses may suffer as a result of disruption or uncertainty relating to the transactions; risks associated with changes in economic and business conditions generally or in the markets in which we or Alliance Boots GmbH participate; risks associated with new business areas and activities; risks associated with acquisitions, joint ventures, strategic investments and divestitures, including those associated with cross-border transactions; risks associated with governance and control matters; risks associated with the Company's ability to timely arrange for and consummate financing for the contemplated transactions on acceptable terms; risks relating to the Company and Alliance Boots GmbH's ability to successfully integrate our operations, systems and employees, realize anticipated synergies and achieve anticipated financial results, tax and operating results in the amounts and at the times anticipated; the potential impact of announcement of the transactions or consummation of the transactions on relationships and terms, including with employees, vendors, payers, customers and competitors; the amounts and timing of costs and charges associated with our optimization initiatives; our ability to realize expected savings and benefits in the amounts and at the times anticipated; changes in management's assumptions; our commercial agreement with AmerisourceBergen, the arrangements and transactions contemplated by our framework agreement with AmerisourceBergen and Alliance Boots GmbH and their possible effects; risks associated with equity investments in AmerisourceBergen including market fluctuations and whether the warrants to invest in AmerisourceBergen will be exercised and the ramifications thereof; the occurrence of any event, change or other circumstance that could give rise to the termination, cross-termination or modification of any of the transaction documents; the risks associated with transitions in supply arrangements; risks that legal proceedings may be initiated related to the transactions; the amount of costs, fees, expenses and charges incurred by Walgreens and Alliance Boots GmbH related to the transactions; the ability to retain key personnel; changes in financial markets, interest rates and foreign currency exchange rates; the risks associated with international business operations; the risk of unexpected costs, liabilities or delays; changes in network participation and reimbursement and other terms; risks of inflation in the costs of goods, including generic drugs; risks associated with the operation and growth of our customer loyalty program; risks associated with outcomes of legal and regulatory matters, and changes in legislation, regulations or interpretations thereof; and other factors described in Item 1A (Risk Factors) of our most recent Form 10-K, as amended, which is incorporated herein by reference, and in other documents that we file or furnish with the SEC. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those indicated or anticipated by such forward-looking statements. Accordingly, you are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date they are made. Except to the extent required by law, Walgreens does not undertake, and expressly disclaims, any duty or obligation to update publicly any forward-looking statement after the date of this report, whether as a result of new information, future events, changes in assumptions or otherwise.

Important Information for Investors and Shareholders

This communication does not constitute an offer to sell or the solicitation of an offer to buy any securities or a solicitation of any vote or approval, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. No offer of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended. In connection with the proposed transactions between Walgreens and Alliance Boots GmbH, WBA has filed with the SEC a registration statement on Form S-4 and an amendment thereto that includes a preliminary proxy statement of Walgreens that also constitutes a preliminary prospectus of WBA. The registration statement has not yet become effective. This material is not a substitute for the final prospectus/proxy statement or any other documents the parties will file with the SEC. After the registration statement has been declared effective by the SEC, the definitive proxy statement/prospectus will be delivered to shareholders of Walgreens. **INVESTORS AND SECURITY HOLDERS OF WALGREENS ARE URGED TO READ THE DEFINITIVE PROXY STATEMENT/PROSPECTUS (INCLUDING ALL AMENDMENTS AND SUPPLEMENTS THERETO) AND OTHER DOCUMENTS RELATING TO THE TRANSACTIONS THAT HAVE BEEN OR WILL BE FILED WITH THE SEC CAREFULLY AND IN THEIR ENTIRETY WHEN THEY BECOME AVAILABLE BECAUSE THEY CONTAIN AND WILL CONTAIN IMPORTANT INFORMATION ABOUT THE PROPOSED TRANSACTIONS** . Investors and security holders will be able to obtain free copies of the registration statement and the definitive proxy statement/prospectus (when available) and other documents filed with the SEC by Walgreens or WBA through the website maintained by the SEC at www.sec.gov . Copies of the documents filed with the SEC by Walgreens or WBA will be available free of charge on Walgreens' internet website at www.walgreens.com under the heading "Investor Relations" and then under the heading "SEC Filings" or by contacting Walgreens' Investor Relations Department at (847) 315-2361.

Participants in the Solicitation

Walgreens, Alliance Boots GmbH, WBA and their respective directors, executive officers and certain other members of management and employees may be deemed to be participants in the solicitation of proxies from the holders of Walgreens common stock in respect of the proposed transactions. You can find information about Walgreens' directors and executive officers in Walgreens' Annual Report on Form 10-K for the year ended August 31, 2014, as amended, and definitive proxy statement filed with the SEC on November 25, 2013. Additional information regarding the persons who are, under the rules of the SEC, participants in the solicitation of proxies in favor of the proposed transactions will be set forth in the proxy statement/prospectus when it becomes available. You can obtain free copies of these documents, which are filed with the SEC, from Walgreens using the contact information above.

SIGNATURE

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

WALGREEN CO.

Date: November 12, 2014

By: /s/ Jan S. Reed

Title: Vice President, General Counsel and Assistant Secretary

WALGREENS BOOTS ALLIANCE, INC.

\$750,000,000 Floating Rate Notes due 2016
\$750,000,000 1.750% Notes due 2017
\$1,250,000,000 2.700% Notes due 2019
\$1,250,000,000 3.300% Notes due 2021
\$2,000,000,000 3.800% Notes due 2024
\$500,000,000 4.500% Notes due 2034
\$1,500,000,000 4.800% Notes due 2044

Underwriting Agreement

November 6, 2014

Goldman, Sachs & Co.
Deutsche Bank Securities Inc.
Merrill Lynch, Pierce, Fenner & Smith
Incorporated

As Representatives of the several Underwriters
listed in Schedule 1 hereto

c/o Goldman, Sachs & Co.
200 West Street
New York, New York 10282-2198

c/o Deutsche Bank Securities Inc.
60 Wall Street
New York, New York 10005

c/o Merrill Lynch, Pierce, Fenner & Smith
Incorporated
One Bryant Park
New York, New York 10036

Ladies and Gentlemen:

Walgreens Boots Alliance, Inc., a Delaware corporation (the “Issuer”) and wholly owned subsidiary of Walgreen Co., an Illinois corporation (the “Company”), proposes to issue and sell to the several Underwriters listed in Schedule 1 hereto (the “Underwriters”), for whom Goldman, Sachs & Co., Deutsche Bank Securities Inc. and Merrill Lynch, Pierce, Fenner & Smith Incorporated are acting as representatives (the “Representatives”), the principal amount of each of its debt securities identified in Schedule 1 hereto (the “Notes”), to be fully and unconditionally guaranteed by the Company (the “Guarantees” and together with the Notes, the “Securities”). The Guarantees are subject to release under certain circumstances as described in the Time of Sale Information and the Prospectus (each as defined in Section 1 below).

The Notes will be issued pursuant to a base indenture to be dated as of the Closing Date (as defined below) (the “Base Indenture”) among the Issuer and Wells Fargo Bank, National Association, as trustee (the “Trustee”). Certain terms of the Notes will be established pursuant to a resolution of the board of directors of the Issuer and set forth in an officers’ certificate (the “Supplemental Terms,” and together with the Base Indenture, the “Indenture”).

Net proceeds from the issuance of the Notes will be used to fund the acquisition (the “Investment”) of 55% of the capital stock of Alliance Boots GmbH (“Alliance Boots”), a private limited liability company incorporated under the laws of Switzerland, pursuant to a purchase and option agreement, dated as of June 18, 2012, and as amended as of August 5, 2014, between AB Acquisitions Holding Limited, the Company and Alliance Boots (the “Purchase Agreement”), to refinance all or substantially all of Alliance Boots’ indebtedness, and/or to pay related fees and expenses. Following the completion of the Investment, any remaining portion of the net proceeds from the issuance of the Notes may also be used for general corporate purposes (including, without limitation, the refinancing of Company indebtedness).

The Company and the Issuer hereby, jointly and severally, confirm their agreement with the several Underwriters concerning the purchase and sale of the Securities, as follows:

1. Registration Statement. The Company and the Issuer have prepared and filed with the Securities and Exchange Commission (the “Commission”) under the Securities Act of 1933, as amended, and the rules and regulations of the Commission thereunder (collectively, the “Securities Act”), a registration statement on Form S-3 (File No. 333-198773) as amended, including a prospectus, relating to the Securities. Such registration statement, as amended at the time it becomes effective, including the information, if any, deemed pursuant to Rule 430A, 430B or 430C under the Securities Act to be part of the registration statement at the time of its effectiveness (“Rule 430 Information”), is referred to herein as the “Registration Statement”; and as used herein, the term “Preliminary Prospectus” means each prospectus included in such registration statement (and any amendments thereto) before it becomes effective, any prospectus filed with the Commission pursuant to Rule 424 (a) under the Securities Act and the prospectus included in the Registration Statement at the time of its effectiveness that omits Rule 430 Information, and the term “Prospectus” means the prospectus in the form first used (or made available upon request of purchasers pursuant to Rule 173 under the Securities Act) in connection with confirmation of sales of the Securities. If the Company and the Issuer have filed an abbreviated registration statement pursuant to Rule 462(b) under the Securities Act (the “Rule 462 Registration Statement”), then any reference herein to the term “Registration Statement” shall be deemed to include such Rule 462 Registration Statement. Any reference in this Agreement to the Registration Statement, any Preliminary Prospectus or the Prospectus shall be deemed to refer to and include the documents incorporated by reference therein pursuant to Item 12 of Form S-3 under the Securities Act, as of the effective date of the Registration Statement or the date of such Preliminary Prospectus or the Prospectus, as the case may be and any reference to “amend”, “amendment” or “supplement” with respect to the Registration Statement, any Preliminary Prospectus or the Prospectus shall be deemed to refer to and include any documents filed after such date under the Securities Exchange Act of 1934, as amended, and the rules and regulations of the Commission thereunder (collectively, the “Exchange Act”) that are deemed to be incorporated by reference therein. Capitalized terms used but not defined herein shall have the meanings given to such terms in the Registration Statement and the Prospectus.

At or prior to 6:00 p.m. New York City Time on November 6, 2014 (the “Time of Sale”), the Company and the Issuer had prepared the following information: a Preliminary Prospectus dated November 6, 2014, and each “free-writing prospectus” (as defined pursuant to Rule 405 under the Securities Act) listed on Annex B-1 hereto as constituting part of the Time of Sale Information (collectively, the “Time of Sale Information”).

2. Purchase of the Notes by the Underwriters. (a) The Issuer agrees to issue and sell the Notes to the several Underwriters as provided in this Agreement, and each Underwriter, on the basis of the representations, warranties and agreements set forth herein and subject to the conditions set forth herein, agrees, severally and not jointly, to purchase from the Issuer the respective principal

amount of Notes set forth opposite the name of such Underwriter in Schedule 1 hereto at the prices set forth in Schedule 2 hereto of the principal amount thereof, plus accrued interest, if any, from November 6, 2014 to the Closing Date. The Issuer will not be obligated to deliver any of the Notes except upon payment for all the Notes to be purchased as provided herein.

(b) The Company and the Issuer understand that the Underwriters intend to make a public offering of the Securities and initially to offer the Securities on the terms set forth in the Prospectus. The Company and the Issuer acknowledge and agree that the Underwriters may offer and sell Notes to or through any affiliate of an Underwriter and that any such affiliate may offer and sell Notes purchased by it to or through any Underwriter.

(c) Payment for and delivery of the Notes will be made at the offices of Davis Polk & Wardwell LLP, 450 Lexington Avenue, New York, New York, 10017 at 10:00 A.M., New York City time, on November 18, 2014 or at such other time or place on the same or such other date, not later than the fifth business day thereafter, as the Representatives and the Issuer may agree upon in writing. The time and date of such payment and delivery is referred to herein as the "Closing Date."

(d) Payment for the Notes shall be made by wire transfer in immediately available funds to the account(s) specified by the Issuer to the Representatives against delivery to the nominee of The Depository Trust Company, for the account of the Underwriters, of one or more global notes representing the Notes (collectively, the "Global Notes"), with any transfer taxes payable in connection with the sale of the Notes to the Underwriters duly paid by the Issuer. The Global Notes will be made available for inspection by the Representatives not later than 1:00 P.M., New York City time, on the business day prior to the Closing Date.

(e) The Company and the Issuer acknowledge and agree that the Underwriters are acting solely in the capacity of an arm's length contractual counterparty to the Company and the Issuer with respect to the offering of Securities contemplated hereby (including in connection with determining the terms of the offering) and not as a financial advisor or a fiduciary to, or an agent of, the Company or the Issuer or any other person. Additionally, neither the Representatives nor any other Underwriter is advising the Company or the Issuer or any other person as to any legal, tax, investment, accounting or regulatory matters in any jurisdiction. The Company and the Issuer shall consult with its own advisors concerning such matters and shall be responsible for making its own independent investigation and appraisal of the transactions contemplated hereby, and the Underwriters shall have no responsibility or liability to the Company and the Issuer with respect thereto. Any review by the Underwriters of the Company or the Issuer, the transactions contemplated hereby or other matters relating to such transactions will be performed solely for the benefit of the Underwriters and shall not be on behalf of the Company or the Issuer. Goldman, Sachs & Co. has been retained by the Company (and its affiliates) as financial advisor (in such capacity, the "Financial Advisor") in connection with the Investment. The Company and the Issuer acknowledge such retention, and further agree not to assert any claim the Company or the Issuer might allege based on any actual or potential conflicts of interest that might be asserted to arise or result solely from, on the one hand, the engagement of the Financial Advisor and, on the other hand, Goldman, Sachs & Co. and its affiliates' relationships with the Company or the Issuer pursuant to this Agreement (it being understood the foregoing shall not constitute a modification or waiver of any of the provisions of the amended and restated engagement letter, dated October 17, 2014, by and among the Company, Goldman Sachs Bank USA and the other financial institutions party thereto, the commitment letter, dated as of June 18, 2012 by and among the Company, Goldman, Sachs & Co. and Merrill Lynch, Pierce, Fenner & Smith Incorporated or the engagement letter, dated as of May 6, 2011 (as amended on November 9, 2011 and January 8, 2013) by and between the Company and Goldman, Sachs & Co.).

3. Representations and Warranties of the Company and the Issuer. The Company and the Issuer, jointly and severally, represent and warrant to each Underwriter that:

- (a) *Preliminary Prospectus*. No order preventing or suspending the use of any Preliminary Prospectus has been issued by the Commission, and each Preliminary Prospectus and the Prospectus, at the time of filing thereof, complied in all material respects with the Securities Act and did not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that the Company and the Issuer make no representation and warranty with respect to any statements or omissions made in reliance upon and in conformity with information relating to any Underwriter furnished to the Company in writing by such Underwriter through the Representatives expressly for use in any Preliminary Prospectus.
- (b) *Time of Sale Information*. The Time of Sale Information, at the Time of Sale did not, and at the Closing Date will not, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that the Company and the Issuer make no representation and warranty with respect to any statements or omissions made in reliance upon and in conformity with information relating to any Underwriter furnished to the Company in writing by such Underwriter through the Representatives expressly for use in such Time of Sale Information. No statement of material fact included in the Prospectus has been omitted from the Time of Sale Information and no statement of material fact included in the Time of Sale Information that is required to be included in the Prospectus has been omitted therefrom.
- (c) *Issuer Free Writing Prospectus*. The Company and the Issuer (including their respective agents and representatives, other than the Underwriters in their capacity as such) have not prepared, made, used, authorized, approved or referred to and will not prepare, make, use, authorize, approve or refer to any “written communication” (as defined in Rule 405 under the Securities Act) that constitutes an offer to sell or solicitation of an offer to buy the Securities (each such communication by the Company, the Issuer or their respective agents and representatives (other than a communication referred to in clauses (i), (ii) and (iii) below) an “Issuer Free Writing Prospectus”) other than (i) any document not constituting a prospectus pursuant to Section 2(a)(10)(a) of the Securities Act or Rule 134 under the Securities Act, (ii) the Preliminary Prospectus, (iii) the Prospectus, (iv) the documents listed on Annex B-1 hereto as constituting part of the Time of Sale Information and (v) any electronic road show or other written communications, in each case approved in writing in advance by the Representatives specified in Annex B-2 hereto. Each such Issuer Free Writing Prospectus complied in all material respects with the Securities Act, has been or will be (within the time period specified in Rule 433) filed in accordance with the Securities Act (to the extent required thereby) and, when taken together with the Preliminary Prospectus filed prior to the first use of such Issuer Free Writing Prospectus, did not, and at the Closing Date will not, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that the Company and the Issuer make no representation and warranty with respect to any statements or omissions made in each such Issuer Free Writing Prospectus in reliance upon and in conformity with information relating to any Underwriter furnished to the Company in writing by such Underwriter through the Representatives expressly for use in any Issuer Free Writing Prospectus.

- (d) *Registration Statement and Prospectus* . The Registration Statement is an “automatic shelf registration statement” as defined under Rule 405 of the Securities Act that has been filed with the Commission not earlier than three years prior to the date hereof; and no notice of objection of the Commission to the use of such registration statement or any post-effective amendment thereto pursuant to Rule 401(g)(2) under the Securities Act has been received by the Company or the Issuer. No order suspending the effectiveness of the Registration Statement has been issued by the Commission and no proceeding for that purpose or pursuant to Section 8A of the Securities Act against the Company and the Issuer or related to the offering has been initiated or, to the best knowledge of the Company or the Issuer, threatened by the Commission; as of the applicable effective date of the Registration Statement and any amendment thereto, the Registration Statement complied and will comply in all material respects with the Securities Act and the Trust Indenture Act of 1939, as amended, and the rules and regulations of the Commission thereunder (collectively, the “Trust Indenture Act”), and, as of such date(s), did not and will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein not misleading; and as of the date of the Prospectus and any amendment or supplement thereto and as of the Closing Date, the Prospectus will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that the Company and the Issuer make no representation and warranty with respect to (i) that part of the Registration Statement that constitutes a Statement of Eligibility and Qualification (Form T-1) of the Trustee under the Trust Indenture Act or (ii) any statements or omissions made in reliance upon and in conformity with information relating to any Underwriter furnished to the Company in writing by such Underwriter through the Representatives expressly for use in the Registration Statement or the Prospectus or any amendment or supplement thereto.
- (e) *Incorporated Documents* . The documents incorporated by reference in the Registration Statement, the Prospectus and the Time of Sale Information, when they were filed with the Commission, or as amended through the date hereof, conformed in all material respects to the requirements of the Exchange Act and none of such documents contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; and any further documents so filed and incorporated by reference in the Registration Statement, the Prospectus or the Time of Sale Information, when such documents become effective or are filed with the Commission, as the case may be, will conform in all material respects to the requirements of the Securities Act or the Exchange Act, as applicable, and will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.
- (f) *Financial Statements* . The financial statements of the Company and its subsidiaries and the related notes thereto included or incorporated by reference in the Registration Statement, the Time of Sale Information and the Prospectus comply in all material respects with the applicable requirements of the Securities Act and the Exchange Act, as applicable, and present fairly the financial position of the Company and its subsidiaries as of the dates indicated and the results of their operations and the changes in their cash flows for the periods specified; such financial statements have been prepared in conformity with generally accepted accounting principles applied on a consistent basis

throughout the periods covered thereby, except as otherwise stated therein, and the supporting schedules included or incorporated by reference in the Registration Statement present fairly the information required to be stated therein; and the other financial information with respect to the Company and its subsidiaries included or incorporated by reference in the Registration Statement, the Time of Sale Information and the Prospectus has been derived from the accounting records of the Company and its subsidiaries and presents fairly the information shown thereby. To the best knowledge of the Company and the Issuer, the financial statements of Alliance Boots and its subsidiaries and the related notes thereto included or incorporated by reference in the Registration Statement, the Time of Sale Information and the Prospectus comply in all material respects with the applicable requirements of the Securities Act and the Exchange Act, as applicable, and present fairly the consolidated financial position of Alliance Boots and its subsidiaries as of the dates indicated and the consolidated results of their operations and the changes in their cash flows for the periods specified; such financial statements have been prepared in conformity with international financial reporting standards applied on a consistent basis throughout the periods covered thereby, except as otherwise stated therein, and the supporting schedules included or incorporated by reference in the Registration Statement present fairly the information required to be stated therein; and the other financial information with respect to Alliance Boots and its subsidiaries included or incorporated by reference in the Registration Statement, the Time of Sale Information and the Prospectus have been prepared from the accounting records of Alliance Boots and its subsidiaries and presents fairly the information shown thereby. The pro forma financial statements included or incorporated by reference in the Registration Statement, the Time of Sale Information and the Prospectus include assumptions that provide a reasonable basis for presenting the significant effects directly attributable to the transactions and events described therein, the related pro forma adjustments give appropriate effect to those assumptions, and the pro forma adjustments reflect a proper application of those adjustments to the historical financial statement amounts in the pro forma financial statements included in the Registration Statement, the Time of Sale Information and the Prospectus. The pro forma financial statements included or incorporated by reference in the Registration Statement, the Time of Sale Information and the Prospectus comply in all material respects with the applicable accounting requirements of Regulation S-X under the Securities Act. The interactive data in eXtensible Business Reporting Language incorporated by reference in the Registration Statement, the Time of Sale Information and the Prospectus fairly presents the information called for in all material respects and has been prepared in accordance with the Commission's rules and guidelines applicable thereto in all material respects.

- (g) *No Material Adverse Change* . Since the date of the most recent financial statements of the Company included or incorporated by reference in the Registration Statement, the Time of Sale Information and the Prospectus, there has not occurred any material adverse change, or any development involving a prospective material adverse change, in or affecting the condition, financial or otherwise, business, properties or results of operations of the Company and its subsidiaries taken as a whole, except as otherwise disclosed in the Registration Statement, the Time of Sale Information and the Prospectus.
- (h) *Organization and Good Standing* . The Issuer, the Company and each of its subsidiaries listed in Schedule 3 hereto (each, a “Material Subsidiary” and collectively, the “Material Subsidiaries”) have been duly organized and are validly existing and in good standing under the laws of their respective jurisdictions of organization, are duly qualified to do business and are in good standing in each jurisdiction in which their respective ownership

or lease of property or the conduct of their respective businesses requires such qualification, and have all power and authority necessary to own or hold their respective properties and to conduct the businesses in which they are engaged, except where the failure to be so qualified, in good standing or have such power or authority would not, individually or in the aggregate, have a material adverse effect on the business, properties, management, financial position or results of operations of the Company and its subsidiaries taken as a whole or on the performance by each of the Company and the Issuer of its respective obligations under the Securities (a “Material Adverse Effect”). Except for the Material Subsidiaries, there are no subsidiaries of the Company that would constitute a “significant subsidiary” as defined in Rule 1-02(w) of Regulation S-X of the Commission.

- (i) *Capitalization* . The Company has an authorized capitalization as set forth in the Time of Sale Information and the Prospectus and all the outstanding shares of capital stock or other equity interests of each Material Subsidiary of the Company have been duly and validly authorized and issued, are fully paid and non-assessable and, except as described in the following sentence, are owned directly or indirectly by the Company, free and clear of any lien, charge, encumbrance, security interest, restriction on voting or transfer or any other claim of any third party. The Company indirectly owns all of the outstanding shares of common stock and 8,000 shares of 12.5% Series A Preferred Stock of Waltrust Properties, Inc., and outside shareholders own the remaining 913 outstanding shares of 12.5% Series A Preferred Stock of Waltrust Properties, Inc. Subject to the last clause of the next sentence, the Company owns the shares of capital stock of Alliance Boots as set forth in the Time of Sale Information and the Prospectus and such shares, to the best knowledge of the Company, have been duly and validly authorized and issued, are fully paid and non-assessable. Such shares are owned directly or indirectly by the Company, free and clear of any lien, charge, encumbrance, security interest, restriction on voting or transfer or any other claim of any third party (“Liens”), subject to any Liens arising out of the Transaction Documents (as defined in the Purchase Agreement).
- (j) *Due Authorization*. Each of the Company and the Issuer has full right, power and authority to execute and deliver this Agreement and to perform its obligations hereunder. The Issuer has full right, power and authority to execute and deliver the Indenture and the Global Notes and to perform its obligations thereunder. The Company has full right, power and authority to execute and deliver the Guarantees and to perform its obligations thereunder. This Agreement, the Securities and the Indenture are collectively referred to herein as the “Transaction Documents,” and all action required to be taken for the due and proper authorization, execution and delivery of each of the Transaction Documents and the consummation of the transactions contemplated thereby has been duly and validly taken.
- (k) *The Indenture* . The Base Indenture has been duly authorized by the Issuer. When each of the Base Indenture and the officers’ certificate establishing the terms of the Securities are duly executed and delivered by the Issuer and the Base Indenture is qualified under the Trust Indenture Act, the Indenture will constitute a valid and legally binding agreement of the Issuer enforceable against the Issuer in accordance with its terms, except as may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent transfer or similar laws affecting the enforcement of creditors’ rights generally or by equitable principles relating to enforceability, regardless of whether enforceability is considered in a proceeding in equity or at law (collectively, the “Enforceability Exceptions”), and the Indenture conforms to the description thereof contained in the Time of Sale Information and the Prospectus.

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- (l) *The Notes* . The Notes have been duly authorized by the Issuer and, when duly executed, authenticated, issued and delivered as provided in the Indenture and paid for as provided herein, will be duly and validly issued and outstanding and will constitute valid and legally binding obligations of the Issuer enforceable against the Issuer in accordance with their terms, subject to the Enforceability Exceptions, will be entitled to the benefits of the Indenture, and will conform to the description thereof contained in the Time of Sale Information and the Prospectus.
- (m) *The Guarantees*. The Guarantees have been duly authorized by the Company and when duly executed and delivered by the Company, when the Notes have been authenticated in the manner provided for in the Indenture and issued and delivered against payment of the purchase price therefor, will be duly and validly issued and outstanding and will constitute valid and legally binding obligations of the Company enforceable against the Company in accordance with their terms, subject to the Enforceability Exceptions, will be entitled to the benefits of the Indenture, and will conform to the description thereof contained in the Time of Sale Information and the Prospectus.
- (n) *Underwriting Agreement* . This Agreement has been duly authorized, executed and delivered by each of the Company and the Issuer.
- (o) *No Violation or Default* . (i) Neither the Issuer nor the Company nor any of its Material Subsidiaries is in violation of its charter or by-laws or similar organizational documents; (ii) neither the Company nor any of its subsidiaries is in default, and no event has occurred that, with notice or lapse of time or both, would constitute such a default, in the due performance or observance of any term, covenant or condition contained in any indenture, mortgage, deed of trust, loan agreement or other agreement or instrument to which the Company or any of its subsidiaries is a party or by which the Company or any of its subsidiaries is bound or to which any of the property or assets of the Company or any of its subsidiaries is subject; and (iii) neither the Company nor any of its subsidiaries is in violation of any law or statute or any judgment, order, rule or regulation of any court or arbitrator or governmental or regulatory authority, except, in the case of clauses (ii) and (iii) above, for any such default or violation that would not, individually or in the aggregate, have a Material Adverse Effect.
- (p) *No Conflicts* . The execution, delivery and performance by each of the Company and the Issuer of each of the Transaction Documents to which it is a party, the issuance and sale of the Securities and compliance by each of the Company and the Issuer, as applicable, with the terms thereof and the consummation of the transactions contemplated by the Transaction Documents will not (i) conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under, or result in the creation or imposition of any lien, charge or encumbrance upon any property or assets of the Company or any of its subsidiaries pursuant to, any indenture, mortgage, deed of trust, loan agreement or other agreement or instrument to which the Company or any of its subsidiaries is a party or by which the Company or any of its subsidiaries is bound or to which any of the property or assets of the Company or any of its subsidiaries is subject, (ii) result in any violation of the provisions of the charter or by-laws or similar organizational documents of the Issuer, the Company or any of its Material Subsidiaries or (iii) result in the violation of any law or statute or any judgment, order, rule or regulation of any court or arbitrator or governmental or regulatory authority, except, in the case of clauses (i) and (iii) above, for any such conflict, breach, violation or default that would not, individually or in the aggregate, have a Material Adverse Effect.

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- (q) *No Consents Required* . No consent, approval, authorization, order, registration or qualification of or with any court or arbitrator or governmental or regulatory authority is required for the execution, delivery and performance by each of the Company and the Issuer of each of the Transaction Documents to which it is party, the issuance and sale of the Securities and compliance by each of the Company and the Issuer, as applicable, with the terms thereof and the consummation of the transactions contemplated by the Transaction Documents, except for the registration of the Securities under the Securities Act, the qualification of the Indenture under the Trust Indenture Act and such consents, approvals, authorizations, orders and registrations or qualifications as may be required under applicable state securities laws in connection with the purchase and distribution of the Securities by the Underwriters.
- (r) *Legal Proceedings* . Except as described in the Registration Statement, the Time of Sale Information and the Prospectus, there are no legal, governmental or regulatory investigations, actions, suits or proceedings pending to which the Company or any of its subsidiaries is or may be a party or to which any property of the Company or any of its subsidiaries is or may be the subject that would reasonably be expected to have a Material Adverse Effect; no such investigations, actions, suits or proceedings are, to the best knowledge of the Company, contemplated or threatened by any governmental or regulatory authority or threatened by others.
- (s) *Independent Accountants* . Deloitte & Touche LLP, which has certified certain financial statements of the Company and its subsidiaries, is an independent registered public accounting firm with respect to the Company and its subsidiaries within the applicable rules and regulations adopted by the Commission and the Public Company Accounting Oversight Board (United States) and as required by the Securities Act. KPMG LLP, which has certified certain financial statements of Alliance Boots and its subsidiaries, is, to the best knowledge of the Company, an independent registered public accounting firm with respect to Alliance Boots and its subsidiaries within the rules and regulations adopted by the Commission and the Public Company Accounting Oversight Board (United States), and under Rule 101 of the American Institute of Certified Public Accountants Code of Professional Conduct and its interpretations and rulings, which is accepted by the Commission for audits of acquiree financial statements pursuant to Rule 3-05 of Regulation S-X of the Commission.
- (t) *Title to Real and Personal Property* . The Company and its subsidiaries have good and marketable title in fee simple to, or have valid rights to lease or otherwise use, all items of real and personal property that are material to the respective businesses of the Company and its subsidiaries, in each case free and clear of all liens, encumbrances, claims and defects and imperfections of title except those that (i) do not materially interfere with the use made and proposed to be made of such property by the Company and its subsidiaries or (ii) would not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect.
- (u) *Investment Company Act* . Each of the Company and the Issuer is not and, after giving effect to the offering and sale of the Securities and the application of the proceeds thereof as described in the Registration Statement, the Time of Sale Information and the Prospectus, will not be an “investment company” or an entity “controlled” by an “investment company” within the meaning of the Investment Company Act of 1940, as amended, and the rules and regulations of the Commission thereunder (collectively, “Investment Company Act”).

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- (v) *Licenses and Permits* . The Company and its subsidiaries possess all licenses, certificates, permits and other authorizations issued by, and have made all declarations and filings with, the appropriate federal, state, local or foreign governmental or regulatory authorities that are necessary for the ownership or lease of their respective properties or the conduct of their respective businesses as described in the Registration Statement, the Time of Sale Information and the Prospectus, except where the failure to possess or make the same would not, individually or in the aggregate, have a Material Adverse Effect; and except as described in the Registration Statement, the Time of Sale Information and the Prospectus, neither the Company nor any of its subsidiaries has received notice of any revocation or modification of any such license, certificate, permit or authorization or has any reason to believe that any such license, certificate, permit or authorization will not be renewed in the ordinary course.
 - (w) *Disclosure Controls* . The Company and its subsidiaries maintain an effective system of “disclosure controls and procedures” (as defined in Rule 13a-15(e) of the Exchange Act) that is designed to ensure that information required to be disclosed by the Company in reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the Commission’s rules and forms, including controls and procedures designed to ensure that such information is accumulated and communicated to the Company’s management as appropriate to allow timely decisions regarding required disclosure. The Company and its subsidiaries have carried out evaluations of the effectiveness of their disclosure controls and procedures as required by Rule 13a-15 of the Exchange Act.
 - (x) *Accounting Controls* . The Company and its subsidiaries maintain systems of “internal control over financial reporting” (as defined in Rule 13a-15(f) of the Exchange Act) that comply with the requirements of the Exchange Act and have been designed by, or under the supervision of, their respective principal executive and principal financial officers, or persons performing similar functions, 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, including, but not limited to internal accounting controls sufficient to provide reasonable assurance that (i) transactions are executed in accordance with management’s general or specific authorizations; (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles and to maintain asset accountability; (iii) access to assets is permitted only in accordance with management’s general or specific authorization; and (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences. The Company’s internal control over financial reporting is effective and the Company is not aware of any material weakness in the Company’s internal controls.
 - (y) *No Registration Rights* . No person has the right to require the Company or any of its subsidiaries to register any securities for sale under the Securities Act by reason of the filing of the Registration Statement with the Commission or the issuance and sale of the Securities.

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- (z) *No Stabilization* . Neither the Company nor the Issuer has taken, directly or indirectly, any action designed to or that could reasonably be expected to cause or result in any stabilization or manipulation of the price of the Notes.
- (aa) *Status under the Securities Act* . Each of the Company and the Issuer is not an ineligible issuer and is a well-known seasoned issuer, in each case as defined under the Securities Act, in each case at the times specified in the Securities Act in connection with the offering of the Securities.
- (bb) *No Unlawful Contributions or Other Payments*. None of the Company, any of its subsidiaries or, to the best of the Company's knowledge, any director, officer, agent, employee or affiliate of the Company or any of its subsidiaries is aware of or has taken any action, directly or indirectly, that would result in a violation by such persons of the Foreign Corrupt Practices Act of 1977, as amended, and the rules and regulations thereunder (the "FCPA"), including, without limitation, making use of the mails or any means or instrumentality of interstate commerce corruptly in furtherance of an offer, payment, promise to pay or authorization of the payment of any money, or other property, gift, promise to give, or authorization of the giving of anything of value to any "foreign official" (as such term is defined in the FCPA) or any foreign political party or official thereof or any candidate for foreign political office, in contravention of the FCPA, and the Company, its subsidiaries and, to the best of the Company's knowledge, its affiliates have conducted their businesses in compliance with the FCPA and have instituted and maintain policies and procedures designed to ensure, and which are reasonably expected to continue to ensure, continued compliance therewith.
- (cc) *No Conflict with Money Laundering Laws*. The operations of the Company and its subsidiaries are and have been conducted at all times in compliance in all material respects with applicable financial recordkeeping and reporting requirements of the Currency and Foreign Transactions Reporting Act of 1970, as amended, the money laundering statutes of all applicable jurisdictions, the rules and regulations thereunder and any related or similar rules, regulations or guidelines issued, administered or enforced by any governmental agency (collectively, the "Money Laundering Laws") and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company or any of its subsidiaries with respect to the Money Laundering Laws is pending or, to the best of the Company's knowledge, threatened.
- (dd) *No Conflict with OFAC Laws*. None of the Company, any of its subsidiaries or, to the knowledge of the Company, any director, officer, agent, employee or affiliate of the Company or any of its subsidiaries is an individual or entity ("Person") currently subject to any sanctions ("Sanctions") administered or enforced by the U.S. Department of the Treasury's Office of Foreign Assets Control ("OFAC"); and the Company will not directly or indirectly use the proceeds of the sale of the Notes, or lend, contribute or otherwise make available such proceeds to any subsidiaries, joint venture partners or other Person, for the purpose of funding the activities of any Person that, at the time of such funding, is the subject of Sanctions.
- (ee) *Alliance Boots* . For the avoidance of doubt, except as otherwise expressly set forth herein, each reference herein to "subsidiary," "Material Subsidiary" or "affiliate" with respect to the Company shall not be deemed to include Alliance Boots or any of its subsidiaries or affiliates. The representations and warranties of Alliance Boots contained in Sections 4.01(a), 4.01(b), and 4.01(c) of the Purchase Agreement (as qualified therein and in the disclosure schedules thereto) are, to the best knowledge of the Company, as of the date hereof, true and accurate in all material respects.
- (ff) *Investment*. Except as disclosed in the Time of Sale Information or the Prospectus, the Company and the Issuer have no reason to believe that the Investment will not be consummated substantially in accordance with the description thereof in the Time of Sale Information and the Prospectus, except for any modification thereof that is not materially adverse to the interest of the holders of the Securities.

4. Further Agreements of the Company and the Issuer. The Company and the Issuer, jointly and severally, covenant and agree with each Underwriter that:

(a) *Required Filings*. The Company and the Issuer will file the final Prospectus with the Commission within the time periods specified by Rule 424(b) and Rule 430A, 430B or 430C under the Securities Act, will file any Issuer Free Writing Prospectus (including the Term Sheets in the forms of Annex C hereto) to the extent required by Rule 433 under the Securities Act; and will file promptly all reports and any definitive proxy or information statements required to be filed by the Company with the Commission pursuant to Section 13(a), 13(c), 14 or 15(d) of the Exchange Act subsequent to the date of the Prospectus and for so long as the delivery of a prospectus is required in connection with the offering or sale of the Securities; and the Company will furnish copies of the Prospectus and each Issuer Free Writing Prospectus (to the extent not previously delivered) to the Underwriters in New York City prior to 10:00 A.M., New York City time, on the second business day next succeeding the date of this Agreement in such quantities as the Representatives may reasonably request. The Company and the Issuer will pay the registration fees for this offering within the time period required by Rule 456(b)(1)(i) under the Securities Act (without giving effect to the proviso therein) and in any event prior to the Closing Date.

(b) *Delivery of Copies*. The Company will deliver, without charge, (i) to the Representatives, copies of the Registration Statement as originally filed and each amendment thereto, in each case including all exhibits and consents filed therewith and documents incorporated by reference therein (unless publicly available on the Company's website or the website of the Commission), to the extent reasonably requested by the Representatives; and (ii) to each Underwriter (A) a conformed copy of the Registration Statement as originally filed and each amendment thereto, in each case including all exhibits and consents filed therewith (unless publicly available on the Company's website or the website of the Commission), to the extent reasonably requested by the Representatives and (B) during the Prospectus Delivery Period (as defined below), as many copies of the Prospectus (including all amendments and supplements thereto and documents incorporated by reference therein) and each Issuer Free Writing Prospectus as the Representatives may reasonably request. As used herein, the term "Prospectus Delivery Period" means such period of time after the first date of the public offering of the Securities as in the opinion of counsel for the Underwriters a prospectus relating to the Securities is required by law to be delivered (or required to be delivered but for Rule 172 under the Securities Act) in connection with sales of the Securities by any Underwriter or dealer.

(c) *Amendments or Supplements; Issuer Free Writing Prospectuses*. Before using, authorizing, approving, referring to or filing any Issuer Free Writing Prospectus, and before filing any amendment or supplement to the Registration Statement or the Prospectus during the Prospectus Delivery Period, the Company will furnish to the Representatives and counsel for the Underwriters a copy of the proposed Issuer Free Writing Prospectus, amendment or supplement for review and will not use, authorize, approve, refer to or file any such Issuer Free Writing Prospectus or file any such proposed amendment or supplement to which the Representatives reasonably object, unless in the reasonable judgment of the Company and its counsel, such

proposed amendment or supplement is necessary to comply with law or to make the statements contained in the Registration Statement, Time of Sale Information, Prospectus or any Issuer Free Writing Prospectus, not misleading.

(d) *Notice to the Representatives* . During the Prospectus Delivery Period, the Company and the Issuer will advise the Representatives promptly, and confirm such advice in writing, (i) when any amendment to the Registration Statement has been filed or becomes effective; (ii) when any supplement to the Prospectus or any amendment to the Prospectus or any Issuer Free Writing Prospectus has been filed; (iii) of any request by the Commission for any amendment to the Registration Statement or any amendment or supplement to the Prospectus or the receipt of any comments from the Commission relating to the Registration Statement or any other request by the Commission for any additional information with respect thereto; (iv) of the issuance by the Commission of any order suspending the effectiveness of the Registration Statement or preventing or suspending the use of any Preliminary Prospectus or the Prospectus or the initiation or threatening of any proceeding for that purpose or pursuant to Section 8A of the Securities Act; (v) of the occurrence of any event within the Prospectus Delivery Period as a result of which the Prospectus, the Time of Sale Information or any Issuer Free Writing Prospectus as then amended or supplemented would include any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances existing when the Prospectus, the Time of Sale Information or any such Issuer Free Writing Prospectus is delivered to a purchaser, not misleading; (vi) of the receipt by the Company or the Issuer of any notice of objection of the Commission to the use of the Registration Statement or any post-effective amendment thereto pursuant to Rule 401(g)(2) under the Securities Act or if the Company or the Issuer otherwise ceases to be eligible to use the automatic shelf registration form; and (vii) of the receipt by the Company or the Issuer of any notice with respect to any suspension of the qualification of the Securities for offer and sale in any jurisdiction or the initiation or threatening of any proceeding for such purpose; and each of the Company and the Issuer will use its reasonable best efforts to prevent the issuance of any such order suspending the effectiveness of the Registration Statement, preventing or suspending the use of any Preliminary Prospectus or the Prospectus or suspending any such qualification of the Securities and, if any such order is issued, will obtain as soon as possible the withdrawal thereof.

(e) *Time of Sale Information* . If at any time prior to the Closing Date (i) any event shall occur or condition shall exist as a result of which the Time of Sale Information as then amended or supplemented would include any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances, not misleading or (ii) it is necessary to amend or supplement the Time of Sale Information to comply with law, the Company and the Issuer will immediately notify the Underwriters thereof and forthwith prepare and, subject to paragraph (c) above, file with the Commission (to the extent required) and furnish to the Underwriters and to such dealers as the Representatives may designate, such amendments or supplements to the Time of Sale Information as may be necessary so that the statements in the Time of Sale Information as so amended or supplemented will not, in the light of the circumstances, be misleading or so that the Time of Sale Information will comply with law.

(f) *Ongoing Compliance* . If during the Prospectus Delivery Period (i) any event shall occur or condition shall exist as a result of which the Prospectus as then amended or supplemented would include any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances existing when the Prospectus is delivered to a purchaser, not misleading or (ii) it is necessary to amend or supplement the Prospectus to comply with law, the Company and

the Issuer will immediately notify the Underwriters thereof and forthwith prepare and, subject to paragraph (c) above, file with the Commission and furnish to the Underwriters and to such dealers as the Representatives may designate, such amendments or supplements to the Prospectus as may be necessary so that the statements in the Prospectus as so amended or supplemented will not, in the light of the circumstances existing when the Prospectus is delivered to a purchaser, be misleading or so that the Prospectus will comply with law.

(g) *Blue Sky Compliance* . The Company and the Issuer will qualify the Securities for offer and sale under the securities or Blue Sky laws of such jurisdictions as the Representatives shall reasonably request and will continue such qualifications in effect so long as required for distribution of the Securities; provided that neither the Company nor the Issuer shall be required to (i) qualify as a foreign corporation or other entity or as a dealer in securities in any such jurisdiction where it would not otherwise be required to so qualify, (ii) file any general consent to service of process in any such jurisdiction or (iii) subject itself to taxation in any such jurisdiction if it is not otherwise so subject.

(h) *Earning Statement* . The Company will make generally available to its security holders and the Representatives as soon as practicable an earning statement that satisfies the provisions of Section 11(a) of the Securities Act and Rule 158 of the Commission promulgated thereunder covering a period of at least twelve months beginning with the first fiscal quarter of the Company occurring after the “effective date” (as defined in Rule 158) of the Registration Statement.

(i) *Clear Market* . During the period from the date hereof through and including the business day following the Closing Date, each of the Company and the Issuer will not, without the prior written consent of the Representatives, offer, sell, contract to sell or otherwise dispose of any debt securities issued or guaranteed by the Company or the Issuer and having a tenor of more than one year.

(j) *Use of Proceeds* . The Issuer will apply the net proceeds from the sale of the Notes as described in the Registration Statement, the Time of Sale Information and the Prospectus under the heading “Use of Proceeds.”

(k) *No Stabilization* . Neither the Company nor the Issuer will take, directly or indirectly, any action designed to or that could reasonably be expected to cause or result in any stabilization or manipulation of the price of the Securities.

(l) *Record Retention* . Each of the Company and the Issuer will, pursuant to reasonable procedures developed in good faith, retain copies of each Issuer Free Writing Prospectus that is not filed with the Commission in accordance with Rule 433 under the Securities Act.

(m) *Registration Statement Renewal Deadline* . To the extent the Representatives notify the Company and the Issuer at least 30 days prior to the Renewal Deadline (as defined below), that there is a reasonable possibility, that as of immediately prior to the third anniversary (the “Renewal Deadline”) of the initial effective date of the Registration Statement, any of the Securities will remain unsold by the Underwriters, if immediately prior to the Renewal Deadline, any of the Securities remain unsold by the Underwriters, the Company and/or the Issuer, as applicable, will prior to the Renewal Deadline file, if it has not already done so and is eligible to do so, a new automatic shelf registration statement relating to the Securities, in a form satisfactory to the Representatives. If the Company and/or the Issuer, as applicable, is no longer eligible to file an automatic shelf registration statement, the Company and/or the Issuer, as applicable, will prior to the Renewal Deadline, if it has not already done so, file a new shelf registration statement relating to the Securities, in a form satisfactory to the Representatives, and

will use its best efforts to cause such registration statement to be declared effective within 90 days after the Renewal Deadline. The Company and/or the Issuer, as applicable, will take all other action necessary or appropriate to permit the public offering and sale of the Securities to continue as contemplated in the expired registration statement relating to the Securities. References herein to the Registration Statement shall include such new automatic shelf registration statement or such new shelf registration statement, as the case may be.

(n) *Notice of Inability to Use Automatic Shelf Registration Statement Form*. If at any time during the Prospectus Delivery Period the Company or the Issuer receives from the Commission a notice pursuant to Rule 401(g)(2) or otherwise ceases to be eligible to use the automatic shelf registration statement form (as specified in Section 3(d)(vii) hereof), the Company and the Issuer will (i) promptly notify the Representatives, (ii) promptly file a new registration statement or post-effective amendment on the proper form relating to the Securities, in a form satisfactory to the Representatives, (iii) use its best efforts to cause such registration statement or post-effective amendment to be declared effective and (iv) promptly notify the Representatives of such effectiveness. The Company and the Issuer will take all other action necessary or appropriate to permit the public offering and sale of the Securities to continue as contemplated in the registration statement that was the subject of the Rule 401(g)(2) notice or for which the Company or the Issuer has otherwise become ineligible. References herein to the Registration Statement shall include such new registration statement or post-effective amendment, as the case may be.

5. Certain Agreements of the Underwriters. Each Underwriter hereby represents and agrees that:

(a) It has not and will not use, authorize use of, refer to, or participate in the planning for use of, any “free writing prospectus”, as defined in Rule 405 under the Securities Act (which term includes use of any written information furnished to the Commission by the Issuer or the Company and not incorporated by reference into the Registration Statement and any press release issued by the Issuer or the Company) other than (i) a free writing prospectus that, solely as a result of use by such underwriter, would not trigger an obligation to file such free writing prospectus with the Commission pursuant to Rule 433, (ii) any Issuer Free Writing Prospectus listed on Annex B-1 and Annex B-2 or prepared pursuant to Section 3(c) or Section 4(c) above (including any electronic road show), or (iii) any free writing prospectus prepared by such underwriter and approved by the Company in advance in writing (each such free writing prospectus referred to in clauses (i) or (iii), an “Underwriter Free Writing Prospectus”). Notwithstanding the foregoing, the Underwriters may use any term sheet substantially in the form of Annex C hereto without the consent of the Company.

(b) It is not subject to any pending proceeding under Section 8A of the Securities Act with respect to the offering (and will promptly notify the Company if any such proceeding against it is initiated during the Prospectus Delivery Period).

(c) It agrees that it has complied and will comply with the selling restrictions in connection with the offering of Securities as set forth in Annex D hereto.

6. Conditions of Underwriters’ Obligations. The obligation of each Underwriter to purchase Securities on the Closing Date as provided herein is subject to the performance by each of the Company and the Issuer of its covenants and other obligations hereunder and to the following additional conditions:

(a) *Registration Compliance; No Stop Order*. No order suspending the effectiveness of the Registration Statement shall be in effect, and no proceeding for such purpose, pursuant to

Rule 401(g)(2) or pursuant to Section 8A under the Securities Act shall be pending before or threatened by the Commission; the Prospectus and each Issuer Free Writing Prospectus shall have been timely filed with the Commission under the Securities Act (in the case of an Issuer Free Writing Prospectus, to the extent required by Rule 433 under the Securities Act) and in accordance with Section 4(a) hereof; and all requests by the Commission for additional information shall have been complied with to the reasonable satisfaction of the Representatives.

(b) *Representations and Warranties* . The representations and warranties of each of the Company and the Issuer contained herein shall be true and correct on the date hereof and on and as of the Closing Date; and the statements of each of the Company and the Issuer and their respective officers made in any certificates delivered pursuant to this Agreement shall be true and correct on and as of the Closing Date.

(c) *No Downgrade* . Subsequent to the earlier of (A) the Time of Sale and (B) the execution and delivery of this Agreement, (i) no downgrading shall have occurred in the rating accorded the Notes or any other debt securities or preferred stock of or guaranteed by the Company or any of its subsidiaries by any “nationally recognized statistical rating organization”, as such term is defined by the Commission for purposes of Section 3(a)(62) of the Exchange Act and (ii) no such organization shall have publicly announced that it has under surveillance or review, or has changed its outlook with respect to, its rating of the Notes or of any other debt securities or preferred stock of or guaranteed by the Company or any of its subsidiaries (other than an announcement with positive implications of a possible upgrading).

(d) *No Material Adverse Change* . No event or condition of a type described in Section 3(g) hereof shall have occurred or shall exist, which event or condition is not described in the Time of Sale Information (excluding any amendment or supplement thereto) and the Prospectus (excluding any amendment or supplement thereto) and the effect of which in the judgment of the Representatives makes it impracticable or inadvisable to proceed with the offering, sale or delivery of the Securities on the terms and in the manner contemplated by this Agreement, the Time of Sale Information and the Prospectus.

(e) *Company Officer’s Certificate* . The Representatives shall have received on and as of the Closing Date a certificate of an executive officer of the Company who has specific knowledge of the Company’s financial matters and is satisfactory to the Representatives (i) confirming that such officer has reviewed the Registration Statement, the Time of Sale Information and the Prospectus and, to the best knowledge of such officer, the representations set forth in Sections 3(b) and 3(d) hereof are true and correct, (ii) confirming that the other representations and warranties of the Company in this Agreement are true and correct and that the Company has complied with all agreements and satisfied all conditions on its part to be performed or satisfied hereunder at or prior to the Closing Date and (iii) to the effect set forth in paragraphs (a), (c) and (d) above.

(f) *Issuer Officer’s Certificate* . The Representatives shall have received on and as of the Closing Date a certificate of an executive officer of the Issuer satisfactory to the Representatives (i) confirming that such officer has reviewed the Registration Statement, the Time of Sale Information and the Prospectus and, to the best knowledge of such officer, the representations set forth in Sections 3(b) and 3(d) hereof are true and correct, and (ii) confirming that the other representations and warranties of the Issuer in this Agreement are true and correct and that the Issuer has complied with all agreements and satisfied all conditions on its part to be performed or satisfied hereunder at or prior to the Closing Date.

(g) *Comfort Letters for the Company* . On the date of this Agreement and on the Closing Date, Deloitte & Touche LLP shall have furnished to the Representatives, at the request of the Company, letters, dated the respective dates of delivery thereof and addressed to the Underwriters, in form and substance reasonably satisfactory to the Representatives, containing statements and information of the type customarily included in accountants' "comfort letters" to underwriters with respect to the Company's financial statements and certain Company financial information contained or incorporated by reference in the Registration Statement, the Time of Sale Information and the Prospectus; provided that the letter delivered on the Closing Date shall use a "cut-off" date no more than three business days prior to the Closing Date.

(h) *Comfort Letters for Alliance Boots* . On the date of this Agreement and on the Closing Date, KPMG LLP shall have furnished to the Representatives, at the request of the Company, letters, dated the respective dates of delivery thereof and addressed to the Underwriters, in form and substance reasonably satisfactory to the Representatives, containing statements and information of the type customarily included in accountants' "comfort letters" to underwriters with respect to the Alliance Boots' financial statements and certain Alliance Boots financial information contained or incorporated by reference in the Registration Statement, the Time of Sale Information and the Prospectus; provided that the letter delivered on the Closing Date shall use a "cut-off" date no more than three business days prior to the Closing Date.

(i) *Opinion and 10b-5 Statement of Counsel for the Company* . (i) Wachtell, Lipton, Rosen & Katz LLP, counsel for the Company, shall have furnished to the Representatives, at the request of the Company, their written opinion and 10b-5 Statement, dated the Closing Date and addressed to the Underwriters, in form and substance reasonably satisfactory to the Representatives, to the effect set forth in Annex A-1 hereto; and (ii) Thomas Sabatino, Jr., General Counsel of the Company, shall have furnished to the Representatives, at the request of the Company, his written opinion, dated the Closing Date and addressed to the Underwriters, in form and substance reasonably satisfactory to the Representatives, to the effect set forth in Annex A-2 hereto.

(j) *Opinion and 10b-5 Statement of Counsel for the Underwriters* . The Representatives shall have received on and as of the Closing Date an opinion and 10b-5 Statement of Davis Polk & Wardwell LLP, counsel for the Underwriters, with respect to such matters as the Representatives may reasonably request, and such counsel shall have received such documents and information as they may reasonably request to enable them to pass upon such matters.

(k) *No Legal Impediment to Issuance* . No action shall have been taken and no statute, rule, regulation or order shall have been enacted, adopted or issued by any federal, state or foreign governmental or regulatory authority that would, as of the Closing Date, prevent the issuance or sale of the Securities; and no injunction or order of any federal, state or foreign court shall have been issued that would, as of the Closing Date, prevent the issuance or sale of the Securities.

(l) *Good Standing* . The Representatives shall have received on the Closing Date satisfactory evidence as of the Closing Date or a date prior to the Closing Date that is reasonably acceptable to the Representatives of the good standing of the Issuer, Company and its Material Subsidiaries in their respective jurisdictions of organization and their good standing in such other jurisdictions as the Representatives may reasonably request, in each case in writing or any standard form of telecommunication from the appropriate governmental authorities of such jurisdictions.

(m) *Base Indenture* . On or prior to the Closing Date, the Base Indenture shall have been executed and delivered by the Issuer and qualified under the TIA.

(n) *Additional Documents* . On or prior to the Closing Date, the Company and the Issuer shall have furnished to the Representatives such further certificates and documents as the Representatives may reasonably request.

All opinions, letters, certificates and evidence mentioned above or elsewhere in this Agreement shall be deemed to be in compliance with the provisions hereof only if they are in form and substance reasonably satisfactory to counsel for the Underwriters.

7. Indemnification and Contribution.

(a) *Indemnification of the Underwriters*. The Company and the Issuer, jointly and severally, agree to indemnify and hold harmless each Underwriter, its affiliates, directors and officers and each person, if any, who controls such Underwriter within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act, from and against any and all losses, claims, damages and liabilities (including, without limitation, legal fees and other expenses reasonably incurred in connection with any suit, action or proceeding or any claim asserted, as such fees and expenses are incurred), joint or several, that arise out of, or are based upon, (i) any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement or caused by any omission or alleged omission to state therein a material fact required to be stated therein or necessary in order to make the statements therein, not misleading, (ii) or any untrue statement or alleged untrue statement of a material fact contained in the Prospectus (or any amendment or supplement thereto), any Issuer Free Writing Prospectus or any Time of Sale Information, or caused by any omission or alleged omission to state therein a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading, in each case except insofar as such losses, claims, damages or liabilities arise out of, or are based upon, any untrue statement or omission or alleged untrue statement or omission made in reliance upon and in conformity with any information relating to any Underwriter furnished to the Company in writing by such Underwriter through the Representatives expressly for use therein.

(b) *Indemnification of the Company and the Issuer*. Each Underwriter agrees, severally and not jointly, to indemnify and hold harmless each of the Company and the Issuer, and each of their respective directors, officers who signed the Registration Statement and each person, if any, who controls either of the Company or the Issuer within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act to the same extent as the indemnity set forth in paragraph (a) above, but only with respect to any losses, claims, damages or liabilities that arise out of, or are based upon, any untrue statement or omission or alleged untrue statement or omission made in reliance upon and in conformity with any information relating to such Underwriter furnished to the Company in writing by such Underwriter through the Representatives expressly for use in the Registration Statement, the Prospectus (or any amendment or supplement thereto), any Issuer Free Writing Prospectus or any Time of Sale Information, it being understood and agreed that the only such information consists of the following: the two paragraphs under the subsection entitled “Stabilization and Short Positions” under the caption “Underwriting.”

(c) *Notice and Procedures*. If any suit, action, proceeding (including any governmental or regulatory investigation), claim or demand shall be brought or asserted against any person in respect of which indemnification may be sought pursuant to either paragraph (a) or (b) above, such person (the “Indemnified Person”) shall promptly notify the person against whom such indemnification may be sought (the “Indemnifying Person”) in writing; provided that the failure to notify the Indemnifying Person shall not relieve it from any liability that it may have under this Section 7 except to the extent that it has been materially prejudiced (through the forfeiture of

substantive rights or defenses) by such failure; and provided, further, that the failure to notify the Indemnifying Person shall not relieve it from any liability that it may have to an Indemnified Person otherwise than under paragraph (a) or (b) above. If any such proceeding shall be brought or asserted against an Indemnified Person and it shall have notified the Indemnifying Person thereof, the Indemnifying Person shall retain counsel reasonably satisfactory to the Indemnified Person (who shall not, without the consent of the Indemnified Person, be counsel to the Indemnifying Person) to represent the Indemnified Person and any others entitled to indemnification pursuant to Section 7 that the Indemnifying Party may designate in such proceeding and shall pay the fees and expenses of such proceeding and shall pay the fees and expenses of counsel related to such proceeding, as incurred. In any such proceeding, any Indemnified Person shall have the right to retain its own counsel, but the fees and expenses of such counsel shall be at the expense of such Indemnified Person unless (i) the Indemnifying Person and the Indemnified Person shall have mutually agreed to the contrary; (ii) the Indemnifying Person has failed within a reasonable time to retain counsel reasonably satisfactory to the Indemnified Person; (iii) the Indemnified Person shall have reasonably concluded that there may be legal defenses available to it that are different from or in addition to those available to the Indemnifying Person; or (iv) the named parties in any such proceeding (including any impleaded parties) include both the Indemnifying Person and the Indemnified Person and representation of both parties by the same counsel would be inappropriate due to actual or potential differing interest between them. It is understood and agreed that the Indemnifying Person shall not, in connection with any proceeding or related proceeding in the same jurisdiction, be liable for the fees and expenses of more than one separate firm (in addition to any local counsel) for all Indemnified Persons, and that all such fees and expenses shall be reimbursed as they are incurred. Any such separate firm for any Underwriter, its affiliates, directors and officers and any control persons of such Underwriter shall be designated in writing by the Representatives and any such separate firm for the Company and the Issuer, and each of their respective directors, officers who signed the Registration Statement and any control persons of the Company or the Issuer shall be designated in writing by the Company or the Issuer. The Indemnifying Person shall not be liable for any settlement of any proceeding effected without its written consent, but if settled with such consent or if there be a final judgment for the plaintiff, the Indemnifying Person agrees to indemnify each Indemnified Person from and against any loss or liability by reason of such settlement or judgment. Notwithstanding the foregoing sentence, if at any time an Indemnified Person shall have requested that an Indemnifying Person reimburse the Indemnified Person for fees and expenses of counsel as contemplated by this paragraph, the Indemnifying Person shall be liable for any settlement of any proceeding effected without its written consent if (i) such settlement is entered into more than 30 days after receipt by the Indemnifying Person of such request and (ii) the Indemnifying Person shall not have reimbursed the Indemnified Person in accordance with such request prior to the date of such settlement. No Indemnifying Person shall, without the written consent of the Indemnified Person, effect any settlement of any pending or threatened proceeding in respect of which any Indemnified Person is or could have been a party and indemnification could have been sought hereunder by such Indemnified Person, unless such settlement (x) includes an unconditional release of such Indemnified Person, in form and substance reasonably satisfactory to such Indemnified Person, from all liability on claims that are the subject matter of such proceeding and (y) does not include any statement as to or any admission of fault, culpability or a failure to act by or on behalf of any Indemnified Person.

(d) *Contribution* . If the indemnification provided for in paragraphs (a) and (b) above is unavailable to an Indemnified Person or insufficient in respect of any losses, claims, damages or liabilities referred to therein, then each Indemnifying Person under such paragraph, in lieu of indemnifying such Indemnified Person thereunder, shall contribute to the amount paid or payable by such Indemnified Person as a result of such losses, claims, damages or liabilities (i) in such

proportion as is appropriate to reflect the relative benefits received by the Company and the Issuer on the one hand and the Underwriters on the other from the offering of the Securities or (ii) if the allocation provided by clause (i) is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) but also the relative fault of the Company and the Issuer on the one hand and the Underwriters on the other in connection with the statements or omissions that resulted in such losses, claims, damages or liabilities, as well as any other relevant equitable considerations. The relative benefits received by the Company and the Issuer on the one hand and the Underwriters on the other shall be deemed to be in the same respective proportions as the net proceeds (before deducting expenses) received by the Issuer from the sale of the Notes and the total underwriting discounts and commissions received by the Underwriters in connection therewith, in each case as set forth in the table on the cover of the Prospectus, bear to the aggregate offering price of the Notes. The relative fault of the Company and the Issuer on the one hand and the Underwriters on the other shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company or the Issuer or by the Underwriters and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission.

(e) *Limitation on Liability*. The Company, the Issuer and the Underwriters agree that it would not be just and equitable if contribution pursuant to this Section 7 were determined by pro rata allocation (even if the Underwriters were treated as one entity for such purpose) or by any other method of allocation that does not take account of the equitable considerations referred to in paragraph (d) above. The amount paid or payable by an Indemnified Person as a result of the losses, claims, damages and liabilities referred to in paragraph (d) above shall be deemed to include, subject to the limitations set forth above, any legal or other expenses reasonably incurred by such Indemnified Person in connection with any such action or claim. Notwithstanding the provisions of this Section 7, in no event shall an Underwriter be required to contribute any amount in excess of the amount by which the total underwriting discounts and commissions received by such Underwriter with respect to the offering of the Securities exceeds the amount of any damages that such Underwriter has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The Underwriters' obligations to contribute pursuant to this Section 7 are several in proportion to their respective purchase obligations hereunder and not joint.

(f) *Non-Exclusive Remedies*. The remedies provided for in this Section 7 are not exclusive and shall not limit any rights or remedies which may otherwise be available to any Indemnified Person at law or in equity.

8. Effectiveness of Agreement. This Agreement shall become effective upon the execution and delivery hereof by the parties hereto.

9. Termination. This Agreement may be terminated in the absolute discretion of the Representatives, by notice to the Company and the Issuer, if after the execution and delivery of this Agreement and prior to the Closing Date (i) trading generally shall have been suspended or materially limited on the New York Stock Exchange or the over-the-counter market; (ii) trading of any securities issued or guaranteed by the Company or the Issuer shall have been suspended on any exchange or in any over-the-counter market; (iii) a general moratorium on commercial banking activities shall have been declared by federal or New York State authorities; or (iv) there shall have occurred any outbreak or escalation of hostilities or any change in financial markets or any calamity or crisis, either within or outside the United States, that, in the judgment of the

Representatives, is material and adverse and makes it impracticable or inadvisable to proceed with the offering, sale or delivery of the Securities on the terms and in the manner contemplated by this Agreement, the Time of Sale Information and the Prospectus.

10. Defaulting Underwriter. (a) If, on the Closing Date, any Underwriter defaults on its obligation to purchase the Securities that it has agreed to purchase hereunder, the non-defaulting Underwriters may in their discretion arrange for the purchase of such Securities by other persons satisfactory to the Issuer on the terms contained in this Agreement. If, within 36 hours after any such default by any Underwriter, the non-defaulting Underwriters do not arrange for the purchase of such Securities, then the Issuer shall be entitled to a further period of 36 hours within which to procure other persons satisfactory to the non-defaulting Underwriters to purchase such Securities on such terms. If other persons become obligated or agree to purchase the Securities of a defaulting Underwriter, either the non-defaulting Underwriters or the Issuer may postpone the Closing Date for up to five full business days in order to effect any changes that in the opinion of counsel for the Issuer or counsel for the Underwriters may be necessary in the Registration Statement and the Prospectus or in any other document or arrangement, and the Company and the Issuer agree to promptly prepare any amendment or supplement to the Registration Statement and the Prospectus that effects any such changes. As used in this Agreement, the term "Underwriter" includes, for all purposes of this Agreement unless the context otherwise requires, any person not listed in Schedule 1 hereto that, pursuant to this Section 10, purchases Securities that a defaulting Underwriter agreed but failed to purchase.

(b) If, after giving effect to any arrangements for the purchase of the Securities of a defaulting Underwriter or Underwriters by the non-defaulting Underwriters and the Issuer as provided in paragraph (a) above, the aggregate principal amount of the Notes that remains unpurchased does not exceed one-eleventh of the aggregate principal amount of all the Notes, then the Issuer shall have the right to require each non-defaulting Underwriter to purchase the principal amount of Notes that such Underwriter agreed to purchase hereunder plus such Underwriter's pro rata share (based on the principal amount of Notes that such Underwriter agreed to purchase hereunder) of the Notes of such defaulting Underwriter or Underwriters for which such arrangements have not been made.

(c) If, after giving effect to any arrangements for the purchase of the Securities of a defaulting Underwriter or Underwriters by the non-defaulting Underwriters and the Issuer as provided in paragraph (a) above, the aggregate principal amount of the Notes that remains unpurchased exceeds one-eleventh of the aggregate principal amount of all the Notes, or if the Issuer shall not exercise the right described in paragraph (b) above, then this Agreement shall terminate without liability on the part of the non-defaulting Underwriters. Any termination of this Agreement pursuant to this Section 10 shall be without liability on the part of the Company and the Issuer, except that the Company and the Issuer will continue to be liable for the payment of expenses as set forth in Section 11 hereof and except that the provisions of Section 7 hereof shall not terminate and shall remain in effect.

(d) Nothing contained herein shall relieve a defaulting Underwriter of any liability it may have to the Company and the Issuer or any non-defaulting Underwriter for damages caused by its default.

11. Payment of Expenses. (a) Whether or not the transactions contemplated by this Agreement are consummated or this Agreement is terminated, each of the Company and the Issuer will pay or cause to be paid all costs and expenses incident to the performance of its obligations hereunder, including without limitation, (i) the costs incident to the authorization, issuance, sale, preparation and delivery of the Securities and any transfer taxes imposed on the

Issuer in that connection; (ii) the costs incident to the preparation, printing and filing under the Securities Act of the Registration Statement, the Preliminary Prospectus, any Issuer Free Writing Prospectus, any Time of Sale Information and the Prospectus (including all exhibits, amendments and supplements thereto) and the distribution thereof; (iii) the costs of reproducing and distributing each of the Transaction Documents; (iv) the fees and expenses of the Company's counsel and independent accountants; (v) the fees and expenses incurred in connection with the registration or qualification and determination of eligibility for investment of the Securities under the laws of such jurisdictions as the Representatives may designate and the preparation, printing and distribution of a Blue Sky Memorandum (including the related fees and expenses of counsel for the Underwriters); (vi) any fees charged by rating agencies for rating the Securities; (vii) the fees and expenses of the Trustee and any paying agent (including related fees and expenses of any counsel to such parties); (viii) all expenses and application fees incurred in connection with any filing with, and clearance of the offering by, the Financial Industry Regulatory Authority; (ix) all expenses incurred by the Company and the Issuer in connection with any "road show" presentation to potential investors, if any; and (x) all expenses and application fees related to the listing of any Securities on any securities exchange.

(b) If (i) this Agreement is terminated pursuant to Section 9(ii), (ii) the Issuer for any reason (other than a breach by any Underwriter hereunder) fails to tender the Securities for delivery to the Underwriters or (iii) the Underwriters decline to purchase the Securities for any reason permitted under this Agreement, the Company and the Issuer agree to reimburse the Underwriters for all out-of-pocket costs and expenses (including the fees and expenses of their counsel) reasonably incurred by the Underwriters in connection with this Agreement and the offering contemplated hereby.

12. Persons Entitled to Benefit of Agreement. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and the officers and directors and any controlling persons referred to herein, and the affiliates of each Underwriter referred to in Section 7 hereof. Nothing in this Agreement is intended or shall be construed to give any other person any legal or equitable right, remedy or claim under or in respect of this Agreement or any provision contained herein. No purchaser of Securities from any Underwriter shall be deemed to be a successor merely by reason of such purchase.

13. Survival. The respective indemnities, rights of contribution, representations, warranties and agreements of the Company, the Issuer and the Underwriters contained in this Agreement or made by or on behalf of the Company, the Issuer or the Underwriters pursuant to this Agreement or any certificate delivered pursuant hereto shall survive the delivery of and payment for the Securities and shall remain in full force and effect, regardless of any termination of this Agreement or any investigation made by or on behalf of the Company, the Issuer or the Underwriters.

14. Certain Defined Terms. For purposes of this Agreement, and subject to the first sentence of Section 3(ee), (a) except where otherwise expressly provided, the term "affiliate" has the meaning set forth in Rule 405 under the Securities Act; (b) the term "business day" means any day other than a day on which banks are permitted or required to be closed in New York City; (c) the term "subsidiary" has the meaning set forth in Rule 405 under the Securities Act.

15. Miscellaneous. (a) *Authority of the Representatives*. Any action by the Underwriters hereunder may be taken by the Representatives on behalf of the Underwriters, and any such action taken by the Representatives shall be binding upon the Underwriters.

(b) *Notices*. All notices and other communications hereunder shall be in writing and shall be deemed to have been duly given if mailed or transmitted and confirmed by any standard form of telecommunication. Notices to the Underwriters shall be given to the Representatives c/o Goldman, Sachs & Co., 200 West Street, New York, New York 10282-2198, Attention: Registration Department; c/o Deutsche Bank Securities Inc., 60 Wall Street, New York, New York 10005, Attention: Debt Capital Markets Syndicate (fax: 212-797-2202), with a copy to General Counsel (fax: 212-797-4561); and c/o Merrill Lynch, Pierce, Fenner & Smith Incorporated, 50 Rockefeller Plaza, NY1-050-12-01, New York, New York 10020, Attention: High Grade Transaction Management/Legal (fax: 212-901-7881). Notices to the Issuer shall be given to it at 108 Wilmot Road, Deerfield, Illinois 60015, Attention: Thomas Sabatino, Jr. (fax: 847-315-3652). Notices to the Company shall be given to it at 108 Wilmot Road, Deerfield, Illinois 60015, Attention: Thomas Sabatino, Jr. (fax: 847-315-3652). In accordance with the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)), the Underwriters are required to obtain, verify and record information that identifies their respective clients, including the Company and the Issuer, which information may include the name and address of their respective clients, as well as other information that will allow the underwriters to properly identify their respective clients.

(c) *Governing Law*. This Agreement shall be governed by and construed in accordance with the laws of the State of New York.

(d) *Counterparts*. This Agreement may be signed in counterparts (which may include counterparts delivered by any standard form of telecommunication), each of which shall be an original and all of which together shall constitute one and the same instrument.

(e) *Amendments or Waivers*. No amendment or waiver of any provision of this Agreement, nor any consent or approval to any departure therefrom, shall in any event be effective unless the same shall be in writing and signed by the parties hereto.

(f) *Headings*. The headings herein are included for convenience of reference only and are not intended to be part of, or to affect the meaning or interpretation of, this Agreement.

If the foregoing is in accordance with your understanding, please indicate your acceptance of this Agreement by signing in the space provided below.

Very truly yours,

WALGREENS BOOTS ALLIANCE, INC.

By: /s/ Timothy R. McLevish

Name: Timothy R. McLevish

Title: Vice President and Treasurer

[Underwriting Agreement Signature Page]

WALGREEN CO.

By: /s/ Timothy R. McLevish

Name: Timothy R. McLevish

Title: Executive Vice President and
Chief Financial Officer

[Underwriting Agreement Signature Page]

Accepted as of the date first written above

GOLDMAN, SACHS & CO.

By: /s/ Matt Leavitt
Name: Matt Leavitt
Title: Managing Director

DEUTSCHE BANK SECURITIES INC.

By: /s/ Jared Birnbaum
Name: Jared Birnbaum
Title: Managing Director

By: /s/ Eunice Kang
Name: Eunice King
Title: Director

MERRILL LYNCH, PIERCE, FENNER & SMITH
INCORPORATED

By: /s/ Brendan Hanley
Name: Brendan Hanley
Title: Managing Director

For themselves and on behalf of the several Underwriters listed in Schedule 1 hereto.

[Underwriting Agreement Signature Page]

SCHEDULE 1

Underwriter	Principal Amount of 2016 Notes	Principal Amount of 2017 Notes	Principal Amount of 2019 Notes	Principal Amount of 2021 Notes	Principal Amount of 2024 Notes	Principal Amount of 2034 Notes	Principal Amount of 2044 Notes
Goldman, Sachs & Co.	\$103,125,000	\$103,125,000	\$ 171,875,000	\$ 171,875,000	\$ 275,000,000	\$ 68,750,000	\$ 206,250,000
Deutsche Bank Securities Inc.	103,125,000	103,125,000	171,875,000	171,875,000	275,000,000	68,750,000	206,250,000
Merrill Lynch, Pierce, Fenner & Smith Incorporated	103,125,000	103,125,000	171,875,000	171,875,000	275,000,000	68,750,000	206,250,000
Morgan Stanley & Co. LLC	75,000,000	75,000,000	125,000,000	125,000,000	200,000,000	50,000,000	150,000,000
HSBC Securities (USA) Inc.	56,250,000	56,250,000	93,750,000	93,750,000	150,000,000	37,500,000	112,500,000
J.P. Morgan Securities LLC	56,250,000	56,250,000	93,750,000	93,750,000	150,000,000	37,500,000	112,500,000
Wells Fargo Securities, LLC	56,250,000	56,250,000	93,750,000	93,750,000	150,000,000	37,500,000	112,500,000
Mitsubishi UFJ Securities (USA), Inc.	33,675,000	33,675,000	56,125,000	56,125,000	89,800,000	22,450,000	67,350,000
RBS Securities Inc.	33,675,000	33,675,000	56,125,000	56,125,000	89,800,000	22,450,000	67,350,000
SG Americas Securities, LLC	33,675,000	33,675,000	56,125,000	56,125,000	89,800,000	22,450,000	67,350,000
UniCredit Capital Markets LLC	33,675,000	33,675,000	56,125,000	56,125,000	89,800,000	22,450,000	67,350,000
U.S. Bancorp Investments, Inc.	33,675,000	33,675,000	56,125,000	56,125,000	89,800,000	22,450,000	67,350,000
Fifth Third Securities, Inc.	4,650,000	4,650,000	7,750,000	7,750,000	12,400,000	3,100,000	9,300,000
Lloyds Securities Inc.	4,650,000	4,650,000	7,750,000	7,750,000	12,400,000	3,100,000	9,300,000
Mizuho Securities USA Inc.	4,650,000	4,650,000	7,750,000	7,750,000	12,400,000	3,100,000	9,300,000
SMBC Nikko Securities America, Inc.	4,650,000	4,650,000	7,750,000	7,750,000	12,400,000	3,100,000	9,300,000
BB&T Capital Markets, a division of BB&T Securities, LLC	2,475,000	2,475,000	4,125,000	4,125,000	6,600,000	1,650,000	4,950,000
Loop Capital Markets LLC	2,475,000	2,475,000	4,125,000	4,125,000	6,600,000	1,650,000	4,950,000
Samuel A. Ramirez & Company, Inc.	2,475,000	2,475,000	4,125,000	4,125,000	6,600,000	1,650,000	4,950,000
SunTrust Robinson Humphrey, Inc.	2,475,000	2,475,000	4,125,000	4,125,000	6,600,000	1,650,000	4,950,000
Total	\$750,000,000	\$750,000,000	\$1,250,000,000	\$1,250,000,000	\$2,000,000,000	\$500,000,000	\$1,500,000,000

SCHEDULE 2

Note	Price to the Underwriters
\$750,000,000 Floating Rate Notes due 2016	99.800%
\$750,000,000 1.750% Notes due 2017	99.613%
\$1,250,000,000 2.700% Notes due 2019	99.529%
\$1,250,000,000 3.300% Notes due 2021	99.327%
\$2,000,000,000 3.800% Notes due 2024	99.319%
\$500,000,000 4.500% Notes due 2034	98.460%
\$1,500,000,000 4.800% Notes due 2044	99.109%

Material Subsidiaries

Waltrust Properties, Inc.
Bond Drug Company of Illinois, LLC
Walgreen Mercantile Corp.
Walgreen Pharmacy Strategies, LLC
Walgreen Swiss International GmbH

WALGREENS BOOTS ALLIANCE, INC.

€750,000,000 2.125% Notes due 2026
£400,000,000 2.875% Notes due 2020
£300,000,000 3.600% Notes due 2025

Underwriting Agreement

November 10, 2014

Goldman, Sachs & Co.
Deutsche Bank AG, London Branch
Merrill Lynch International
HSBC Bank plc
J.P. Morgan Securities plc
Morgan Stanley & Co. International plc
Wells Fargo Securities, LLC
Mitsubishi UFJ Securities International plc
Société Générale
The Royal Bank of Scotland plc
UniCredit Bank AG
U.S. Bancorp Investments, Inc.
Banca IMI S.p.A.
Lloyds Bank plc
Mizuho International plc
Banco Santander, S.A.
SMBC Nikko Capital Markets Limited

c/o Goldman, Sachs & Co.
200 West Street
New York, New York 10282-2198

c/o Deutsche Bank AG, London Branch
Winchester House
1 Great Winchester Street
London EC2N 2DB
United Kingdom

c/o Merrill Lynch International
2 King Edward Street
London EC1A 1HQ
United Kingdom

Ladies and Gentlemen:

Walgreens Boots Alliance, Inc., a Delaware corporation (the “Issuer”) and wholly owned subsidiary of Walgreen Co., an Illinois corporation (the “Company”), proposes to issue and sell to the several Underwriters listed in Schedule 1 hereto (the “Underwriters”), for whom Goldman, Sachs & Co., Deutsche Bank AG, London Branch and Merrill Lynch International are acting as representatives (the “Representatives”), the principal amount of each of its debt securities identified in Schedule 1 hereto (the “Notes”), to be fully and unconditionally guaranteed by the

Company (the “Guarantees” and together with the Notes, the “Securities”). The Guarantees are subject to release under certain circumstances as described in the Time of Sale Information and the Prospectus (each as defined in Section 1 below).

The Notes will be issued pursuant to a base indenture to be dated as of the Closing Date (as defined below) (the “Base Indenture”) among the Issuer and Wells Fargo Bank, National Association, as trustee (the “Trustee”). Certain terms of the Notes will be established pursuant to a resolution of the board of directors of the Issuer and set forth in an officers’ certificate (the “Supplemental Terms,” and together with the Base Indenture, the “Indenture”). In connection with the issuance of the Notes, the Issuer will enter into a registrar and paying agent agreement (the “Paying Agency Agreement”), to be dated on or about the Closing Date, among the Issuer, Deutsche Bank Trust Company Americas, as paying agent, and Deutsche Bank Luxembourg S.A., as securities registrar.

Net proceeds from the issuance of the Notes will be used to fund the acquisition (the “Investment”) of 55% of the capital stock of Alliance Boots GmbH (“Alliance Boots”), a private limited liability company incorporated under the laws of Switzerland, pursuant to a purchase and option agreement, dated as of June 18, 2012, and as amended as of August 5, 2014, between AB Acquisitions Holding Limited, the Company and Alliance Boots (the “Purchase Agreement”), to refinance all or substantially all of Alliance Boots’ indebtedness, and/or to pay related fees and expenses. Following the completion of the Investment, any remaining portion of the net proceeds from the issuance of the Notes may also be used for general corporate purposes (including, without limitation, the refinancing of Company indebtedness).

The Company and the Issuer hereby, jointly and severally, confirm their agreement with the several Underwriters concerning the purchase and sale of the Securities, as follows:

1. Registration Statement. The Company and the Issuer have prepared and filed with the Securities and Exchange Commission (the “Commission”) under the Securities Act of 1933, as amended, and the rules and regulations of the Commission thereunder (collectively, the “Securities Act”), a registration statement on Form S-3 (File No. 333-198773) as amended, including a prospectus, relating to the Securities. Such registration statement, as amended at the time it becomes effective, including the information, if any, deemed pursuant to Rule 430A, 430B or 430C under the Securities Act to be part of the registration statement at the time of its effectiveness (“Rule 430 Information”), is referred to herein as the “Registration Statement”; and as used herein, the term “Preliminary Prospectus” means each prospectus included in such registration statement (and any amendments thereto) before it becomes effective, any prospectus filed with the Commission pursuant to Rule 424 (a) under the Securities Act and the prospectus included in the Registration Statement at the time of its effectiveness that omits Rule 430 Information, and the term “Prospectus” means the prospectus in the form first used (or made available upon request of purchasers pursuant to Rule 173 under the Securities Act) in connection with confirmation of sales of the Securities. If the Company and the Issuer have filed an abbreviated registration statement pursuant to Rule 462(b) under the Securities Act (the “Rule 462 Registration Statement”), then any reference herein to the term “Registration Statement” shall be deemed to include such Rule 462 Registration Statement. Any reference in this Agreement to the Registration Statement, any Preliminary Prospectus or the Prospectus shall be deemed to refer to and include the documents incorporated by reference therein pursuant to Item 12 of Form S-3 under the Securities Act, as of the effective date of the Registration Statement or the date of such Preliminary Prospectus or the Prospectus, as the case may be and any reference to “amend”, “amendment” or “supplement” with respect to the Registration Statement, any Preliminary Prospectus or the Prospectus shall be deemed to refer to and include any documents

filed after such date under the Securities Exchange Act of 1934, as amended, and the rules and regulations of the Commission thereunder (collectively, the “Exchange Act”) that are deemed to be incorporated by reference therein. Capitalized terms used but not defined herein shall have the meanings given to such terms in the Registration Statement and the Prospectus.

At or prior to 6:35 p.m. London Time on November 10, 2014 (the “Time of Sale”), the Company and the Issuer had prepared the following information: a Preliminary Prospectus dated November 10, 2014, and each “free-writing prospectus” (as defined pursuant to Rule 405 under the Securities Act) listed on Annex B-1 hereto as constituting part of the Time of Sale Information (collectively, the “Time of Sale Information”).

2. Purchase of the Notes by the Underwriters. (a) The Issuer agrees to issue and sell the Notes to the several Underwriters as provided in this Agreement, and each Underwriter, on the basis of the representations, warranties and agreements set forth herein and subject to the conditions set forth herein, agrees, severally and not jointly, to purchase from the Issuer the respective principal amount of Notes set forth opposite the name of such Underwriter in Schedule 1 hereto at the prices set forth in Schedule 2 hereto of the principal amount thereof, plus accrued interest, if any, from November 10, 2014 to the Closing Date. The Issuer will not be obligated to deliver any of the Notes except upon payment for all the Notes to be purchased as provided herein.

(b) The Company and the Issuer understand that the Underwriters intend to make a public offering of the Securities and initially to offer the Securities on the terms set forth in the Prospectus. The Company and the Issuer acknowledge and agree that the Underwriters may offer and sell Notes to or through any affiliate of an Underwriter and that any such affiliate may offer and sell Notes purchased by it to or through any Underwriter.

(c) Payment for and delivery of the Notes will be made at the offices of Davis Polk & Wardwell LLP, 450 Lexington Avenue, New York, New York, 10017 at 10:00 A.M., London time, on November 20, 2014 or at such other time or place on the same or such other date, not later than the fifth business day thereafter, as the Representatives and the Issuer may agree upon in writing. The time and date of such payment and delivery is referred to herein as the “Closing Date.”

(d) Payment for the Notes shall be made by wire transfer in immediately available funds to the account(s) specified by the Issuer to the Representatives against delivery in book-entry form through a common depository for Clearstream Banking, société anonyme and Euroclear Bank S.A./N.V. for the account of the Underwriters, of one or more global notes representing the Notes (collectively, the “Global Notes”), with any transfer taxes payable in connection with the sale of the Notes to the Underwriters duly paid by the Issuer. The Global Notes will be made available for inspection by the Representatives not later than 1:00 P.M., New York City time, on the business day prior to the Closing Date.

(e) The Company and the Issuer acknowledge and agree that the Underwriters are acting solely in the capacity of an arm’s length contractual counterparty to the Company and the Issuer with respect to the offering of Securities contemplated hereby (including in connection with determining the terms of the offering) and not as a financial advisor or a fiduciary to, or an agent of, the Company or the Issuer or any other person. Additionally, neither the Representatives nor any other Underwriter is advising the Company or the Issuer or any other person as to any legal, tax, investment, accounting or regulatory matters in any jurisdiction. The Company and the Issuer shall consult with its own advisors concerning such matters and shall be responsible for making its own independent investigation and appraisal of the transactions contemplated hereby, and the Underwriters shall have no responsibility or liability to the Company and the Issuer with respect

thereto. Any review by the Underwriters of the Company or the Issuer, the transactions contemplated hereby or other matters relating to such transactions will be performed solely for the benefit of the Underwriters and shall not be on behalf of the Company or the Issuer. Goldman, Sachs & Co. has been retained by the Company (and its affiliates) as financial advisor (in such capacity, the "Financial Advisor") in connection with the Investment. The Company and the Issuer acknowledge such retention, and further agree not to assert any claim the Company or the Issuer might allege based on any actual or potential conflicts of interest that might be asserted to arise or result solely from, on the one hand, the engagement of the Financial Advisor and, on the other hand, Goldman, Sachs & Co. and its affiliates' relationships with the Company or the Issuer pursuant to this Agreement (it being understood the foregoing shall not constitute a modification or waiver of any of the provisions of the amended and restated engagement letter, dated October 17, 2014, by and among the Company, Goldman Sachs Bank USA and the other financial institutions party thereto, the commitment letter, dated as of June 18, 2012 by and among the Company, Goldman, Sachs & Co. and Merrill Lynch, Pierce, Fenner & Smith Incorporated or the engagement letter, dated as of May 6, 2011 (as amended on November 9, 2011 and January 8, 2013) by and between the Company and Goldman, Sachs & Co.).

3. Representations and Warranties of the Company and the Issuer . The Company and the Issuer, jointly and severally, represent and warrant to each Underwriter that:

- (a) *Preliminary Prospectus* . No order preventing or suspending the use of any Preliminary Prospectus has been issued by the Commission, and each Preliminary Prospectus and the Prospectus, at the time of filing thereof, complied in all material respects with the Securities Act and did not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that the Company and the Issuer make no representation and warranty with respect to any statements or omissions made in reliance upon and in conformity with information relating to any Underwriter furnished to the Company in writing by such Underwriter through the Representatives expressly for use in any Preliminary Prospectus.
- (b) *Time of Sale Information* . The Time of Sale Information, at the Time of Sale did not, and at the Closing Date will not, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that the Company and the Issuer make no representation and warranty with respect to any statements or omissions made in reliance upon and in conformity with information relating to any Underwriter furnished to the Company in writing by such Underwriter through the Representatives expressly for use in such Time of Sale Information. No statement of material fact included in the Prospectus has been omitted from the Time of Sale Information and no statement of material fact included in the Time of Sale Information that is required to be included in the Prospectus has been omitted therefrom.
- (c) *Issuer Free Writing Prospectus* . The Company and the Issuer (including their respective agents and representatives, other than the Underwriters in their capacity as such) have not prepared, made, used, authorized, approved or referred to and will not prepare, make, use, authorize, approve or refer to any "written communication" (as defined in Rule 405 under the Securities Act) that constitutes an offer to sell or solicitation of an offer to buy the Securities (each such communication by the Company, the Issuer or their respective agents and representatives (other than a communication referred to in clauses (i), (ii) and (iii) below) an "Issuer Free Writing Prospectus") other than (i) any document not constituting a prospectus pursuant to Section 2(a)(10)(a) of the Securities Act or Rule 134

under the Securities Act, (ii) the Preliminary Prospectus, (iii) the Prospectus, (iv) the documents listed on Annex B-1 hereto as constituting part of the Time of Sale Information and (v) any electronic road show or other written communications, in each case approved in writing in advance by the Representatives specified in Annex B-2 hereto. Each such Issuer Free Writing Prospectus complied in all material respects with the Securities Act, has been or will be (within the time period specified in Rule 433) filed in accordance with the Securities Act (to the extent required thereby) and, when taken together with the Preliminary Prospectus filed prior to the first use of such Issuer Free Writing Prospectus, did not, and at the Closing Date will not, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that the Company and the Issuer make no representation and warranty with respect to any statements or omissions made in each such Issuer Free Writing Prospectus in reliance upon and in conformity with information relating to any Underwriter furnished to the Company in writing by such Underwriter through the Representatives expressly for use in any Issuer Free Writing Prospectus.

- (d) *Registration Statement and Prospectus* . The Registration Statement is an “automatic shelf registration statement” as defined under Rule 405 of the Securities Act that has been filed with the Commission not earlier than three years prior to the date hereof; and no notice of objection of the Commission to the use of such registration statement or any post-effective amendment thereto pursuant to Rule 401(g)(2) under the Securities Act has been received by the Company or the Issuer. No order suspending the effectiveness of the Registration Statement has been issued by the Commission and no proceeding for that purpose or pursuant to Section 8A of the Securities Act against the Company and the Issuer or related to the offering has been initiated or, to the best knowledge of the Company or the Issuer, threatened by the Commission; as of the applicable effective date of the Registration Statement and any amendment thereto, the Registration Statement complied and will comply in all material respects with the Securities Act and the Trust Indenture Act of 1939, as amended, and the rules and regulations of the Commission thereunder (collectively, the “Trust Indenture Act”), and, as of such date(s), did not and will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein not misleading; and as of the date of the Prospectus and any amendment or supplement thereto and as of the Closing Date, the Prospectus will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that the Company and the Issuer make no representation and warranty with respect to (i) that part of the Registration Statement that constitutes a Statement of Eligibility and Qualification (Form T-1) of the Trustee under the Trust Indenture Act or (ii) any statements or omissions made in reliance upon and in conformity with information relating to any Underwriter furnished to the Company in writing by such Underwriter through the Representatives expressly for use in the Registration Statement or the Prospectus or any amendment or supplement thereto.
- (e) *Incorporated Documents* . The documents incorporated by reference in the Registration Statement, the Prospectus and the Time of Sale Information, when they were filed with the Commission, or as amended through the date hereof, conformed in all material respects to the requirements of the Exchange Act and none of such documents contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the

circumstances under which they were made, not misleading; and any further documents so filed and incorporated by reference in the Registration Statement, the Prospectus or the Time of Sale Information, when such documents become effective or are filed with the Commission, as the case may be, will conform in all material respects to the requirements of the Securities Act or the Exchange Act, as applicable, and will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

- (f) *Financial Statements* . The financial statements of the Company and its subsidiaries and the related notes thereto included or incorporated by reference in the Registration Statement, the Time of Sale Information and the Prospectus comply in all material respects with the applicable requirements of the Securities Act and the Exchange Act, as applicable, and present fairly the financial position of the Company and its subsidiaries as of the dates indicated and the results of their operations and the changes in their cash flows for the periods specified; such financial statements have been prepared in conformity with generally accepted accounting principles applied on a consistent basis throughout the periods covered thereby, except as otherwise stated therein, and the supporting schedules included or incorporated by reference in the Registration Statement present fairly the information required to be stated therein; and the other financial information with respect to the Company and its subsidiaries included or incorporated by reference in the Registration Statement, the Time of Sale Information and the Prospectus has been derived from the accounting records of the Company and its subsidiaries and presents fairly the information shown thereby. To the best knowledge of the Company and the Issuer, the financial statements of Alliance Boots and its subsidiaries and the related notes thereto included or incorporated by reference in the Registration Statement, the Time of Sale Information and the Prospectus comply in all material respects with the applicable requirements of the Securities Act and the Exchange Act, as applicable, and present fairly the consolidated financial position of Alliance Boots and its subsidiaries as of the dates indicated and the consolidated results of their operations and the changes in their cash flows for the periods specified; such financial statements have been prepared in conformity with international financial reporting standards applied on a consistent basis throughout the periods covered thereby, except as otherwise stated therein, and the supporting schedules included or incorporated by reference in the Registration Statement present fairly the information required to be stated therein; and the other financial information with respect to Alliance Boots and its subsidiaries included or incorporated by reference in the Registration Statement, the Time of Sale Information and the Prospectus have been prepared from the accounting records of Alliance Boots and its subsidiaries and presents fairly the information shown thereby. The pro forma financial statements included or incorporated by reference in the Registration Statement, the Time of Sale Information and the Prospectus include assumptions that provide a reasonable basis for presenting the significant effects directly attributable to the transactions and events described therein, the related pro forma adjustments give appropriate effect to those assumptions, and the pro forma adjustments reflect a proper application of those adjustments to the historical financial statement amounts in the pro forma financial statements included in the Registration Statement, the Time of Sale Information and the Prospectus. The pro forma financial statements included or incorporated by reference in the Registration Statement, the Time of Sale Information and the Prospectus comply in all material respects with the applicable accounting requirements of Regulation S-X under the Securities Act. The interactive data in eXtensible Business Reporting Language incorporated by reference in the Registration Statement, the Time of Sale Information

and the Prospectus fairly presents the information called for in all material respects and has been prepared in accordance with the Commission's rules and guidelines applicable thereto in all material respects.

- (g) *No Material Adverse Change* . Since the date of the most recent financial statements of the Company included or incorporated by reference in the Registration Statement, the Time of Sale Information and the Prospectus, there has not occurred any material adverse change, or any development involving a prospective material adverse change, in or affecting the condition, financial or otherwise, business, properties or results of operations of the Company and its subsidiaries taken as a whole, except as otherwise disclosed in the Registration Statement, the Time of Sale Information and the Prospectus.
- (h) *Organization and Good Standing* . The Issuer, the Company and each of its subsidiaries listed in Schedule 3 hereto (each, a "Material Subsidiary" and collectively, the "Material Subsidiaries") have been duly organized and are validly existing and in good standing under the laws of their respective jurisdictions of organization, are duly qualified to do business and are in good standing in each jurisdiction in which their respective ownership or lease of property or the conduct of their respective businesses requires such qualification, and have all power and authority necessary to own or hold their respective properties and to conduct the businesses in which they are engaged, except where the failure to be so qualified, in good standing or have such power or authority would not, individually or in the aggregate, have a material adverse effect on the business, properties, management, financial position or results of operations of the Company and its subsidiaries taken as a whole or on the performance by each of the Company and the Issuer of its respective obligations under the Securities (a "Material Adverse Effect"). Except for the Material Subsidiaries, there are no subsidiaries of the Company that would constitute a "significant subsidiary" as defined in Rule 1-02(w) of Regulation S-X of the Commission.
- (i) *Capitalization* . The Company has an authorized capitalization as set forth in the Time of Sale Information and the Prospectus and all the outstanding shares of capital stock or other equity interests of each Material Subsidiary of the Company have been duly and validly authorized and issued, are fully paid and non-assessable and, except as described in the following sentence, are owned directly or indirectly by the Company, free and clear of any lien, charge, encumbrance, security interest, restriction on voting or transfer or any other claim of any third party. The Company indirectly owns all of the outstanding shares of common stock and 8,000 shares of 12.5% Series A Preferred Stock of Waltrust Properties, Inc., and outside shareholders own the remaining 913 outstanding shares of 12.5% Series A Preferred Stock of Waltrust Properties, Inc. Subject to the last clause of the next sentence, the Company owns the shares of capital stock of Alliance Boots as set forth in the Time of Sale Information and the Prospectus and such shares, to the best knowledge of the Company, have been duly and validly authorized and issued, are fully paid and non-assessable. Such shares are owned directly or indirectly by the Company, free and clear of any lien, charge, encumbrance, security interest, restriction on voting or transfer or any other claim of any third party ("Liens"), subject to any Liens arising out of the Transaction Documents (as defined in the Purchase Agreement).
- (j) *Due Authorization*. Each of the Company and the Issuer has full right, power and authority to execute and deliver this Agreement and to perform its obligations hereunder. The Issuer has full right, power and authority to execute and deliver the Indenture, the Global Notes and the Paying Agency Agreement and to perform its obligations thereunder. The Company has full right, power and authority to execute and deliver the

Guarantees and to perform its obligations thereunder. This Agreement, the Securities, the Indenture and the Paying Agency Agreement are collectively referred to herein as the “Transaction Documents,” and all action required to be taken for the due and proper authorization, execution and delivery of each of the Transaction Documents and the consummation of the transactions contemplated thereby has been duly and validly taken.

- (k) *The Indenture* . The Base Indenture has been duly authorized by the Issuer. When each of the Base Indenture and the officers’ certificate establishing the terms of the Securities are duly executed and delivered by the Issuer and the Base Indenture is qualified under the Trust Indenture Act, the Indenture will constitute a valid and legally binding agreement of the Issuer enforceable against the Issuer in accordance with its terms, except as may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent transfer or similar laws affecting the enforcement of creditors’ rights generally or by equitable principles relating to enforceability, regardless of whether enforceability is considered in a proceeding in equity or at law (collectively, the “Enforceability Exceptions”), and the Indenture conforms to the description thereof contained in the Time of Sale Information and the Prospectus.
- (l) *The Notes* . The Notes have been duly authorized by the Issuer and, when duly executed, authenticated, issued and delivered as provided in the Indenture and paid for as provided herein, will be duly and validly issued and outstanding and will constitute valid and legally binding obligations of the Issuer enforceable against the Issuer in accordance with their terms, subject to the Enforceability Exceptions, will be entitled to the benefits of the Indenture, and will conform to the description thereof contained in the Time of Sale Information and the Prospectus.
- (m) *The Guarantees*. The Guarantees have been duly authorized by the Company and when duly executed and delivered by the Company, when the Notes have been authenticated in the manner provided for in the Indenture and issued and delivered against payment of the purchase price therefor, will be duly and validly issued and outstanding and will constitute valid and legally binding obligations of the Company enforceable against the Company in accordance with their terms, subject to the Enforceability Exceptions, will be entitled to the benefits of the Indenture, and will conform to the description thereof contained in the Time of Sale Information and the Prospectus.
- (n) *Underwriting Agreement* . This Agreement has been duly authorized, executed and delivered by each of the Company and the Issuer.
- (o) *Paying Agency Agreement*. The Paying Agency Agreement has been duly authorized by the Issuer and, when duly executed and delivered in accordance with its terms by each of the parties thereto, will constitute valid and legally binding obligations of the Issuer enforceable against the Issuer in accordance with their terms, subject to the Enforceability Exceptions.
- (p) *No Violation or Default* . (i) Neither the Issuer nor the Company nor any of its Material Subsidiaries is in violation of its charter or by-laws or similar organizational documents; (ii) neither the Company nor any of its subsidiaries is in default, and no event has occurred that, with notice or lapse of time or both, would constitute such a default, in the due performance or observance of any term, covenant or condition contained in any indenture, mortgage, deed of trust, loan agreement or other agreement or instrument to which the Company or any of its subsidiaries is a party or by which the Company or any of its subsidiaries is bound or to which any of the property or assets of the Company or

- any of its subsidiaries is subject; and (iii) neither the Company nor any of its subsidiaries is in violation of any law or statute or any judgment, order, rule or regulation of any court or arbitrator or governmental or regulatory authority, except, in the case of clauses (ii) and (iii) above, for any such default or violation that would not, individually or in the aggregate, have a Material Adverse Effect.
- (q) *No Conflicts* . The execution, delivery and performance by each of the Company and the Issuer of each of the Transaction Documents to which it is a party, the issuance and sale of the Securities and compliance by each of the Company and the Issuer, as applicable, with the terms thereof and the consummation of the transactions contemplated by the Transaction Documents will not (i) conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under, or result in the creation or imposition of any lien, charge or encumbrance upon any property or assets of the Company or any of its subsidiaries pursuant to, any indenture, mortgage, deed of trust, loan agreement or other agreement or instrument to which the Company or any of its subsidiaries is a party or by which the Company or any of its subsidiaries is bound or to which any of the property or assets of the Company or any of its subsidiaries is subject, (ii) result in any violation of the provisions of the charter or by-laws or similar organizational documents of the Issuer, the Company or any of its Material Subsidiaries or (iii) result in the violation of any law or statute or any judgment, order, rule or regulation of any court or arbitrator or governmental or regulatory authority, except, in the case of clauses (i) and (iii) above, for any such conflict, breach, violation or default that would not, individually or in the aggregate, have a Material Adverse Effect.
- (r) *No Consents Required* . No consent, approval, authorization, order, registration or qualification of or with any court or arbitrator or governmental or regulatory authority is required for the execution, delivery and performance by each of the Company and the Issuer of each of the Transaction Documents to which it is party, the issuance and sale of the Securities and compliance by each of the Company and the Issuer, as applicable, with the terms thereof and the consummation of the transactions contemplated by the Transaction Documents, except for the registration of the Securities under the Securities Act, the qualification of the Indenture under the Trust Indenture Act and such consents, approvals, authorizations, orders and registrations or qualifications as may be required under applicable state securities laws in connection with the purchase and distribution of the Securities by the Underwriters and the approval of the Securities for listing on the New York Stock Exchange (the “Exchange”).
- (s) *Legal Proceedings* . Except as described in the Registration Statement, the Time of Sale Information and the Prospectus, there are no legal, governmental or regulatory investigations, actions, suits or proceedings pending to which the Company or any of its subsidiaries is or may be a party or to which any property of the Company or any of its subsidiaries is or may be the subject that would reasonably be expected to have a Material Adverse Effect; no such investigations, actions, suits or proceedings are, to the best knowledge of the Company, contemplated or threatened by any governmental or regulatory authority or threatened by others.
- (t) *Independent Accountants* . Deloitte & Touche LLP, which has certified certain financial statements of the Company and its subsidiaries, is an independent registered public accounting firm with respect to the Company and its subsidiaries within the applicable rules and regulations adopted by the Commission and the Public Company Accounting Oversight Board (United States) and as required by the Securities Act. KPMG LLP, which has certified certain financial statements of Alliance Boots and its subsidiaries, is,

to the best knowledge of the Company, an independent registered public accounting firm with respect to Alliance Boots and its subsidiaries within the rules and regulations adopted by the Commission and the Public Company Accounting Oversight Board (United States), and under Rule 101 of the American Institute of Certified Public Accountants Code of Professional Conduct and its interpretations and rulings, which is accepted by the Commission for audits of acquiree financial statements pursuant to Rule 3-05 of Regulation S-X of the Commission.

- (u) *Title to Real and Personal Property* . The Company and its subsidiaries have good and marketable title in fee simple to, or have valid rights to lease or otherwise use, all items of real and personal property that are material to the respective businesses of the Company and its subsidiaries, in each case free and clear of all liens, encumbrances, claims and defects and imperfections of title except those that (i) do not materially interfere with the use made and proposed to be made of such property by the Company and its subsidiaries or (ii) would not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect.
- (v) *Investment Company Act* . Each of the Company and the Issuer is not and, after giving effect to the offering and sale of the Securities and the application of the proceeds thereof as described in the Registration Statement, the Time of Sale Information and the Prospectus, will not be an “investment company” or an entity “controlled” by an “investment company” within the meaning of the Investment Company Act of 1940, as amended, and the rules and regulations of the Commission thereunder (collectively, “Investment Company Act”).
- (w) *Licenses and Permits* . The Company and its subsidiaries possess all licenses, certificates, permits and other authorizations issued by, and have made all declarations and filings with, the appropriate federal, state, local or foreign governmental or regulatory authorities that are necessary for the ownership or lease of their respective properties or the conduct of their respective businesses as described in the Registration Statement, the Time of Sale Information and the Prospectus, except where the failure to possess or make the same would not, individually or in the aggregate, have a Material Adverse Effect; and except as described in the Registration Statement, the Time of Sale Information and the Prospectus, neither the Company nor any of its subsidiaries has received notice of any revocation or modification of any such license, certificate, permit or authorization or has any reason to believe that any such license, certificate, permit or authorization will not be renewed in the ordinary course.
- (x) *Disclosure Controls* . The Company and its subsidiaries maintain an effective system of “disclosure controls and procedures” (as defined in Rule 13a-15(e) of the Exchange Act) that is designed to ensure that information required to be disclosed by the Company in reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the Commission’s rules and forms, including controls and procedures designed to ensure that such information is accumulated and communicated to the Company’s management as appropriate to allow timely decisions regarding required disclosure. The Company and its subsidiaries have carried out evaluations of the effectiveness of their disclosure controls and procedures as required by Rule 13a-15 of the Exchange Act.
- (y) *Accounting Controls* . The Company and its subsidiaries maintain systems of “internal control over financial reporting” (as defined in Rule 13a-15(f) of the Exchange Act) that comply with the requirements of the Exchange Act and have been designed by, or under

the supervision of, their respective principal executive and principal financial officers, or persons performing similar functions, 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, including, but not limited to internal accounting controls sufficient to provide reasonable assurance that (i) transactions are executed in accordance with management's general or specific authorizations; (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles and to maintain asset accountability; (iii) access to assets is permitted only in accordance with management's general or specific authorization; and (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences. The Company's internal control over financial reporting is effective and the Company is not aware of any material weakness in the Company's internal controls.

- (z) *No Registration Rights* . No person has the right to require the Company or any of its subsidiaries to register any securities for sale under the Securities Act by reason of the filing of the Registration Statement with the Commission or the issuance and sale of the Securities.
- (aa) *No Stabilization* . Neither the Company nor the Issuer has taken, directly or indirectly, any action designed to or that could reasonably be expected to cause or result in any stabilization or manipulation of the price of the Notes.
- (bb) *Status under the Securities Act* . Each of the Company and the Issuer is not an ineligible issuer and is a well-known seasoned issuer, in each case as defined under the Securities Act, in each case at the times specified in the Securities Act in connection with the offering of the Securities.
- (cc) *No Unlawful Contributions or Other Payments*. None of the Company, any of its subsidiaries or, to the best of the Company's knowledge, any director, officer, agent, employee or affiliate of the Company or any of its subsidiaries is aware of or has taken any action, directly or indirectly, that would result in a violation by such persons of the Foreign Corrupt Practices Act of 1977, as amended, and the rules and regulations thereunder (the "FCPA"), including, without limitation, making use of the mails or any means or instrumentality of interstate commerce corruptly in furtherance of an offer, payment, promise to pay or authorization of the payment of any money, or other property, gift, promise to give, or authorization of the giving of anything of value to any "foreign official" (as such term is defined in the FCPA) or any foreign political party or official thereof or any candidate for foreign political office, in contravention of the FCPA, and the Company, its subsidiaries and, to the best of the Company's knowledge, its affiliates have conducted their businesses in compliance with the FCPA and have instituted and maintain policies and procedures designed to ensure, and which are reasonably expected to continue to ensure, continued compliance therewith.
- (dd) *No Conflict with Money Laundering Laws*. The operations of the Company and its subsidiaries are and have been conducted at all times in compliance in all material respects with applicable financial recordkeeping and reporting requirements of the Currency and Foreign Transactions Reporting Act of 1970, as amended, the money laundering statutes of all applicable jurisdictions, the rules and regulations thereunder and any related or similar rules, regulations or guidelines issued, administered or enforced by any governmental agency (collectively, the "Money Laundering Laws") and no action,

suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company or any of its subsidiaries with respect to the Money Laundering Laws is pending or, to the best of the Company's knowledge, threatened.

- (ee) *No Conflict with OFAC Laws*. None of the Company, any of its subsidiaries or, to the knowledge of the Company, any director, officer, agent, employee or affiliate of the Company or any of its subsidiaries is an individual or entity ("Person") currently subject to any sanctions ("Sanctions") administered or enforced by the U.S. Department of the Treasury's Office of Foreign Assets Control ("OFAC"); and the Company will not directly or indirectly use the proceeds of the sale of the Notes, or lend, contribute or otherwise make available such proceeds to any subsidiaries, joint venture partners or other Person, for the purpose of funding the activities of any Person that, at the time of such funding, is the subject of Sanctions.
- (ff) *Alliance Boots*. For the avoidance of doubt, except as otherwise expressly set forth herein, each reference herein to "subsidiary," "Material Subsidiary" or "affiliate" with respect to the Company shall not be deemed to include Alliance Boots or any of its subsidiaries or affiliates. The representations and warranties of Alliance Boots contained in Sections 4.01(a), 4.01(b), and 4.01(c) of the Purchase Agreement (as qualified therein and in the disclosure schedules thereto) are, to the best knowledge of the Company, as of the date hereof, true and accurate in all material respects.
- (gg) *Investment*. Except as disclosed in the Time of Sale Information or the Prospectus, the Company and the Issuer have no reason to believe that the Investment will not be consummated substantially in accordance with the description thereof in the Time of Sale Information and the Prospectus, except for any modification thereof that is not materially adverse to the interest of the holders of the Securities.

4. Further Agreements of the Company and the Issuer. The Company and the Issuer, jointly and severally, covenant and agree with each Underwriter that:

(a) *Required Filings*. The Company and the Issuer will file the final Prospectus with the Commission within the time periods specified by Rule 424(b) and Rule 430A, 430B or 430C under the Securities Act, will file any Issuer Free Writing Prospectus (including the Term Sheets in the forms of Annex C hereto) to the extent required by Rule 433 under the Securities Act; and will file promptly all reports and any definitive proxy or information statements required to be filed by the Company with the Commission pursuant to Section 13(a), 13(c), 14 or 15(d) of the Exchange Act subsequent to the date of the Prospectus and for so long as the delivery of a prospectus is required in connection with the offering or sale of the Securities; and the Company will furnish copies of the Prospectus and each Issuer Free Writing Prospectus (to the extent not previously delivered) to the Underwriters in New York City prior to 10:00 A.M., London time, on the second business day next succeeding the date of this Agreement in such quantities as the Representatives may reasonably request. The Company and the Issuer will pay the registration fees for this offering within the time period required by Rule 456(b)(1)(i) under the Securities Act (without giving effect to the proviso therein) and in any event prior to the Closing Date.

(b) *Delivery of Copies*. The Company will deliver, without charge, (i) to the Representatives, copies of the Registration Statement as originally filed and each amendment thereto, in each case including all exhibits and consents filed therewith and documents incorporated by reference therein (unless publicly available on the Company's website or the website of the Commission), to the extent reasonably requested by the Representatives; and (ii) to each Underwriter (A) a conformed copy of the Registration Statement as originally filed and each

amendment thereto, in each case including all exhibits and consents filed therewith (unless publicly available on the Company's website or the website of the Commission), to the extent reasonably requested by the Representatives and (B) during the Prospectus Delivery Period (as defined below), as many copies of the Prospectus (including all amendments and supplements thereto and documents incorporated by reference therein) and each Issuer Free Writing Prospectus as the Representatives may reasonably request. As used herein, the term "Prospectus Delivery Period" means such period of time after the first date of the public offering of the Securities as in the opinion of counsel for the Underwriters a prospectus relating to the Securities is required by law to be delivered (or required to be delivered but for Rule 172 under the Securities Act) in connection with sales of the Securities by any Underwriter or dealer.

(c) *Amendments or Supplements; Issuer Free Writing Prospectuses* . Before using, authorizing, approving, referring to or filing any Issuer Free Writing Prospectus, and before filing any amendment or supplement to the Registration Statement or the Prospectus during the Prospectus Delivery Period, the Company will furnish to the Representatives and counsel for the Underwriters a copy of the proposed Issuer Free Writing Prospectus, amendment or supplement for review and will not use, authorize, approve, refer to or file any such Issuer Free Writing Prospectus or file any such proposed amendment or supplement to which the Representatives reasonably object, unless in the reasonable judgment of the Company and its counsel, such proposed amendment or supplement is necessary to comply with law or to make the statements contained in the Registration Statement, Time of Sale Information, Prospectus or any Issuer Free Writing Prospectus, not misleading.

(d) *Notice to the Representatives* . During the Prospectus Delivery Period, the Company and the Issuer will advise the Representatives promptly, and confirm such advice in writing, (i) when any amendment to the Registration Statement has been filed or becomes effective; (ii) when any supplement to the Prospectus or any amendment to the Prospectus or any Issuer Free Writing Prospectus has been filed; (iii) of any request by the Commission for any amendment to the Registration Statement or any amendment or supplement to the Prospectus or the receipt of any comments from the Commission relating to the Registration Statement or any other request by the Commission for any additional information with respect thereto; (iv) of the issuance by the Commission of any order suspending the effectiveness of the Registration Statement or preventing or suspending the use of any Preliminary Prospectus or the Prospectus or the initiation or threatening of any proceeding for that purpose or pursuant to Section 8A of the Securities Act; (v) of the occurrence of any event within the Prospectus Delivery Period as a result of which the Prospectus, the Time of Sale Information or any Issuer Free Writing Prospectus as then amended or supplemented would include any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances existing when the Prospectus, the Time of Sale Information or any such Issuer Free Writing Prospectus is delivered to a purchaser, not misleading; (vi) of the receipt by the Company or the Issuer of any notice of objection of the Commission to the use of the Registration Statement or any post-effective amendment thereto pursuant to Rule 401(g)(2) under the Securities Act or if the Company or the Issuer otherwise ceases to be eligible to use the automatic shelf registration form; and (vii) of the receipt by the Company or the Issuer of any notice with respect to any suspension of the qualification of the Securities for offer and sale in any jurisdiction or the initiation or threatening of any proceeding for such purpose; and each of the Company and the Issuer will use its reasonable best efforts to prevent the issuance of any such order suspending the effectiveness of the Registration Statement, preventing or suspending the use of any Preliminary Prospectus or the Prospectus or suspending any such qualification of the Securities and, if any such order is issued, will obtain as soon as possible the withdrawal thereof.

(e) *Time of Sale Information* . If at any time prior to the Closing Date (i) any event shall occur or condition shall exist as a result of which the Time of Sale Information as then amended or supplemented would include any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances, not misleading or (ii) it is necessary to amend or supplement the Time of Sale Information to comply with law, the Company and the Issuer will immediately notify the Underwriters thereof and forthwith prepare and, subject to paragraph (c) above, file with the Commission (to the extent required) and furnish to the Underwriters and to such dealers as the Representatives may designate, such amendments or supplements to the Time of Sale Information as may be necessary so that the statements in the Time of Sale Information as so amended or supplemented will not, in the light of the circumstances, be misleading or so that the Time of Sale Information will comply with law.

(f) *Ongoing Compliance* . If during the Prospectus Delivery Period (i) any event shall occur or condition shall exist as a result of which the Prospectus as then amended or supplemented would include any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances existing when the Prospectus is delivered to a purchaser, not misleading or (ii) it is necessary to amend or supplement the Prospectus to comply with law, the Company and the Issuer will immediately notify the Underwriters thereof and forthwith prepare and, subject to paragraph (c) above, file with the Commission and furnish to the Underwriters and to such dealers as the Representatives may designate, such amendments or supplements to the Prospectus as may be necessary so that the statements in the Prospectus as so amended or supplemented will not, in the light of the circumstances existing when the Prospectus is delivered to a purchaser, be misleading or so that the Prospectus will comply with law.

(g) *Blue Sky Compliance* . The Company and the Issuer will qualify the Securities for offer and sale under the securities or Blue Sky laws of such jurisdictions as the Representatives shall reasonably request and will continue such qualifications in effect so long as required for distribution of the Securities; provided that neither the Company nor the Issuer shall be required to (i) qualify as a foreign corporation or other entity or as a dealer in securities in any such jurisdiction where it would not otherwise be required to so qualify, (ii) file any general consent to service of process in any such jurisdiction or (iii) subject itself to taxation in any such jurisdiction if it is not otherwise so subject.

(h) *Earning Statement* . The Company will make generally available to its security holders and the Representatives as soon as practicable an earning statement that satisfies the provisions of Section 11(a) of the Securities Act and Rule 158 of the Commission promulgated thereunder covering a period of at least twelve months beginning with the first fiscal quarter of the Company occurring after the “effective date” (as defined in Rule 158) of the Registration Statement.

(i) *Clear Market* . During the period from the date hereof through and including the business day following the Closing Date, each of the Company and the Issuer will not, without the prior written consent of the Representatives, offer, sell, contract to sell or otherwise dispose of any debt securities issued or guaranteed by the Company or the Issuer and having a tenor of more than one year.

(j) *Use of Proceeds* . The Issuer will apply the net proceeds from the sale of the Notes as described in the Registration Statement, the Time of Sale Information and the Prospectus under the heading “Use of Proceeds.”

(k) *No Stabilization* . Neither the Company nor the Issuer will take, directly or indirectly, any action designed to or that could reasonably be expected to cause or result in any stabilization or manipulation of the price of the Securities.

(l) *Record Retention* . Each of the Company and the Issuer will, pursuant to reasonable procedures developed in good faith, retain copies of each Issuer Free Writing Prospectus that is not filed with the Commission in accordance with Rule 433 under the Securities Act.

(m) *Registration Statement Renewal Deadline* . To the extent the Representatives notify the Company and the Issuer at least 30 days prior to the Renewal Deadline (as defined below), that there is a reasonable possibility, that as of immediately prior to the third anniversary (the “Renewal Deadline”) of the initial effective date of the Registration Statement, any of the Securities will remain unsold by the Underwriters, if immediately prior to the Renewal Deadline, any of the Securities remain unsold by the Underwriters, the Company and/or the Issuer, as applicable, will prior to the Renewal Deadline file, if it has not already done so and is eligible to do so, a new automatic shelf registration statement relating to the Securities, in a form satisfactory to the Representatives. If the Company and/or the Issuer, as applicable, is no longer eligible to file an automatic shelf registration statement, the Company and/or the Issuer, as applicable, will prior to the Renewal Deadline, if it has not already done so, file a new shelf registration statement relating to the Securities, in a form satisfactory to the Representatives, and will use its best efforts to cause such registration statement to be declared effective within 90 days after the Renewal Deadline. The Company and/or the Issuer, as applicable, will take all other action necessary or appropriate to permit the public offering and sale of the Securities to continue as contemplated in the expired registration statement relating to the Securities. References herein to the Registration Statement shall include such new automatic shelf registration statement or such new shelf registration statement, as the case may be.

(n) *Notice of Inability to Use Automatic Shelf Registration Statement Form* . If at any time during the Prospectus Delivery Period the Company or the Issuer receives from the Commission a notice pursuant to Rule 401(g)(2) or otherwise ceases to be eligible to use the automatic shelf registration statement form (as specified in Section 3(d)(vii) hereof), the Company and the Issuer will (i) promptly notify the Representatives, (ii) promptly file a new registration statement or post-effective amendment on the proper form relating to the Securities, in a form satisfactory to the Representatives, (iii) use its best efforts to cause such registration statement or post-effective amendment to be declared effective and (iv) promptly notify the Representatives of such effectiveness. The Company and the Issuer will take all other action necessary or appropriate to permit the public offering and sale of the Securities to continue as contemplated in the registration statement that was the subject of the Rule 401(g)(2) notice or for which the Company or the Issuer has otherwise become ineligible. References herein to the Registration Statement shall include such new registration statement or post-effective amendment, as the case may be.

(o) *Listing*. The Company and the Issuer will use commercially reasonable efforts to list the Securities on the Exchange.

5. Certain Agreements of the Underwriters . Each Underwriter hereby represents and agrees that:

(a) It has not and will not use, authorize use of, refer to, or participate in the planning for use of, any “free writing prospectus”, as defined in Rule 405 under the Securities Act (which term includes use of any written information furnished to the Commission by the Issuer or the Company and not incorporated by reference into the Registration Statement and any press release issued by the Issuer or the Company) other than (i) a free writing prospectus that, solely as a

result of use by such underwriter, would not trigger an obligation to file such free writing prospectus with the Commission pursuant to Rule 433, (ii) any Issuer Free Writing Prospectus listed on Annex B-1 and Annex B-2 or prepared pursuant to Section 3(c) or Section 4(c) above (including any electronic road show), or (iii) any free writing prospectus prepared by such underwriter and approved by the Company in advance in writing (each such free writing prospectus referred to in clauses (i) or (iii), an "Underwriter Free Writing Prospectus"). Notwithstanding the foregoing, the Underwriters may use any term sheet substantially in the form of Annex C hereto without the consent of the Company.

(b) It is not subject to any pending proceeding under Section 8A of the Securities Act with respect to the offering (and will promptly notify the Company if any such proceeding against it is initiated during the Prospectus Delivery Period).

(c) It agrees that it has complied and will comply with the selling restrictions in connection with the offering of Securities as set forth in Annex D hereto.

6. Conditions of Underwriters' Obligations. The obligation of each Underwriter to purchase Securities on the Closing Date as provided herein is subject to the performance by each of the Company and the Issuer of its covenants and other obligations hereunder and to the following additional conditions:

(a) *Registration Compliance; No Stop Order*. No order suspending the effectiveness of the Registration Statement shall be in effect, and no proceeding for such purpose, pursuant to Rule 401(g)(2) or pursuant to Section 8A under the Securities Act shall be pending before or threatened by the Commission; the Prospectus and each Issuer Free Writing Prospectus shall have been timely filed with the Commission under the Securities Act (in the case of an Issuer Free Writing Prospectus, to the extent required by Rule 433 under the Securities Act) and in accordance with Section 4(a) hereof; and all requests by the Commission for additional information shall have been complied with to the reasonable satisfaction of the Representatives.

(b) *Representations and Warranties*. The representations and warranties of each of the Company and the Issuer contained herein shall be true and correct on the date hereof and on and as of the Closing Date; and the statements of each of the Company and the Issuer and their respective officers made in any certificates delivered pursuant to this Agreement shall be true and correct on and as of the Closing Date.

(c) *No Downgrade*. Subsequent to the earlier of (A) the Time of Sale and (B) the execution and delivery of this Agreement, (i) no downgrading shall have occurred in the rating accorded the Notes or any other debt securities or preferred stock of or guaranteed by the Company or any of its subsidiaries by any "nationally recognized statistical rating organization", as such term is defined by the Commission for purposes of Section 3(a)(62) of the Exchange Act and (ii) no such organization shall have publicly announced that it has under surveillance or review, or has changed its outlook with respect to, its rating of the Notes or of any other debt securities or preferred stock of or guaranteed by the Company or any of its subsidiaries (other than an announcement with positive implications of a possible upgrading).

(d) *No Material Adverse Change*. No event or condition of a type described in Section 3(g) hereof shall have occurred or shall exist, which event or condition is not described in the Time of Sale Information (excluding any amendment or supplement thereto) and the Prospectus (excluding any amendment or supplement thereto) and the effect of which in the judgment of the Representatives makes it impracticable or inadvisable to proceed with the offering, sale or delivery of the Securities on the terms and in the manner contemplated by this Agreement, the Time of Sale Information and the Prospectus.

(e) *Company Officer's Certificate* . The Representatives shall have received on and as of the Closing Date a certificate of an executive officer of the Company who has specific knowledge of the Company's financial matters and is satisfactory to the Representatives (i) confirming that such officer has reviewed the Registration Statement, the Time of Sale Information and the Prospectus and, to the best knowledge of such officer, the representations set forth in Sections 3(b) and 3(d) hereof are true and correct, (ii) confirming that the other representations and warranties of the Company in this Agreement are true and correct and that the Company has complied with all agreements and satisfied all conditions on its part to be performed or satisfied hereunder at or prior to the Closing Date and (iii) to the effect set forth in paragraphs (a), (c) and (d) above.

(f) *Issuer Officer's Certificate* . The Representatives shall have received on and as of the Closing Date a certificate of an executive officer of the Issuer satisfactory to the Representatives (i) confirming that such officer has reviewed the Registration Statement, the Time of Sale Information and the Prospectus and, to the best knowledge of such officer, the representations set forth in Sections 3(b) and 3(d) hereof are true and correct, and (ii) confirming that the other representations and warranties of the Issuer in this Agreement are true and correct and that the Issuer has complied with all agreements and satisfied all conditions on its part to be performed or satisfied hereunder at or prior to the Closing Date.

(g) *Comfort Letters for the Company* . On the date of this Agreement and on the Closing Date, Deloitte & Touche LLP shall have furnished to the Representatives, at the request of the Company, letters, dated the respective dates of delivery thereof and addressed to the Underwriters, in form and substance reasonably satisfactory to the Representatives, containing statements and information of the type customarily included in accountants' "comfort letters" to underwriters with respect to the Company's financial statements and certain Company financial information contained or incorporated by reference in the Registration Statement, the Time of Sale Information and the Prospectus; provided that the letter delivered on the Closing Date shall use a "cut-off" date no more than three business days prior to the Closing Date.

(h) *Comfort Letters for Alliance Boots* . On the date of this Agreement and on the Closing Date, KPMG LLP shall have furnished to the Representatives, at the request of the Company, letters, dated the respective dates of delivery thereof and addressed to the Underwriters, in form and substance reasonably satisfactory to the Representatives, containing statements and information of the type customarily included in accountants' "comfort letters" to underwriters with respect to the Alliance Boots' financial statements and certain Alliance Boots financial information contained or incorporated by reference in the Registration Statement, the Time of Sale Information and the Prospectus; provided that the letter delivered on the Closing Date shall use a "cut-off" date no more than three business days prior to the Closing Date

(i) *Opinion and 10b-5 Statement of Counsel for the Company* . (i) Wachtell, Lipton, Rosen & Katz LLP, counsel for the Company, shall have furnished to the Representatives, at the request of the Company, their written opinion and 10b-5 Statement, dated the Closing Date and addressed to the Underwriters, in form and substance reasonably satisfactory to the Representatives, to the effect set forth in Annex A-1 hereto; and (ii) Thomas Sabatino, Jr., General Counsel of the Company, shall have furnished to the Representatives, at the request of the Company, his written opinion, dated the Closing Date and addressed to the Underwriters, in form and substance reasonably satisfactory to the Representatives, to the effect set forth in Annex A-2 hereto.

(j) *Opinion and 10b-5 Statement of Counsel for the Underwriters* . The Representatives shall have received on and as of the Closing Date an opinion and 10b-5 Statement of Davis Polk & Wardwell LLP, counsel for the Underwriters, with respect to such matters as the Representatives may reasonably request, and such counsel shall have received such documents and information as they may reasonably request to enable them to pass upon such matters.

(k) *No Legal Impediment to Issuance* . No action shall have been taken and no statute, rule, regulation or order shall have been enacted, adopted or issued by any federal, state or foreign governmental or regulatory authority that would, as of the Closing Date, prevent the issuance or sale of the Securities; and no injunction or order of any federal, state or foreign court shall have been issued that would, as of the Closing Date, prevent the issuance or sale of the Securities.

(l) *Good Standing* . The Representatives shall have received on the Closing Date satisfactory evidence as of the Closing Date or a date prior to the Closing Date that is reasonably acceptable to the Representatives of the good standing of the Issuer, Company and its Material Subsidiaries in their respective jurisdictions of organization and their good standing in such other jurisdictions as the Representatives may reasonably request, in each case in writing or any standard form of telecommunication from the appropriate governmental authorities of such jurisdictions.

(m) *Base Indenture* . On or prior to the Closing Date, the Base Indenture shall have been executed and delivered by the Issuer and qualified under the TIA.

(n) *Paying Agency Agreement* . The Representatives shall have received an executed copy of the Paying Agency Agreement.

(o) *Additional Documents* . On or prior to the Closing Date, the Company and the Issuer shall have furnished to the Representatives such further certificates and documents as the Representatives may reasonably request.

All opinions, letters, certificates and evidence mentioned above or elsewhere in this Agreement shall be deemed to be in compliance with the provisions hereof only if they are in form and substance reasonably satisfactory to counsel for the Underwriters.

7. Indemnification and Contribution .

(a) *Indemnification of the Underwriters* . The Company and the Issuer, jointly and severally, agree to indemnify and hold harmless each Underwriter, its affiliates, directors and officers and each person, if any, who controls such Underwriter within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act, from and against any and all losses, claims, damages and liabilities (including, without limitation, legal fees and other expenses reasonably incurred in connection with any suit, action or proceeding or any claim asserted, as such fees and expenses are incurred), joint or several, that arise out of, or are based upon, (i) any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement or caused by any omission or alleged omission to state therein a material fact required to be stated therein or necessary in order to make the statements therein, not misleading, (ii) or any untrue statement or alleged untrue statement of a material fact contained in the Prospectus (or any amendment or supplement thereto), any Issuer Free Writing Prospectus or any Time of Sale Information, or caused by any omission or alleged omission to state therein a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading, in each case except insofar as such losses, claims, damages or

liabilities arise out of, or are based upon, any untrue statement or omission or alleged untrue statement or omission made in reliance upon and in conformity with any information relating to any Underwriter furnished to the Company in writing by such Underwriter through the Representatives expressly for use therein.

(b) *Indemnification of the Company and the Issuer* . Each Underwriter agrees, severally and not jointly, to indemnify and hold harmless each of the Company and the Issuer, and each of their respective directors, officers who signed the Registration Statement and each person, if any, who controls either of the Company or the Issuer within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act to the same extent as the indemnity set forth in paragraph (a) above, but only with respect to any losses, claims, damages or liabilities that arise out of, or are based upon, any untrue statement or omission or alleged untrue statement or omission made in reliance upon and in conformity with any information relating to such Underwriter furnished to the Company in writing by such Underwriter through the Representatives expressly for use in the Registration Statement, the Prospectus (or any amendment or supplement thereto), any Issuer Free Writing Prospectus or any Time of Sale Information, it being understood and agreed that the only such information consists of the following: the two paragraphs under the subsection entitled “Stabilization and Short Positions” under the caption “Underwriting.”

(c) *Notice and Procedures* . If any suit, action, proceeding (including any governmental or regulatory investigation), claim or demand shall be brought or asserted against any person in respect of which indemnification may be sought pursuant to either paragraph (a) or (b) above, such person (the “Indemnified Person”) shall promptly notify the person against whom such indemnification may be sought (the “Indemnifying Person”) in writing; provided that the failure to notify the Indemnifying Person shall not relieve it from any liability that it may have under this Section 7 except to the extent that it has been materially prejudiced (through the forfeiture of substantive rights or defenses) by such failure; and provided, further, that the failure to notify the Indemnifying Person shall not relieve it from any liability that it may have to an Indemnified Person otherwise than under paragraph (a) or (b) above. If any such proceeding shall be brought or asserted against an Indemnified Person and it shall have notified the Indemnifying Person thereof, the Indemnifying Person shall retain counsel reasonably satisfactory to the Indemnified Person (who shall not, without the consent of the Indemnified Person, be counsel to the Indemnifying Person) to represent the Indemnified Person and any others entitled to indemnification pursuant to Section 7 that the Indemnifying Party may designate in such proceeding and shall pay the fees and expenses of such proceeding and shall pay the fees and expenses of counsel related to such proceeding, as incurred. In any such proceeding, any Indemnified Person shall have the right to retain its own counsel, but the fees and expenses of such counsel shall be at the expense of such Indemnified Person unless (i) the Indemnifying Person and the Indemnified Person shall have mutually agreed to the contrary; (ii) the Indemnifying Person has failed within a reasonable time to retain counsel reasonably satisfactory to the Indemnified Person; (iii) the Indemnified Person shall have reasonably concluded that there may be legal defenses available to it that are different from or in addition to those available to the Indemnifying Person; or (iv) the named parties in any such proceeding (including any impleaded parties) include both the Indemnifying Person and the Indemnified Person and representation of both parties by the same counsel would be inappropriate due to actual or potential differing interest between them. It is understood and agreed that the Indemnifying Person shall not, in connection with any proceeding or related proceeding in the same jurisdiction, be liable for the fees and expenses of more than one separate firm (in addition to any local counsel) for all Indemnified Persons, and that all such fees and expenses shall be reimbursed as they are incurred. Any such separate firm for any Underwriter, its affiliates, directors and officers and any control

persons of such Underwriter shall be designated in writing by the Representatives and any such separate firm for the Company and the Issuer, and each of their respective directors, officers who signed the Registration Statement and any control persons of the Company or the Issuer shall be designated in writing by the Company or the Issuer. The Indemnifying Person shall not be liable for any settlement of any proceeding effected without its written consent, but if settled with such consent or if there be a final judgment for the plaintiff, the Indemnifying Person agrees to indemnify each Indemnified Person from and against any loss or liability by reason of such settlement or judgment. Notwithstanding the foregoing sentence, if at any time an Indemnified Person shall have requested that an Indemnifying Person reimburse the Indemnified Person for fees and expenses of counsel as contemplated by this paragraph, the Indemnifying Person shall be liable for any settlement of any proceeding effected without its written consent if (i) such settlement is entered into more than 30 days after receipt by the Indemnifying Person of such request and (ii) the Indemnifying Person shall not have reimbursed the Indemnified Person in accordance with such request prior to the date of such settlement. No Indemnifying Person shall, without the written consent of the Indemnified Person, effect any settlement of any pending or threatened proceeding in respect of which any Indemnified Person is or could have been a party and indemnification could have been sought hereunder by such Indemnified Person, unless such settlement (x) includes an unconditional release of such Indemnified Person, in form and substance reasonably satisfactory to such Indemnified Person, from all liability on claims that are the subject matter of such proceeding and (y) does not include any statement as to or any admission of fault, culpability or a failure to act by or on behalf of any Indemnified Person.

(d) *Contribution* . If the indemnification provided for in paragraphs (a) and (b) above is unavailable to an Indemnified Person or insufficient in respect of any losses, claims, damages or liabilities referred to therein, then each Indemnifying Person under such paragraph, in lieu of indemnifying such Indemnified Person thereunder, shall contribute to the amount paid or payable by such Indemnified Person as a result of such losses, claims, damages or liabilities (i) in such proportion as is appropriate to reflect the relative benefits received by the Company and the Issuer on the one hand and the Underwriters on the other from the offering of the Securities or (ii) if the allocation provided by clause (i) is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) but also the relative fault of the Company and the Issuer on the one hand and the Underwriters on the other in connection with the statements or omissions that resulted in such losses, claims, damages or liabilities, as well as any other relevant equitable considerations. The relative benefits received by the Company and the Issuer on the one hand and the Underwriters on the other shall be deemed to be in the same respective proportions as the net proceeds (before deducting expenses) received by the Issuer from the sale of the Notes and the total underwriting discounts and commissions received by the Underwriters in connection therewith, in each case as set forth in the table on the cover of the Prospectus, bear to the aggregate offering price of the Notes. The relative fault of the Company and the Issuer on the one hand and the Underwriters on the other shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company or the Issuer or by the Underwriters and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission.

(e) *Limitation on Liability* . The Company, the Issuer and the Underwriters agree that it would not be just and equitable if contribution pursuant to this Section 7 were determined by pro rata allocation (even if the Underwriters were treated as one entity for such purpose) or by any other method of allocation that does not take account of the equitable considerations referred to in paragraph (d) above. The amount paid or payable by an Indemnified Person as a result of the losses, claims, damages and liabilities referred to in paragraph (d) above shall be deemed to

include, subject to the limitations set forth above, any legal or other expenses reasonably incurred by such Indemnified Person in connection with any such action or claim. Notwithstanding the provisions of this Section 7, in no event shall an Underwriter be required to contribute any amount in excess of the amount by which the total underwriting discounts and commissions received by such Underwriter with respect to the offering of the Securities exceeds the amount of any damages that such Underwriter has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11 (f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The Underwriters' obligations to contribute pursuant to this Section 7 are several in proportion to their respective purchase obligations hereunder and not joint.

(f) *Non-Exclusive Remedies*. The remedies provided for in this Section 7 are not exclusive and shall not limit any rights or remedies which may otherwise be available to any Indemnified Person at law or in equity.

8. Agreement Among Underwriters. The Underwriters agree as between themselves that they will be bound by and will comply with the International Capital Markets Association Agreement Among Managers Version 1/New York Law Schedule (the "Agreement Among Managers") as amended in the manner set out below. For purposes of the Agreement Among Managers, "Managers" means the Underwriters, "Lead Manager" means the Representatives, "Settlement Lead Manager" means Merrill Lynch International, "Stabilising Manager" means Merrill Lynch International and "Subscription Agreement" means the Underwriting Agreement. Clause 3 of the Agreement Among Managers shall be deleted in its entirety and replaced with Section 11 of this Agreement.

9. Effectiveness of Agreement. This Agreement shall become effective upon the execution and delivery hereof by the parties hereto.

10. Termination. This Agreement may be terminated in the absolute discretion of the Representatives, by notice to the Company and the Issuer, if after the execution and delivery of this Agreement and prior to the Closing Date (i) trading generally shall have been suspended or materially limited on the Exchange or the over-the-counter market; (ii) trading of any securities issued or guaranteed by the Company or the Issuer shall have been suspended on any exchange or in any over-the-counter market; (iii) a general moratorium on commercial banking activities shall have been declared by federal or New York State authorities; or (iv) there shall have occurred any outbreak or escalation of hostilities or any change in financial markets or any calamity or crisis, either within or outside the United States, that, in the judgment of the Representatives, is material and adverse and makes it impracticable or inadvisable to proceed with the offering, sale or delivery of the Securities on the terms and in the manner contemplated by this Agreement, the Time of Sale Information and the Prospectus.

11. Defaulting Underwriter. (a) If, on the Closing Date, any Underwriter defaults on its obligation to purchase the Securities that it has agreed to purchase hereunder, the non-defaulting Underwriters may in their discretion arrange for the purchase of such Securities by other persons satisfactory to the Issuer on the terms contained in this Agreement. If, within 36 hours after any such default by any Underwriter, the non-defaulting Underwriters do not arrange for the purchase of such Securities, then the Issuer shall be entitled to a further period of 36 hours within which to procure other persons satisfactory to the non-defaulting Underwriters to purchase such Securities on such terms. If other persons become obligated or agree to purchase the Securities of a defaulting Underwriter, either the non-defaulting Underwriters or the Issuer may postpone the Closing Date for up to five full business days in order to effect any changes that in the opinion of

counsel for the Issuer or counsel for the Underwriters may be necessary in the Registration Statement and the Prospectus or in any other document or arrangement, and the Company and the Issuer agree to promptly prepare any amendment or supplement to the Registration Statement and the Prospectus that effects any such changes. As used in this Agreement, the term "Underwriter" includes, for all purposes of this Agreement unless the context otherwise requires, any person not listed in Schedule 1 hereto that, pursuant to this Section 11, purchases Securities that a defaulting Underwriter agreed but failed to purchase.

(b) If, after giving effect to any arrangements for the purchase of the Securities of a defaulting Underwriter or Underwriters by the non-defaulting Underwriters and the Issuer as provided in paragraph (a) above, the aggregate principal amount of the Notes that remains unpurchased does not exceed one-eleventh of the aggregate principal amount of all the Notes, then the Issuer shall have the right to require each non-defaulting Underwriter to purchase the principal amount of Notes that such Underwriter agreed to purchase hereunder plus such Underwriter's pro rata share (based on the principal amount of Notes that such Underwriter agreed to purchase hereunder) of the Notes of such defaulting Underwriter or Underwriters for which such arrangements have not been made.

(c) If, after giving effect to any arrangements for the purchase of the Securities of a defaulting Underwriter or Underwriters by the non-defaulting Underwriters and the Issuer as provided in paragraph (a) above, the aggregate principal amount of the Notes that remains unpurchased exceeds one-eleventh of the aggregate principal amount of all the Notes, or if the Issuer shall not exercise the right described in paragraph (b) above, then this Agreement shall terminate without liability on the part of the non-defaulting Underwriters. Any termination of this Agreement pursuant to this Section 11 shall be without liability on the part of the Company and the Issuer, except that the Company and the Issuer will continue to be liable for the payment of expenses as set forth in Section 12 hereof and except that the provisions of Section 7 hereof shall not terminate and shall remain in effect.

(d) Nothing contained herein shall relieve a defaulting Underwriter of any liability it may have to the Company and the Issuer or any non-defaulting Underwriter for damages caused by its default.

12. Payment of Expenses. (a) Whether or not the transactions contemplated by this Agreement are consummated or this Agreement is terminated, each of the Company and the Issuer will pay or cause to be paid all costs and expenses incident to the performance of its obligations hereunder, including without limitation, (i) the costs incident to the authorization, issuance, sale, preparation and delivery of the Securities and any transfer taxes imposed on the Issuer in that connection; (ii) the costs incident to the preparation, printing and filing under the Securities Act of the Registration Statement, the Preliminary Prospectus, any Issuer Free Writing Prospectus, any Time of Sale Information and the Prospectus (including all exhibits, amendments and supplements thereto) and the distribution thereof; (iii) the costs of reproducing and distributing each of the Transaction Documents; (iv) the fees and expenses of the Company's counsel and independent accountants; (v) the fees and expenses incurred in connection with the registration or qualification and determination of eligibility for investment of the Securities under the laws of such jurisdictions as the Representatives may designate and the preparation, printing and distribution of a Blue Sky Memorandum (including the related fees and expenses of counsel for the Underwriters); (vi) any fees charged by rating agencies for rating the Securities; (vii) the fees and expenses of the Trustee and any paying agent (including related fees and expenses of any counsel to such parties); (viii) all expenses and application fees incurred in connection with any filing with, and clearance of the offering by, the Financial Industry Regulatory Authority; (ix) all expenses incurred by the Company and the Issuer in connection with any "road show"

presentation to potential investors, if any; (x) all fees and expenses related to the listing of the Securities on the Exchange; and (xi) all expenses and application fees related to the listing of any Securities on any securities exchange.

(b) If (i) this Agreement is terminated pursuant to Section 10(ii), (ii) the Issuer for any reason (other than a breach by any Underwriter hereunder) fails to tender the Securities for delivery to the Underwriters or (iii) the Underwriters decline to purchase the Securities for any reason permitted under this Agreement, the Company and the Issuer agree to reimburse the Underwriters for all out-of-pocket costs and expenses (including the fees and expenses of their counsel) reasonably incurred by the Underwriters in connection with this Agreement and the offering contemplated hereby.

13. Persons Entitled to Benefit of Agreement. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and the officers and directors and any controlling persons referred to herein, and the affiliates of each Underwriter referred to in Section 7 hereof. Nothing in this Agreement is intended or shall be construed to give any other person any legal or equitable right, remedy or claim under or in respect of this Agreement or any provision contained herein. No purchaser of Securities from any Underwriter shall be deemed to be a successor merely by reason of such purchase.

14. Survival. The respective indemnities, rights of contribution, representations, warranties and agreements of the Company, the Issuer and the Underwriters contained in this Agreement or made by or on behalf of the Company, the Issuer or the Underwriters pursuant to this Agreement or any certificate delivered pursuant hereto shall survive the delivery of and payment for the Securities and shall remain in full force and effect, regardless of any termination of this Agreement or any investigation made by or on behalf of the Company, the Issuer or the Underwriters.

15. Certain Defined Terms. For purposes of this Agreement, and subject to the first sentence of Section 3(ff), (a) except where otherwise expressly provided, the term “affiliate” has the meaning set forth in Rule 405 under the Securities Act; (b) the term “business day” means any day other than a day on which banks are permitted or required to be closed in New York City; (c) the term “subsidiary” has the meaning set forth in Rule 405 under the Securities Act.

16. Miscellaneous. (a) *Authority of the Representatives*. Any action by the Underwriters hereunder may be taken by the Representatives on behalf of the Underwriters, and any such action taken by the Representatives shall be binding upon the Underwriters.

(b) *Notices*. All notices and other communications hereunder shall be in writing and shall be deemed to have been duly given if mailed or transmitted and confirmed by any standard form of telecommunication. Notices to the Underwriters shall be given to the Representatives c/o Goldman, Sachs & Co., 200 West Street, New York, New York 10282-2198, Attention: Registration Department; c/o Deutsche Bank AG, London Branch, Winchester House, 1 Great Winchester Street, London EC2N 2DB, United Kingdom, Attention: Syndicate Desk (fax: +44 0207 545 4455); and c/o Merrill Lynch International, 2 King Edward Street, London EC1A 1HQ, United Kingdom, Attention: Syndicate Desk (fax: +44-20-7995-2968). Notices to the Issuer shall be given to it at 108 Wilmot Road, Deerfield, Illinois 60015, Attention: Thomas Sabatino, Jr. (fax: 847-315-3652). Notices to the Company shall be given to it at 108 Wilmot Road, Deerfield, Illinois 60015, Attention: Thomas Sabatino, Jr. (fax: 847-315-3652). In accordance with the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)), the Underwriters are required to obtain, verify and record information that identifies their respective clients, including the Company and the Issuer, which information may include the name and address of their respective clients, as well as other information that will allow the underwriters to properly identify their respective clients.

(c) *Governing Law* . This Agreement shall be governed by and construed in accordance with the laws of the State of New York.

(d) *Counterparts* . This Agreement may be signed in counterparts (which may include counterparts delivered by any standard form of telecommunication), each of which shall be an original and all of which together shall constitute one and the same instrument.

(e) *Amendments or Waivers* . No amendment or waiver of any provision of this Agreement, nor any consent or approval to any departure therefrom, shall in any event be effective unless the same shall be in writing and signed by the parties hereto.

(f) *Headings* . The headings herein are included for convenience of reference only and are not intended to be part of, or to affect the meaning or interpretation of, this Agreement.

If the foregoing is in accordance with your understanding, please indicate your acceptance of this Agreement by signing in the space provided below.

Very truly yours,

WALGREENS BOOTS ALLIANCE, INC.

By: /s/ Timothy R. McLevish

Name: Timothy R. McLevish

Title: Vice President and Treasurer

WALGREEN CO.

By: /s/ Timothy R. McLevish

Name: Timothy R. McLevish

Title: Executive Vice President and Chief
Financial Officer

[Underwriting Agreement Signature Page]

Accepted as of the date first written above

GOLDMAN, SACHS & CO.

By: /s/ Matt Leavitt
Name: Matt Leavitt
Title: Managing Director

[Underwriting Agreement Signature Page]

DEUTSCHE BANK AG, LONDON BRANCH

By: /s/ Michael Starmer-Smith

Name: Michael Starmer-Smith

Title: Managing Director

By: /s/ Daniel C Witter

Name: Daniel C Witter

Title: Managing Director

[Underwriting Agreement Signature Page]

MERRILL LYNCH INTERNATIONAL

By: /s/ John Cavanagh

Name: John Cavanagh

Title: Managing Director

[Underwriting Agreement Signature Page]

HSBC BANK PLC

By: /s/ Karen Warner

Name: Karen Warner

Title: Director

[Underwriting Agreement Signature Page]

J.P. MORGAN SECURITIES PLC

By: /s/ Kiran Mehta

Name: Kiran Mehta

Title: Executive Director

[Underwriting Agreement Signature Page]

MORGAN STANLEY & CO. INTERNATIONAL PLC

By: /s/ Delphine Mourot
Name: Delphine Mourot
Title: Vice President

[Underwriting Agreement Signature Page]

WELLS FARGO SECURITIES, LLC

By: /s/ Carolyn Hurley

Name: Carolyn Hurley

Title: Director

[Underwriting Agreement Signature Page]

mitsubishi ufj securities international plc

By: /s/ An-chi Chen-Tanner

Name: An-chi Chen-Tanner

Title: Authorized Signatory

[Underwriting Agreement Signature Page]

SOCIÉTÉ GÉNÉRALE

By: /s/ Demetrio Salorio _____

Name: Demetrio Salorio

Title: Global Head of DCM

[Underwriting Agreement Signature Page]

THE ROYAL BANK OF SCOTLAND PLC

By: /s/ Uzo Onwere

Name: Uzo Onwere

Title: Authorized Signatory

[Underwriting Agreement Signature Page]

UNICREDIT BANK AG

By: /s/ Michael Furmans
Name: Michael Furmans
Title: Director

By: /s/ Michaela Karg
Name: Michaela Karg
Title: Associate Director

[Underwriting Agreement Signature Page]

U.S. BANCORP INVESTMENTS, INC.

By: /s/ Craig Anderson

Name: Craig Anderson

Title: Managing Director

[Underwriting Agreement Signature Page]

BANCA IMI S.P.A.

By: /s/ Pantaleo Cucinotta

Name: Pantaleo Cucinotta

Title: Head of DCM

[Underwriting Agreement Signature Page]

LLOYDS BANK PLC

By: /s/ Laetitia Tomasso
Name: Laetitia Tomasso
Title: Director

[Underwriting Agreement Signature Page]

MIZUHO INTERNATIONAL PLC

By: /s/ Mark Wheatcroft _____

Name: Mark Wheatcroft

Title: Senior Managing Director

[Underwriting Agreement Signature Page]

BANCO SANTANDER, S.A.

By: /s/ Roland Broecheler

Name: Roland Broecheler
Title: Executive Director

By: /s/ Kevin Fournier

Name: Kevin Fournier
Title: Executive Director

[Underwriting Agreement Signature Page]

SMBC NIKKO CAPITAL MARKETS LIMITED

By: /s/ Stephen Apted

Name: Stephen Apted

Title: Managing Director

[Underwriting Agreement Signature Page]

SCHEDULE 1

Underwriter	Principal Amount of 2026 Notes	Principal Amount of 2020 Notes	Principal Amount of 2025 Notes
Goldman, Sachs & Co.	€103,125,000	£ 55,000,000	£ 41,250,000
Deutsche Bank AG, London Branch	103,125,000	55,000,000	41,250,000
Merrill Lynch International	103,125,000	55,000,000	41,250,000
HSBC Bank plc	75,000,000	40,000,000	30,000,000
J.P. Morgan Securities plc	56,250,000	30,000,000	22,500,000
Morgan Stanley & Co. International plc	56,250,000	30,000,000	22,500,000
Wells Fargo Securities, LLC	56,250,000	30,000,000	22,500,000
Mitsubishi UFJ Securities International plc	33,750,000	18,000,000	13,500,000
Société Générale	33,750,000	18,000,000	13,500,000
The Royal Bank of Scotland plc	33,750,000	18,000,000	13,500,000
UniCredit Bank AG	33,750,000	18,000,000	13,500,000
U.S. Bancorp Investments, Inc.	33,750,000	18,000,000	13,500,000
Banca IMI S.p.A.	5,625,000	3,000,000	2,250,000
Lloyds Bank plc	5,625,000	3,000,000	2,250,000
Mizuho International plc	5,625,000	3,000,000	2,250,000
Banco Santander, S.A.	5,625,000	3,000,000	2,250,000
SMBC Nikko Capital Markets Limited	5,625,000	3,000,000	2,250,000
Total	€750,000,000	£400,000,000	£300,000,000

SCHEDULE 2

<u>Note</u>	<u>Price to the Underwriters</u>
€750,000,000 2.125% Notes due 2026	99.269%
£400,000,000 2.875% Notes due 2020	99.381%
£300,000,000 3.600% Notes due 2025	99.390%

Material Subsidiaries

Waltrust Properties, Inc.
Bond Drug Company of Illinois, LLC
Walgreen Mercantile Corp.
Walgreen Pharmacy Strategies, LLC
Walgreen Swiss International GmbH

TERM LOAN CREDIT AGREEMENT

DATED AS OF NOVEMBER 10, 2014

AMONG

WALGREEN CO.,

WALGREENS BOOTS ALLIANCE, INC.,

THE LENDERS FROM TIME TO TIME PARTIES HERETO,

and

**BANK OF AMERICA, N.A.,
as Administrative Agent**

**MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED,
HSBC BANK PLC,
DEUTSCHE BANK LUXEMBOURG S.A.,
GOLDMAN SACHS BANK USA,
J.P. MORGAN SECURITIES LLC,
MORGAN STANLEY SENIOR FUNDING, INC.,**

and

**WELLS FARGO BANK, N.A.,
as Joint Lead Arrangers and Joint Book Managers**

**HSBC BANK PLC,
as Syndication Agent**

and

**DEUTSCHE BANK LUXEMBOURG S.A.,
GOLDMAN SACHS BANK USA,
JPMORGAN CHASE BANK, N.A.,
MORGAN STANLEY SENIOR FUNDING, INC.,**

and

**WELLS FARGO BANK, N.A.,
as Co-Documentation Agents**

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TERM LOAN CREDIT AGREEMENT

This Term Loan Credit Agreement, dated as of November 10, 2014, is among WALGREEN CO., an Illinois corporation (“**Walgreens**”), WALGREENS BOOTS ALLIANCE, INC., a Delaware corporation (“**Walgreens Boots Alliance**”), the institutions from time to time parties hereto as Lenders (whether by execution of this Agreement or an assignment pursuant to Section 12.01) and BANK OF AMERICA, N.A., as Administrative Agent.

The Borrower has requested that the Lenders agree to make loans to the Borrower on the Funding Date to finance, in part, the Alliance Boots Acquisition, to refinance or repay certain Indebtedness of Walgreens, Alliance Boots and their respective Subsidiaries and to pay fees and expenses related to the Transactions. The Lenders are willing to make such loans to the Borrower on the terms and subject to the conditions set forth in this Agreement.

The parties hereto agree as follows:

ARTICLE 1 DEFINITIONS

Section 1.01 . *Certain Defined Terms* . As used in this Agreement:

“**AB Group**” means, collectively, Alliance Boots, its Subsidiaries and the UK Holdings Group Members.

“**Accounting Changes**” is defined in Section 9.07.

“**Acquired Business**” means Alliance Boots, together with its Subsidiaries.

“**Acquisition Agreement**” means that certain Purchase and Option Agreement dated as of June 18, 2012, as amended on August 5, 2014, by and among Alliance Boots, Seller, and Walgreens.

“**Acquisition Representations**” means the representations made by the Seller with respect to Alliance Boots and its subsidiaries in the Acquisition Agreement as are material to the interests of the Lenders (but only to the extent that Walgreens has the right not to consummate the Alliance Boots Acquisition, or to terminate its obligations (or otherwise does not have an obligation to close), under the Acquisition Agreement, as a result of a failure of any such representation in the Acquisition Agreement to be true and correct).

“ **Administrative Agency Fee Letter** ” means that certain Administrative Agency Fee Letter, dated October 10, 2014, among Bank of America and Walgreens.

“ **Administrative Agent** ” means Bank of America in its capacity as contractual representative of the Lenders pursuant to Article 10, and not in its individual capacity as a Lender, and any successor Administrative Agent appointed pursuant to Article 10.

“ **Administrative Agent’s Office** ” means the Administrative Agent’s address and, as appropriate, account as set forth on Schedule 13.01, or such other address or account as the Administrative Agent may from time to time notify to the Borrower and the Lenders.

“ **Affiliate** ” of any Person means any other Person directly or indirectly controlling, controlled by or under common control with such Person. A Person shall be deemed to control another Person if the controlling Person is the “beneficial owner” (as defined in Rule 13d-3 under the Securities Exchange Act of 1934) of ten percent (10%) or more of any class of voting securities (or other voting interests) of the controlled Person or possesses, directly or indirectly, the power to direct or cause the direction of the management or policies of the controlled Person, whether through ownership of voting securities, by contract or otherwise.

“ **Agent** ” means any of the Administrative Agent, the Syndication Agent or the Co-Documentation Agents, as appropriate, and “ **Agents** ” means, collectively, the Administrative Agent, the Syndication Agent and the Co-Documentation Agents.

“ **Agent Parties** ” is defined in Section 13.01(c).

“ **Aggregate Commitment** ” means the aggregate of the Commitments of all the Lenders, as may be adjusted from time to time pursuant to the terms hereof. The Aggregate Commitment as of the Effective Date is One Billion Four Hundred Fifty Million and 00/100 Sterling (£1,450,000,000).

“ **Agreement** ” means this Term Loan Credit Agreement, as it may be amended, restated, supplemented or otherwise modified and as in effect from time to time.

“ **Agreement Accounting Principles** ” means generally accepted accounting principles as in effect in the United States from time to time, applied in a manner consistent with that used in preparing the financial statements of Walgreens referred to in Section 5.04; *provided, however*, that except as provided in Section 9.07, with respect to the calculation of financial ratios and other financial

tests required by this Agreement, “Agreement Accounting Principles” means generally accepted accounting principles as in effect in the United States as of the date of this Agreement, applied in a manner consistent with that used in preparing the financial statements of Walgreens referred to in Section 5.04 hereof.

“ **Agreement Currency** ” is defined in Section 15.06.

“**Alliance Boots**” means Alliance Boots GmbH.

“**Alliance Boots Acquisition**” means the direct or indirect acquisition of the issued and outstanding capital stock in Alliance Boots that Walgreens does not, directly or indirectly, own as of the Effective Date, pursuant to the Acquisition Agreement.

“**Alliance Boots Acquisition Closing Date**” means the date on which the Alliance Boots Acquisition is consummated.

“ **Alliance Boots Material Adverse Effect** ” means any Effect that, taken individually or when taken together with all other applicable Effects, has been, is or would reasonably be expected to be materially adverse to (a) the business, assets, Liabilities, financial condition or results of operations of Alliance Boots and the other members of the AB Group, taken as a whole, or (b) the ability of the Alliance Boots or the Seller to complete the Transactions or perform their respective obligations under the Transaction Documents; provided, however, that, with respect to clause (a) only, an “Alliance Boots Material Adverse Effect” shall be deemed not to include Effects to the extent resulting from (i) changes after June 18, 2012 in IFRS, (ii) changes after June 18, 2012 in Applicable Laws applicable to companies in any industry in which the AB Group operates, (iii) changes after June 18, 2012 in global, national or regional political conditions or general economic or market conditions generally affecting companies in any industry in which the AB Group operates, (iv) the failure, in and of itself, to meet earnings projections, but not including any underlying causes thereof, (v) the public disclosure of the Acquisition Agreement or the transactions contemplated thereby or (vi) any outbreak or escalation of hostilities, declared or undeclared acts of war or terrorism, except, with respect to clauses (ii), (iii) and (vi), to the extent that such Effects disproportionately adversely affect Alliance Boots and the other members of the AB Group, taken as a whole, as compared to other companies in any industry in which the AB Group operates.

“ **Applicable Laws** ” means, with respect to any Person (as defined in the Acquisition Agreement), any federal, national, state, local, cantonal, municipal, international or multinational statute, law, ordinance, secondary and subordinate legislation, directives, rule (including rules of common law), regulation, ordinance, treaty, Order, permit, authorization or other requirement applicable to such Person, its assets, properties, operations or business.

“ **Applicable Margin** ” means the percentage rate per annum which is applicable at such time as set forth in the Pricing Schedule.

“ **Approved Fund** ” means any Fund that is administered or managed by (a) a Lender, (b) an Affiliate of a Lender or (c) an entity or an Affiliate of an entity that administers or manages a Lender.

“ **Arranger** ” means, collectively, Merrill Lynch, Pierce, Fenner & Smith Incorporated, HSBC, Deutsche Bank Luxembourg S.A., Goldman Sachs Bank USA, J.P. Morgan Securities LLC, Morgan Stanley Senior Funding, Inc. and Wells Fargo Securities, LLC, and their respective successors, in their capacity as Joint Lead Arrangers.

“ **Article** ” means an article of this Agreement unless another document is specifically referenced.

“ **Assignee Group** ” means two or more Eligible Assignees that are Affiliates of one another or two or more Approved Funds managed by the same investment advisor.

“ **Assignment and Assumption** ” means an assignment and assumption entered into by a Lender and an Eligible Assignee (with the consent of any party whose consent is required by Section 12.01), and accepted by the Administrative Agent, in substantially the form of Exhibit C or any other form approved by the Administrative Agent.

“ **Authorized Officer** ” means any of the President, Senior or Executive Vice President or Treasurer of the Borrower, acting singly.

“ **Bank of America** ” means Bank of America, N.A., a national banking association having its principal office in Charlotte, North Carolina, in its individual capacity, and its successors.

“ **Borrower** ” means (i) Walgreens or (ii) to the extent the Holdco Reorganization is consummated on or prior to the Alliance Boots Acquisition Closing Date, Walgreens Boots Alliance, as applicable.

“ **Borrower Materials** ” is defined in Section 6.01.

“ **Borrowing Notice** ” is defined in Section 2.08.

“ **Business Day** ” means a day (other than a Saturday or Sunday) on which banks generally are open in Charlotte, North Carolina, Chicago, Illinois and New York, New York for the conduct of substantially all of their commercial lending activities and interbank wire transfers can be made on the Fedwire system and that is also a London Banking Day.

“ **Buyer SEC Report** ” means Walgreens’ 2014 Annual Report on Form 10-K.

“ **Capital Markets Indebtedness** ” means any Indebtedness consisting of bonds, debentures, notes or other similar debt securities issued in (a) a public offering registered under the Securities Act of 1933 or (b) a private placement to institutional investors that is resold in accordance with Rule 144A or Regulation S of the Securities Act of 1933, whether or not it includes registration rights entitling the holders of such debt securities to registration thereof with the SEC. The term “ **Capital Markets Indebtedness** ” shall not, for the avoidance of doubt, be construed to include any Indebtedness issued to institutional investors in a direct placement of such Indebtedness that is not resold by an intermediary (it being understood that, without limiting the foregoing, a financing that is distributed to not more than ten Persons (provided that multiple managed accounts and affiliates of any such Persons shall be treated as one Person for the purposes of this definition) shall be deemed not to be so underwritten or resold), or any Indebtedness under the New Credit Agreements, Commercial Bank Indebtedness, capitalized lease obligation or recourse transfer of any financial asset or any other type of Indebtedness incurred in a manner not customarily viewed as a “securities offering.”

“ **Capitalized Lease** ” of a Person means any lease of Property by such Person as lessee which would be capitalized on a balance sheet of such Person prepared in accordance with Agreement Accounting Principles.

“ **Capitalized Lease Obligations** ” of a Person means the amount of the obligations of such Person under Capitalized Leases which would be shown as a liability on a balance sheet of such Person prepared in accordance with Agreement Accounting Principles.

“ **Change in Law** ” means the occurrence, after the date of this Agreement, of any of the following: (a) the adoption or taking effect of any law, rule, regulation or treaty, (b) any change in any law, rule, regulation or treaty or in the administration, interpretation or application thereof by any Governmental Authority or (c) the making or issuance of any request, guideline or directive (whether or not having the force of law) by any Governmental Authority; *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 promulgated 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 to be a “Change in Law”, regardless of the date enacted, adopted, issued, promulgated or implemented.

“ **Co-Documentation Agents** ” means, collectively, Deutsche Bank Luxembourg S.A., Goldman Sachs Bank USA, J. P. Morgan Securities LLC, Morgan Stanley Senior Funding, Inc., and Wells Fargo Securities, LLC, each in its capacity as the documentation agent for the Lenders, and not in its individual capacity as a Lender.

“ **Code** ” means the Internal Revenue Code of 1986, as amended, reformed or otherwise modified from time to time.

“ **Commercial Bank Indebtedness** ” means Indebtedness for Borrowed Money (including undrawn commitments in respect thereof) owed to commercial banks under financing arrangements comparable to the New Credit Agreements (including such arrangements on a bilateral basis, but excluding Indebtedness for Borrowed Money under the New Credit Agreements).

“ **Commitment** ” means, for each Lender, the obligation of such Lender to make Loans in an aggregate principal amount not to exceed the amount set forth on the Commitment Schedule (which schedule shall set forth each Lender’s Commitment as of the Effective Date) or in an Assignment and Assumption executed pursuant to Section 12.01, as it may be modified as a result of any assignment that has become effective pursuant to Section 12.01 or as otherwise modified from time to time pursuant to the terms hereof.

“ **Commitment Period** ” means the period commencing on the Effective Date and ending on the earliest of (i) the date immediately following the Alliance Boots Acquisition Closing Date, (ii) the date immediately following the Second Step End Date (as defined in the Acquisition Agreement as in effect on the date hereof) and (iii) the date of termination in full of the Commitments.

“ **Commitment Schedule** ” means the Schedule attached hereto and identified as such, identifying each Lender’s Commitment as of the Effective Date.

“ **Consolidated Assets** ” means, at any date of determination, the total amount, as shown on or reflected in the most recent consolidated balance sheet of the Borrower and its subsidiaries as at the end of the Borrower’s fiscal quarter ending prior to such date, of all assets of the Borrower and its consolidated subsidiaries on a consolidated basis in accordance with Agreement Accounting Principles (giving pro forma effect to any acquisition or disposition of Property of the

Borrower or any of its subsidiaries with fair value in excess of \$100,000,000 that has occurred since the end of such fiscal quarter as if such acquisition or disposition had occurred on the last day of such fiscal quarter).

“ **Consolidated Debt** ” means at any time the consolidated Indebtedness for Borrowed Money of the Borrower and its subsidiaries calculated on a consolidated basis as of such time in accordance with Agreement Accounting Principles.

“ **Consolidated Net Worth** ” means at any time the consolidated stockholders’ equity of the Borrower and its subsidiaries calculated on a consolidated basis as of such time in accordance with Agreement Accounting Principles.

“ **Contingent Obligation** ” of a Person means any agreement, undertaking or arrangement by which such Person assumes, guarantees, endorses, contingently agrees to purchase or provide funds for the payment of, or otherwise becomes or is contingently liable upon, the obligation or liability of any other Person, or agrees to maintain the net worth or working capital or other financial condition of any other Person, or otherwise assures any creditor of such other Person against loss, including, without limitation, any comfort letter, operating agreement, take-or-pay contract or the obligations of any such Person as general partner of a partnership with respect to the liabilities of the partnership.

“ **Continuation Notice** ” is defined in Section 2.09.

“ **Controlled Group** ” means all members of a controlled group of corporations or other business entities and all trades or businesses (whether or not incorporated) under common control which, together with Borrower or any of its Subsidiaries, are treated as a single employer under Section 414 of the Code.

“ **Debtor Relief Laws** ” means the Bankruptcy Code of the United States, and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief laws of the United States or other applicable jurisdictions from time to time in effect and affecting the rights of creditors generally.

“ **Default** ” means an event described in Article 7.

“ **Defaulting Lender** ” means, subject to Section 2.22(b), any Lender that (a) has failed to perform any of its funding obligations hereunder, including in respect of its Loans, within three Business Days of the date required to be funded by it hereunder unless such Lender notifies the Administrative Agent in writing that such failure is the result of such Lender’s determination that one or more conditions precedent to funding has not been satisfied (which conditions precedent, together with the applicable default, if any, will be specifically identified in

such writing), (b) has notified the Borrower or the Administrative Agent in writing that it does not intend to comply with its funding obligations or has made a public statement to that effect with respect to its funding obligations hereunder, or generally under other agreements in which it commits to extend credit, unless such notification or public statement relates to such Lender's obligation to fund a Loan hereunder and states that such position is based on such Lender's determination that a condition precedent to funding cannot be satisfied (which conditions precedent, together with the applicable default, if any, will be specifically identified in such writing or public statement), (c) has failed, within three Business Days after written request by the Administrative Agent or the Borrower, to confirm in a manner satisfactory to the Administrative Agent or the Borrower, as applicable, that it will comply with its funding obligations, which request was made because of a reasonable concern by the Administrative Agent or the Borrower that such Lender may not be able to comply with its funding obligations hereunder; *provided* that such Lender shall cease to be a Defaulting Lender pursuant to this clause (c) upon receipt of such written confirmation by the Administrative Agent or the Borrower, or (d) has, or has a direct or indirect parent company that has, (i) become the subject of a proceeding under any Debtor Relief Law, (ii) had a receiver, conservator, trustee, administrator, assignee for the benefit of creditors or similar Person charged with reorganization or liquidation of its business or a custodian appointed for it, or (iii) taken any action in furtherance of, or indicated its consent to, approval of or acquiescence in any such proceeding or appointment; *provided* that a Lender shall not be a Defaulting Lender solely by virtue of the ownership or acquisition of any equity interest in that Lender or any direct or indirect parent company thereof by a Governmental Authority unless such ownership or equity results in or provides such Lender with immunity from the jurisdiction of courts within the United States or any other nation or from the enforcement of judgments or writs of attachment on its assets or permits such Lender (or such Governmental Authority or instrumentality) to reject, repudiate, disavow or disaffirm any contracts or agreements made by such Lender. Any determination by the Administrative Agent that a Lender is a Defaulting Lender under any one or more of clauses (a) through (d) above, and of the effective date of such status, shall be conclusive and binding absent manifest error, and such Lender shall be deemed to be a Defaulting Lender (subject to Section 2.22(b)) as of the date established therefor by the Administrative Agent in a written notice of such determination, which shall be delivered by the Administrative Agent to the Borrower and each Lender promptly following such determination.

“ **Disqualified Stock** ” means any capital stock that, by its terms (or by the terms of any security into which it is convertible or for which it is exchangeable), or upon the happening of any event, matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, or redeemable at the option of the holder thereof, in whole or in part, on or prior to the date that is ninety-one (91) days after the Maturity Date.

“ **Dollar** ” and “ **\$** ” means dollars in the lawful currency of the United States of America.

“ **Dollar Equivalent** ” means, at any time, (a) with respect to any amount denominated in Dollars, such amount, and (b) with respect to any amount denominated in any other currency, the equivalent amount thereof in Dollars as determined by the Administrative Agent at such time on the basis of the Exchange Rate for the purchase of Dollars with such currency.

“ **Effect** ” means any change, effect, event, development, circumstance or occurrence.

“ **Effective Date** ” means the first date on which the conditions set forth in Section 4.01 are satisfied (or waived in accordance with Section 8.02).

“ **Eligible Assignee** ” means any Person that meets the requirements to be an assignee under Section 12.01(b)(v), (vi) and (vii) (subject to such consents, if any, as may be required under Section 12.01(b)(iii)).

“ **Environmental Laws** ” means any and all federal, state, local and foreign statutes, laws, judicial decisions, regulations, ordinances, rules, judgments, orders, decrees, plans, injunctions, permits, concessions, grants, franchises, licenses, agreements and other governmental restrictions relating to (a) the protection of the environment, (b) the effect of the environment on human health, (c) emissions, discharges or releases of pollutants, contaminants, hazardous substances or wastes into surface water, ground water or land, or (d) the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of pollutants, contaminants, hazardous substances or wastes or the clean-up or other remediation thereof.

“ **Environmental Liability** ” means any liability, contingent or otherwise (including any liability for damages, cost of environmental remediation, fines, penalties or indemnities), resulting from or based upon (a) violation of any Environmental Law, (b) the generation, use, handling, transportation, storage, treatment or disposal of any Hazardous Materials, (c) exposure to any Hazardous Materials, (d) the release or threatened release of any Hazardous Materials into the environment or (e) any contract, agreement or other consensual arrangement pursuant to which liability is assumed or imposed with respect to any of the foregoing.

“ **ERISA** ” means the Employee Retirement Income Security Act of 1974, as amended from time to time, including (unless the context otherwise requires) the rules or regulations promulgated thereunder.

“ **Eurocurrency Base Rate** ” means for any Interest Period with respect to a Loan, the rate per annum equal to the London Interbank Offered Rate administered by the ICE Benchmark Administration (or the successor thereto if the ICE Benchmark Administration is no longer making a London Interbank Offered Rate available) as published on the applicable Bloomberg screen page (or such other comparable commercially available source providing such quotations as may be designated by the Administrative Agent from time to time in its reasonable discretion) at approximately 11:00 a.m., London time, two London Banking Days prior to the commencement of such Interest Period, for Sterling deposits (for delivery on the first day of such Interest Period) in the London interbank market with a term equivalent to such Interest Period; and

“ **Eurocurrency Rate** ” means, with respect to a Loan for the relevant Interest Period, the quotient of (i) the Eurocurrency Base Rate applicable to such Interest Period, *divided by* (ii) one *minus* the Reserve Requirement (expressed as a decimal) applicable to such Interest Period.

“ **Exchange Rate** ” for a currency means the rate determined by the Administrative Agent for the purchase of such currency with another currency, as published on the applicable Bloomberg screen page at or about 11:00 a.m. (London, England time) on the date two Business Days prior to the date as of which the foreign exchange computation is made. In the event that such rate does not appear on the applicable Bloomberg screen page, the “ **Exchange Rate** ” with respect to the purchase of such currency with another currency shall be determined by reference to such other publicly available service for displaying exchange rates as may be agreed upon by the Administrative Agent and the Borrower, or, in the absence of such agreement, such “ **Exchange Rate** ” shall instead be the rate determined by the Administrative Agent to be the rate quoted by the Person acting in such capacity as the spot rate for the purchase by such Person of such currency with another currency through its principal foreign exchange trading office in respect of such currency at approximately 11:00 a.m. (local time) on the date two Business Days prior to the date as of which the foreign exchange computation is made; provided that if at the time of any such determination, no such spot rate can reasonably be quoted, the Administrative Agent may use any reasonable method as it deems applicable to determine such rate, and such determination shall be conclusive absent manifest error.

“ **Excluded Taxes** ” means, with respect to the Administrative Agent, any Lender, or any other recipient of any payment to be made by or on account of any obligation of the Borrower hereunder, (a) Taxes imposed on or measured by its

overall net income (however denominated), franchise Taxes imposed on it (in lieu of net income Taxes), and branch profits or similar Taxes, in each case, imposed by the jurisdiction (or any political subdivision thereof) (i) under the laws of which such recipient is organized or in which its principal office is located or, in the case of any Lender, in which its applicable Lending Installation is located, or (ii) where the recipient otherwise has a present or former connection (other than by reason of the activities and transactions specifically contemplated by this Agreement, including selling or assigning an interest in any Loan or Loan Document or enforcing provisions of any Loan Document), (b) any backup withholding Tax that is required by the Code to be withheld from amounts payable to a Lender that has failed to comply with Section 3.05(e)(ii), (c) in the case of a Foreign Lender, any U.S. withholding Tax that is required to be imposed on amounts payable to such Foreign Lender (other than an assignee pursuant to a request by the Borrower under Section 2.19) pursuant to the laws in force at the time such Foreign Lender becomes a party hereto (or designates a new Lending Installation), except to the extent that such Foreign Lender (or its assignor, if any) was entitled, at the time of designation of a new Lending Installation (or assignment), to receive additional amounts from the Borrower with respect to such withholding Tax pursuant to Section 3.05(a)(i) or (ii), (d) in the case of a Lender, any withholding Tax that is attributable to such Lender's failure to comply with Section 3.05(e) and (e) any U.S. federal withholding Taxes imposed under FATCA.

“ **Exhibit** ” refers to an exhibit to this Agreement, unless another document is specifically referenced.

“ **Existing Alliance Boots Debt** ” means Indebtedness for Borrowed Money outstanding under (i) the Senior Facilities Agreement, dated 5 July 2007 (as amended and restated by amendment and restatement agreements dated 10 September 2007, 30 May 2008, 18 December 2012 and 11 June 2014 and as amended by an amendment letter dated 16 October 2007 and as further amended or otherwise modified from time to time), among Alliance Boots Limited, Deutsche Bank AG, London Branch, as facility agent and the other obligors, agents and lenders party thereto, and (ii) the Subordinated Facility Agreement, dated 5 July 2007 (as amended and restated by amendment and restatement agreements dated 3 September 2007 and 18 December 2012 and as amended by an amendment letter dated 16 October 2007 and as further amended or otherwise modified from time to time), among Alliance Boots Limited, Deutsche Bank AG, London Branch, as facility agent and the other obligors, agents and lenders party thereto, and, in each case, refinancings, renewals or replacement thereof with the proceeds of Indebtedness for Borrowed Money issued or guaranteed by Alliance Boots and its Subsidiaries.

“ **Existing Alliance Boots Debt Repayment** ” means the payment or other satisfaction in full of all amounts due or outstanding in respect of the Existing Alliance

Boots Debt, the termination of all commitments (if any) in respect thereof and the discharge and release of all guarantees (if any) thereof and security (if any) therefor.

“ **Existing Notes** ” means the (i) 1.000% Notes due 2015, (ii) 1.800% Notes due 2017, (iii) 5.250% Notes due 2019, (iv) 3.100% Notes due 2022 and (v) 4.400% Notes due 2042, in each case, issued by Walgreens and outstanding on October 17, 2014.

“ **Facilities Fee Letter** ” means that certain Facilities Fee Letter, dated October 10, 2014, among the Arrangers, the Initial Lenders and Walgreens.

“ **FATCA** ” means sections 1471-1474 of the Code as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with) and any regulations promulgated thereunder or official interpretations thereof and any agreements entered into pursuant to Section 1471(b) of the Code.

“ **Fee Letters** ” means the Facilities Fee Letter and the Administrative Agency Fee Letter.

“ **Foreign Lender** ” means any Lender that is not organized under the laws of the United States, any State thereof or the District of Columbia.

“ **Foreign Pension Plan** ” means any defined benefit plan as described in Section 3(35) of ERISA for which the Borrower, any Subsidiary or any member of the Controlled Group is a sponsor or administrator or to which the Borrower, any Subsidiary or any member of the Controlled Group has any liability, and which (a) is maintained or contributed to for the benefit of employees of the Borrower, any of its respective Subsidiaries or any member of its Controlled Group, (b) is not covered by ERISA pursuant to Section 4(b)(4) of ERISA, and (c) under applicable local law, is required to be funded through a trust or other funding vehicle.

“ **Fund** ” means any Person (other than a natural person) that is (or will be) engaged in making, purchasing, holding or otherwise investing in commercial loans and similar extensions of credit in the ordinary course of its business.

“ **Funding Date** ” means the first date on which the conditions set forth in Section 4.02 are satisfied (or waived in accordance with Section 8.02).

“ **Governmental Authority** ” means the government of the United States or any other nation, or of any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or

other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any supra-national bodies such as the European Union or the European Central Bank).

“ **Hazardous Materials** ” means all explosive or radioactive substances or wastes and all hazardous or toxic substances, wastes or other pollutants, including petroleum or petroleum distillates, asbestos or asbestos-containing materials, polychlorinated biphenyls, radon gas, infectious or medical wastes and all other substances or wastes of any nature regulated pursuant to any Environmental Law.

“ **Holdco Reorganization** ” means the reorganization of Walgreens into a holding company structure pursuant to the merger of a newly formed, wholly owned subsidiary of Walgreens Boots Alliance with and into Walgreens, resulting in Walgreens, as the surviving company in such merger, becoming a wholly owned subsidiary of Walgreens Boots Alliance and Walgreens’ common shareholders becoming shareholders of Walgreens Boots Alliance.

“ **HSBC** ” means HSBC Bank plc.

“ **IFRS** ” means the standards and interpretations adopted by the International Accounting Standards Board, including (a) the International Financial Reporting Standards issued by the International Accounting Standards Board, (b) the International Accounting Standards originally issued by the International Accounting Standards Committee, in the form adopted by the International Accounting Standards Board, (c) the final interpretations issued by the International Financial Reporting Interpretations Committee and (d) the final interpretations issued by the Standing Interpretations Committee, consistently applied, as in effect at the date of such financial statements or information to which it refers.

“ **Indebtedness** ” of a Person means, without duplication, (a) the obligations of such Person (i) for borrowed money, (ii) under or with respect to notes payable and drafts accepted which represent extensions of credit (whether or not representing obligations for borrowed money) to such Person, (iii) constituting reimbursement obligations with respect to letters of credit issued for the account of such Person, (iv) for the deferred purchase price of property or services (other than current accounts payable arising in the ordinary course of such Person’s business payable on terms customary in the trade), (v) for its Contingent Obligations, (vi) for its Net Mark-to-Market Exposure under Rate Management Transactions, (vii) for its Capitalized Lease Obligations, (viii) for its Rate Management Obligations, (ix) for its Receivables Transaction Attributed Indebtedness and (x) with respect to Disqualified Stock, (b) the obligations of others, whether or not assumed, secured by Liens on property of such Person or payable out of the proceeds of, or production from, property or assets now or hereafter owned or acquired by such Person and (c) any other obligation or other financial accommodation which in accordance with Agreement Accounting Principles would be shown as a liability on the consolidated balance sheet of such Person.

“Indebtedness for Borrowed Money” of a Person means, without duplication, (a) indebtedness for borrowed money (whether or not evidenced by bonds, debentures, notes or similar instruments) or for the deferred purchase price of property or services (other than current accounts payable arising in the ordinary course of such Person’s business payable on terms customary in the trade), (b) Capitalized Lease Obligations and (c) obligations under direct or indirect guaranties in respect of, and obligations (contingent or otherwise) to purchase or otherwise acquire, or otherwise to assure a creditor against loss in respect of, indebtedness or obligations of any other Person of the kinds referred to in clause (a) or (b) above.

“ Indemnified Taxes ” means Taxes (other than Excluded Taxes) imposed on or with respect to any payment made by or on account of any obligation of the Borrower hereunder.

“ Indemnitee ” is defined in Section 9.06(b).

“ Information ” is defined in Section 9.10.

“ Initial Lenders ” means Bank of America, HSBC, Deutsche Bank Luxembourg S.A., Goldman Sachs Bank USA, JPMorgan Chase Bank, N.A., Morgan Stanley Bank, N.A. and Wells Fargo Bank, N.A.

“ Intangible Assets ” means, at any date of determination, the value, as shown on or reflected in the most recent consolidated balance sheet of the Borrower and its subsidiaries as at the end of the Borrower’s fiscal quarter ending prior to such date, prepared in accordance with Agreement Accounting Principles and giving pro forma effect to any acquisition or disposition of Property of the Borrower or any of its subsidiaries with fair value in excess of \$100,000,000 that has occurred since the end of such fiscal quarter as if such acquisition or disposition had occurred on the last day of such fiscal quarter, of all trade names, trademarks, licenses, patents, copyrights, service marks, goodwill and other like intangibles.

“ Interest Period ” means, with respect to a Loan, a period of one week, one, two, three or six months or such other period agreed to by the Lenders and the Borrower, commencing on the Funding Date or on the date on which a Loan is continued. Such Interest Period shall end on but exclude the day which corresponds numerically to such date one, two, three or six months or such other agreed upon period thereafter (or, in the case of an Interest Period of one week, shall end on but exclude the day that is one week thereafter), *provided, however,*

that if there is no such numerically corresponding day in such next, second, third or sixth succeeding month or such other succeeding period, such Interest Period shall end on the last Business Day of such next, second, third or sixth succeeding month or such other succeeding period. If an Interest Period would otherwise end on a day which is not a Business Day, such Interest Period shall end on the next succeeding Business Day, *provided, however*, that if said next succeeding Business Day falls in a new calendar month, such Interest Period shall end on the immediately preceding Business Day.

“ **Judgment Currency** ” is defined in Section 15.06.

“ **Lead Arrangers** ” means Merrill Lynch, Pierce, Fenner & Smith Incorporated and HSBC.

“ **Lenders** ” means the lending institutions listed on the signature pages of this Agreement and their respective successors and assigns.

“ **Lending Installation** ” means, with respect to a Lender or the Agents, the office, branch, subsidiary or affiliate of such Lender or Agent listed on the administrative information sheets provided to the Administrative Agent in connection herewith, or otherwise selected by such Lender or Agent pursuant to Section 2.17.

“ **Liabilities** ” means any debt, obligation, commitment, liability, or Indebtedness (as defined in the Acquisition Agreement) of any kind, character or description, whether absolute, contingent, accrued, liquidated, unliquidated, known, unknown, matured or unmatured.

“ **Lien** ” means any lien (statutory or other), mortgage, pledge, hypothecation, assignment, deposit arrangement, encumbrance or preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever (including, without limitation, the interest of a vendor or lessor under any conditional sale, Capitalized Lease or other title retention agreement).

“ **Loan** ” means, with respect to a Lender, such Lender’s loan made pursuant to Section 2.01 (and any continuation thereof pursuant to Section 2.09). All Loans shall be denominated in Sterling.

“ **Loan Documents** ” means this Agreement and any Notes issued pursuant to Section 2.13 (if requested), as the same may be amended, restated or otherwise modified and in effect from time to time.

“ **London Banking Day** ” means any day on which dealings in Sterling deposits are conducted by and between banks in the London interbank eurodollar market.

“ **Major Subsidiary** ” means Walgreens (to the extent the Holdco Reorganization is consummated on or prior to the Alliance Boots Acquisition Closing Date) and any Subsidiary of the Borrower (a) which is organized and existing under, or has its principal place of business in, the United States or any political subdivision thereof, Canada or any political subdivision thereof, any country which is a member of the European Union on the Effective Date or any political subdivision thereof, or Switzerland, Norway or Australia or any of their respective political subdivisions, and (b) which has at any time total assets (after intercompany eliminations) exceeding \$7,000,000,000.

“ **Material Adverse Effect** ” means a material adverse effect on (a) the financial condition, results of operations, business or Property of the Borrower and its Subsidiaries taken as a whole or (b) the rights of or remedies available to the Lenders or the Administrative Agent against the Borrower under the Loan Documents, taken as a whole.

“ **Maturity Date** ” means the fifth anniversary of the Funding Date, *provided* that, if such date shall not be a Business Day, the Maturity Date shall be the immediately preceding Business Day.

“ **Moody’s** ” means Moody’s Investors Service, Inc. and any successor thereto.

“ **Multiemployer Plan** ” means a multiemployer plan as defined in Section 3(37) of ERISA that is subject to Title IV of ERISA and is maintained pursuant to a collective bargaining agreement or any other arrangement to which the Borrower, any Subsidiary or any member of the Controlled Group is a party to which more than one employer is obligated to make contributions.

“ **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 Rate Management Transactions. “ **Unrealized losses** ” means the fair market value of the cost to such Person of replacing such Rate Management Transaction as of the date of determination (assuming the Rate Management Transaction 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 Rate Management Transaction as of the date of determination (assuming such Rate Management Transaction were to be terminated as of that date).

“ **New Credit Agreements** ” means this Agreement and the Revolving Credit Agreement.

“ **Note** ” is defined in Section 2.13(d).

“ **Obligations** ” means all Loans, debts, liabilities, obligations, covenants and duties owing by the Borrower to any of the Agents, any Lender, any Arranger, any affiliate of the Agents or any Lender, any Arranger, or any indemnitee under the provisions of Section 9.06 or any other provisions of the Loan Documents, in each case of any kind or nature, present or future, arising under this Agreement or any other Loan Document, whether or not evidenced by any note, guaranty or other instrument, whether or not for the payment of money, whether arising by reason of an extension of credit, loan, foreign exchange risk, guaranty, indemnification, or in any other manner, whether direct or indirect (including those acquired by assignment), absolute or contingent, due or to become due, now existing or hereafter arising and however acquired. The term includes, without limitation, all interest, charges, expenses, fees, attorneys’ fees and disbursements, paralegals’ fees, and any other sum chargeable to the Borrower or any of its Subsidiaries under this Agreement or any other Loan Document.

“ **OFAC** ” means the Office of Foreign Assets Control of the U.S. Department of the Treasury.

“ **Order** ” means any judgment, decision, decree, order, settlement, injunction, writ, stipulation, determination or award issued by any Governmental Authority.

“ **Other Taxes** ” means all present or future stamp, documentary, intangible, recording or filing taxes or any similar taxes, charges or levies arising from the execution, delivery or enforcement of, or otherwise with respect to, this Agreement or any other Loan Document.

“ **Overnight Rate** ” means, for any day, with respect to any amount denominated in Sterling, the rate of interest per annum at which overnight deposits in Sterling, in an amount approximately equal to the amount with respect to which such rate is being determined, would be offered for such day by a branch or Affiliate of the Administrative Agent in the applicable offshore interbank market for such currency to major banks in such interbank market.

“ **Participant** ” is defined in Section 12.01(d).

“ **Participant Register** ” is defined in Section 12.01(d).

“ **Payment Date** ” means the last Business Day of each March, June, September and December and the Maturity Date.

“ **PBGC** ” means the Pension Benefit Guaranty Corporation, or any successor thereto.

“ **Person** ” means any natural person, corporation, firm, joint venture, partnership, limited liability company, association, enterprise, trust or other entity or organization, or any government or political subdivision or any agency, department or instrumentality thereof.

“ **Plan** ” means an employee benefit plan other than a Multiemployer Plan which is covered by Title IV of ERISA or subject to the minimum funding standards under Section 412 of the Code as to which the Borrower, any Subsidiary or any member of the Controlled Group may have liability.

“ **Platform** ” is defined in Section 6.01.

“ **Prefunding Backstop Requirement** ” is defined in Section 12.01(b)(iii)(A).

“ **Pricing Schedule** ” means the Schedule identifying the Applicable Margin attached hereto identified as such.

“ **Property** ” of a Person means any and all property, whether real, personal, tangible, intangible, or mixed, of such Person, or other assets owned, leased or operated by such Person.

“ **Pro Rata Share** ” means, with respect to a Lender, a portion equal to a fraction the numerator of which is such Lender’s Commitment at such time (in each case, as adjusted from time to time in accordance with the provisions of this Agreement) and the denominator of which is the Aggregate Commitment at such time, or, if the Aggregate Commitment has been terminated, a portion equal to a fraction the numerator of which is such Lender’s outstanding Loans at such time and the denominator of which is the sum of the aggregate outstanding Loans at such time.

“ **Public Lender** ” is defined in Section 6.01.

“ **Qualified Receivables Transaction** ” means any transaction or series of transactions that may be entered into by the Borrower or any Subsidiary pursuant to which the Borrower or any Subsidiary may sell, convey or otherwise transfer to a newly-formed Subsidiary or other special-purpose entity, or any other Person, any accounts or notes receivable and rights related thereto.

“ **Rate Management Obligations** ” of a Person means any and all obligations of such Person, whether absolute or contingent and howsoever and whensoever created, arising, evidenced or acquired (including all renewals, extensions and modifications thereof and substitutions therefor), under (a) any and all Rate Management Transactions, and (b) any and all cancellations, buy backs, reversals, terminations or assignments of any Rate Management Transactions.

“ **Rate Management Transaction** ” means any transaction (including an agreement with respect thereto) now existing or hereafter entered into between the Borrower and any Lender or Affiliate thereof which is a rate swap, basis swap, forward rate transaction, commodity swap, commodity option, equity or equity index swap, equity or equity index option, bond option, interest rate option, foreign exchange transaction, cap transaction, floor transaction, collar transaction, forward transaction, currency swap transaction, cross-currency rate swap transaction, currency option or any other similar transaction (including any option with respect to any of these transactions) or any combination thereof, whether linked to one or more interest rates, foreign currencies, commodity prices, equity prices or other financial measures.

“ **Receivables Transaction Attributed Indebtedness** ” means the amount of obligations outstanding under the legal documents entered into as part of any Qualified Receivables Transaction on any date of determination that would be characterized as principal if such Qualified Receivables Transactions were structured as a secured lending transaction rather than as a purchase.

“ **Register** ” is defined in Section 12.01(c).

“ **Regulation D** ” means Regulation D of the Board of Governors of the Federal Reserve System as from time to time in effect and any successor thereto or other regulation or official interpretation of said Board of Governors relating to reserve requirements applicable to member banks of the Federal Reserve System.

“ **Regulation U** ” means Regulation U of the Board of Governors of the Federal Reserve System as from time to time in effect and any successor or other regulation or official interpretation of said Board of Governors relating to the extension of credit by banks, non-banks and non-broker lenders for the purpose of purchasing or carrying margin stock applicable to member banks of the Federal Reserve System.

“ **Regulation X** ” means Regulation X of the Board of Governors of the Federal Reserve System as from time to time in effect and any successor or other regulation or official interpretation of said Board of Governors relating to the extension of credit by foreign lenders for the purpose of purchasing or carrying margin stock (as defined therein).

“ **Related Parties** ” means, with respect to any Person, such Person’s Affiliates and the partners, directors, officers, employees, agents and advisors of such Person and of such Person’s Affiliates.

“ **Reportable Event** ” means a reportable event, as defined in Section 4043 of ERISA and the regulations issued under such section, with respect to a Plan, excluding, however, such events as to which the PBGC has by regulation or otherwise waived the requirement of Section 4043 (a) of ERISA that it be notified within thirty (30) days of the occurrence of such event, *provided* , *however* , that a failure to meet the minimum funding standard of Section 412 of the Code and of Section 302 of ERISA shall be a Reportable Event regardless of the issuance of any such waiver of the notice requirement in accordance with either Section 4043(a) of ERISA or Section 412(c) of the Code.

“ **Required Lenders** ” means Lenders in the aggregate having greater than fifty percent (50%) of the Aggregate Commitment or, if the Aggregate Commitment has been terminated, Lenders in the aggregate holding greater than fifty percent (50%) of the aggregate outstanding Loans; *provided* that the Commitment of, and the portion of the aggregate outstanding Loans held or deemed held by, any Defaulting Lender shall be excluded for purposes of making a determination of Required Lenders.

“ **Requisite Amount** ” means \$200,000,000.

“ **Reserve Requirement** ” means, with respect to an Interest Period, the maximum aggregate reserve requirement (including all basic, supplemental, marginal and other reserves) which is imposed under Regulation D on “Eurocurrency liabilities” (as defined in Regulation D).

“ **Revolving Credit Agreement** ”, the Revolving Credit Agreement, dated as of the date hereof, among Walgreens, Walgreens Boots Alliance, Bank of America, as administrative agent, and the lenders from time to time party thereto (as it may be amended, restated, supplemented or otherwise modified and as in effect from time to time).

“ **S&P** ” means Standard & Poor’s Ratings Group, a division of The McGraw-Hill Companies, Inc. and any successor thereto.

“ **Same Day Funds** ” means with respect to disbursements and payments in Sterling, same day or other funds as may be determined by the Administrative Agent to be customary in the place of disbursement or payment for the settlement of international banking transactions in Sterling.

“**Sanctions**” means sanctions administered by OFAC (including by being listed on the list of Specially Designated Nationals and Blocked Persons issued by OFAC) or the U.S. Department of State.

“ **Schedule** ” refers to a specific schedule to this Agreement, unless another document is specifically referenced.

“ **SEC** ” means the Securities and Exchange Commission, or any Governmental Authority succeeding to any of its principal functions.

“ **Section** ” means a numbered section of this Agreement, unless another document is specifically referenced.

“ **Section 5.15 Restricted Lender** ” is defined in Section 5.15.

“ **Section 6.14 Restricted Lender** ” is defined in Section 6.14.

“ **Seller** ” means AB Acquisitions Holdings Limited, a private limited liability company incorporated under the laws of Gibraltar, having its registered office at 57/63 Line Wall Road, Gibraltar and registered under No. 98476.

“ **Specified Default** ” means any Default or Unmatured Default under Section 7.02, 7.03 (but solely with respect to a breach of Section 6.10, Section 6.11 or Section 6.12), Section 7.04 (but solely with respect to an acceleration of Indebtedness for Borrowed Money of the Borrower aggregating to at least the Requisite Amount), Section 7.05 or Section 7.06.

“ **Specified Representations** ” means the representations and warranties (in each case, as applicable to the Borrower only) in Sections 5.01 (a), Section 5.02, Section 5.03(a)(ii), Section 5.03(a)(iii) (*provided* that sub-clause (a)(iii) thereof shall apply only with respect to no conflict or default under any debt instrument representing Indebtedness for Borrowed Money with an outstanding principal amount in excess of the Required Amount), Section 5.09, Section 5.14 and Section 5.15.

“ **Sterling** ” and “ **£** ” mean the lawful currency of the United Kingdom.

“ **Subsidiary** ” of a Person means (a) any corporation more than fifty percent (50%) of the outstanding securities having ordinary voting power of which shall at the time be owned or controlled, directly or indirectly, by such Person or by one or more of its Subsidiaries or by such Person and one or more of its Subsidiaries, or (b) any partnership, limited liability company, association, joint venture or similar business organization more than fifty percent (50%) of the ownership interests having ordinary voting power of which shall at the time be so owned or controlled. Unless otherwise expressly provided, all references herein to a “Subsidiary” shall mean a Subsidiary of the Borrower.

“ **Substantial Portion** ” means, on any date of determination, with respect to the Property of the Borrower and its Subsidiaries, Property which represents more than fifteen percent (15%) of the Consolidated Assets of the Borrower and its Subsidiaries on such date.

“ **Syndication Agent** ” means HSBC in its capacity as the syndication agent for the Lenders, and not in its individual capacity as a Lender.

“ **Taxes** ” means all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

“ **Ticking Fees** ” is defined in Section 2.05.

“ **Ticking Fee End Date** ” is defined in Section 2.05.

“ **Total Capitalization** ” means Consolidated Debt plus Consolidated Net Worth.

“ **Total Tangible Assets** ” means, at any date of determination, Consolidated Assets less Intangible Assets.

“ **Transaction Documents** ” means the Acquisition Agreement and each of the other “Transaction Documents” as defined therein.

“ **Transactions** ” means the First Step Acquisition and the Second Step Acquisition, in each case, as such terms are defined in the Acquisition Agreement.

“ **Transferee** ” is defined in Section 12.02.

“ **UK Holdings Group Members** ” means AB Acquisitions UK Holdco 3 Limited, Alliance Healthcare Italy and Russian Holdco (each as defined in the Acquisition Agreement) and, in each case, their respective Subsidiaries (as defined in the Acquisition Agreement).

“ **Unfunded Liabilities** ” means the amount (if any) by which the present value of all vested and unvested accrued benefits under all Plans exceeds the fair market value of all such Plan assets allocable to such benefits, all determined as of the then most recent valuation date for such Plans using PBGC actuarial assumptions for single employer plan terminations.

“ **Unmatured Default** ” means an event which but for the lapse of time or the giving of notice, or both, would constitute a Default.

“ **U.S. 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)), as amended.

“ **Walgreens** ” is defined in the preamble.

“ **Walgreens Boots Alliance** ” is defined in the preamble.

“ **Walgreens Guarantee** ” is defined in Section 17.01.

“ **WBA Obligations** ” is defined in Section 17.01.

The foregoing definitions shall be equally applicable to both the singular and plural forms of the defined terms.

Any accounting terms used in this Agreement which are not specifically defined herein shall have the meanings customarily given them in accordance with Agreement Accounting Principles.

Section 1.02 . References . Any references to the Borrower’s Subsidiaries shall not in any way be construed as consent by the Administrative Agent or any Lender to the establishment, maintenance or acquisition of any Subsidiary, except as may otherwise be permitted hereunder.

Section 1.03 . Exchange Rates; Basket Calculations .

(a) Except for purposes of financial statements delivered by the Borrower hereunder or calculating financial covenants hereunder or except as otherwise provided herein, the applicable amount of any currency (other than Dollars) for purposes of the Loan Documents shall be such Dollar Equivalent amount as so determined by the Administrative Agent based on the Exchange Rate in respect of the date of such determination.

(b) For purposes of determining compliance with Sections 6.12, no Unmatured Default or Default shall be deemed to have occurred solely as a result of changes in Exchange Rates occurring after the time any Lien is created or incurred.

(c) For purposes of determining compliance with Section 6.13, the amount of Indebtedness for Borrowed Money denominated in any currency other than Dollars will be converted into Dollars based on the relevant Exchange Rate(s) in effect as of the last day of the fiscal quarter of the Borrower for which the ratio of Consolidated Debt to Total Capitalization is calculated.

(d) The Administrative Agent does not warrant, nor accept responsibility, nor shall the Administrative Agent have any liability with respect to the administration, submission or any other matter related to the rates in the definition of “Eurocurrency Rate” or with respect to any comparable or successor rate thereto.

ARTICLE 2
T H E C R E D I T S

Section 2.01 . Description of Facility; Commitment . (a) Each Lender severally and not jointly agrees, on the terms and conditions set forth in this Agreement, to make Loans to the Borrower on the Funding Date (which shall be no later than the last day of the Commitment Period) in an amount not to exceed its Pro Rata Share of the Aggregate Commitment in a single drawing; *provided* that if for any reason the full amount of such Lender's Commitment is not fully drawn on the Funding Date, the undrawn portion thereof shall automatically be cancelled thereon. Amounts borrowed under this Section 2.01 and repaid or prepaid may not be reborrowed. Each Lender's Commitment shall terminate immediately and without further action upon the earlier of (x) the Funding Date after giving effect to the funding of such Lender's Loans on such date and (y) the expiration of the Commitment Period.

Section 2.02 . Reserved .

Section 2.03 . Reserved .

Section 2.04 . Reserved .

Section 2.05 . Fees; Reductions in Aggregate Commitment . (a) *Ticking Fees .* The Borrower agrees to pay to the Administrative Agent for the account of each Lender a ticking fee in Sterling (the "**Ticking Fees**") in an amount equal to 25% of the Applicable Margin for Loans (assuming, for purposes of calculating the Ticking Fees, that Rating Category 3 (as defined on the Pricing Schedule attached hereto) applies) multiplied by the Commitments of such Lender then outstanding, accruing from and including the date that is 60 days after the Effective Date, to but excluding the earlier of (i) the termination of the Commitments with respect to this Agreement and (ii) the Funding Date (such earlier date, the "**Ticking Fee End Date**"). The Ticking Fees shall be payable in arrears on each Payment Date during the Commitment Period and on the Ticking Fee End Date.

(b) *Fee Letters .* Walgreens shall pay to each Arranger and the Administrative Agent for their own respective accounts fees in the amounts and at the times specified in the applicable Fee Letter. Such fees shall be fully earned when paid and shall be non-refundable for any reason whatsoever.

(c) *Reductions in Aggregate Commitment* . The Borrower shall have the right, upon same day written notice to the Administrative Agent delivered prior to 11:00 a.m. (New York time) on any Business Day, to terminate in whole or reduce ratably in part the unused portions of the Commitments of the Lenders. Each partial reduction of the Commitments shall be in the aggregate amount of £10,000,000 or an integral multiple of £1,000,000 in excess thereof and, once terminated, a Commitment may not be reinstated. The Administrative Agent will promptly notify the Lenders of any termination or reduction of the Commitments under this Section 2.05(c). All fees in respect of the Commitments accrued until the effective date of any termination of the Commitments shall be paid on the effective date of such termination.

Section 2.06 . *Reserved* .

Section 2.07 . *Prepayments and Repayments* .

(a) *Optional Prepayments* . The Borrower may from time to time pay, subject to the payment of any funding indemnification amounts required by Section 3.04 but without penalty or premium, all of its outstanding Loans, or, in a minimum aggregate amount of £10,000,000 or any integral multiple of £1,000,000 in excess thereof, any portion of its outstanding Loans upon prior notice to the Administrative Agent at or before 1:00 p.m. (New York time) at least four (4) Business Days' prior to the date of such payment (or, subject to the payment of any funding indemnification amounts required by Section 3.04, such other prior notice as the Administrative Agent may agree to). Subject to Section 2.22, each such prepayment shall be applied to the Loans of the Lenders to the Borrower in accordance with their respective Pro Rata Share thereof.

(b) *Repayment of Loans* . The Borrower shall repay to the Administrative Agent, for the account of the Lenders, Loans (i) in a principal amount equal to 1.250% of the aggregate principal amount of the Loans made on the Funding Date on each of the dates that are three, six, nine and twelve months after the second anniversary of the Funding Date (or if such date is not a Business Day, the next succeeding Business Day), (ii) in a principal amount equal to 1.875% of the aggregate principal amount of the Loans made on the Funding Date on each of the dates that are three, six, nine and twelve months after the third anniversary of the Funding Date (or if such date is not a Business Day, the next succeeding Business Day) and (iii) in a principal amount equal to 2.500% of the aggregate principal amount of the Loans made on the Funding Date on each of the dates that are three, six and nine months after the fourth anniversary of the Funding Date (or if such date is not a Business Day, the next succeeding Business Day) (which

amounts, in each case, shall be reduced as a result of the application of optional prepayments made pursuant to Section 2.07(a) in the manner specified by the Borrower in the applicable notice of prepayment (and shall not be required to be applied pro rata to all payments under clauses (i), (ii) and (iii) above); *provided* that if the Borrower fails to make any such specification, any optional prepayments made pursuant to Section 2.07(a) shall be applied pro rata to all payments under clauses (i), (ii) and (iii) above. The remaining unpaid principal amount of the Loans, together with all other amounts owed with respect to the Obligations hereunder, will be payable on the Maturity Date.

Section 2.08 . Method of Selecting Interest Periods for New Loans . The Borrower shall select the Interest Period applicable to each Loan from time to time. The Borrower shall give the Administrative Agent notice (which notice shall be conditioned on the satisfaction or waiver (in accordance with Section 8.02) of the conditions set forth in Section 4.02) substantially in the form of Exhibit F (a “ **Borrowing Notice** ”) not later than 9:30 a.m. (New York time) four (4) Business Days’ before the date of the proposed borrowing. A Borrowing Notice shall specify:

- (a) the date of the proposed borrowing, which shall be a Business Day, of such Loan,
- (b) the aggregate amount of such Loan,
- (c) the Interest Period applicable thereto, and
- (d) the location and number of the Borrower’s account to which proceeds of the Loan are to be disbursed.

Section 2.09 . Continuation of Outstanding Loans . Each Loan shall continue until the end of the then applicable Interest Period therefor, at which time such Loan shall be automatically continued with an Interest Period of one month, unless (x) such Loan is or was repaid in accordance with Section 2.07 or (y) the Borrower shall have given the Administrative Agent a Continuation Notice (as defined below) requesting that, at the end of such Interest Period, such Loan continue as a Loan for the same or another Interest Period. Notwithstanding anything to the contrary contained in this Section 2.09, (except with the consent of the Required Lenders) when any Default has occurred and is continuing each Loan shall be continued as a Loan with an Interest Period not longer than one month. The Borrower shall give the Administrative Agent irrevocable notice substantially in the form of Exhibit G (a “ **Continuation Notice** ”) of each continuation of a Loan not later than 11:00 a.m. (New York time) at least three (3) Business Days prior to the date of the requested continuation, specifying:

- (a) the requested date, which shall be a Business Day, of such continuation,

(b) the aggregate amount of the Loan which is to be continued, and

(c) the duration of the Interest Period applicable thereto.

Section 2.10 . Interest Rates . Each Loan shall bear interest on the outstanding principal amount thereof, for each day from and including the first day of the Interest Period applicable thereto to (but not including) the last day of such Interest Period at the Eurocurrency Rate for the applicable period plus the Applicable Margin. No Interest Period may end after the Maturity Date.

Section 2.11 . Rates Applicable After Default . During the continuance of a Default (including the Borrower's failure to pay any Loan to it at maturity) the Required Lenders may, at their option, by notice to the Borrower (which notice may be revoked at the option of the Required Lenders notwithstanding any provision of Section 8.02 requiring unanimous consent of the Lenders to changes in interest rates), declare that interest on the Loans, all fees or any other Obligations of the Borrower hereunder shall be payable at a rate (after as well as before the commencement of any proceeding under any Debtor Relief Laws) equal to 2% per annum in excess of the rate otherwise payable thereon (or, if no rate is otherwise payable thereon, shall bear interest at a rate equal to the Eurocurrency Base Rate (assuming a one-month Interest Period) plus the Applicable Margin plus 2% per annum) commencing on the date of such Default and continuing until such Default is cured or waived, provided that, during the continuance of a Default under Section 7.02, 7.05 or 7.06, such rate shall be applicable to all Loans, fees and other Obligations of the Borrower hereunder commencing on the date of such Default and continuing until such Default is cured or waived without any election or action on the part of the Administrative Agent or any Lender.

Section 2.12 . Method of Payment . Except as otherwise specified herein, all payments by the Borrower of principal, interest and its other Obligations shall be made in Sterling. All payments of the Obligations hereunder shall be made, without setoff, deduction, or counterclaim, in immediately available funds to the Administrative Agent at the Administrative Agent's address specified pursuant to Article 13, or at any other Lending Installation of the Administrative Agent specified in writing by the Administrative Agent to the Borrower, by 2:00 p.m. (London time) on the date when due and shall be applied ratably by the Administrative Agent among the Lenders entitled thereto. Each payment delivered to the Administrative Agent for the account of any Lender shall be delivered promptly by the Administrative Agent to such Lender in the same type of funds that the Administrative Agent received at such Lender's address specified pursuant to Article 13 or at any Lending Installation specified in a notice received by the Administrative

Agent from such Lender. The Administrative Agent is hereby authorized to charge the account of the Borrower maintained with Bank of America or any of its Affiliates for each payment of principal, interest and fees as it becomes due hereunder.

Section 2.13 . Noteless Agreement; Evidence of Indebtedness . (a) Each Lender shall maintain in accordance with its usual practice an account or accounts evidencing the indebtedness of the Borrower to such Lender resulting from each Loan made by such Lender to the Borrower from time to time, including the amounts of principal and interest payable and paid to such Lender from time to time hereunder.

(b) The Administrative Agent shall also maintain accounts in which it will record (A) the date and the amount of each Loan made hereunder and the Interest Period applicable thereto, (B) the amount of any principal or interest due and payable or to become due and payable from the Borrower to each Lender hereunder, (C) the effective date and amount of each Assignment and Assumption delivered to and accepted by it and the parties thereto pursuant to Section 12.01, (D) the amount of any sum received by the Administrative Agent hereunder from the Borrower and each Lender's share thereof, and (E) all other appropriate debits and credits as provided in this Agreement, including, without limitation, all fees, charges, expenses and interest. In the event of any conflict between the accounts and records maintained by the Administrative Agent and the accounts and records of any Lender in respect of such matters, the accounts and records of the Administrative Agent shall control absent manifest error.

(c) The entries maintained in the accounts maintained pursuant to clauses (a) and (b) above shall be *prima facie* evidence of the existence and amounts of the Obligations therein recorded; *provided , however ,* that the failure of the Administrative Agent or any Lender to maintain such accounts or any error therein shall not in any manner affect the obligation of the Borrower to repay its Obligations in accordance with their terms.

(d) Any Lender may request that the Loans made or to be made by it be evidenced by a promissory note in substantially the form of Exhibit E (each, a “**Note**”). In such event, the Borrower shall prepare, execute and deliver to such Lender such Note or Notes payable to such Lender (or its registered assigns). Thereafter, the Loans evidenced by each such Note and interest thereon shall at all times (including after any assignment pursuant to Section 12.01) be represented by one or more Notes payable to the payee named therein or any assignee pursuant to Section 12.01, except to the extent that any such Lender or assignee subsequently returns any such Note for cancellation and requests that such Loans once again be evidenced as described in clauses (a) and (b) above.

Section 2.14 . *Telephonic Notices* . The Borrower for itself hereby authorizes the Lenders and the Administrative Agent to extend or continue Loans and transfer funds based on telephonic notices made by any Person or Persons the Administrative Agent or any Lender in good faith believes to be acting on behalf of the Borrower, it being understood that the foregoing authorization is specifically intended to allow Borrowing Notices and Continuation Notices to be given telephonically. The Borrower for itself agrees to deliver promptly to the Administrative Agent a written confirmation, signed by an Authorized Officer, if such confirmation is requested by the Administrative Agent or any Lender, of each telephonic notice. If the written confirmation differs in any material respect from the action taken by the Administrative Agent and the Lenders, the records of the Administrative Agent and the Lenders shall govern absent manifest error.

Section 2.15 . *Interest Payment Dates; Interest and Fee Basis* . Interest accrued on each Loan shall be payable on the last day of its applicable Interest Period, on any date on which the Loan is prepaid, whether by acceleration or otherwise, and on the Maturity Date. Interest accrued on each Loan having an Interest Period longer than three (3) months shall also be payable on the last day of each three-month interval during such Interest Period. Interest accrued pursuant to Section 2.11 shall be payable on demand. With respect to interest on all Loans, Ticking Fees and other fees hereunder, such interest or fees shall be calculated for actual days elapsed on the basis of a 360-day year. Interest shall be payable for the day a Loan is made but not for the day of any payment on the amount paid if payment is received prior to 2:00 p.m. (London time) at the place of payment. If any payment of principal or interest on a Loan, any fees or any other amounts payable to any Agent or any Lender hereunder shall become due on a day which is not a Business Day, such payment shall be made on the next succeeding Business Day and, in the case of a principal payment, such extension of time shall be included in computing interest, fees and commissions in connection with such payment.

Section 2.16 . *Notification of Loans, Interest Rates, Prepayments and Commitment Reductions; Availability of Loans* . Promptly after receipt thereof, the Administrative Agent will notify each Lender of the contents of each Aggregate Commitment reduction notice, Borrowing Notice, Continuation Notice and prepayment notice received by it hereunder. The Administrative Agent will notify each Lender of the interest rate applicable to each Loan promptly upon determination of such interest rate. Not later than 1:00 p.m. (London time) on the Funding Date, each Lender shall make available its Loan or Loans in funds immediately available to the Administrative Agent's Office for the applicable currency. The Administrative Agent will make the funds so received from the Lenders available to the Borrower at the Administrative Agent's aforesaid address.

Section 2.17 . *Lending Installations* . Each Lender may book its Loans at any Lending Installation selected by such Lender and may change its Lending Installation from time to time. All terms of this Agreement shall apply to any such Lending Installation and the Loans and any Notes issued hereunder shall be deemed held by each Lender for the benefit of any such Lending Installation. Each Lender may, by written notice to the Administrative Agent and the Borrower in accordance with Article 13, designate replacement or additional Lending Installations through which Loans will be made by it and for whose account Loan payments are to be made.

Section 2.18 . *Payments Generally; Administrative Agent's Clawback* . (a) (i) *Funding by Lenders; Presumption by Administrative Agent* . Unless the Administrative Agent shall have received notice from a Lender prior to the proposed date of any Loans that such Lender will not make available to the Administrative Agent such Lender's share of such Loan, the Administrative Agent may assume that such Lender has made such share available on such date in accordance with Section 2.16 and may, in reliance upon such assumption, make available to the Borrower a corresponding amount. In such event, if a Lender has not in fact made its share of the applicable Loan available to the Administrative Agent, then the applicable Lender and the Borrower severally agree to pay to the Administrative Agent forthwith on demand such corresponding amount in Same Day Funds with interest thereon, for each day from and including the date such amount is made available to the Borrower to but excluding the date of payment to the Administrative Agent, at (A) in the case of a payment to be made by such Lender, the Overnight Rate and (B) in the case of a payment to be made by the Borrower, the interest rate applicable to Loans (assuming a one-month Interest Period). If the Borrower and such Lender shall pay such interest to the Administrative Agent for the same or an overlapping period, the Administrative Agent shall promptly remit to the Borrower the amount of such interest paid by the Borrower for such period. If such Lender pays its share of the applicable Loan to the Administrative Agent, then the amount so paid shall constitute such Lender's Loan included in such Loan. Any payment by the Borrower shall be without prejudice to any claim the Borrower may have against a Lender that shall have failed to make such payment to the Administrative Agent.

(ii) *Payments by Borrower; Presumptions by Administrative Agent*. Unless the Administrative Agent shall have received notice from the Borrower prior to the date on which any payment is due to the Administrative Agent for the account of the Lenders hereunder that the Borrower will not make such payment, the Administrative Agent may assume that the Borrower has made such payment on such date in accordance herewith and may, in reliance upon such assumption, distribute to the Lenders the amount due. In such event, if the Borrower has not in fact made such

payment, then each of the Lenders severally agrees to repay to the Administrative Agent forthwith on demand the amount so distributed to such Lender in Same Day Funds with interest thereon, for each day from and including the date such amount is distributed to it to but excluding the date of payment to the Administrative Agent, at the Overnight Rate.

A notice of the Administrative Agent to any Lender or the Borrower with respect to any amount owing under this subsection (a) shall be conclusive, absent manifest error.

(b) *Obligations of Lenders Several* . The obligations of the Lenders hereunder to make Loans and to make payments pursuant to Section 9.06(c) are several and not joint. The failure of any Lender to make any Loan or to make any payment under Section 9.06(c) on any date required hereunder shall not relieve any other Lender of its corresponding obligation to do so on such date, and no Lender shall be responsible for the failure of any other Lender to so make its Loan or to make its payment under Section 9.06(c).

Section 2.19 . *Replacement of Lender* . If any Lender requests compensation under Section 3.01 or 3.02, or if any Lender gives notice to the Borrower pursuant to Section 3.03, or if the Borrower is required to pay any additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 3.05, or if any Lender is a Defaulting Lender, or if a Lender fails to consent to an amendment or waiver approved by the Required Lenders as to any matter for which such Lender's consent is needed, then the Borrower may, at its sole expense and effort, upon notice to such Lender and the Administrative Agent, require such Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in, and consents required by, Section 12.01), all of its interests, rights and obligations under this Agreement and the related Loan Documents to an assignee that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such assignment), *provided* that:

(a) the Borrower shall have paid to the Administrative Agent the assignment fee specified in Section 12.01(b)(iv);

(b) such Lender shall have received payment of an amount equal to the outstanding principal of its Loans, accrued interest thereon, accrued fees and all other amounts payable to it hereunder and under the other Loan Documents (including any amounts under Section 3.04) from the assignee (to the extent of such outstanding principal and accrued interest and fees) or the Borrower (in the case of all other amounts);

(c) in the case of any such assignment resulting from a claim for compensation under Section 3.01 or payments required to be made pursuant to Section 3.05, such assignment will result in a reduction in such compensation or payments thereafter;

(d) such assignment does not conflict with applicable laws; and

(e) in the case of any such assignment resulting from a failure to consent to an amendment or waiver approved by the Required Lenders, such assignee shall have consented to the relevant amendment or waiver.

A Lender shall not be required to make any such assignment or delegation if, prior thereto, as a result of a waiver by such Lender or otherwise, the circumstances entitling the Borrower to require such assignment and delegation cease to apply.

Section 2.20 . *Sharing of Payments by Lenders* . If any Lender shall, by exercising any right of setoff or counterclaim or otherwise, obtain payment in respect of any principal of or interest on any of the Loans made by it resulting in such Lender's receiving payment of a proportion of the aggregate amount of such Loans and accrued interest thereon greater than its Pro Rata Share thereof as provided herein, then the Lender receiving such greater proportion shall (a) notify the Administrative Agent of such fact, and (b) purchase (for cash at face value) participations in the Loans of the other Lenders, or make such other adjustments as shall be equitable, so that the benefit of all such payments shall be shared by the Lenders ratably in accordance with the aggregate amount of principal of and accrued interest on their respective Loans and other amounts owing them, *provided* that:

(i) if any such participations are purchased and all or any portion of the payment giving rise thereto is recovered, such participations shall be rescinded and the purchase price restored to the extent of such recovery, without interest; and

(ii) the provisions of this Section shall not be construed to apply to (x) any payment made by the Borrower pursuant to and in accordance with the express terms of this Agreement or (y) any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Loans to any assignee or participant, other than to the Borrower or any Subsidiary thereof (as to which the provisions of this Section shall apply).

The Borrower for itself and solely with respect to its Obligations consents to the foregoing and agrees, to the extent it may effectively do so under applicable law,

that any Lender acquiring a participation pursuant to the foregoing arrangements may exercise against the Borrower rights of setoff and counterclaim with respect to such participation as fully as if such Lender were a direct creditor of the Borrower in the amount of such participation.

Section 2.21 . Reserved .

Section 2.22 . Defaulting Lenders . (a) *Adjustments* . Notwithstanding anything to the contrary contained in this Agreement, if any Lender becomes a Defaulting Lender, then, until such time as that Lender is no longer a Defaulting Lender, to the extent permitted by applicable law:

(i) *Waivers and Amendments* . That Defaulting Lender's right to approve or disapprove any amendment, waiver or consent with respect to this Agreement shall be restricted as set forth in Section 8.02 and the definition of Required Lender.

(ii) [Reserved]

(iii) *Certain Fees* . The Defaulting Lender shall not be entitled to receive any Ticking Fees pursuant to Section 2.05(a) for any period during which that Lender is a Defaulting Lender.

(b) *Defaulting Lender Cure* . If the Borrower and the Administrative Agent agree in writing in their sole discretion that a Defaulting Lender should no longer be deemed to be a Defaulting Lender, the Administrative Agent will so notify the parties hereto, whereupon as of the effective date specified in such notice and subject to any conditions set forth therein, that Lender will, to the extent applicable, purchase that portion of outstanding Loans of the other Lenders or take such other actions as the Administrative Agent may determine to be necessary to cause the Loans to be held on a pro rata basis by the Lenders in accordance with their Pro Rata Shares, whereupon that Lender will cease to be a Defaulting Lender; *provided* that no adjustments will be made retroactively with respect to fees accrued or payments made by or on behalf of the Borrower while that Lender was a Defaulting Lender; and *provided further* , that except to the extent otherwise expressly agreed by the affected parties, no change hereunder from Defaulting Lender to Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender's having been a Defaulting Lender.

ARTICLE 3
YIELD PROTECTION ; TAXES

Section 3.01 . Yield Protection . If, on or after the date of this Agreement, any Change in Law:

(a) imposes, modifies or deems applicable any reserve, special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or credit extended or participated in by, any Lender (except any reserve requirement reflected in the Eurocurrency Rate);

(b) subjects any Lender to any Tax of any kind whatsoever (except for Indemnified Taxes or Other Taxes covered by Section 3.05 and Excluded Taxes) on its loans, loan principal, letters of credit, commitments, or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto; or

(c) imposes on any Lender or the London interbank market any other condition, cost or expense affecting this Agreement or Loans made by such Lender;

and the result of any of the foregoing shall be to increase the cost to such Lender of making, continuing or maintaining any Loans (or in the case of a Change in Law with respect to Taxes, any Loan) or of maintaining its obligation to make any such Loan, or to reduce the amount of any sum received or receivable by such Lender hereunder (whether of principal, interest or any other amount) then, upon request of such Lender, the Borrower shall pay to such Lender such additional amount or amounts as will compensate such Lender for such additional costs incurred or reduction suffered.

Section 3.02 . Changes in Capital Adequacy Regulations; Certificates for Reimbursement; Delay in Requests . (a) *Changes in Capital Adequacy* . If any Lender determines that any Change in Law affecting such Lender or any Lending Installation of such Lender or such Lender's holding company, if any, regarding capital or liquidity requirements has or would have the effect of reducing the rate of return on such Lender's capital or on the capital of such Lender's holding company, if any, as a consequence of this Agreement, the Commitments of such Lender or the Loans made by such Lender, to a level below that which such Lender or such Lender's holding company could have achieved but for such Change in Law (taking into consideration such Lender's policies and the policies of such Lender's holding company with respect to capital adequacy), then from time to time the Borrower will pay to such Lender such additional amount or amounts as will compensate such Lender or such Lender's holding company for any such reduction suffered.

(b) *Certificates for Reimbursement*. A certificate of a Lender setting forth the amount or amounts necessary to compensate such Lender or its holding company, as the case may be, as specified in Section 3.01 or subsection (a) of this Section and delivered to the Borrower shall be conclusive absent manifest error. The Borrower shall pay to such Lender the amount shown as due on any such certificate within fifteen (15) days after receipt thereof.

(c) *Delay in Requests*. Failure or delay on the part of any Lender to demand compensation pursuant to the foregoing provisions of this Section or Section 3.01 shall not constitute a waiver of such Lender's right to demand such compensation, *provided* that the Borrower shall not be required to compensate a Lender pursuant to the foregoing provisions of this Section or Section 3.01 for any increased costs incurred or reductions suffered more than nine months prior to the date that such Lender notifies the Borrower of the Change in Law giving rise to such increased costs or reductions and of such Lender's intention to claim compensation therefor (except that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the nine-month period referred to above shall be extended to include the period of retroactive effect thereof).

(d) *Additional Reserve Requirements*. The Borrower shall pay to each Lender, as long as such Lender shall be required to comply with any reserve ratio requirement or analogous requirement of any central banking or financial regulatory authority imposed in respect of the maintenance of the Commitments or the funding of the Loans, such additional costs (expressed as a percentage per annum and rounded upwards, if necessary, to the nearest five decimal places) equal to the actual costs allocated to such Commitment or Loan by such Lender (as determined by such Lender in good faith, which determination shall be conclusive), which shall be due and payable on each date on which interest is payable on such Loan, *provided* the Borrower shall have received at least 30 days' prior notice (with a copy to the Administrative Agent) of such additional costs from such Lender. Such Lender shall deliver a certificate to the Borrower setting forth in reasonable detail a calculation of such actual costs incurred by such Lender and shall certify that it is generally charging such costs to similarly situated customers of the applicable Lender under agreements having provisions similar to this Section 3.02(d) after consideration of such factors as such Lender then reasonably determines to be relevant (which determination shall be made in good faith). If a Lender fails to give notice 30 days prior to the relevant Payment Date, such additional costs shall be due and payable 30 days from receipt of such notice. For the avoidance of doubt, any amounts paid under this Section 3.02(d) shall be without duplication of eurocurrency adjustments in the definition of "Eurocurrency Rate".

Section 3.03 . Illegality . If any Lender determines that any law has made it unlawful, or that any Governmental Authority has asserted that it is unlawful, for any Lender or its applicable Lending Installation to make, maintain or fund

Loans, or to determine or charge interest rates based upon the Eurocurrency Rate, or any Governmental Authority has imposed material restrictions on the authority of such Lender to purchase or sell, or to take deposits of, Sterling in the London interbank market, then, on notice thereof by such Lender to the Borrower through the Administrative Agent, such Loans shall be made or maintained, as applicable, at a rate for short term borrowings of Sterling determined in a customary manner in good faith by the Administrative Agent until such Lender notifies the Administrative Agent and the Borrower that the circumstances giving rise to such determination no longer exist.

Section 3.04 . Compensation for Losses . Upon demand of any Lender (with a copy to the Administrative Agent) from time to time, the Borrower shall, promptly compensate such Lender for and hold such Lender harmless from any loss, cost or expense incurred by it as a result of:

(a) any continuation, payment or prepayment of any Loan on a day other than the last day of the Interest Period for such Loan or other than upon at least three (3) Business Days' prior notice to the Administrative Agent (whether voluntary, mandatory, automatic, by reason of acceleration, or otherwise);

(b) any failure by the Borrower (for a reason other than the failure of such Lender to make a Loan) to prepay, borrow or continue any Loan on the date or in the amount notified by the Borrower; or

(c) any assignment of a Loan on a day other than the last day of the Interest Period therefor as a result of a request by the Borrower pursuant to Section 2.19;

including any foreign exchange losses and loss or expense arising from the liquidation or reemployment of funds obtained by it to maintain such Loan or from fees payable to terminate the deposits from which such funds were obtained or from the performance of any foreign exchange contract. The Borrower shall also pay any customary administrative fees charged by such Lender in connection with the foregoing.

For purposes of calculating amounts payable by the Borrower to the Lenders under this Section 3.04, each Lender shall be deemed to have funded each Loan made by it at the Eurocurrency Rate for such Loan by a matching deposit or other borrowing in the London interbank eurodollar market and for a comparable amount and for a comparable period, whether or not such Loan was in fact so funded.

Section 3.05 . Taxes . (a) *Payments Free of Taxes; Obligation to Withhold; Payments on Account of Taxes .* (i) Any and all payments by or on account

of any obligation of the Borrower hereunder or under any other Loan Document shall to the extent permitted by applicable laws be made free and clear of and without reduction or withholding for any Taxes. If, however, applicable laws require the Borrower or the Administrative Agent to withhold or deduct any Tax, such Tax shall be withheld or deducted in accordance with such laws as determined by the Borrower or the Administrative Agent, as the case may be, upon the basis of the information and documentation to be delivered pursuant to subsection (e) below.

(ii) If the Borrower or the Administrative Agent shall be required by applicable law to withhold or deduct any Taxes from any payment, then (A) the Borrower or the Administrative Agent, as applicable, shall withhold or make such deductions as are determined by the Borrower or the Administrative Agent, as applicable, to be required based upon the information and documentation it, or the applicable taxing authority, has received pursuant to subsection (e) below (for the avoidance of doubt, in the case of any such information and documentation received by an applicable taxing authority, solely to the extent such Loan Party or the Administrative Agent has been provided with a copy of such information and documentation or otherwise has actual knowledge of such information and documentation and, in each case, is entitled to rely thereon), (B) the Borrower or the Administrative Agent, as applicable, shall timely pay the full amount withheld or deducted to the relevant Governmental Authority in accordance with applicable law, and (C) to the extent that the withholding or deduction is made on account of Indemnified Taxes or Other Taxes, the sum payable by the Borrower shall be increased as necessary so that after any required withholding or the making of all required deductions (including deductions applicable to additional sums payable under this Section) the Administrative Agent or any Lender receives an amount equal to the sum it would have received had no such withholding or deduction been made.

(b) *Payment of Other Taxes* . Without limiting the provisions of subsection (a) above, the Borrower shall timely pay any Other Taxes to the relevant Governmental Authority in accordance with applicable laws.

(c) *Indemnification* . (i) Without limiting the provisions of subsection (a) or (b) above, the Borrower shall indemnify the Administrative Agent and each Lender, and shall make payment in respect thereof within thirty (30) days after written demand therefor, for the full amount of any Indemnified Taxes or Other Taxes (including Indemnified Taxes or Other Taxes imposed or asserted on or attributable to amounts payable under this Section) withheld or deducted by the Borrower or the Administrative Agent or paid by the Administrative Agent or such Lender, and any penalties, interest and reasonable expenses arising therefrom

or with respect thereto, whether or not such Indemnified Taxes or Other Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. The Borrower shall also indemnify the Administrative Agent, and shall make payment in respect thereof within thirty (30) days after demand therefor, for any amount which a Lender for any reason fails to pay indefeasibly to the Administrative Agent as required by clause (ii)(x)(1) of this subsection. A certificate as to the amount of any such payment or liability delivered to the Borrower by a Lender (with a copy to the Administrative Agent), or by the Administrative Agent on its own behalf or on behalf of a Lender, shall be conclusive absent manifest error.

(ii) Without limiting the provisions of subsection (a) or (b) above, each Lender shall, and does hereby, indemnify (x) the Borrower and the Administrative Agent, and shall make payment in respect thereof within thirty (30) days after demand therefor, against any and all Taxes and any and all related losses, claims, liabilities, penalties, interest and expenses (including the fees, charges and disbursements of any counsel for the Borrower or the Administrative Agent) incurred by or asserted against the Borrower or the Administrative Agent by any Governmental Authority as a result of (1) the failure by such Lender to deliver, or as a result of the inaccuracy, inadequacy or deficiency of, any documentation required to be delivered by such Lender to the Borrower or the Administrative Agent pursuant to subsection (e) or (2) the failure of such Lender to comply with the provisions of Section 12.01(d) relating to the maintenance of a Participant Register and (y) the Administrative Agent against any Indemnified Taxes or Other Taxes attributable to such Lender (but only to the extent the Borrower has not already indemnified the Administrative Agent for such Indemnified Taxes or Other Taxes and without limiting the obligation of the Borrower to do so) or Excluded Taxes attributable to such Lender, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. Each Lender hereby authorizes the Administrative Agent to set off and apply any and all amounts at any time owing to such Lender under this Agreement or any other Loan Document against any amount due to the Administrative Agent under this clause (ii). The agreements in this clause (ii) 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 Aggregate Commitments and the repayment, satisfaction or discharge of all other Obligations.

(d) *Evidence of Payments* . Upon request by the Borrower or the Administrative Agent, as the case may be, after any payment of Taxes by the Borrower

or the Administrative Agent to a Governmental Authority as provided in this Section 3.05, the Borrower shall deliver to the Administrative Agent or the Administrative Agent shall deliver to the Borrower, as the case may be, the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of any return required by law to report such payment or other evidence of such payment reasonably satisfactory to the Borrower or the Administrative Agent, as the case may be.

(e) *Status of Lenders; Tax Documentation* . (i) Each Lender shall deliver to the Borrower, the Administrative Agent or the applicable taxing authority, at the time or times prescribed by applicable laws or when reasonably requested by the Borrower or the Administrative Agent, such properly completed and executed documentation prescribed by applicable laws or by the taxing authorities of any jurisdiction and such other reasonably requested information (A) to secure any applicable exemption from, or reduction in the rate of, deduction or withholding imposed by any jurisdiction in respect of any payments to be made by the Borrower to such Lender and (B) as will permit the Borrower or the Administrative Agent, as the case may be, to determine (1) whether or not payments made hereunder or under any other Loan Document are subject to Taxes, (2) if applicable, the required rate of withholding or deduction, and (3) such Lender's entitlement to any available exemption from, or reduction of, applicable Taxes in respect of all payments to be made to such Lender by the Borrower pursuant to this Agreement or otherwise to establish such Lender's status for withholding tax purposes in the applicable jurisdiction.

(ii) Without limiting the generality of the foregoing, if the Borrower is a "United States person" within the meaning of Section 7701 (a)(30) of the Code (or, if the Borrower is disregarded as an entity separate from its owner for U.S. federal income tax purposes, the Person treated as its owner for U.S. federal income tax purposes),

(A) any Lender that is a "United States person" within the meaning of Section 7701(a)(30) of the Code (or, if such Lender is disregarded as an entity separate from its owner for U.S. federal income tax purposes, the Person treated as its owner for U.S. federal income tax purposes) shall deliver to the Borrower and the Administrative Agent on or prior to the date on which such Lender becomes a Lender under this Agreement (and from time to time thereafter upon the request of the Borrower or the Administrative Agent) executed originals of Internal Revenue Service Form W-9 or such other documentation or information prescribed by applicable laws or reasonably requested by the Borrower or the Administrative Agent as will enable the Borrower or the Administrative Agent, as the case may be, to determine whether or not such Lender is subject to backup withholding or information reporting requirements;

(B) each Foreign Lender (or, if such Foreign Lender is disregarded as an entity separate from its owner for U.S. federal income tax purposes, the Person treated as its owner for U.S. federal income tax purposes) that is entitled under the Code or any applicable treaty to an exemption from or reduction of withholding tax with respect to payments hereunder or under any other Loan Document shall deliver to the Borrower and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the request of the Borrower or the Administrative Agent, but only if such Foreign Lender (or, if such Foreign Lender is disregarded as an entity separate from its owner for U.S. federal income tax purposes, the Person treated as its owner for U.S. federal income tax purposes) is legally entitled to do so), whichever of the following is applicable:

(1) executed originals of Internal Revenue Service Form W-8BEN or W-BEN-E, as applicable, claiming eligibility for benefits of an income tax treaty to which the United States is a party,

(2) executed originals of Internal Revenue Service Form W-8ECI,

(3) executed originals of Internal Revenue Service Form W-8IMY and all required supporting documentation,

(4) in the case of a Foreign Lender (or, if such Foreign Lender is disregarded as an entity separate from its owner for U.S. federal income tax purposes, the Person treated as its owner for U.S. federal income tax purposes) claiming the benefits of the exemption for portfolio interest under section 881(c) of the Code, (x) a certificate to the effect that such Foreign Lender (or such other Person) is not (A) a “bank” within the meaning of section 881(c)(3)(A) of the Code, (B) a “10 percent shareholder” of the Borrower within the meaning of section 881(c)(3)(B) of the Code, or (C) a “controlled foreign corporation” described in section 881(c)(3)(C) of the Code and (y) executed originals of Internal Revenue Service Form W-8BEN or W-8BEN-E, as applicable, or

(5) executed originals of any other form prescribed by applicable laws as a basis for claiming exemption from or a reduction in U.S. federal withholding tax together with such supplementary documentation as may be prescribed by applicable laws to permit the Borrower or the Administrative Agent to determine the withholding or deduction required to be made.

(C) each Lender shall deliver to the Administrative Agent and the Borrower such documentation reasonably requested by the Administrative Agent or the Borrower sufficient for the Administrative Agent and the Borrower to comply with their obligations under FATCA and to determine whether payments to such Lender are subject to withholding tax under FATCA. Solely for purposes of this sub-clause (C), "FATCA" shall include any amendments made to FATCA after the date of this Agreement.

(iii) Each Lender shall promptly (A) notify the Borrower and the Administrative Agent of any change in circumstances which would modify or render invalid any claimed exemption or reduction, and (B) take such steps as shall not be materially disadvantageous to it, in the reasonable judgment of such Lender and as may be reasonably necessary (including the re-designation of its Lending Installation) to avoid any requirement of applicable laws of any jurisdiction that the Borrower or the Administrative Agent make any withholding or deduction for taxes from amounts payable to such Lender.

(f) *Treatment of Certain Refunds* . Unless required by applicable laws, at no time shall the Administrative Agent have any obligation to file for or otherwise pursue on behalf of a Lender, or have any obligation to pay to any Lender, any refund of Taxes withheld or deducted from funds paid for the account of such Lender. If the Administrative Agent or any Lender determines, in its sole discretion, that it has received a refund of any Taxes or Other Taxes as to which it has been indemnified by the Borrower or with respect to which the Borrower has paid additional amounts pursuant to this Section, it shall pay to the Borrower, respectively, an amount equal to such refund (but only to the extent of indemnity payments made, or additional amounts paid, by the Borrower, respectively, under this Section with respect to the Taxes or Other Taxes giving rise to such refund), net of all out-of-pocket expenses incurred by the Administrative Agent or such Lender and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund), *provided* that the Borrower, as the case

may be, upon the request of the Administrative Agent or such Lender, agrees to repay the amount paid over to the Borrower (plus any penalties, interest (to the extent accrued from the date such refund is paid over to the Borrower) or other charges imposed by the relevant Governmental Authority), to the Administrative Agent or such Lender in the event the Administrative Agent or such Lender is required to repay such refund to such Governmental Authority. This subsection shall not be construed to require the Administrative Agent or any Lender to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to the Borrower or any other Person.

Section 3.06 . *Mitigation Obligations* . If any Lender requests compensation under Section 3.01 or Section 3.02, or the Borrower is required to pay any additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 3.05, or if any Lender gives a notice pursuant to Section 3.03, then such Lender shall use reasonable efforts to designate a different Lending Installation for funding or booking its Loans hereunder or to assign its rights and obligations hereunder to another of its offices, branches or affiliates, if, in the judgment of such Lender, such designation or assignment (i) would eliminate or reduce amounts payable pursuant to Section 3.01, 3.02 or 3.05, as the case may be, in the future, or eliminate the need for the notice pursuant to Section 3.03, as applicable, and (ii) in each case, would not subject such Lender to any unreimbursed cost or expense and would not otherwise be disadvantageous to such Lender. The Borrower hereby agrees to pay all reasonable costs and expenses incurred by any Lender in connection with any such designation or assignment.

Section 3.07 . *Inability to Determine Rates* . If the Required Lenders determine that for any reason in connection with any request for a Loan or a continuation thereof that (a)(i) deposits are not being offered to banks in the London interbank eurodollar market for the applicable amount and Interest Period of such Loan or (ii) adequate and reasonable means do not exist for determining the Eurocurrency Base Rate for any requested Interest Period with respect to a proposed Loan, or (b) the Eurocurrency Base Rate for any requested Interest Period with respect to a proposed Loan does not adequately and fairly reflect the cost to such Lenders of funding such Loan, the Administrative Agent will promptly so notify the Borrower and each Lender. Thereafter (until the Administrative Agent (upon instruction of the Required Lenders) revokes such notice), the Borrower will, on the last day of the then existing Interest Period therefor, either prepay such Loans or consent to the maintenance of such Loans at a rate for short term borrowings of Sterling determined in a customary manner in good faith by the Administrative Agent.

Section 3.08 . *Survival* . All of the Borrower's obligations under this Article 3 shall survive termination of the Aggregate Commitments, repayment of all other Obligations hereunder and resignation of the Administrative Agent.

ARTICLE 4
C ONDITIONS P RECEDENT

Section 4.01 . *Effective Date* . This Agreement shall become effective upon the satisfaction or waiver (in accordance with Section 8.02) the following conditions:

(a) The Administrative Agent (or its counsel) shall have received from each party hereto either (i) a counterpart of this Agreement signed on behalf of such party or (ii) customary written evidence reasonably satisfactory to the Administrative Agent (which may include telecopy or electronic transmission of a signed signature page of this Agreement) that such party has signed a counterpart of this Agreement.

(b) The Administrative Agent (or its counsel) shall have received each of the following:

(i) copies of the articles of incorporation of each of Walgreens and Walgreens Boots Alliance, together with all amendments thereto, and a certificate of good standing for each of Walgreens and Walgreens Boots Alliance, each certified by the appropriate governmental officer in its jurisdiction of incorporation;

(ii) copies, certified by the Secretary or Assistant Secretary of Walgreens and Walgreens Boots Alliance, as applicable, of each of Walgreens' and Walgreens Boots Alliance's by-laws and of its Board of Directors' resolutions and of resolutions or actions of any other body authorizing the execution of the Loan Documents to which it is a party and a certification that there have been no changes to its articles of incorporation provided pursuant to Section 4.01(b)(i); and

(iii) an incumbency certificate, executed by the Secretary or Assistant Secretary of each of Walgreens and Walgreens Boots Alliance, which shall identify by name and title and bear the signatures of the Authorized Officers and any other officers or employees of each of Walgreens and Walgreens Boots Alliance authorized to sign the Loan Documents to which Walgreens or Walgreens Boots Alliance, as applicable, is a party and to request Loans hereunder, upon which certificate the Agents and the Lenders shall be entitled to rely until informed of any change in writing by Walgreens or Walgreens Boots Alliance, as applicable.

(c) The Borrower shall have paid all reasonable out-of-pocket expenses of the Administrative Agent, the Arrangers and the Lenders, for which invoices

have been presented to the Borrower at least three Business Days prior to the Effective Date (including without limitation legal expenses), on or prior to the Effective Date.

Without limiting the generality of the provisions of Section 8.02, for purposes of determining compliance with the conditions specified in this Section 4.01, each Lender that has signed this Agreement shall be deemed to have consented to, approved or accepted or to be satisfied with, each document or other matter required thereunder to be consented to or approved by or acceptable or satisfactory to a Lender unless the Administrative Agent shall have received notice from such Lender prior to the proposed Effective Date specifying its objection thereto.

Section 4.02 . Funding Date . Each Lender's obligations to make any Loan hereunder shall become effective upon the satisfaction or waiver (in accordance with Section 8.02) of the following conditions on or after the Effective Date:

(a) The Effective Date shall have occurred.

(b) The Alliance Boots Acquisition shall have been (or, substantially contemporaneously with the borrowing of the Loans, shall be) consummated pursuant to the Acquisition Agreement without giving effect to any modifications, consents, amendments or waivers by Walgreens thereto that in each case are materially adverse to the Lenders and the Arrangers, unless each Arranger shall have provided its written consent thereto (such consent not to be unreasonably withheld, conditioned or delayed).

(c) No Effect shall have occurred or be continuing that has had or would reasonably be expected to have, individually or in the aggregate, an Alliance Boots Material Adverse Effect.

(d) The Borrower shall have paid all fees and reasonable out-of-pocket expenses (including, without limitation, legal fees and expenses) of the Administrative Agent, the Arrangers and the Lenders that are due and payable on the Funding Date for which, in the case of expenses only, invoices have been presented to Walgreens at least three Business Days prior to the Funding Date, on or prior to the Funding Date (to the extent due).

(e) The Lenders shall have received a favorable written opinion (addressed to the Administrative Agent and the Lenders and dated the Funding Date) of each of (i) internal counsel for the Borrower (covering customary corporate opinions) and (ii) Wachtell, Lipton, Rosen & Katz or other counsel to the Borrower reasonably acceptable to the Arrangers (covering customary legal matters for an unsecured bank loan financing, including a customary opinion as to no-conflicts with (x) the indenture, dated as of November 2014, between Walgreens

Boots Alliance, as issuer, and Wells Fargo Bank, National Association, as trustee, (y) the indenture, dated as of July 17, 2008, between Walgreens, as issuer, and Wells Fargo Bank, National Association, as trustee and (z) the Revolving Credit Agreement), in each case in form and substance to be mutually agreed upon by the Arrangers and the Borrower prior to the Effective Date.

(f) The Administrative Agent shall have received at least 3 Business Days prior to the Funding Date all documentation and other information required by bank regulatory authorities under applicable “know-your-customer” and anti-money laundering rules and regulations, including the U.S. Patriot Act, as reasonably requested by any Arranger or a Lender in writing at least 10 days prior to the Funding Date.

(g) At the time of and upon giving effect to the borrowing of the Loans on the Funding Date (i)(A) the Acquisition Representations and (B) the Specified Representations shall be true and correct in all material respects (except to the extent already qualified by materiality or Material Adverse Effect) (it being understood that (without limiting the requirement to satisfy each of the conditions set forth in this Section 4.02) the only representations and warranties the making or accuracy of which shall be a condition to the availability of the Loans on the Funding Date will be the Acquisition Representations and the Specified Representations) and (ii) there shall not exist any Specified Default.

(h) The Administrative Agent shall have received (i) a certificate in substantially the form of Exhibit H, dated as of the Funding Date, from an Authorized Officer or the Secretary or Assistant Secretary of the Borrower that each of the conditions set forth in clauses (b), (c) and (g) of this Section 4.02 have been satisfied and (ii) a Borrowing Notice in accordance with Section 2.08.

Without limiting the generality of the provisions of Section 8.02, for purposes of determining compliance with the conditions specified in this Section 4.02, each Lender that has signed this Agreement shall be deemed to have consented to, approved or accepted or to be satisfied with, each document or other matter required thereunder to be consented to or approved by or acceptable or satisfactory to a Lender unless the Administrative Agent shall have received notice from such Lender prior to the proposed Funding Date specifying its objection thereto.

Section 4.03 . Actions During Commitment Period . During the Commitment Period and notwithstanding (i) any provision to the contrary in this Agreement or otherwise (other than Section 4.02) or (ii) that any condition to the occurrence of the Effective Date may subsequently be determined not to have been satisfied or that any representation made on the Effective Date was incorrect or any failure by the Borrower to comply with Article 6, except as set forth in Section 4.02, neither the Administrative Agent nor any Lender shall be entitled to:

(a) cancel any of its Commitments;

(b) rescind, terminate or cancel this Agreement or any of its Commitments hereunder or exercise any similar right or remedy or make or enforce any claim under the Loan Documents it may have to the extent to do so would prevent, limit or delay the making of its Loan;

(c) refuse to participate in making its Loan; or

(d) exercise any right of set-off or counterclaim in respect of its Loan to the extent to do so would prevent, limit or delay the making of its Loan;

Without limiting Section 4.02 above, failure by the Borrower to comply with Article 6 hereof prior to the funding of the Loans on the Funding Date will not constitute a breach of this Agreement and the Administrative Agent and the Lenders will have no rights or remedies with respect to such failure pursuant to Article 8 or otherwise; *provided* that after the funding of the Loans on the Funding Date, the Lenders will have all rights and remedies pursuant to this Agreement notwithstanding that they were not available during the Commitment Period as a result of this Section 4.03.

ARTICLE 5

REPRESENTATIONS AND WARRANTIES

The Borrower represents and warrants as follows to each Lender and the Agents as of the Effective Date and (solely with respect to the Specified Representations) the Funding Date:

Section 5.01 . *Existence and Standing* . The Borrower (a) is a corporation, partnership, limited liability company or other entity duly and properly incorporated or organized, as the case may be, validly existing and (to the extent such concept applies to such entity) in good standing under the laws of its jurisdiction of incorporation or organization and (b) has all requisite authority to conduct its business in each jurisdiction in which its business is conducted, except to the extent that the failure to have such authority would not reasonably be expected to have a Material Adverse Effect.

Section 5.02 . *Authorization and Validity* . The Borrower has the power and authority and legal right to execute and deliver the Loan Documents and to perform its obligations thereunder. The execution and delivery by the Borrower of the Loan Documents and the performance of its obligations thereunder have been duly authorized by proper proceedings, and the Loan Documents constitute legal, valid and binding obligations of the Borrower enforceable against it in

accordance with their terms, except as may be limited by bankruptcy, insolvency or similar laws relating to or affecting creditors' rights generally and by general principles of equity, regardless of whether considered in a proceeding in equity or at law.

Section 5.03 . *No Conflict; Government Consent* . (a) Neither the execution and delivery by the Borrower of the Loan Documents, nor the consummation of the transactions therein contemplated, nor compliance with the provisions thereof will violate (i) any law, rule, regulation, order, writ, judgment, injunction, decree or award binding on the Borrower, (ii) the Borrower's bylaws, articles or certificate of incorporation, partnership agreement, certificate of partnership, operating agreement or other management agreement, articles or certificate of organization or other similar formation, organizational or governing documents, instruments and agreements, as the case may be, or (iii) the provisions of any indenture, instrument or agreement to which the Borrower is a party or is subject, or by which it, or its Property, is bound, except in the case of clauses (i) and (iii) where such violation would not reasonably be expected to have a Material Adverse Effect.

(b) No order, consent, adjudication, approval, license, authorization, or validation of, or filing, recording or registration with, or exemption by, or other action in respect of any governmental or public body or authority, or any subdivision thereof, which has not been obtained by the Borrower, is required to be obtained by the Borrower in connection with the execution and delivery of the Loan Documents, the borrowings under the Loan Documents, the payment and performance by the Borrower of its Obligations or the legality, validity, binding effect or enforceability of the Loan Documents.

Section 5.04 . *Financial Statements* . The August 31, 2014 audited consolidated financial statements of Walgreens and its Subsidiaries heretofore delivered to the Arrangers and the Lenders, copies of which are included in Walgreens' Annual Report on Form 10-K as filed with the SEC, (a) were prepared in accordance with generally accepted accounting principles in effect on the date of such statements, (b) fairly present in all material respects the consolidated financial condition and operations of Walgreens and its Subsidiaries at such date and the consolidated results of their operations and cash flows for the fiscal year then ended and (c) show all material indebtedness and other liabilities, direct or contingent, of Walgreens and its Subsidiaries as of the date thereof that are required under Agreement Accounting Principles to be reflected thereon.

Section 5.05 . *Material Adverse Effect* . Except (a) as disclosed in the Buyer SEC Report (excluding any disclosures set forth in any risk factor section and in any section relating to forward-looking or safe harbor statements) or (b) as set forth in the buyer disclosure schedule to the Acquisition Agreement in the

form delivered to the Administrative Agent on June 18, 2012, as of the Effective Date, since August 31, 2014 there has been no material adverse effect on the financial condition, results of operations, business or Property of Walgreens and its Subsidiaries taken as a whole.

Section 5.06 . *Reserved .*

Section 5.07 . *Litigation .* As of the Effective Date, there is no litigation, arbitration, governmental investigation, proceeding or inquiry pending or, to the knowledge of any of their officers, threatened against or affecting Walgreens or any of its Subsidiaries which has not been disclosed in the Buyer SEC Report or Acquired Business's 2013/2014 Annual Report, (a) that would reasonably be expected to have a Material Adverse Effect or (b) which seeks to prevent, enjoin or delay the making of any Loan or otherwise calls into question the validity of any Loan Document and as to which there is a reasonable possibility of an adverse decision.

Section 5.08 . *Reserved .*

Section 5.09 . *Regulation U .* No Borrower is engaged principally, or as one of its important activities, in the business of extending credit for the purpose, whether immediate, incidental or ultimate of buying or carrying margin stock (within the meaning of Regulation U or Regulation X); and after applying the proceeds of the Loans, margin stock (as defined in Regulation U) constitutes not more than twenty-five (25%) of the value of those assets of the Borrower which are subject to any limitation on sale or pledge, or any other restriction hereunder.

Section 5.10 . *Reserved .*

Section 5.11 . *Reserved .*

Section 5.12 . *Reserved .*

Section 5.13 . *Reserved .*

Section 5.14 . *Investment Company Act .* The Borrower is not an "investment company", a company "controlled by" an "investment company" or a company required to register as an "investment company," each as defined in the Investment Company Act of 1940, as amended.

Section 5.15 . *OFAC, FCPA .* None of the Borrower, any of its Subsidiaries, or, to the knowledge of the Borrower, any directors or officers of the Borrower or any of its Subsidiaries, is the subject of Sanctions. None of the Borrower or its Subsidiaries is located, organized or resident in a country or territory that is the

subject of Sanctions. No part of the proceeds of the Loans shall be used by the Borrower in violation of the United States Foreign Corrupt Practices Act of 1977, as amended. Any Lender may elect not to benefit from the representation set forth in this Section 5.15 by providing prior written notice of such election to the Administrative Agent and the Borrower (such Lender, a “**Section 5.15 Restricted Lender**”). This Section 5.15 shall only apply for the benefit of a Section 5.15 Restricted Lender to the extent that this Section 5.15 would not result in any violation of or liability under EU Regulation (EC) 2271/96 or §7 of the German Aussenwirtschaftsverordnung. In connection with any amendment, waiver, determination or direction relating to this Section 5.15, the Loans of any Section 5.15 Restricted Lender will be excluded for the purpose of determining whether any consent pursuant to Section 8.02 has been obtained.

ARTICLE 6

C OVENANTS

From the Effective Date, so long as any Lender shall have any Commitment hereunder, or any Loan or other Obligation hereunder (other than any contingent indemnification obligations for which no claim has been made) shall remain unpaid or unsatisfied:

Section 6.01 . Financial Reporting . The Borrower will maintain, for itself and each Subsidiary, a system of accounting established and administered in accordance with generally accepted accounting principles, and furnish to the Administrative Agent for the Administrative Agent’s distribution to the Lenders:

(a) As soon as available, but in any event on or prior to the earlier of (i) the 90th day after the close of each of its fiscal years and (ii) the day that is five (5) Business Days after the date the Borrower’s annual report on Form 10-K is required to be filed with the SEC after giving effect to any extensions permitted by the SEC (commencing with the fiscal year ending August 31, 2015), an unqualified audit report certified by independent certified public accountants of recognized standing, prepared in accordance with Agreement Accounting Principles on a consolidated basis for itself and its Subsidiaries, including a balance sheet as of the end of such period, related statements of income, shareholders’ equity and cash flows, accompanied by any management letter prepared by said accountants.

(b) As soon as available, but in any event on or prior to the earlier of (i) the 45th day after the close of the first three quarterly periods of each of its fiscal years and (ii) the day that is five (5) Business Days after the date the Borrower’s quarterly report on Form 10-Q is required to be filed with the SEC after giving effect to any extensions permitted by the SEC (commencing with the fiscal quarter

ending on or about November 30, 2014), for itself and its Subsidiaries, a consolidated unaudited balance sheet as at the close of each such period and consolidated statements of income, shareholders' equity and cash flows for the period from the beginning of such fiscal year to the end of such quarter, all certified by its chief financial officer, chief accounting officer or treasurer.

(c) Together with the financial statements required under Sections 6.01(a) and (b) and furnished after the Funding Date, a compliance certificate in substantially the form of Exhibit B signed by its chief financial officer, chief accounting officer or treasurer showing the calculations necessary to determine compliance with the financial covenant set forth in Section 6.13 and stating that no Default or Unmatured Default exists, or if any Default or Unmatured Default exists, stating the nature and status thereof.

(d) Reserved.

(e) Reserved.

(f) Reserved.

(g) Promptly upon the filing thereof, copies of all registration statements or other regular reports not otherwise provided pursuant to this Section 6.01 which the Borrower or any of its Subsidiaries files with the SEC.

(h) Reserved.

(i) Such other information with respect to the business, condition or operations, financial or otherwise, and Properties of the Borrower and its Subsidiaries as the Administrative Agent, including at the request of any Lender, may from time to time reasonably request.

Documents required to be delivered pursuant to Section 6.01(a), (b) or (g) may be delivered electronically and if so delivered, shall be deemed to have been delivered on the date (i) on which the Borrower posts such documents, or provides a link thereto on the Borrower's website on the Internet at <http://investor.walgreens.com> or such other website with respect to which the Borrower may from time to time notify the Administrative Agent and to which the Lenders have access; or (ii) on which such documents are posted on the Borrower's behalf by the Administrative Agent on SyndTrak or another relevant website, if any, to which each Lender and the Administrative Agent have access (whether a commercial, third-party website or whether sponsored by the Administrative Agent) or filed electronically through EDGAR and available on the Internet at www.sec.gov; *provided* that the Borrower shall notify (which may be by facsimile or electronic mail) the Administrative Agent of the posting or filing of

any such documents and provide to the Administrative Agent by electronic mail electronic versions (i.e., soft copies) of such documents. The Administrative Agent shall have no obligation to request the delivery or to maintain copies of the documents referred to above, and in any event shall have no responsibility to monitor compliance by the Borrower with any such request for delivery.

The Borrower hereby acknowledges that (a) the Administrative Agent and/or the Arrangers will make available to the Lenders materials and/or information provided by or on behalf of the Borrower hereunder (collectively, “**Borrower Materials**”) by posting the Borrower Materials on SyndTrak or another similar electronic system (the “**Platform**”) and (b) certain of the Lenders (each a “**Public Lender**”) may have personnel who do not wish to receive material non-public information with respect to the Borrower or its Affiliates, or the respective securities of any of the foregoing, and who may be engaged in investment and other market-related activities with respect to such Persons’ securities. The Borrower hereby agrees that (w) all Borrower Materials that are to be made available to Public Lenders shall be clearly and conspicuously marked “PUBLIC” which, at a minimum, shall mean that the word “PUBLIC” shall appear prominently on the first page thereof; (x) by marking Borrower Materials “PUBLIC,” the Borrower shall be deemed to have authorized the Administrative Agent, the Arrangers and the Lenders to treat such Borrower Materials as not containing any material non-public information with respect to the Borrower or its securities for purposes of United States Federal and state securities laws (*provided, however*, that to the extent such Borrower Materials constitute Information, they shall be treated as set forth in Section 9.10); (y) all Borrower Materials marked “PUBLIC” are permitted to be made available through a portion of the Platform designated “Public Side Information;” and (z) the Administrative Agent and the Arrangers shall be entitled to treat any Borrower Materials that are not marked “PUBLIC” as being suitable only for posting on a portion of the Platform that is not designated “Public Side Information.”

Section 6.02 . Use of Proceeds . The Borrower will, and will cause each of its Subsidiaries to, use the proceeds of the Loans to (i) finance, in part, the Alliance Boots Acquisition, (ii) refinance or repay certain Indebtedness of Walgreens, Alliance Boots and their respective Subsidiaries and (iii) pay fees and expenses related to the Transactions. The Borrower shall use the proceeds of the Loans in compliance with all applicable legal and regulatory requirements and any such use shall not result in a violation of any such requirements, including, without limitation, Regulation U and Regulation X, the Securities Act of 1933 and the Securities Exchange Act of 1934 and the regulations promulgated thereunder.

Section 6.03 . Notice of Default . The Borrower will give prompt notice in writing to the Lenders of the occurrence of any Default or Unmatured Default.

Section 6.04 . *Conduct of Business* . The Borrower will, and will cause each of its Subsidiaries to, except as otherwise permitted by Section 6.10, do all things necessary to remain duly incorporated or organized, validly existing and (to the extent such concept applies to such entity) in good standing as a corporation, partnership, limited liability company or other entity in its jurisdiction of incorporation or organization, as the case may be, and maintain all requisite authority to conduct its business in each jurisdiction in which its business is conducted, except in each case (other than valid existence of the Borrower) where the failure to do so would not reasonably be expected to have a Material Adverse Effect.

Section 6.05 . *Reserved* .

Section 6.06 . *Compliance with Laws* . The Borrower will, and will cause each of its Major Subsidiaries to, comply in all material respects with all applicable laws, rules, regulations and orders (such compliance to include, without limitation, compliance with ERISA and Environmental Laws and paying before the same become delinquent all taxes, assessments and governmental charges imposed upon it or upon its property except to the extent contested in good faith), except to the extent such noncompliance would not have a Material Adverse Effect.

Section 6.07 . *Reserved* .

Section 6.08 . *Inspection; Keeping of Books and Records* . Subject to applicable law and third party confidentiality agreements entered into by the Borrower or any Subsidiary in the ordinary course of business, the Borrower will, and will cause each Subsidiary to, permit the Administrative Agent, during the continuance of a Default or Unmatured Default, by its representatives and agents, to inspect any of the Property, books and financial records of the Borrower and each Subsidiary, to examine and make copies of the books of accounts and other financial records of the Borrower and each Subsidiary, and to discuss the affairs, finances and accounts of the Borrower and each Subsidiary with their respective officers at such reasonable times and intervals as the Administrative Agent may designate but in all events upon reasonable prior notice to the Borrower's Finance Department, Attention: Director of Investor Relations. The Borrower shall keep and maintain, and cause each of its Subsidiaries to keep and maintain, in all material respects, proper books of record and account in which entries in conformity with Agreement Accounting Principles shall be made of all dealings and transactions in relation to their respective businesses and activities.

Section 6.09 . *Existing Alliance Boots Debt; Holdco Reorganization* . (a) Prior to the Existing Alliance Boots Debt Repayment, the Borrower will not, and will not permit any Subsidiary (other than Alliance Boots and its Subsidiaries) to, guarantee any Indebtedness of Alliance Boots or its Subsidiaries.

(b) To the extent the Borrower in its sole discretion seeks to refinance, renew or replace any portion of the Existing Alliance Boots Debt, the Borrower shall use reasonable efforts to refinance, renew or replace such Indebtedness for Borrowed Money with the proceeds of unsecured indebtedness incurred by the Borrower and not guaranteed by any Person other than (if Walgreens Boots Alliance is then the Borrower) Walgreens.

(c) Promptly (and in any event within 10 Business Days) after the Alliance Boots Acquisition Closing Date, if the Holdco Reorganization is not consummated on or prior to the Alliance Boots Acquisition Closing Date, Walgreens Boots Alliance will merge with and into Walgreens, with Walgreens surviving such merger.

Section 6.10 . Merger . (a) The Borrower will not merge into or consolidate with any other Person, unless (i) the Person formed by such consolidation or into which the Borrower is merged shall be a Person organized and existing under the laws of the United States of America, any State thereof or the District of Columbia and shall expressly assume pursuant to an instrument executed and delivered to the Administrative Agent, and in form and substance reasonably satisfactory to the Administrative Agent, the Borrower's obligations for the due and punctual payment of the Obligations and the performance of every covenant of this Agreement on the part of the Borrower to be performed; and (ii) immediately after giving effect to such transaction, no Default or Unmatured Default shall have occurred and be continuing. For the avoidance of doubt, this Section 6.10 shall only apply to a merger or consolidation in which the Borrower is not the surviving Person.

(b) Upon any consolidation by the Borrower with or merger by the Borrower into any other Person, the successor Person formed by such consolidation or into which the Borrower is merged shall succeed to, and be substituted for, and may exercise every right and power of, the Borrower under this Agreement with the same effect as if such successor Person had been named as the Borrower herein.

Section 6.11 . Sale of Assets . The Borrower will not lease, sell or otherwise dispose of, or permit one or more Subsidiaries to lease, sell or otherwise dispose of, all or substantially all of the Property of the Borrower and the Subsidiaries, taken as a whole, to any Person, unless, immediately before and after giving effect thereto, no Default or Unmatured Default would exist.

Section 6.12 . Liens . No Borrower will, and the Borrower will not permit any Major Subsidiary to, create or suffer to exist any Lien in, of or on any of its Property, in each case to secure or provide for the payment of any Indebtedness for Borrowed Money, except:

(a) Liens for taxes, assessments or governmental charges or levies on its Property if the same shall not at the time be delinquent or thereafter can be paid without penalty, or are being contested in good faith and by appropriate proceedings and for which adequate reserves in accordance with Agreement Accounting Principles shall have been set aside on its books.

(b) Liens for taxes, assessments or governmental charges or levies on its Property regardless of their delinquency or whether they can be paid without penalty *provided* such taxes, assessments, charges or levies do not in the aggregate at any one time exceed \$10,000,000.

(c) Liens imposed by law, such as carriers', warehousemen's and mechanics' liens and other similar liens arising in the ordinary course of business which secure payment of obligations not more than sixty (60) days past due or which are being contested in good faith by appropriate proceedings and for which adequate reserves in accordance with Agreement Accounting Principles shall have been set aside on its books.

(d) Liens arising out of pledges or deposits under worker's compensation laws, unemployment insurance, old age pensions, or other social security or retirement benefits, or similar legislation.

(e) Utility easements, building restrictions and such other encumbrances or charges against real property as the Borrower reasonably deems necessary or desirable consistent with past practices.

(f) Precautionary Liens provided by the Borrower or Major Subsidiary in connection with the sale, assignment, transfer or other disposition of assets by the Borrower or Major Subsidiary which transaction is determined by the Board of Directors of the Borrower or Major Subsidiary to constitute a "sale" under accounting principles generally accepted in the United States.

(g) Liens existing on the date hereof securing Indebtedness for Borrowed Money (and the replacement, extension or renewal thereof upon or in the same property), other than Liens securing the Existing Alliance Boots Debt.

(h) Liens securing Indebtedness for Borrowed Money in an aggregate amount, immediately after giving effect to the incurrence of such Indebtedness for Borrowed Money, not to exceed the greater of (I) 15% of Total Tangible Assets and (II) the sum of (x) the amount of Existing Alliance Boots Debt outstanding at such time plus (y) \$1,000,000,000 plus (z) 70% of the aggregate amount of Existing Alliance Boots Debt repaid or otherwise satisfied on and prior to such time (*provided* that the sum of the amounts calculated pursuant to sub-clauses (y) and (z) in this clause (II) shall not at any time exceed 15% of Total Tangible Assets).

(i) Liens on deposits, cash or cash equivalents, if any, in favor of any issuer of one or more letters of credit issued under the Revolving Credit Agreement to cash collateralize or otherwise secure the obligations of a defaulting lender to fund risk participations thereunder.

(j) Usual and customary set off rights with respect to bank accounts and brokerage accounts in the ordinary course of business.

(k) Usual and customary deposits in favor of lessors and similar deposits in the ordinary course of business.

(l) Liens existing on property of any Person acquired by the Borrower or Major Subsidiary, other than any such Lien or security interest created in contemplation of such acquisition (and the replacement, extension or renewal thereof upon or in the same property).

Section 6.13 . *Financial Covenant* . As of the last day of each fiscal quarter of the Borrower, commencing with the first fiscal quarter-end date occurring after the Funding Date, the ratio of Consolidated Debt to Total Capitalization (giving effect to the Alliance Boots Acquisition (and the repayment or refinancing of Indebtedness of Walgreens, Alliance Boots and their respective Subsidiaries in connection therewith)) shall not be greater than 0.60:1:00.

Section 6.14 . *Sanctions* . The Borrower and its Subsidiaries will not, directly or, to the knowledge of the Borrower, indirectly, (a) use the proceeds of the Loans, or (b) lend, contribute or otherwise make available such proceeds to any Subsidiary, joint venture partner or other individual or entity, in each case, to fund any activities or business (x) of or with any individual or entity named on the most current list of Specially Designated Nationals or Blocked Persons maintained by OFAC or the U.S. Department of State, or (y) in any country or territory, that, at the time of such funding, is, or whose government is, the subject of Sanctions, except in the case of (a) or (b) to the extent licensed by OFAC or otherwise permissible under U.S. law. Any Lender may elect not to benefit from the covenants set forth in this Section 6.14 by providing prior written notice of such election to the Administrative Agent and the Borrower (such Lender, a “**Section 6.14 Restricted Lender**”). This Section 6.14 shall only apply for the benefit of a Section 6.14 Restricted Lender to the extent that this Section 6.14 would not result in any violation of or liability under EU Regulation (EC) 2271/96 or §7 of the German Aussenwirtschaftsverordnung. In connection with any amendment, waiver, determination or direction relating this Section 6.14, the Loan of any Section 6.14 Restricted Lender will be excluded for the purpose of determining whether any consent pursuant to Section 8.02 has been obtained.

ARTICLE 7
D EFAULTS

The occurrence of any one or more of the following events shall constitute a Default:

Section 7.01 . Breach of Representations or Warranties . Any representation or warranty made by the Borrower to the Lenders or the Administrative Agent under this Agreement, or any certificate or information delivered in connection with this Agreement, shall be false in any material respect when made or deemed made.

Section 7.02 . Failure to Make Payments When Due . Nonpayment of (a) principal of any Loan when due, or (b) interest upon any Loan, any Ticking Fee or other payment Obligations under any of the Loan Documents within five (5) Business Days after such interest, fee or other Obligation becomes due.

Section 7.03 . Breach of Covenants . The breach by the Borrower of (a) any of the terms or provisions of Section 6.03, 6.09, 6.10, 6.11, 6.12 or 6.13 or (b) any of the other terms or provisions of this Agreement which is not remedied within thirty (30) days after the Borrower knows of the occurrence thereof.

Section 7.04 . Cross Default . (a) The Borrower or any Major Subsidiary shall fail to pay any principal of or premium or interest on any Indebtedness for Borrowed Money which is outstanding in a principal amount of at least the Requisite Amount in the aggregate (but excluding Indebtedness arising hereunder) of the Borrower or such Major Subsidiary (as the case may be), when the same becomes due and payable (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise), and such failure shall continue after the applicable grace period, if any, specified in the agreement or instrument relating to such Indebtedness for Borrowed Money unless adequate provision for any such payment has been made in form and substance satisfactory to the Required Lenders.

(b) Any Indebtedness for Borrowed Money of the Borrower or any Major Subsidiary which is outstanding in a principal amount of at least the Requisite Amount in the aggregate shall be declared to be due and payable, or required to be prepaid (other than by a scheduled required prepayment), redeemed, purchased or defeased, or an offer to prepay, redeem, purchase or defease such Indebtedness for Borrowed Money shall be required to be made, in each case prior to the stated maturity thereof as a result of a breach by the Borrower or such Major Subsidiary (as the case may be) of the agreement or instrument relating to such Indebtedness for Borrowed Money and such failure shall continue after the applicable grace period, if any, specified in the agreement or instrument relating to such Indebtedness

for Borrowed Money unless adequate provision for the payment of such Indebtedness for Borrowed Money has been made in form and substance satisfactory to the Required Lenders.

(c) The Borrower or any of its Major Subsidiaries shall admit in writing its inability to pay its debts generally as they become due.

Section 7.05 . *Voluntary Bankruptcy; Appointment of Receiver; Etc.* The Borrower or any of its Major Subsidiaries shall (a) have an order for relief entered with respect to it under the Federal bankruptcy laws as now or hereafter in effect, (b) make an assignment for the benefit of creditors, (c) apply for, seek, consent to, or acquiesce in, the appointment of a receiver, custodian, trustee, examiner, liquidator or similar official for it or any Substantial Portion of its Property, (d) institute any proceeding seeking an order for relief under the Federal bankruptcy laws as now or hereafter in effect or seeking to adjudicate it a bankrupt or insolvent, or seeking dissolution, winding up, liquidation, reorganization, arrangement, adjustment or composition of it or its debts under any law relating to bankruptcy, insolvency or reorganization or relief of debtors or fail to file an answer or other pleading denying the material allegations of any such proceeding filed against it, (e) take any corporate or partnership action to authorize or effect any of the foregoing actions set forth in this Section 7.05, or (f) fail to contest in good faith any appointment or proceeding described in Section 7.06

Section 7.06 . *Involuntary Bankruptcy; Appointment of Receiver; Etc.* Without the application, approval or consent of the Borrower or any of its Major Subsidiaries, a receiver, trustee, custodian, examiner, liquidator or similar official shall be appointed for the Borrower or any of its Major Subsidiaries or any Substantial Portion of its Property, or a proceeding described in Section 7.05(d) shall be instituted against the Borrower or any of its Major Subsidiaries, and such appointment continues undischarged, or such proceeding continues undismissed or unstayed, in each case, for a period of sixty (60) consecutive days.

Section 7.07 . *Judgments* . The Borrower or any of its Major Subsidiaries shall fail within sixty (60) days to pay, bond or otherwise discharge one or more judgments or orders for the payment of money (except to the extent covered by independent third party insurance and as to which the insurer has not disclaimed coverage) in excess of \$200,000,000 (or the equivalent thereof in currencies other than Dollars) in the aggregate, which judgment(s), in any such case, is/are not stayed on appeal or otherwise being appropriately contested in good faith.

Section 7.08 . *Unfunded Liabilities* . (i) The aggregate Unfunded Liabilities of all Plans would reasonably be expected to result in a material adverse effect on the financial condition, results of operations, business or Property of the Borrower and its Subsidiaries taken as a whole; (ii) the present value of the

unfunded liabilities to provide the accrued benefits under all Foreign Pension Plans in the aggregate would reasonably be expected to result in a material adverse effect on the financial condition, results of operations, business or Property of the Borrower and its Subsidiaries taken as a whole; or (iii) any Reportable Event shall occur in connection with any Plan and such Reportable Event would reasonably be expected to result in a material adverse effect on the financial condition, results of operations, business or Property of the Borrower and its Subsidiaries taken as a whole.

Section 7.09 . Guarantees . So long as the Holdco Reorganization is consummated on or prior to the Alliance Boots Acquisition Closing Date, the Walgreens Guarantee shall for any reason cease (other than in accordance with the terms hereof) to be valid and binding on Walgreens, or Walgreens shall so state in writing.

Section 7.10 . Other ERISA Liabilities . The Borrower, any Subsidiary or any other member of the Controlled Group shall have been notified by the sponsor of a Multiemployer Plan that it has incurred withdrawal liability or become obligated to make contributions to a Multiemployer Plan in an amount which, when aggregated with all other amounts required to be paid to Multiemployer Plans by the Borrower, any Subsidiary or any other member of the Controlled Group as withdrawal liability (determined as of the date of such notification), would reasonably be expected to result in a material adverse effect on the financial condition, results of operations, business or Property of the Borrower and its Subsidiaries taken as a whole.

Section 7.11 . Invalidity of Loan Documents . Any material provision of any Loan Document, at any time after its execution and delivery and for any reason other than as expressly permitted hereunder or thereunder or satisfaction in full of all the Obligations (other than contingent indemnification obligations that survive the termination of this Agreement), ceases to be in full force and effect; or the Borrower contests in any manner the validity or enforceability of any Loan Document; or the Borrower denies that it has any or further liability or obligation under any Loan Document, or purports to revoke, terminate or rescind any Loan Document for any reason other than as expressly permitted hereunder or thereunder.

ARTICLE 8

ACCELERATION, WAIVERS, AMENDMENTS AND REMEDIES

Section 8.01 . Acceleration, Etc. If any Default described in Section 7.05 or 7.06 occurs, the obligations of the Lenders to make Loans hereunder shall

automatically terminate and the Obligations of the Borrower shall immediately become due and payable without any election or action on the part of the Administrative Agent or any Lender. If any other Default occurs, the Required Lenders (or the Administrative Agent with the consent of the Required Lenders) may (subject, however, to the provisions of Section 4.03) terminate or suspend (in whole or in part) the obligations of the Lenders to make Loans hereunder or declare the Obligations of the Borrower to be due and payable (in whole or in part), whereupon such Obligations shall become immediately due and payable, without presentment, demand, protest or notice of any kind, all of which the Borrower hereby expressly waives. Promptly upon any acceleration of the Obligations, the Administrative Agent will provide the Borrower with notice of such acceleration.

If, within thirty (30) days after acceleration of the maturity of the Obligations of the Borrower or termination of the obligations of the Lenders to make Loans hereunder as a result of any Default (other than any Default as described in Section 7.05 or 7.06) and before any judgment or decree for the payment of the Obligations due shall have been obtained or entered, the Required Lenders (in their sole discretion) shall so direct, the Administrative Agent shall, by notice to the Borrower, rescind and annul such acceleration and/or termination.

Section 8.02 . Amendments . Subject to the provisions of this Article 8, the Required Lenders (or the Administrative Agent with the consent in writing of the Required Lenders) and the Borrower may enter into agreements supplemental hereto for the purpose of adding or modifying any provisions to the Loan Documents or changing in any manner the rights of the Lenders or the Borrower hereunder or thereunder or waiving any Default hereunder or thereunder; *provided, however*, that no such supplemental agreement shall:

(a) Extend the final maturity of, or any scheduled principal payment of, the Loans of any Lender or forgive all or any portion of the principal amount thereof payable to any Lender, or reduce the rate or extend the scheduled time of payment of interest or fees thereon (other than a waiver of the application of the default rate of interest pursuant to Section 2.11 hereof) payable to any Lender, without the consent of such Lender.

(b) Reduce the percentage specified in the definition of Required Lenders or any other percentage of Lenders specified to be the applicable percentage in this Agreement to act on specified matters or amend Section 2.20 or the definition of “Pro Rata Share”, without the consent of all Lenders affected thereby. For the sake of clarity, the increase or addition of one or more term loans or addition of a revolving credit facility or an extension of the maturity of a portion of the term loan facility and similar modifications shall be permitted with the consent of the Required Lenders and the Lenders agreeing to participate in the new facility or to increase the amount of their commitment or extend the maturity of their Loans.

(c) Extend the Maturity Date as it applies to any Lender, or increase the amount or otherwise extend the term of the Commitment of any Lender hereunder without the consent of such Lender.

(d) Permit the Borrower to assign its rights or obligations under this Agreement except as provided in Section 6.10 without the consent of all Lenders.

(e) Release, other than in accordance with the terms hereof, all or substantially all of the value of any guarantee of the Obligations (including the Walgreens Guarantee) or all or substantially all of the collateral, if any, securing the Obligations, without the consent of all Lenders.

(f) Reserved.

(g) Amend this Section 8.02 without the consent of all Lenders.

provided further, that (w) no amendment of any provision of this Agreement relating to any Agent shall be effective without the written consent of such Agent; (y) [reserved] and (z) no amendment, waiver or consent shall, unless in writing and signed by the Administrative Agent in addition to the Lenders required above, affect the rights or duties of the Administrative Agent under this Agreement or any other Loan Document. Notwithstanding anything to the contrary herein, no Defaulting Lender shall have any right to approve or disapprove any amendment, waiver or consent hereunder, (it being specifically understood and agreed that any amendment, waiver or consent which by its terms requires the consent of all Lenders or each affected Lender may be effected with the consent of the applicable Lenders other than Defaulting Lenders), except that (A) the Commitment of such Lender may not be increased or extended without the consent of such Lender and (B) any waiver, amendment or modification requiring the consent of all Lenders or each affected Lender that by its terms affects any Defaulting Lender more adversely than other affected Lenders shall require the consent of such Defaulting Lender.

Section 8.03 . Preservation of Rights . No delay or omission of the Lenders or Agents to exercise any right under the Loan Documents shall impair such right or be construed to be a waiver of any Default or an acquiescence therein, and the making of a Loan notwithstanding the existence of a Default or Unmatured Default or the inability of the Borrower to satisfy the conditions precedent to such Loan shall not constitute any waiver or acquiescence. Any single or partial exercise of any such right shall not preclude other or further exercise thereof or the exercise of any other right, and no waiver, amendment or other variation of the terms, conditions or provisions of the Loan Documents whatsoever shall be valid unless in writing signed by, or by the Administrative Agent with the consent of, the requisite number of Lenders required pursuant to Section 8.02, and then only

to the extent in such writing specifically set forth. All remedies contained in the Loan Documents or by law afforded shall be cumulative and all shall be available to the Agents and the Lenders until all of the Obligations have been paid in full.

ARTICLE 9
G E N E R A L P R O V I S I O N S

Section 9.01 . *Survival of Representations* . All representations and warranties made hereunder and in any other Loan Document or other document delivered pursuant hereto or thereto or in connection herewith or therewith shall survive the execution and delivery hereof and thereof. Such representations and warranties have been or will be relied upon by the Administrative Agent and each Lender, regardless of any investigation made by the Administrative Agent, any Lender or on their behalf and notwithstanding that the Administrative Agent, any Lender may have had notice or knowledge of any Default at the time of any Loan, and shall continue in full force and effect as long as any Loan or any other Obligation hereunder (other than any contingent indemnification obligations for which no claim has been made) shall remain unpaid or unsatisfied.

Section 9.02 . *Governmental Regulation* . Anything contained in this Agreement to the contrary notwithstanding, no Lender shall be obligated to extend credit to the Borrower in violation of any limitation or prohibition provided by any applicable statute or regulation.

Section 9.03 . *Headings* . Section headings in the Loan Documents are for convenience of reference only, and shall not govern the interpretation of any of the provisions of the Loan Documents.

Section 9.04 . *Entire Agreement* . The Loan Documents, together with the Fee Letters, embody the entire agreement and understanding among the Borrower, the Agents and the Lenders party thereto and supersede all prior agreements and understandings among the Borrower, the Agents and the Lenders relating to the subject matter thereof.

Section 9.05 . *Several Obligations; Benefits of this Agreement* . The respective obligations of the Lenders hereunder are several and not joint and no Lender shall be the partner or agent of any other (except to the extent to which the Agents are authorized to act as such). The failure of any Lender to perform any of its obligations hereunder shall not relieve any other Lender from any of its obligations hereunder. Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby, Participants to the extent provided in Section 12.01(d) and, to the extent expressly contemplated hereby, the Related

Parties of each of the Administrative Agent and the Lenders) any legal or equitable right, remedy or claim under or by reason of this Agreement; *provided, however*, that the parties hereto expressly agree that each Arranger shall enjoy the benefits of the provisions of Sections 2.05(b), 9.06, 9.09 and 10.07 to the extent specifically set forth therein and shall have the right to enforce such provisions on its own behalf and in its own name to the same extent as if it were a party to this Agreement.

Section 9.06 . Expenses; Indemnification . (a) *Costs and Expenses* . The Borrower shall reimburse (i) all reasonable out-of-pocket expenses incurred by the Administrative Agent, the Lead Arrangers and their respective Affiliates (including the reasonable fees, charges and disbursements of one counsel for the Administrative Agent and the Lead Arrangers), in connection with the syndication of the credit facilities provided for herein, the preparation, negotiation, execution, delivery and administration of this Agreement and the other Loan Documents or any amendments, modifications or waivers of the provisions hereof or thereof (whether or not the transactions contemplated hereby or thereby shall be consummated) and (ii) all reasonable out-of-pocket expenses incurred by the Administrative Agent, the Lead Arrangers or the Lenders (including the reasonable fees, charges and disbursements of one primary counsel (and to the extent reasonably determined to be necessary, one local counsel and one regulatory counsel in any applicable jurisdiction) for the Administrative Agent, the Lead Arrangers and the Lenders), and shall pay all fees and time charges for attorneys who may be employees of the Administrative Agent, the Lead Arrangers or any Lender, in connection with the enforcement or protection of its rights (A) in connection with this Agreement and the other Loan Documents, including its rights under this Section, or (B) in connection with the Loans made hereunder, including all such reasonable out-of-pocket expenses incurred during any workout, restructuring or negotiations in respect of such Loans.

(b) *Indemnification by the Borrower* . The Borrower shall indemnify the Administrative Agent (and any sub-agent thereof) and each Lender, and each Related Party of any of the foregoing Persons (each such Person being called an “**Indemnitee**”) against, and hold each Indemnitee harmless from, any and all losses, claims, damages, liabilities and related expenses (including the reasonable fees, charges and disbursements of any counsel for any Indemnitee), incurred by any Indemnitee or asserted against any Indemnitee by any third party or by the Borrower arising out of, in connection with, or as a result of (i) the execution or delivery of this Agreement, any other Loan Document or any agreement or instrument contemplated hereby or thereby, the performance by the parties hereto of their respective obligations hereunder or thereunder, the consummation of the transactions contemplated hereby or thereby, or, in the case of the Administrative Agent (and any sub-agent thereof) and its Related Parties only, the administration

of this Agreement and the other Loan Documents (including in respect of any matters addressed in Section 3.05), (ii) any Loan or the use or proposed use of the proceeds therefrom, (iii) any actual or alleged presence or release of Hazardous Materials on or from any property owned, leased or operated by the Borrower or any of its Subsidiaries, or any Environmental Liability related in any way to the Borrower or any of its Subsidiaries, or (iv) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory, whether brought by a third party or by the Borrower, and regardless of whether any Indemnitee is a party thereto; *provided* that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities or related expenses are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from (x) the gross negligence or willful misconduct of such Indemnitee, (y) a material breach in bad faith of such Indemnitee's obligations hereunder or under any other Loan Document or (z) a dispute among two or more Lenders not arising from any act or omission of any Borrower or its Subsidiaries hereunder (but not including any such dispute that involves a Lender to the extent such Lender is acting in a different capacity (i.e., the Administrative Agent or a Lead Arranger) under any Loan Document). This Section 9.06(b) shall not apply with respect to Taxes other than any Taxes that represent losses, claims, damages, etc. arising from any non-Tax claim.

(c) *Reimbursement by Lenders* . To the extent that the Borrower for any reason fails to indefeasibly pay any amount required under subsection (a) of this Section or the Borrower for any reason fail to indefeasibly pay or cause to be paid any amount required under subsection (b) of this Section, in each case, to be paid to the Administrative Agent (or any sub-agent thereof) or any Related Party of any of the foregoing, each Lender severally agrees to pay to the Administrative Agent (or any such sub-agent) or such Related Party, as the case may be, such Lender's Pro Rata Share (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought) of such unpaid amount, provided that the unreimbursed expense or indemnified loss, claim, damage, liability or related expense, as the case may be, was incurred by or asserted against the Administrative Agent (or any such sub-agent) in its capacity as such, or against any Related Party of any of the foregoing acting for the Administrative Agent (or any such sub-agent) in connection with such capacity. The obligations of the Lenders under this subsection (c) are subject to the provisions of Section 2.18(b).

(d) *Waiver of Consequential Damages, Etc* . To the fullest extent permitted by applicable law, the Borrower shall not assert, and hereby waives, any claim against any Indemnitee, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement, any other Loan

Document or any agreement or instrument contemplated hereby, the transactions contemplated hereby or thereby, any Loan or the use of the proceeds thereof. No Indemnitee referred to in subsection (b) above shall be liable for any damages arising from the use by unintended recipients of any information or other materials distributed to such unintended recipients by such Indemnitee through telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Loan Documents or the transactions contemplated hereby or thereby other than for direct or actual damages resulting from the gross negligence or willful misconduct of such Indemnitee or a material breach in bad faith of such Indemnitee's obligations hereunder or under any other Loan Document, in each case, as determined by a final and nonappealable judgment of a court of competent jurisdiction.

(e) *Payments* . All amounts due under this Section shall be payable not later than ten (10) Business Days after demand therefor.

(f) *Survival* . The agreements in this Section shall survive the resignation of the Administrative Agent, the replacement of any Lender, the termination of the Aggregate Commitment and the repayment, satisfaction or discharge of all the other Obligations.

Section 9.07 . Accounting . Except as provided to the contrary herein, all accounting terms used herein shall be interpreted and all accounting determinations hereunder shall be made in accordance with Agreement Accounting Principles. If any changes in generally accepted accounting principles are hereafter required or permitted and are adopted by the Borrower or any of its Subsidiaries with the agreement of its independent certified public accountants and such changes result in a change in the method of calculation of any of the financial covenants, tests, restrictions or standards herein or in the related definitions or terms used therein (“ **Accounting Changes** ”), the parties hereto agree, at the Borrower's request, to enter into negotiations, in good faith, in order to amend such provisions in a credit neutral manner so as to reflect equitably such changes with the desired result that the criteria for evaluating the Borrower's and its Subsidiaries' financial condition shall be the same after such changes as if such changes had not been made; *provided, however* , until such provisions are amended in a manner reasonably satisfactory to the Administrative Agent and the Required Lenders, no Accounting Change shall be given effect in such calculations and all financial statements and reports required to be delivered hereunder shall be prepared in accordance with Agreement Accounting Principles without taking into account such Accounting Changes. In the event such amendment is entered into, all references in this Agreement to Agreement Accounting Principles shall mean generally accepted accounting principles as of the date of such amendment.

Section 9.08 . Severability of Provisions . Any provision in any Loan Document that is held to be inoperative, unenforceable, or invalid in any jurisdiction shall, as to that jurisdiction, be inoperative, unenforceable, or invalid without affecting the remaining provisions in that jurisdiction or the operation, enforceability, or validity of that provision in any other jurisdiction, and to this end the provisions of all Loan Documents are declared to be severable. Without limiting the foregoing provisions of this Section 9.08, if and to the extent that the enforceability of any provisions in this Agreement relating to Defaulting Lenders shall be limited by Debtor Relief Laws, as determined in good faith by the Administrative Agent, then such provisions shall be deemed to be in effect only to the extent not so limited.

Section 9.09 . Nonliability of Lenders . The relationship between the Borrower on the one hand and the Lenders and the Agents on the other hand shall be solely that of borrower and lender. None of the Agents, the Arranger or any Lender shall have any fiduciary responsibilities to the Borrower. None of the Agents, the Arranger or any Lender undertakes any responsibility to the Borrower to review or inform the Borrower of any matter in connection with any phase of the Borrower's business or operations. The Borrower agrees that none of the Agents, the Arranger or any Lender shall have liability to the Borrower (whether sounding in tort, contract or otherwise) for losses suffered by the Borrower in connection with, arising out of, or in any way related to, the transactions contemplated and the relationship established by the Loan Documents, or any act, omission or event occurring in connection therewith, unless it is determined in a final, non-appealable judgment by a court of competent jurisdiction that such losses resulted from (x) the gross negligence or willful misconduct of the party from which recovery is sought or (y) such party's material breach in bad faith of its obligations hereunder or under any other Loan Document. None of the Agents, the Arranger or any Lender shall have any liability with respect to, and the Borrower hereby waives, releases and agrees not to sue for, any special, indirect, consequential or punitive damages (as opposed to direct or actual damages) suffered by the Borrower in connection with, arising out of, or in any way related to the Loan Documents or the transactions contemplated thereby.

Section 9.10 . Confidentiality . Each of the Administrative Agent and the Lenders agrees to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed (a) to its Affiliates and to its and its Affiliates' respective partners, directors, officers, employees, agents, trustees, advisors or representatives on a confidential basis (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential), (b) to the extent requested by any state, federal or foreign authority or examiner regulating banks or banking or otherwise purporting to have jurisdiction over it or its

Affiliates (including any self-regulatory authority, such as the National Association of Insurance Commissioners), (c) as may be compelled in a judicial or administrative proceeding or as otherwise required by applicable laws or regulations or by any subpoena or similar legal process, *provided* that the Administrative Agent and the Lenders, as applicable, shall, except with respect to regulatory audit or examination conducted by accountants or any governmental or regulatory authority exercising examination or regulatory authority, to the extent not prohibited by applicable law, give the Borrower reasonable notice thereof before complying therewith, (d) to any other party hereto, (e) in connection with the exercise of any remedies hereunder or under any other Loan Document, the Fee Letters or any action or proceeding relating to this Agreement or any other Loan Document, the Fee Letters or the enforcement of rights hereunder or thereunder or the transactions contemplated hereby or thereby or enforcement hereof and thereof or the assertion of any due diligence defense, (f) subject to an agreement containing provisions substantially the same as those of this Section or other provisions at least as restrictive as this Section, to (i) any assignee of or Participant in, or any prospective assignee of or Participant in, any of its rights or obligations under this Agreement or (ii) any actual or prospective counterparty (or its advisors) to any swap or derivative transaction relating to the Borrower and its obligations, (g) with the consent of the Borrower, (h) to the extent such Information (x) becomes publicly available other than as a result of a breach of this Section or (y) becomes available to the Administrative Agent, any Lender or any of their respective Affiliates from a source, other than the Borrower or its Affiliates, that is not to such Person's knowledge subject to any confidentiality or fiduciary obligation to the Borrower with respect to such Information, (i) on a confidential basis, to ratings agencies if requested or required by such agencies in connection with a rating relating to the Loans hereunder; *provided*, *however*, that any such ratings agency shall be informed of the confidentiality of such information and instructed to keep such information confidential in accordance with its standard practices or (j) to the extent that such information was already in the Administrative Agent or Lender's possession (other than as a result of the Administrative Agent or Lender, as applicable, being provided such information by or on behalf of the Borrower hereunder) or is independently developed by the Administrative Agent or Lender, as applicable.

In addition, on a confidential basis, the Administrative Agent and each Lender may disclose the existence of this Agreement and the information about this Agreement to market data collectors, similar services providers to the lending industry, and service providers to the Administrative Agent and the Lenders in connection with the administration and management of this Agreement and the other Loan Documents.

For purposes of this Section, “ **Information** ” means all information received from the Borrower or any Subsidiary relating to the Borrower or any Subsidiary or any of their respective businesses, other than any such information that is available to the Administrative Agent or any Lender or on a nonconfidential basis prior to disclosure by the Borrower or any Subsidiary. Any Person required to maintain the confidentiality of Information as provided in this Section shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Information as such Person would accord to its own confidential information.

Each of the Administrative Agent and the Lenders acknowledges that (a) the Information may include material non-public information concerning the Borrower or a Subsidiary, as the case may be, (b) it has developed compliance procedures regarding the use of material non-public information and (c) it will handle such material non-public information in accordance with applicable law, including United States Federal and state securities laws.

Section 9.11 . Nonreliance . Each of the Lenders hereby represents that it is not relying on or looking to any margin stock (as defined in Regulation U) as collateral in the extension or maintenance of the credit provided for herein.

Section 9.12 . Disclosure . The Borrower and each Lender hereby acknowledge and agree that Bank of America and/or its respective Affiliates and certain of the other Lenders and/or their respective Affiliates from time to time may hold investments in, make other loans to or have other relationships with the Borrower and its Affiliates.

ARTICLE 10

T H E A D M I N I S T R A T I V E A G E N T

Section 10.01 . Appointment and Authority . Each of the Lenders hereby irrevocably appoints Bank of America to act on its behalf as the Administrative Agent hereunder and under the other Loan Documents and authorizes the Administrative Agent to take such actions on its behalf and to exercise such powers as are delegated to the Administrative Agent by the terms hereof or thereof, together with such actions and powers as are reasonably incidental thereto. The provisions of this Article, other than Section 10.06 below, are solely for the benefit of the Administrative Agent and the Lenders, and the Borrower shall not have rights as a third party beneficiary of any of such provisions (other than as provided in Section 10.06 below). It is understood and agreed that the use of the term “agent” herein or in any other Loan Documents (or any other similar term) with reference to the Administrative Agent is not intended to connote any fiduciary or other

implied (or express) obligations arising under agency doctrine of any applicable law. Instead such term is used as a matter of market custom, and is intended to create or reflect only an administrative relationship between contracting parties.

Section 10.02 . *Rights as a Lender* . The Person serving as the Administrative Agent hereunder shall have the same rights and powers in its capacity as a Lender as any other Lender and may exercise the same as though it were not the Administrative Agent and the term “Lender” or “Lenders” shall, unless otherwise expressly indicated or unless the context otherwise requires, include the Person serving as the Administrative Agent hereunder in its individual capacity. Such Person and its Affiliates may accept deposits from, lend money to, act as the financial advisor or in any other advisory capacity for and generally engage in any kind of business with the Borrower or any Subsidiary or other Affiliate thereof as if such Person were not the Administrative Agent hereunder and without any duty to account therefor to the Lenders.

Section 10.03 . *Reliance by Administrative Agent* . The Administrative Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing (including any electronic message, Internet or intranet website posting or other distribution) believed by it to be genuine and to have been signed, sent or otherwise authenticated by the proper Person. The Administrative Agent also may rely upon any statement made to it orally or by telephone and believed by it to have been made by the proper Person, and shall not incur any liability for relying thereon. In determining compliance with any condition hereunder to the making of a Loan that by its terms must be fulfilled to the satisfaction of a Lender, the Administrative Agent may presume that such condition is satisfactory to such Lender unless the Administrative Agent shall have received notice to the contrary from such Lender prior to the making of such Loan. The Administrative Agent may consult with legal counsel (who may be counsel for the Borrower), independent accountants and other experts selected by it, and shall not be liable for any action taken or not taken by it in good faith in accordance with the advice of any such counsel, accountants or experts.

Section 10.04 . *Exculpatory Provisions* . The Administrative Agent shall not have any duties or obligations except those expressly set forth herein and in the other Loan Documents. Without limiting the generality of the foregoing, the Administrative Agent:

(a) shall not be subject to any fiduciary or other implied duties, regardless of whether a Default has occurred and is continuing;

(b) shall not have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly

contemplated hereby or by the other Loan Documents that the Administrative Agent is required to exercise as directed in writing by the Required Lenders (or such other number or percentage of the Lenders as shall be expressly provided for herein or in the other Loan Documents), *provided* that the Administrative Agent shall not be required to take any action that, in its opinion or the opinion of its counsel, may expose the Administrative Agent to liability or that is contrary to any Loan Document or applicable law, including for the avoidance of doubt any action that may be in violation of the automatic stay under any Debtor Relief Law or that may effect a forfeiture, modification or termination of property of a Defaulting Lender in violation of any Debtor Relief Law; and

(c) shall not, except as expressly set forth herein and in the other Loan Documents, have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to the Borrower or any of its Affiliates that is communicated to or obtained by the Person serving as the Administrative Agent or any of its Affiliates in any capacity.

The Administrative Agent shall not be liable for any action taken or not taken by it (i) with the consent or at the request of the Required Lenders (or such other number or percentage of the Lenders as shall be necessary, or as the Administrative Agent shall believe in good faith shall be necessary, under the circumstances as provided in Article 8) or (ii) in the absence of its own gross negligence or willful misconduct. The Administrative Agent shall be deemed not to have knowledge of any Default unless and until notice describing such Default is given to the Administrative Agent by the Borrower or a Lender.

The Administrative Agent shall not be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with this Agreement or any other Loan Document, (ii) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein or therein or the occurrence of any Default, (iv) the validity, enforceability, effectiveness or genuineness of this Agreement, any other Loan Document or any other agreement, instrument or document or (v) the satisfaction of any condition set forth in Article 4 or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to the Administrative Agent.

Section 10.05 . *Delegation of Duties* . The Administrative Agent may perform any and all of its duties and exercise its rights and powers hereunder or under any other Loan Document by or through any one or more sub-agents appointed by the Administrative Agent. The 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 Related Parties. The exculpatory provisions of this

Article shall apply to any such sub-agent and to the Related Parties of the Administrative Agent and any such sub-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.

Section 10.06 . Resignation of Administrative Agent . The Administrative Agent may at any time give notice of its resignation to the Lenders and the Borrower. Upon receipt of any such notice of resignation, the Required Lenders shall have the right, subject to, so long as no Default or Unmatured Default has occurred and is continuing, the consent of the Borrower (such consent not to be unreasonably withheld or delayed), to appoint a successor, which shall be a bank with an office in the United States, or an Affiliate of any such bank with an office in the United States. If no such successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within 30 days after the retiring Administrative Agent gives notice of its resignation, then the retiring Administrative Agent may on behalf of the Lenders, appoint a successor Administrative Agent meeting the qualifications set forth above, subject to, so long as no Default or Unmatured Default has occurred and is continuing, the consent of the Borrower (such consent not to be unreasonably withheld or delayed); *provided* that if the Administrative Agent shall notify the Borrower and the Lenders that no qualifying Person has accepted such appointment, then such resignation shall nonetheless become effective in accordance with such notice and (1) the retiring Administrative Agent shall be discharged from its duties and obligations hereunder and under the other Loan Documents and (2) except for any indemnity payments or other amounts then owed to the retiring Administrative Agent, all payments, communications and determinations provided to be made by, to or through the Administrative Agent shall instead be made by or to each Lender directly, until such time as the Required Lenders appoint a successor Administrative Agent as provided for above in this Section. Upon the acceptance of a successor's appointment as Administrative Agent hereunder, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring (or retired) Administrative Agent (other than as provided in Section 3.08 and other than any rights to indemnity payments or other amounts owed to the retiring Administrative Agent as of the effective date of its resignation), and the retiring Administrative Agent shall be discharged from all of its duties and obligations hereunder or under the other Loan Documents (if not already discharged therefrom as provided above in this Section). The fees payable by the Borrower to a successor Administrative Agent shall be the same as those payable to its predecessor unless otherwise agreed between the Borrower and such successor. After the retiring Administrative Agent's resignation hereunder and under the other Loan Documents, the provisions of this Article and Section 9.06 shall continue in effect for the benefit of such retiring Administrative Agent, its sub-agents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them while the retiring Administrative Agent was acting as Administrative Agent.

Section 10.07 . *Non-Reliance on Administrative Agent and Other Lenders* . Each of the Lenders acknowledges that it has, independently and without reliance upon the Administrative Agent or any other Lender or any of their Related Parties and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each of the Lenders also acknowledges that it will, independently and without reliance upon the Administrative Agent or any other Lender or any of their Related Parties and based on such documents and information as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Agreement, any other Loan Document or any related agreement or any document furnished hereunder or thereunder.

Section 10.08 . *No Other Duties, Etc* . Anything herein to the contrary notwithstanding, none of the Bookrunners, Arranger or other Agents listed on the cover page hereof shall have any powers, duties or responsibilities under this Agreement or any of the other Loan Documents, except in its capacity, as applicable, as the Administrative Agent or a Lender hereunder.

ARTICLE 11

S ETOFF

Section 11.01 . *Setoff* . In addition to, and without limitation of, any rights of the Lenders under applicable law, if any Default occurs, any and all deposits (including all account balances, whether provisional or final and whether or not collected or available) and any other Indebtedness at any time held or owing by any Lender or any Affiliate of any Lender to or for the credit or account of the Borrower may be offset and applied toward the payment of the Obligations of the Borrower then owing to such Lender to the extent the Obligations shall then be due; *provided* , that in the event that any Defaulting Lender shall exercise any such right of setoff, the Defaulting Lender shall provide promptly to the Administrative Agent a statement describing in reasonable detail the Obligations owing to such Defaulting Lender as to which it exercised such right of setoff.

ARTICLE 12

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Section 12.01 . *Successors and Assigns* . (a) *Successors and Assigns Generally* . The provisions of this Agreement and the other Loan Documents shall be

binding upon and inure to the benefit of the parties hereto and thereto and their respective successors and assigns permitted hereby, except that the Borrower may not assign or otherwise transfer any of its rights or obligations hereunder or thereunder without the prior written consent of the Administrative Agent and each Lender and no Lender may assign or otherwise transfer any of its rights or obligations hereunder except (i) to an assignee in accordance with the provisions of subsection (b) of this Section, (ii) by way of participation in accordance with the provisions of subsection (d) of this Section or (iii) by way of pledge or assignment of a security interest subject to the restrictions of subsection (f) of this Section (and any other attempted assignment or transfer by any party hereto shall be null and void).

(b) *Assignments by Lenders* . Any Lender may at any time assign to one or more assignees all or a portion of its rights and obligations under this Agreement and the other Loan Documents (including all or a portion of its Commitment and the Loans at the time owing to it); *provided* that any such assignment shall be subject to the following conditions:

(i) *Minimum Amounts* .

(A) in the case of an assignment of the entire remaining amount of the assigning Lender's Commitment and the Loans at the time owing to it or in the case of an assignment to a Lender, an Affiliate of a Lender or an Approved Fund, no minimum amount need be assigned; and

(B) in any case not described in subsection (b)(i)(A) of this Section, the aggregate amount of the Commitment (which for this purpose includes Loans outstanding thereunder) or, if the Commitment is not then in effect, the principal outstanding balance of the Loans of the assigning Lender subject to each such assignment, determined as of the date the Assignment and Assumption with respect to such assignment is delivered to the Administrative Agent or, if "Trade Date" is specified in the Assignment and Assumption, as of the Trade Date, shall not be less than £1,000,000 unless each of the Administrative Agent and, so long as no Default under Sections 7.02, 7.05 or 7.06 has occurred and is continuing, the Borrower otherwise consents (each such consent not to be unreasonably withheld or delayed); *provided, however* , that concurrent assignments to members of an Assignee Group and concurrent assignments from members of an Assignee Group to a single Eligible Assignee (or to an Eligible Assignee and members of its Assignee Group) will be treated as a single assignment for purposes of determining whether such minimum amount has been met.

(ii) *Proportionate Amounts* . Each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's rights and obligations under this Agreement with respect to the Loans or the Commitment assigned.

(iii) *Required Consents* . No consent shall be required for any assignment except to the extent required by subsection (b)(i)(B) of this Section and, in addition:

(A) in connection with any assignment on or prior to the funding of the Loans on the Funding Date, the prior written consent of the Borrower (in the Borrower's sole discretion) shall be required unless such assignment is to a Lender, an Affiliate of a Lender or an Approved Fund with respect to such Lender; *provided* that if such an assignment is made to a Lender, an Affiliate of a Lender or an Approved Fund with respect to such Lender (and without the prior written consent of the Borrower in its sole discretion) and such assignee becomes a Defaulting Lender (or otherwise fails to fund its Loans on the Funding Date), the assignor shall remain responsible for the assigned Commitment in accordance with the applicable Assignment and Assumption (the "**Prefunding Backstop Requirement**"); *provided further* , that notwithstanding the foregoing, any assignment made by an Initial Lender or an Affiliate or Approved Fund of an Initial Lender, shall be subject to the prior written consent of the Borrower (in the Borrower's sole discretion) unless such assignment is made by an Initial Lender to one of its Affiliates and the applicable Assignment and Assumption includes the Prefunding Backstop Requirement, in which case the prior written consent of the Borrower shall not be required;

(B) in connection with any assignment after the funding of the Loans on the Funding Date, the prior written consent of the Borrower (such consent not to be unreasonably withheld or delayed) shall be required unless (1) a Default under Sections 7.02, 7.05 or 7.06 has occurred and is continuing at the time of such assignment or (2) such assignment is to a Lender, an Affiliate of a Lender or an Approved Fund with respect to such Lender; *provided* that the Borrower shall be deemed to have consented to any such assignment unless it shall object thereto by written notice to the Administrative Agent within ten (10) Business Days after having received notice thereof; and

(C) in connection with any assignment, the prior written consent of the Administrative Agent (such consent not to be unreasonably withheld or delayed) shall be required if such assignment is to a Person that is not a Lender, an Affiliate of such Lender or an Approved Fund with respect to such Lender.

(iv) *Assignment and Assumption* . The parties to each assignment shall execute and deliver to the Administrative Agent an Assignment and Assumption, together with a processing and recordation fee in the amount of \$3,500; *provided, however* , that the Administrative Agent may, in its sole discretion, elect to waive such processing and recordation fee in the case of any assignment. The assignee, if it is not a Lender, shall deliver to the Administrative Agent an administrative questionnaire.

(v) *No Assignment to Borrower* . No such assignment shall be made to the Borrower or any of its Affiliates or Subsidiaries.

(vi) *No Assignment to Natural Persons* . No such assignment shall be made to a natural person.

(vii) *No Assignment to Defaulting Lenders* . No such assignment shall be made to a Defaulting Lender.

(viii) *Certain Additional Payments* . In connection with any assignment of rights and obligations of any Defaulting Lender hereunder, no such assignment shall be effective unless and until, in addition to the other conditions thereto set forth herein, the parties to the assignment shall make such additional payments to the Administrative Agent in an aggregate amount sufficient, upon distribution thereof as appropriate (which may be outright payment, purchases by the assignee of participations or subparticipations, or other compensating actions, including funding, with the consent of the Borrower and the Administrative Agent, the Pro Rata Share of Loans previously requested but not funded by the Defaulting Lender, to each of which the applicable assignee and assignor hereby irrevocably consent), to (x) pay and satisfy in full all payment liabilities then owed by such Defaulting Lender to the Administrative Agent or any Lender hereunder (and interest accrued thereon) and (y) acquire (and fund as appropriate) its full Pro Rata Share of all Loans. Notwithstanding the foregoing, in the event that any assignment of rights and obligations of any Defaulting Lender hereunder shall become effective under applicable law without compliance with the provisions of this paragraph, then the assignee of such interest shall be deemed to be a Defaulting Lender for all purposes of this Agreement until such compliance occurs.

Subject to acceptance and recording thereof by the Administrative Agent pursuant to subsection (c) of this Section, from and after the effective date specified in each Assignment and Assumption, the assignee thereunder shall be a party to this Agreement and, to the extent of the interest assigned by such Assignment and Assumption, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Assumption, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto) but shall continue to be entitled to the benefits of Sections 3.01, 3.04, 3.05, and 9.06 with respect to facts and circumstances occurring prior to the effective date of such assignment. Upon request, the Borrower (at its expense) shall execute and deliver a Note to the assignee Lender. Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this subsection shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with subsection (d) of this Section.

(c) *Register* . The Administrative Agent, acting solely for this purpose as an agent of the Borrower, shall maintain at the Administrative Agent's Office a copy of each Assignment and Assumption delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Commitments of, and principal amounts (and stated interest) of the Loans owing to, each Lender pursuant to the terms hereof from time to time (the "**Register**"). The entries in the Register shall be conclusive, absent manifest error, and the Borrower, the Administrative Agent and the Lenders may treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement, notwithstanding notice to the contrary. In addition, the Administrative Agent shall maintain on the Register information regarding the designation, and revocation of designation, of any Lender as a Defaulting Lender. The Register shall be available for inspection by the Borrower at any reasonable time and from time to time upon reasonable prior notice. In addition, at any time that a request for a consent for a material or substantive change to the Loan Documents is pending, any Lender may request and receive from the Administrative Agent a copy of the Register.

(d) *Participations* . On or prior to the funding of the Loans on the Funding Date, any Lender may, with the prior written consent of the Borrower in its reasonable discretion, sell participations to any Person (other than a natural person, Defaulting Lender or the Borrower or any of its Affiliates or Subsidiaries) (each, a "**Participant**"); *provided* that, other than with respect to participations granted by

an Initial Lender or its Affiliate or Approved Fund (which participations shall be subject to the Borrower's prior written consent in its sole discretion), no such consent shall be required in the case of a participation to a Lender if the Lender granting the participation shall have given prior written notice of such participation to the Borrower. After the Funding Date, any Lender may at any time, without the consent of, or notice to, the Borrower or the Administrative Agent, sell participations to a Participant in all or a portion of such Lender's rights and/or obligations under this Agreement (including all or a portion of its Commitment and/or the Loans); *provided* that (i) such Lender's obligations under this Agreement shall remain unchanged, (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations and (iii) the Borrower, the Administrative Agent and the Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement.

Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; *provided* that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, waiver or other modification described in the first proviso to Section 8.02 that affects such Participant. Subject to subsection (e) of this Section, the Borrower agrees that each Participant shall be entitled to the benefits of Sections 3.01, 3.04 and 3.05 to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to subsection (b) of this Section. To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 11.01 as though it were a Lender, *provided* that such Participant agrees to be subject to Section 2.20 as though it were a Lender.

Each Lender that sells a participation shall, acting solely for this purpose as a nonfiduciary agent of the 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 the Loan Documents (the "**Participant Register**"); *provided* that no Lender shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any Participant or any information relating to a Participant's interest in any Commitments, Loans or its other Obligations under any Loan Document) to any Person except to the extent that such disclosure is necessary to establish that such Commitment, Loan or other Obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error, 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. For the avoidance of doubt, the Administrative Agent (in its capacity as Administrative Agent) shall have no responsibility for maintaining a Participant Register.

(e) *Limitations upon Participant Rights* . A Participant shall not be entitled to receive any greater payment under Section 3.01, 3.04 or 3.05 than the applicable Lender would have been entitled to receive with respect to the participation sold to such Participant, unless the sale of the participation to such Participant is made with the Borrower's prior written consent. A Participant shall not be entitled to the benefits of Section 3.05 unless such Participant agrees to comply with Section 3.05 as though it were a Lender (it being understood that the documentation required under Section 3.05(e) shall be delivered to the Lender who sells the participation).

(f) *Certain Pledges* . Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement (including under its Note, if any) to secure obligations of such Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank or other central banking authority having jurisdiction over such Lender; *provided* that no such pledge or assignment shall release such Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

Section 12.02 . Dissemination of Information . The Borrower authorizes each of the Lenders to disclose to any Participant or any other Person acquiring an interest in the Loan Documents by operation of law (each a "**Transferee** ") and any prospective Transferee any and all information in such Lender's possession concerning the creditworthiness of the Borrower and its Subsidiaries, including without limitation any information contained in any reports or other information delivered by the Borrower pursuant to Section 6.01; *provided* that each Transferee and prospective Transferee agrees to be bound by Section 9.10 or other provisions at least as restrictive as Section 9.10 including making the acknowledgments set forth therein.

Section 12.03 . Tax Treatment . If any interest in any Loan Document is transferred to any Transferee which is organized under the laws of any jurisdiction other than the United States or any State thereof, the transferor Lender shall cause such Transferee, concurrently with the effectiveness of such transfer, to comply with the provisions of Section 3.05(e).

ARTICLE 13

NOTICES

Section 13.01 . Notices; Effectiveness; Electronic Communication . (a) *Notices Generally* . Except in the case of notices and other communications expressly permitted to be given by telephone (and except as provided in subsection (b) below), all notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by telecopier as follows, and all notices and other communications expressly permitted hereunder to be given by telephone shall be made to the applicable telephone number, as follows:

(i) if to the Borrower or the Administrative Agent, to the address, telecopier number, electronic mail address or telephone number set forth on Schedule 13.01; and

(ii) if to any other Lender, to the address, telecopier number, electronic mail address or telephone number specified in its administrative questionnaire.

Notices and other communications sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when received; notices and other communications sent by telecopier shall be deemed to have been given when sent (except that, if not given during normal business hours for the recipient, shall be deemed to have been given at the opening of business on the next Business Day for the recipient). Notices and other communications delivered through electronic communications to the extent provided in paragraph (b) below, shall be effective as provided in said paragraph (b).

(b) *Electronic Communications* . Notices and other communications to the Lenders hereunder may be delivered or furnished by electronic communication (including e-mail and internet or intranet websites) pursuant to procedures approved by the Administrative Agent or as otherwise determined by the Administrative Agent, *provided* that the foregoing shall not apply to notices to any Lender pursuant to Article 2 if such Lender has notified the Administrative Agent that it is incapable of receiving notices under such Article by electronic communication. The Administrative Agent or the Borrower may, in its respective discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it or as it otherwise determines, *provided* that such determination or approval may be limited to particular notices or communications.

Unless the 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 given during the normal business hours of the recipient, such notice or communication shall be deemed to have been given 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.

(c) The Platform. THE PLATFORM IS PROVIDED "AS IS" AND "AS AVAILABLE." THE AGENT PARTIES (AS DEFINED BELOW) DO NOT WARRANT THE ACCURACY OR COMPLETENESS OF THE BORROWER MATERIALS OR THE ADEQUACY OF THE PLATFORM, AND EXPRESSLY DISCLAIM LIABILITY FOR ERRORS IN OR OMISSIONS FROM THE BORROWER MATERIALS. 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 ANY AGENT PARTY IN CONNECTION WITH THE BORROWER MATERIALS OR THE PLATFORM. In no event shall the Administrative Agent or any of its Related Parties (collectively, the "**Agent Parties**") have any liability to the Borrower, any Lender, or any other Person for losses, claims, damages, liabilities or expenses of any kind (whether in tort, contract or otherwise) arising out of the Borrower's or the Administrative Agent's transmission of Borrower Materials through the Internet, except to the extent that such losses, claims, damages, liabilities or expenses are determined by a court of competent jurisdiction by a final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of such Agent Party; *provided, however*, that in no event shall any Agent Party have any liability to the Borrower, any Lender, or any other Person for indirect, special, incidental, consequential or punitive damages (as opposed to direct or actual damages).

(d) *Change of Address, Etc*. Each of the Borrower and the Administrative Agent may change its address, telecopier or telephone number for notices and other communications hereunder by written notice to the other parties hereto. Each other Lender may change its address, telecopier or telephone number for notices and other communications hereunder by written notice to the Borrower and the Administrative Agent. In addition, each Lender agrees to notify the Administrative Agent from time to time to ensure that the Administrative Agent has on record (i) an effective address, contact name, telephone number, telecopier

number and electronic mail address to which notices and other communications may be sent and (ii) accurate wire instructions for such Lender. Furthermore, 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 Borrower Materials that are not made available through the “Public Side Information” portion of the Platform and that may contain material non-public information with respect to the Borrower or its securities for purposes of United States Federal or state securities laws.

(e) *Reliance by Administrative Agent and Lenders* . The Administrative Agent and the Lenders shall be entitled to rely and act upon any notices (including telephonic Borrowing Notices) purportedly given by or on behalf of the Borrower so long as such notices appear on their face to be authentic even if (i) such notices were not made in a manner specified herein, were incomplete or were not preceded or followed by any other form of notice specified herein, or (ii) the terms thereof, as understood by the recipient, varied from any confirmation thereof. The Borrower shall indemnify the Administrative Agent, each Lender and the Related Parties of each of them from all losses, costs, expenses and liabilities resulting from the reliance by such Person on each notice purportedly given by or on behalf of the Borrower. All telephonic notices to and other telephonic communications with the Administrative Agent may be recorded by the Administrative Agent, and each of the parties hereto hereby consents to such recording.

ARTICLE 14

C O U N T E R P A R T S ; I N T E G R A T I O N ; E F F E C T I V E N E S S ; E L E C T R O N I C E X E C U T I O N

Section 14.01 . *Counterparts; Effectiveness* . This Agreement may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. Except as provided in Article 4, this Agreement shall become effective when it shall have been executed by the Administrative Agent and when the Administrative Agent shall have received counterparts hereof which, when taken together, bear the signatures of each of the parties hereto, and thereafter shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. Delivery of an executed counterpart of a signature page of this Agreement by telecopy or email shall be effective as delivery of a manually executed counterpart of this Agreement.

Section 14.02 . *Electronic Execution of Assignments* . The words “execution,” “signed,” “signature,” and words of like import in any Assignment and Assumption 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, or any other state laws based on the Uniform Electronic Transactions Act.

ARTICLE 15

C HOICE OF L AW ; C ONSENT TO J URISDICTION ; W AIVER OF J URY T RIAL

Section 15.01 . *Choice of Law* . THE LOAN DOCUMENTS AND OBLIGATIONS OF THE PARTIES THEREUNDER (INCLUDING, WITHOUT LIMITATION, ANY CLAIMS SOUNDING IN CONTRACT LAW OR TORT LAW ARISING OUT OF THE SUBJECT MATTER THEREOF AND ANY DETERMINATIONS WITH RESPECT TO POST-JUDGMENT INTEREST) SHALL BE GOVERNED BY AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, WITHOUT REGARD TO CONFLICTS OF LAW PRINCIPLES THEREOF THAT WOULD REQUIRE THE APPLICATION OF THE LAWS OF ANOTHER JURISDICTION.

Section 15.02 . *Consent to Jurisdiction* . EACH OF THE BORROWER, THE AGENTS AND THE LENDERS HEREBY IRREVOCABLY SUBMITS TO JURISDICTION OF ANY FEDERAL COURT OF THE UNITED STATES OF AMERICA SITTING IN THE BOROUGH OF MANHATTAN OR, IF THAT COURT DOES NOT HAVE SUBJECT MATTER JURISDICTION, IN ANY STATE COURT LOCATED IN THE CITY AND COUNTY OF NEW YORK IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO ANY LOAN DOCUMENTS AND HEREBY IRREVOCABLY AGREES THAT ALL CLAIMS IN RESPECT OF SUCH ACTION OR PROCEEDING MAY BE HEARD AND DETERMINED IN ANY SUCH COURT AND IRREVOCABLY WAIVES ANY OBJECTION IT MAY NOW OR HEREAFTER HAVE AS TO THE VENUE OF ANY SUCH SUIT, ACTION OR PROCEEDING BROUGHT IN SUCH A COURT OR THAT SUCH COURT IS AN INCONVENIENT FORUM. NOTHING HEREIN SHALL LIMIT THE RIGHT OF THE AGENTS OR ANY LENDER TO BRING PROCEEDINGS AGAINST THE BORROWER IN THE COURTS OF ANY OTHER JURISDICTION. ANY JUDICIAL PROCEEDING BROUGHT BY THE BORROWER, DIRECTLY OR INDIRECTLY, IN ANY WAY ARISING

OUT OF, RELATED TO, OR CONNECTED WITH ANY LOAN DOCUMENT SHALL BE BROUGHT ONLY IN A COURT IN ANY FEDERAL COURT OF THE UNITED STATES OF AMERICA SITTING IN THE BOROUGH OF MANHATTAN OR, IF THAT COURT DOES NOT HAVE SUBJECT MATTER JURISDICTION, IN ANY STATE COURT LOCATED IN THE CITY AND COUNTY OF NEW YORK.

EACH OF THE BORROWER, THE AGENTS AND THE LENDERS HEREBY AGREES FURTHER 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 PERSON AT ITS ADDRESS PROVIDED IN ACCORDANCE WITH SECTION 13.01 AND AGREES THAT SUCH SERVICE IS SUFFICIENT TO CONFER PERSONAL JURISDICTION OVER THE APPLICABLE PERSON IN ANY SUCH PROCEEDING IN ANY SUCH COURT, AND OTHERWISE CONSTITUTES EFFECTIVE AND BINDING SERVICE IN EVERY RESPECT. NOTHING HEREIN SHALL LIMIT THE RIGHT OF THE AGENTS OR LENDERS TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY LAW.

Section 15.03 . Waiver of Jury Trial . EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

Section 15.04 . U.S. Patriot Act Notice . Each Lender that is subject to the U.S. Patriot Act and the Administrative Agent (for itself and not on behalf of any Lender) hereby notifies the Borrower that pursuant to the requirements of the U.S. Patriot Act, it is required to obtain, verify and record information that identifies the Borrower, which information includes the name and address of the Borrower and other information that will allow such Lender or the Administrative Agent, as applicable, to identify the Borrower in accordance with the U.S. Patriot Act. The

Borrower shall, promptly following a request by the Administrative Agent or any Lender, provide all documentation and other information that the Administrative Agent or such Lender requests in order to comply with its ongoing obligations under applicable “know your customer” and anti-money laundering rules and regulations, including the U.S. Patriot Act.

Section 15.05 . *No Advisory or Fiduciary Responsibility* . In connection with all aspects of each transaction contemplated hereby (including in connection with any amendment, waiver or other modification hereof or of any other Loan Document), the Borrower acknowledges and agrees, and acknowledges its Affiliates’ understanding, that: (i) (A) the arranging and other services regarding this Agreement provided by the Administrative Agent, the Arranger and the Lenders are arm’s-length commercial transactions between the Borrower and its Affiliates, on the one hand, and the Administrative Agent, the Arranger and the Lenders, on the other hand, (B) each of the Borrower has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate, and (C) each of the Borrower is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated hereby and by the other Loan Documents; (ii) (A) each of the Administrative Agent, the Arranger and the Lenders is and has been acting solely as a principal and, except as expressly agreed in writing by the relevant parties, has not been, is not, and will not be acting as an advisor, agent or fiduciary for the Borrower or any of its Affiliates, or any other Person and (B) neither the Administrative Agent nor the Arranger nor any of the Lenders has any obligation to the Borrower or any of its Affiliates with respect to the transactions contemplated hereby except those obligations expressly set forth herein and in the other Loan Documents; and (iii) the Administrative Agent, the Arranger, the Lenders and their respective Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Borrower and its Affiliates, and neither the Administrative Agent nor the Arranger nor any of the Lenders has any obligation to disclose any of such interests to the Borrower or its Affiliates. To the fullest extent permitted by law, the Borrower hereby waives and releases any claims that it may have against the Administrative Agent, the Arranger and the Lenders with respect to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of any transaction contemplated hereby.

Section 15.06 . *Judgment Currency* . If, for the purposes of obtaining judgment in any court, it is necessary to convert a sum due hereunder or any other Loan Document in one currency into another currency, the rate of exchange used shall be that at which in accordance with normal banking procedures the Administrative Agent could purchase the first currency with such other currency on the Business Day preceding that on which final judgment is given. The obligation of the Borrower in respect of any such sum due from it to the Administrative Agent

or any Lender hereunder or under the other Loan Documents shall, notwithstanding any judgment in a currency (the “ **Judgment Currency** ”) other than that in which such sum is denominated in accordance with the applicable provisions of this Agreement (the “ **Agreement Currency** ”), be discharged only to the extent that on the Business Day following receipt by the Administrative Agent or such Lender, as the case may be, of any sum adjudged to be so due in the Judgment Currency, the Administrative Agent or such Lender, as the case may be, may in accordance with normal banking procedures purchase the Agreement Currency with the Judgment Currency. If the amount of the Agreement Currency so purchased is less than the sum originally due to the Administrative Agent or any Lender from the Borrower in the Agreement Currency, the Borrower agrees, as a separate obligation and notwithstanding any such judgment, to indemnify the Administrative Agent or such Lender, as the case may be, against such loss. If the amount of the Agreement Currency so purchased is greater than the sum originally due to the Administrative Agent or any Lender in such currency, the Administrative Agent or such Lender, as the case may be, agrees to return the amount of any excess to the Borrower (or to any other Person who may be entitled thereto under applicable law).

ARTICLE 16

RESERVED

ARTICLE 17

WALGREENS GUARANTY

Section 17.01 . Walgreens Guaranty . Walgreens hereby guarantees (the undertaking of Walgreens contained in this Article 17 being the “ **Walgreens Guarantee** ”) the punctual payment when due, whether at stated maturity, by acceleration or otherwise, of all Obligations of Walgreens Boots Alliance now or hereafter existing under this Agreement, whether for principal, interest, fees, expenses or otherwise, which Obligations shall include such indebtedness, obligations, and liabilities which may be or hereafter become unenforceable or shall be an allowed or disallowed claim under any proceeding or case commenced by or against Walgreens or Walgreens Boots Alliance under any Debtor Relief Laws, and shall include interest that accrues after the commencement of any proceeding under any Debtor Relief Laws (such obligations, collectively, being the “ **WBA Obligations** ”), and any and all expenses (including counsel fees and expenses) incurred by the Administrative Agent or the Lenders in enforcing any rights under the Walgreens Guarantee. The Walgreens Guarantee is a guaranty of payment and not of collection. Walgreens agrees that, as between Walgreens and the Administrative Agent, the WBA Obligations may be declared to be due and payable for purposes of the Walgreens Guarantee notwithstanding any stay, injunction or

other prohibition which may prevent, delay or vitiate any declaration as regards Walgreens Boots Alliance and that in the event of a declaration or attempted declaration, the WBA Obligations shall immediately become due and payable by Walgreens for purposes of the Walgreens Guarantee.

Section 17.02 . *Guaranty Absolute* . Walgreens guarantees that the WBA Obligations will be paid strictly in accordance with the terms of this Agreement, regardless of any law, regulation or order now or hereafter in effect in any jurisdiction affecting any of such terms or the rights of the Administrative Agent or the Lenders with respect thereto. The liability of Walgreens under the Walgreens Guarantee shall be absolute and unconditional irrespective of:

(a) any lack of validity, enforceability or genuineness of any provision of this Agreement, any WBA Obligations or any other agreement or instrument relating thereto;

(b) any change in the time, manner or place of payment of, or in any other term of, all or any of the WBA Obligations, or any other amendment or waiver of or any consent to departure from this Agreement;

(c) any exchange, release or non-perfection of any collateral, or any release or amendment or waiver of or consent to departure from any other guaranty, for all or any of the WBA Obligations;

(d) any law or regulation of any jurisdiction or any other event affecting any term of a WBA Obligation; or

(e) any other circumstance which might otherwise constitute a defense available to, or a discharge of, Walgreens or Walgreens Boots Alliance.

The Walgreens Guarantee shall continue to be effective or be reinstated, as the case may be, if at any time any payment of any of the WBA Obligations is rescinded or must otherwise be returned by the Administrative Agent or any Lender upon the insolvency, bankruptcy or reorganization of the Borrower or otherwise, all as though such payment had not been made.

Section 17.03 . *Waivers* .

(a) Walgreens hereby waives promptness, diligence, notice of acceptance and any other notice with respect to any of the WBA Obligations and the Walgreens Guarantee and any requirement that the Administrative Agent or any Lender protect, secure, perfect or insure any security interest or lien or any property subject thereto or exhaust any right or take any action against Walgreens Boots Alliance or any other Person or any collateral.

(b) Walgreens hereby irrevocably waives any claims or other rights that it may now or hereafter acquire against Walgreens Boots Alliance that arise from the existence, payment, performance or enforcement of the obligations of Walgreens under the Walgreens Guarantee, including, without limitation, any right of subrogation, reimbursement, exoneration, contribution or indemnification and any right to participate in any claim or remedy of the Administrative Agent or any Lender against Walgreens Boots Alliance or any collateral, whether or not such claim, remedy or right arises in equity or under contract, statute or common law, including, without limitation, the right to take or receive from Walgreens Boots Alliance, directly or indirectly, in cash or other property or by set-off or in any other manner, payment or security on account of such claim, remedy or right. If any amount shall be paid to Walgreens in violation of the preceding sentence at any time prior to the later of the payment in full of the WBA Obligations and all other amounts payable under the Walgreens Guarantee and the Maturity Date, such amount shall be held in trust for the benefit of the Administrative Agent and the Lenders and shall forthwith be paid to the Administrative Agent to be credited and applied to the WBA Obligations and all other amounts payable under the Walgreens Guarantee, whether matured or unmatured, in accordance with the terms of this Agreement and the Walgreens Guarantee, or to be held as collateral for any WBA Obligations or other amounts payable under the Walgreens Guarantee thereafter arising. Walgreens acknowledges that it will receive direct and indirect benefits from the financing arrangements contemplated by this Agreement and the Walgreens Guarantee and that the waiver set forth in this Section 17.03(b) is knowingly made in contemplation of such benefits.

Section 17.04 . Termination . The Walgreens Guarantee will automatically terminate, and the obligations of Walgreens under the Walgreens Guarantee will be unconditionally released and discharged, if (a) the Holdco Reorganization is not consummated on or prior to the Alliance Boots Acquisition Closing Date or (b)(i) the aggregate outstanding principal amount of Capital Markets Indebtedness, including the Existing Notes and Commercial Bank Indebtedness, in each case, of Walgreens is less than \$2,000,000,000 and (ii) Walgreens does not guarantee any Capital Markets Indebtedness or Commercial Bank Indebtedness, in each case, of Walgreens Boots Alliance. Once released in accordance with its terms, the Walgreens Guarantee will not subsequently be required to be reinstated for any reason.

Section 17.05 . Continuing Guaranty . Subject to Section 17.04, the Walgreens Guaranty is a continuing guaranty and shall (i) remain in full force and effect until payment in full of the WBA Obligations (including any and all WBA Obligations which remain outstanding after the Maturity Date) and all other amounts payable under the Walgreens Guarantee, (ii) be binding upon each of Walgreens and its successors and assigns, and (iii) inure to the benefit of and be enforceable by the Lenders, the Administrative Agent and their respective successors, transferees and assigns.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above.

WALGREEN CO.

/s/ Jason Dubinsky

Name: Jason Dubinsky

Title: Treasurer

WALGREENS BOOTS ALLIANCE, INC.

Name: Timothy R. McLevish

Title: Treasurer

[*Signature Page to Term Loan Credit Agreement*]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above.

WALGREEN CO.

Name: Jason Dubinsky
Title: Treasurer

WALGREENS BOOTS ALLIANCE, INC.

/s/ Timothy R. McLevish
Name: Timothy R. McLevish
Title: Treasurer

[*Signature Page to Term Loan Credit Agreement*]

BANK OF AMERICA, N.A., as
Administrative Agent and a Lender

By: /s/ J. Casey Cosgrove

Name: J. Casey Cosgrove

Title: Director

[*Signature Page to Term Loan Credit Agreement*]

HSBC BANK plc, as a Lender

By: /s/ GUY JOLLY

Name: GUY JOLLY

Title: VICE PRESIDENT

[*Signature Page to Term Loan Credit Agreement*]

Deutsche Bank Luxembourg S.A. ,
as a Lender

By: /s/ BELHOSTE

Name: BELHOSTE

Title:

/s/ A. BREYER-SIMSKI

A. BREYER-SIMSKI

[*Signature Page to Term Loan Credit Agreement*]

GOLDMAN SACHS BANK USA ,
as a Lender

By: /s/ Rebecca Kratz
Name: Rebecca Kratz
Title: Authorized Signatory

[*Signature Page to Term Loan Credit Agreement*]

JPMORGAN CHASE BANK, N.A. ,
as a Lender

By: /s/ Brendan Korb
Name: Brendan Korb
Title: Vice President

[*Signature Page to Term Loan Credit Agreement*]

MORGAN STANLEY BANK, N.A. , as a Lender

By: /s/ Sherrese Clarke

Name: Sherrese Clarke

Title: Authorized Signatory

[*Signature Page to Term Loan Credit Agreement*]

Wells Fargo Bank, N.A., as a Lender

By: /s/ Peter R. Martinets

Name: Peter R. Martinets

Title: Managing Director

[*Signature Page to Term Loan Credit Agreement*]

The Bank of Tokyo-Mitsubishi UFJ, LTD.
as a Lender

By: /s/ Mark Maloney
Name: Mark Maloney
Title: Authorized Signatory

[*Signature Page to Term Loan Credit Agreement*]

The Royal Bank of Scotland Finance (Ireland), as a
Lender

By: /s/ L. O'Connell

Name: L. O'Connell

Title: Director

By: /s/ R. Neville

Name: R. Neville

Title: Director

[*Signature Page to Term Loan Credit Agreement*]

SOCIETE GENERALE, as a Lender

By: /s/ Alexandre Huet

Name: Alexandre Huet

Title: Head of Strategic and Acquisition Finance

[*Signature Page to Term Loan Credit Agreement*]

UniCredit Bank AG, London Branch ,
as a Lender

By: /s/ David Vials

Name: David Vials

Title: Managing Director

By: /s/ L. STEPANEK

Name: L. STEPANEK

Title: A.D. UniCredit Group

[*Signature Page to Term Loan Credit Agreement*]

US BANK NATIONAL ASSOCIATION , as a Lender

By: /s/ Frances W. Josephic

Name: Frances W. Josephic

Title: Vice President

[*Signature Page to Term Loan Credit Agreement*]

Fifth Third Bank , as a Lender

By: /s/ Daniel J. Clarke, Jr.

Name: Daniel J. Clarke, Jr.

Title: Managing Director

[*Signature Page to Term Loan Credit Agreement*]

Intesa Sanpaolo S.p.A., New York Branch, as a Lender

By: /s/ William S. Denton

Name: William S. Denton

Title: Global Relationship Manager

By: /s/ Glen Binder

Name: Glen Binder

Title: Senior Relationship Manager

[*Signature Page to Term Loan Credit Agreement*]

Lloyds Bank plc, as a Lender

By: /s/ Stephen Giacolone

Name: Stephen Giacolone

Title: Assistant Vice President – G011

By: /s/ Daven Popat

Name: Daven Popat

Title: Senior Vice President – P003

[*Signature Page to Term Loan Credit Agreement*]

Mizuho Bank, Ltd. , as a Lender

By: /s/ David Lim

Name: David Lim

Title: Authorized Signatory

[*Signature Page to Term Loan Credit Agreement*]

Sumitomo Mitsui Banking Corporation , as a Lender

By: /s/ David W. Kee

Name: David W. Kee

Title: Managing Director

[*Signature Page to Term Loan Credit Agreement*]

BRANCH BANKING AND TRUST COMPANY, as a
Lender

By: /s/ John Malloy

Name: John Malloy

Title: Senior Vice President

[*Signature Page to Term Loan Credit Agreement*]

THE NORTHERN TRUST COMPANY as a Lender

By: /s/ Peter J. Hallan

Name: Peter J. Hallan

Title: Vice President

[*Signature Page to Term Loan Credit Agreement*]

SANTANDER BANK, N.A., as a Lender

By: /s/ PEDRO BELL ASTORZA

Name: PEDRO BELL ASTORZA

Title: Senior Banker – Corporate Banking

[*Signature Page to Term Loan Credit Agreement*]

SunTrust Bank, as a Lender

By: /s/ Richard C. Wilson

Name: Richard C. Wilson

Title: Managing Director

[*Signature Page to Term Loan Credit Agreement*]

**PRICING SCHEDULE
TO TERM LOAN CREDIT AGREEMENT**

<u>Index Debt Rating (Moody's or S&P)</u>	<u>Applicable Margin for Loans</u>
Rating Category 1: \geq A- / A3	0.700%
Rating Category 2: BBB+ / Baa1	0.800%
Rating Category 3: BBB / Baa2	0.900%
Rating Category 4: BBB- / Baa3	1.000%
Rating Category 5: \leq BB+ / Ba1	1.200%

For purposes of the foregoing, “ **Index Debt** ” means senior, unsecured, long-term Indebtedness for Borrowed Money of the Borrower that is not guaranteed by any other person or subject to any other credit enhancement (other than, if applicable, the Walgreens Guarantee). If (i) either Moody's or S&P shall not have in effect a rating for the Index Debt (other than by reason of the circumstances referred to in the last sentence of this paragraph), then such rating agency shall be deemed to have established a rating in Rating Category 5; (ii) the ratings established or deemed to have been established by Moody's and S&P for the Index Debt shall fall within different Rating Categories, the Applicable Margin shall be based on the higher of the two ratings, and (iii) the ratings established or deemed to have been established by Moody's and S&P for the Index Debt shall be changed (other than as a result of a change in the rating system of Moody's or S&P), such change shall be effective as of the date on which it is first announced by the applicable rating agency. Each change in the Applicable Margin shall apply during the period commencing on the effective date of such change and ending on the date immediately preceding the effective date of the next such change. If the rating system of Moody's or S&P shall change, or if either such rating agency shall cease to be in the business of rating corporate debt obligations, the Borrower and the Lenders shall negotiate in good faith to amend this definition to reflect such changed rating system or the unavailability of ratings from such rating agency and, pending the effectiveness of any such amendment, the Applicable Margin shall be determined by reference to the rating most recently in effect prior to such change or cessation.

**COMMITMENT SCHEDULE
TO TERM LOAN CREDIT AGREEMENT**

[ON FILE WITH ADMINISTRATIVE AGENT]

Schedule 13.01

CERTAIN ADDRESSES FOR NOTICES

1. Address of the Borrower:

Attention: Dan Morrell
108 Wilmot Road
Deerfield, IL 60015
Phone: 847-315-2278
Fax: 847-315-3993
dan.morrell@walgreens.com

With a copy to:

Attention: Joseph Greenberg
104 Wilmot Road
Deerfield, IL 60015
Phone: 847-315-8204
Fax: 847-315-4464
joseph.greenberg@walgreens.com

2. Address for the Administrative Agent:

DAILY OPERATIONS CONTACT:

David Cochran
Phone: 980-386-8201
Fax: 704-719-5440
David.A.Cochran@BAML.com

LOAN CLOSER CONTACT:

Tammy Reed
Phone: 980-388-1108
Tammy.Reed@BAML.com

MAILING ADDRESS

Bank of America
Mail Code: NC1-001-05-46
One Independence Center
101 N. Tryon St.
Charlotte, NC, 28255-000

3. Wiring Instructions for the Administrative Agent

USD PAYMENT INSTRUCTIONS :

Bank of America
New York NY
ABA 026009593
Acct # 1366212250600
Acct Name: Corporate Credit Services
Ref: WALGREEN CO.

EUR PAYMENT INSTRUCTIONS :

Bank of America London
SWIFT BOFAGB22
ACCOUNT NUMBER 96272019
IBAN GB63BOFA16505096272019
ATTN GRAND CAYMAN UNIT #1207
REF: WALGREEN CO.

GBP PAYMENT INSTRUCTIONS :

Bank of America London
SWIFT BOFAGB22
ACCOUNT NUMBER 96272027
IBAN GB41BOFA16505096272027
ATTN GRAND CAYMAN UNIT #1207
REF: WALGREEN CO.

SWISS FRANC PAYMENT INSTRUCTIONS :

Bank of America London Re Switzerland
SWIFT BOFAGB3SSWI
ACCOUNT NUMBER CH9308726000091207013
ATTN: GRAND CAYMAN UNIT #1207
REF: WALGREEN CO.

YEN PAYMENT INSTRUCTIONS :

Bank of America Tokyo
SWIFT BOFAJPJX
ACCOUNT NUMBER 96272011
ATTN: GRAND CAYMAN UNIT #1207
REF: WALGREEN CO.

REVOLVING CREDIT AGREEMENT

DATED AS OF NOVEMBER 10, 2014

AMONG

WALGREEN CO.,

WALGREENS BOOTS ALLIANCE, INC.,

THE LENDERS AND L/C ISSUERS FROM TIME TO TIME PARTIES HERETO,

and

**BANK OF AMERICA, N.A.,
as Administrative Agent**

**MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED,
HSBC SECURITIES (USA) INC.,
DEUTSCHE BANK LUXEMBOURG S.A.,
GOLDMAN SACHS BANK USA,
J.P. MORGAN SECURITIES LLC,
MORGAN STANLEY SENIOR FUNDING, INC.,**

and

**WELLS FARGO BANK, N.A.,
as Joint Lead Arrangers and Joint Book Managers**

**HSBC SECURITIES (USA) INC.,
as Syndication Agent**

and

**DEUTSCHE BANK LUXEMBOURG S.A.,
GOLDMAN SACHS BANK USA,
JPMORGAN CHASE BANK, N.A.,
MORGAN STANLEY SENIOR FUNDING, INC.,**

and

**WELLS FARGO BANK, N.A.,
as Co-Documentation Agents**

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Pricing Schedule	
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REVOLVING CREDIT AGREEMENT

This Revolving Credit Agreement, dated as of November 10, 2014, is among WALGREEN CO., an Illinois corporation (“**Walgreens**”), WALGREENS BOOTS ALLIANCE, INC., a Delaware corporation (“**Walgreens Boots Alliance**”), the institutions from time to time parties hereto as Lenders (whether by execution of this Agreement or an assignment pursuant to Section 12.01), the L/C Issuers (as defined below) and BANK OF AMERICA, N.A., as Administrative Agent. The parties hereto agree as follows:

ARTICLE 1 DEFINITIONS

Section 1.01 . Certain Defined Terms . As used in this Agreement:

“**Accounting Changes**” is defined in Section 9.07.

“**Acquired Business**” means Alliance Boots, together with its Subsidiaries.

“**Acquisition Agreement**” means that certain Purchase and Option Agreement dated as of June 18, 2012, as amended on August 5, 2014, by and among Alliance Boots, Seller, and Walgreens.

“**Actual Unused Commitments**” is defined in Section 2.05(a).

“**Additional Commitment Availability Date**” is defined in Section 4.04.

“**Administrative Agency Fee Letter**” means that certain Administrative Agency Fee Letter, dated October 10, 2014, among Bank of America and Walgreens.

“**Administrative Agent**” means Bank of America in its capacity as contractual representative of the Lenders and the L/C Issuers pursuant to Article 10, and not in its individual capacity as a Lender or an L/C Issuer, and any successor Administrative Agent appointed pursuant to Article 10.

“**Administrative Agent’s Office**” means, with respect to any currency, the Administrative Agent’s address and, as appropriate, account as set forth on Schedule 13.01 with respect to such currency, or such other address or account with respect to such currency as the Administrative Agent may from time to time notify to Parent, the Lenders and the L/C Issuers.

“**Advance**” means a borrowing hereunder, consisting of the aggregate amount of several Revolving Loans to the same Borrower in the same currency (a)

made by the Lenders on the same Borrowing Date, or (b) converted or continued by the Lenders on the same date of conversion or continuation, consisting, in either case, of the aggregate amount of the several Revolving Loans of the same Type and, in the case of Eurocurrency Loans, for the same Interest Period.

“ **Affiliate** ” of any Person means any other Person directly or indirectly controlling, controlled by or under common control with such Person. A Person shall be deemed to control another Person if the controlling Person is the “beneficial owner” (as defined in Rule 13d-3 under the Securities Exchange Act of 1934) of ten percent (10%) or more of any class of voting securities (or other voting interests) of the controlled Person or possesses, directly or indirectly, the power to direct or cause the direction of the management or policies of the controlled Person, whether through ownership of voting securities, by contract or otherwise.

“ **Agent** ” means any of the Administrative Agent, the Syndication Agent or the Co-Documentation Agents, as appropriate, and “ **Agents** ” means, collectively, the Administrative Agent, the Syndication Agent and the Co-Documentation Agents.

“ **Agent Parties** ” is defined in Section 13.01(c).

“ **Aggregate Commitment** ” means the aggregate of the Commitments of all the Lenders, as may be adjusted from time to time pursuant to the terms hereof. The Aggregate Commitment as of the Effective Date is Two Billion Two Hundred Fifty Million and 00/100 Dollars (\$2,250,000,000). The Aggregate Commitment as of the Additional Commitment Availability Date will be Three Billion and 00/100 Dollars (\$3,000,000,000).

“ **Aggregate Outstanding Credit Exposure** ” means, at any time, the aggregate of the Outstanding Credit Exposure with respect to all the Lenders.

“ **Agreement** ” means this Revolving Credit Agreement, as it may be amended, restated, supplemented or otherwise modified and as in effect from time to time.

“ **Agreement Accounting Principles** ” means generally accepted accounting principles as in effect in the United States from time to time, applied in a manner consistent with that used in preparing the financial statements of Walgreens referred to in Section 5.04; *provided, however*, that except as provided in Section 9.07, with respect to the calculation of financial ratios and other financial tests required by this Agreement, “Agreement Accounting Principles” means generally accepted accounting principles as in effect in the United States as of the date of this Agreement, applied in a manner consistent with that used in preparing the financial statements of Walgreens referred to in Section 5.04 hereof.

“**Agreement Currency**” is defined in Section 15.06.

“**Alliance Boots**” means Alliance Boots GmbH.

“**Alliance Boots Acquisition**” means the direct or indirect acquisition of the issued and outstanding capital stock in Alliance Boots that Walgreens does not, directly or indirectly, own as of the Effective Date, pursuant to the Acquisition Agreement.

“**Alliance Boots Acquisition Closing Date**” means the date on which the Alliance Boots Acquisition is consummated.

“**Alternate Base Rate**” means for any day a fluctuating rate per annum equal to the highest of (a) the Federal Funds Rate plus 1/2 of 1%, (b) the rate of interest in effect for such day as publicly announced from time to time by Bank of America as its “prime rate” and (c) the Eurocurrency Base Rate plus 1.0%. “**Prime rate**” means the rate of interest in effect for such day as publicly announced from time to time by Bank of America as its “prime rate.” The “prime rate” is a rate set by Bank of America based upon various factors including Bank of America’s costs and desired return, general economic conditions and other factors, and is used as a reference point for pricing some loans, which may be priced at, above, or below such announced rate. Any change in such rate announced by Bank of America shall take effect at the opening of business on the day specified in the public announcement of such change.

“**Applicable Commitment Fee Rate**” means, at any time, the percentage rate per annum at which Commitment Fees are accruing on the actual unused amount of the Aggregate Commitment at such time as set forth in the Pricing Schedule.

“**Applicable Letter of Credit Fee Rate**” means, at any time, the percentage rate per annum at which Letter of Credit Fees are accruing on the outstanding Letters of Credit at such time as set forth in the Pricing Schedule.

“**Applicable Margin**” means, with respect to Advances of any Type and Letters of Credit at any time, the percentage rate per annum which is applicable at such time with respect to Advances of such Type or Letters of Credit, as applicable, as set forth in the Pricing Schedule.

“**Approved Fund**” means any Fund that is administered or managed by (a) a Lender, (b) an Affiliate of a Lender or (c) an entity or an Affiliate of an entity that administers or manages a Lender.

“**Applicable Time**” means, with respect to any borrowings and payments in any Foreign Currency, the local time in the place of settlement for such Foreign

Currency as shall be reasonably determined by the Administrative Agent or the applicable L/C Issuer, as the case may be, to be necessary for timely settlement on the relevant date in accordance with normal banking procedures in the place of payment. In advance of the initial borrowing of a Revolving Loan or issuance of a Letter of Credit, in each case, in any Foreign Currency, the Administrative Agent or the applicable L/C Issuer, as applicable, shall provide Parent and Lenders with written notice of the Applicable Time for any borrowings and payments in such Foreign Currency. In the event no such notice is delivered by the Administrative Agent, the applicable Borrower and any Lender shall be required to make any borrowings and payments in accordance with the times specified herein for borrowings and payments in Dollars.

“ **Arranger** ” means, collectively, Merrill Lynch, Pierce, Fenner & Smith Incorporated, HSBC Securities (USA) Inc., Deutsche Bank Luxembourg S.A., Goldman Sachs Bank USA, J.P. Morgan Securities LLC, Morgan Stanley Senior Funding, Inc. and Wells Fargo Securities, LLC, and their respective successors, in their capacity as Joint Lead Arrangers.

“ **Article** ” means an article of this Agreement unless another document is specifically referenced.

“ **Assignee Group** ” means two or more Eligible Assignees that are Affiliates of one another or two or more Approved Funds managed by the same investment advisor.

“ **Assignment and Assumption** ” means an assignment and assumption entered into by a Lender and an Eligible Assignee (with the consent of any party whose consent is required by Section 12.01), and accepted by the Administrative Agent, in substantially the form of Exhibit C or any other form approved by the Administrative Agent.

“ **Authorized Officer** ” means any of the President, Senior or Executive Vice President or Treasurer, acting singly.

“ **Auto-Extension Letter of Credit** ” is defined in Section 2.03(b)(iii).

“ **Bank of America** ” means Bank of America, N.A., a national banking association having its principal office in Charlotte, North Carolina, in its individual capacity, and its successors.

“ **Borrower** ” means, as applicable, Walgreens, Walgreens Boots Alliance (from and after such time as the conditions set forth in Section 4.05 have been satisfied or waived), each Designated Borrower, and each of their respective permitted successors and assigns (including, without limitation, a debtor-in-possession on its behalf).

“ **Borrower Materials** ” is defined in Section 6.01.

“ **Borrowing Date** ” means a date on which an Advance or L/C Credit Extension, as applicable, is made hereunder.

“ **Borrowing Notice** ” is defined in Section 2.08.

“ **Business Day** ” means a day (other than Saturday or Sunday) on which banks are generally open in Charlotte, North Carolina, Chicago, Illinois and New York, New York, for the conduct of substantially all of their commercial lending activities and interbank wire transfers can be made on the Fedwire system and:

(a) if such day relates to any interest rate settings as to a Eurocurrency Loan denominated in Dollars, any fundings, disbursements, settlements and payments in Dollars in respect of any such Eurocurrency Loan, or any other dealings in Dollars to be carried out pursuant to this Agreement in respect of any such Eurocurrency Loan, means any such day that is also a London Banking Day;

(b) if such day relates to any interest rate settings as to a Eurocurrency Loan denominated in Euro, any fundings, disbursements, settlements and payments in Euro in respect of any such Eurocurrency Loan, or any other dealings in Euro to be carried out pursuant to this Agreement in respect of any such Eurocurrency Loan, means a TARGET Day;

(c) if such day relates to any interest rate settings as to a Eurocurrency Loan denominated in a currency other than Dollars or Euro, means any such day on which dealings in deposits in the relevant currency are conducted by and between banks in the London or other applicable offshore interbank market for such currency; and

(d) if such day relates to any fundings, disbursements, settlements and payments in a currency other than Dollars or Euro in respect of a Eurocurrency Loan denominated in a currency other than Dollars or Euro, or any other dealings in any currency other than Dollars or Euro to be carried out pursuant to this Agreement in respect of any such Eurocurrency Loan (other than any interest rate settings), means any such day on which banks are open for foreign exchange business in the principal financial center of the country of such currency.

“ **Buyer SEC Report** ” means Walgreens’ 2014 Annual Report on Form 10-K.

“ **Buyer Shareholder Approval** ” means the affirmative vote of the majority of the common shares of Walgreens represented and entitled to vote at a Walgreens shareholder meeting, voting to approve the issuance (collectively) of the Second Step Buyer Shares (as defined in the Acquisition Agreement).

“ **Capital Markets Indebtedness** ” means any Indebtedness consisting of bonds, debentures, notes or other similar debt securities issued in (a) a public offering registered under the Securities Act of 1933 or (b) a private placement to institutional investors that is resold in accordance with Rule 144A or Regulation S of the Securities Act of 1933, whether or not it includes registration rights entitling the holders of such debt securities to registration thereof with the SEC. The term “ **Capital Markets Indebtedness** ” shall not, for the avoidance of doubt, be construed to include any Indebtedness issued to institutional investors in a direct placement of such Indebtedness that is not resold by an intermediary (it being understood that, without limiting the foregoing, a financing that is distributed to not more than ten Persons (provided that multiple managed accounts and affiliates of any such Persons shall be treated as one Person for the purposes of this definition) shall be deemed not to be so underwritten or resold), or any Indebtedness under the New Credit Agreements, Commercial Bank Indebtedness, capitalized lease obligation or recourse transfer of any financial asset or any other type of Indebtedness incurred in a manner not customarily viewed as a “securities offering.”

“ **Capitalized Lease** ” of a Person means any lease of Property by such Person as lessee which would be capitalized on a balance sheet of such Person prepared in accordance with Agreement Accounting Principles.

“ **Capitalized Lease Obligations** ” of a Person means the amount of the obligations of such Person under Capitalized Leases which would be shown as a liability on a balance sheet of such Person prepared in accordance with Agreement Accounting Principles.

“ **Cash Collateralize** ” means to pledge and deposit with or deliver to the Administrative Agent, for the benefit of the Administrative Agent, or any L/C Issuer (as applicable) and the Lenders, as collateral for the L/C Obligations or obligations of Lenders to fund participations in respect thereof (as the context may require), cash or deposit account balances, in each case denominated in Dollars, or, if the L/C Issuer benefiting from such collateral shall agree in its sole discretion, other credit support, in each case pursuant to documentation in form and substance reasonably satisfactory to (a) the Administrative Agent and (b) such L/C Issuer. “ **Cash Collateral** ” shall have a meaning correlative to the foregoing and shall include the proceeds of such cash collateral and other credit support.

“ **Change in Law** ” means the occurrence, after the date of this Agreement, of any of the following: (a) the adoption or taking effect of any law, rule, regulation or treaty, (b) any change in any law, rule, regulation or treaty or in the administration, interpretation or application thereof by any Governmental Authority or

(c) the making or issuance of any request, guideline or directive (whether or not having the force of law) by any Governmental Authority; *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 promulgated 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 to be a “Change in Law”, regardless of the date enacted, adopted, issued, promulgated or implemented.

“ **Co-Documentation Agents** ” means, collectively, Deutsche Bank Luxembourg S.A., Goldman Sachs Bank USA, J. P. Morgan Securities LLC, Morgan Stanley Senior Funding, Inc., and Wells Fargo Securities, LLC, each in its capacity as the documentation agent for the Lenders, and not in its individual capacity as a Lender.

“ **Code** ” means the Internal Revenue Code of 1986, as amended, reformed or otherwise modified from time to time.

“ **Commercial Bank Indebtedness** ” means Indebtedness for Borrowed Money (including undrawn commitments in respect thereof) owed to commercial banks under financing arrangements comparable to the New Credit Agreements (including such arrangements on a bilateral basis, but excluding Indebtedness for Borrowed Money under the New Credit Agreements).

“ **Commitment** ” means, for each Lender, the obligation of such Lender to (a) make Revolving Loans and (b) purchase participations in L/C Obligations, in an aggregate principal amount at any one time outstanding not to exceed the amount set forth on the Commitment Schedule (which schedule shall set forth each Lender’s Commitment as of the Effective Date and the Additional Commitment Availability Date) or in an Assignment and Assumption executed pursuant to Section 12.01, as it may be modified as a result of any assignment that has become effective pursuant to Section 12.01 or as otherwise modified from time to time pursuant to the terms hereof.

“ **Commitment Fee** ” is defined in Section 2.05(a).

“ **Commitment Schedule** ” means the Schedule attached hereto and identified as such, identifying each Lender’s Commitment as of the Effective Date and the Additional Commitment Availability Date.

“ **Consenting Lender** ” is defined in Section 2.02(b).

“ **Consolidated Assets** ” means, at any date of determination, the total amount, as shown on or reflected in the most recent consolidated balance sheet of Parent and its subsidiaries as at the end of Parent’s fiscal quarter ending prior to such date, of all assets of Parent and its consolidated subsidiaries on a consolidated basis in accordance with Agreement Accounting Principles (giving pro forma effect to any acquisition or disposition of Property of Parent or any of its subsidiaries with fair value in excess of \$100,000,000 that has occurred since the end of such fiscal quarter as if such acquisition or disposition had occurred on the last day of such fiscal quarter).

“ **Consolidated Debt** ” means at any time the consolidated Indebtedness for Borrowed Money of Parent and its subsidiaries calculated on a consolidated basis as of such time in accordance with Agreement Accounting Principles.

“ **Consolidated Net Worth** ” means at any time the consolidated stockholders’ equity of Parent and its subsidiaries calculated on a consolidated basis as of such time in accordance with Agreement Accounting Principles.

“ **Contingent Obligation** ” of a Person means any agreement, undertaking or arrangement by which such Person assumes, guarantees, endorses, contingently agrees to purchase or provide funds for the payment of, or otherwise becomes or is contingently liable upon, the obligation or liability of any other Person, or agrees to maintain the net worth or working capital or other financial condition of any other Person, or otherwise assures any creditor of such other Person against loss, including, without limitation, any comfort letter, operating agreement, take-or-pay contract or the obligations of any such Person as general partner of a partnership with respect to the liabilities of the partnership.

“ **Controlled Group** ” means all members of a controlled group of corporations or other business entities and all trades or businesses (whether or not incorporated) under common control which, together with Parent or any of its Subsidiaries, are treated as a single employer under Section 414 of the Code.

“ **Conversion/Continuation Notice** ” is defined in Section 2.09.

“ **Debtor Relief Laws** ” means the Bankruptcy Code of the United States, and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief laws of the United States or other applicable jurisdictions from time to time in effect and affecting the rights of creditors generally.

“ **Declining Lender** ” is defined in Section 2.02(b).

“ **Default** ” means an event described in Article 7.

“ **Defaulting Lender** ” means, subject to Section 2.22(b), any Lender that (a) has failed to perform any of its funding obligations hereunder, including in respect of its Revolving Loans or participations in respect of Letters of Credit, within three Business Days of the date required to be funded by it hereunder unless such Lender notifies the Administrative Agent in writing that such failure is the result of such Lender’s determination that one or more conditions precedent to funding has not been satisfied (which conditions precedent, together with the applicable default, if any, will be specifically identified in such writing), (b) has notified Parent, any L/C Issuer or the Administrative Agent in writing that it does not intend to comply with its funding obligations or has made a public statement to that effect with respect to its funding obligations hereunder, or generally under other agreements in which it commits to extend credit, unless such notification or public statement relates to such Lender’s obligation to fund a Revolving Loan hereunder and states that such position is based on such Lender’s determination that a condition precedent to funding cannot be satisfied (which conditions precedent, together with the applicable default, if any, will be specifically identified in such writing or public statement), (c) has failed, within three Business Days after written request by the Administrative Agent, any Borrower or any L/C Issuer, to confirm in a manner satisfactory to the Administrative Agent, such Borrower or such L/C Issuer, as applicable, that it will comply with its funding obligations, which request was made because of a reasonable concern by the Administrative Agent, such Borrower or such L/C Issuer that such Lender may not be able to comply with its funding obligations hereunder; *provided* that such Lender shall cease to be a Defaulting Lender pursuant to this clause (c) upon receipt of such written confirmation by the Administrative Agent, such Borrower or such L/C Issuer, or (d) has, or has a direct or indirect parent company that has, (i) become the subject of a proceeding under any Debtor Relief Law, (ii) had a receiver, conservator, trustee, administrator, assignee for the benefit of creditors or similar Person charged with reorganization or liquidation of its business or a custodian appointed for it, or (iii) taken any action in furtherance of, or indicated its consent to, approval of or acquiescence in any such proceeding or appointment; *provided* that a Lender shall not be a Defaulting Lender solely by virtue of the ownership or acquisition of any equity interest in that Lender or any direct or indirect parent company thereof by a Governmental Authority unless such ownership or equity results in or provides such Lender with immunity from the jurisdiction of courts within the United States or any other nation or from the enforcement of judgments or writs of attachment on its assets or permits such Lender (or such Governmental Authority or instrumentality) to reject, repudiate, disavow or disaffirm any contracts or agreements made by such Lender. Any determination by the Administrative Agent that a Lender is a Defaulting Lender under any one or more of clauses (a) through (d) above, and of the effective date of such status, shall be conclusive and binding absent manifest error, and such Lender shall be deemed to be a Defaulting Lender (subject to Section 2.22(b)) as of the date established therefor by the Administrative Agent in a written notice of such determination, which shall be delivered by the Administrative Agent to Parent, the L/C Issuer and each Lender promptly following such determination.

“Designated Borrower” means any Wholly-Owned Subsidiary of Parent (other than, if Walgreens Boots Alliance is then Parent, Walgreens) designated for borrowing privileges under this Agreement in accordance with Section 2.23.

“ Designated Foreign Borrower ” is defined in Section 2.23(b).

“ Disqualified Stock ” means any capital stock that, by its terms (or by the terms of any security into which it is convertible or for which it is exchangeable), or upon the happening of any event, matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, or redeemable at the option of the holder thereof, in whole or in part, on or prior to the date that is ninety-one (91) days after the Facility Termination Date.

“ Dollar ” and **“ \$ ”** means dollars in the lawful currency of the United States of America.

“ Dollar Equivalent ” means, at any time, (a) with respect to any amount denominated in Dollars, such amount, and (b) with respect to any amount denominated in any Foreign Currency, the equivalent amount thereof in Dollars as determined by the Administrative Agent or any L/C Issuer, as the case may be, at such time on the basis of the Exchange Rate (determined in respect of the most recent Revaluation Date) for the purchase of Dollars with such Foreign Currency.

“ Effective Date ” is defined in Section 4.01.

“ Eligible Assignee ” means any Person that meets the requirements to be an assignee under Section 12.01(b)(v), (vi) and (vii) (subject to such consents, if any, as may be required under Section 12.01(b)(iii)).

“ Engagement Letter ” means that certain Amended and Restated Engagement Letter, dated October 17, 2014, among the Arrangers, the Initial Lenders and Walgreens.

“ Environmental Laws ” means any and all federal, state, local and foreign statutes, laws, judicial decisions, regulations, ordinances, rules, judgments, orders, decrees, plans, injunctions, permits, concessions, grants, franchises, licenses, agreements and other governmental restrictions relating to (a) the protection of the environment, (b) the effect of the environment on human health, (c) emissions, discharges or releases of pollutants, contaminants, hazardous substances or wastes into surface water, ground water or land, or (d) the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of pollutants, contaminants, hazardous substances or wastes or the clean-up or other remediation thereof.

“ **Environmental Liability** ” means any liability, contingent or otherwise (including any liability for damages, cost of environmental remediation, fines, penalties or indemnities), resulting from or based upon (a) violation of any Environmental Law, (b) the generation, use, handling, transportation, storage, treatment or disposal of any Hazardous Materials, (c) exposure to any Hazardous Materials, (d) the release or threatened release of any Hazardous Materials into the environment or (e) any contract, agreement or other consensual arrangement pursuant to which liability is assumed or imposed with respect to any of the foregoing.

“ **ERISA** ” means the Employee Retirement Income Security Act of 1974, as amended from time to time, including (unless the context otherwise requires) the rules or regulations promulgated thereunder.

“ **Euro** ” means the single currency of the European Union as constituted by the Treaty on European Union and as referred to in the legislative measures of the European Union for the introduction of, changeover to or operation of the Euro in one or more member states, being in part legislative measures to implement the European and Monetary Union as contemplated in the Treaty on European Union.

“ **Eurocurrency Advance** ” means an Advance which, except as otherwise provided in Section 2.11, bears interest based on the applicable Eurocurrency Rate.

“ **Eurocurrency Base Rate** ” means

(a) for any Interest Period with respect to a Eurocurrency Loan, the rate per annum equal to the London Interbank Offered Rate administered by the ICE Benchmark Administration (or the successor thereto if the ICE Benchmark Administration is no longer making a London Interbank Offered Rate available) (“ **LIBOR** ”) as published on the applicable Bloomberg screen page (or such other comparable commercially available source providing such quotations as may be designated by the Administrative Agent from time to time in its reasonable discretion) at approximately 11:00 a.m., London time, two London Banking Days prior to the commencement of such Interest Period, for deposits in the relevant currency (for delivery on the first day of such Interest Period) in the London interbank market with a term equivalent to such Interest Period; and

(b) for any interest calculation with respect to a Floating Rate Loan on any date, the rate per annum equal to LIBOR, at approximately 11:00 a.m., London time determined two London Banking Days prior to such date for Dollar deposits being delivered in the London interbank market for a term of one month commencing that day.

“ **Eurocurrency Loan** ” means a Revolving Loan which, except as otherwise provided in Section 2.11, bears interest at the applicable Eurocurrency Rate requested by the applicable Borrower pursuant to Sections 2.08 and 2.09. Eurocurrency Loans may be denominated in Dollars or a Foreign Currency.

“ **Eurocurrency Rate** ” means, with respect to a Eurocurrency Advance for the relevant Interest Period, the quotient of (i) the Eurocurrency Base Rate applicable to such Interest Period, *divided by* (ii) one *minus* the Reserve Requirement (expressed as a decimal) applicable to such Interest Period.

“ **Exchange Rate** ” for a currency means the rate determined by the Administrative Agent for the purchase of such currency with another currency, as published on the applicable Bloomberg screen page at or about 11:00 a.m. (London, England time) on the date two Business Days prior to the date as of which the foreign exchange computation is made. In the event that such rate does not appear on the applicable Bloomberg screen page, the “ **Exchange Rate** ” with respect to the purchase of such currency with another currency shall be determined by reference to such other publicly available service for displaying exchange rates as may be agreed upon by the Administrative Agent and Parent, or, in the absence of such agreement, such “ **Exchange Rate** ” shall instead be the rate determined by the Administrative Agent to be the rate quoted by the Person acting in such capacity as the spot rate for the purchase by such Person of such currency with another currency through its principal foreign exchange trading office in respect of such currency at approximately 11:00 a.m. (local time) on the date two Business Days prior to the date as of which the foreign exchange computation is made; *provided* that if at the time of any such determination, no such spot rate can reasonably be quoted, the Administrative Agent may use any reasonable method as it deems applicable to determine such rate, and such determination shall be conclusive absent manifest error.

“ **Excluded Taxes** ” means, with respect to the Administrative Agent, any Lender, the L/C Issuer or any other recipient of any payment to be made by or on account of any obligation of any Borrower hereunder, (a) Taxes imposed on or measured by its overall net income (however denominated), franchise Taxes imposed on it (in lieu of net income Taxes), and branch profits or similar Taxes, in each case, imposed by the jurisdiction (or any political subdivision thereof) (i) under the laws of which such recipient is organized or in which its principal office is located or, in the case of any Lender, in which its applicable Lending Installation is located, or (ii) where the recipient otherwise has a present or former connection (other than by reason of the activities and transactions specifically contemplated by this Agreement, including selling or assigning an interest in any Revolving

Loan or Loan Document or enforcing provisions of any Loan Document), (b) any backup withholding Tax that is required by the Code to be withheld from amounts payable to a Lender that has failed to comply with Section 3.05(e)(ii), (c) in the case of a Foreign Lender, any U.S. withholding Tax that is required to be imposed on amounts payable to such Foreign Lender (other than an assignee pursuant to a request by Parent under Section 2.19) pursuant to the laws in force at the time such Foreign Lender becomes a party hereto (or designates a new Lending Installation), except to the extent that such Foreign Lender (or its assignor, if any) was entitled, at the time of designation of a new Lending Installation (or assignment), to receive additional amounts from the applicable Borrower with respect to such withholding Tax pursuant to Section 3.05(a)(i) or (ii), (d) in the case of a Lender, any withholding Tax that is attributable to such Lender's failure to comply with Section 3.05(e) and (e) any U.S. federal withholding Taxes imposed under FATCA.

“ **Exhibit** ” refers to an exhibit to this Agreement, unless another document is specifically referenced.

“ **Existing Alliance Boots Debt** ” means Indebtedness for Borrowed Money outstanding under (i) the Senior Facilities Agreement, dated 5 July 2007 (as amended and restated by amendment and restatement agreements dated 10 September 2007, 30 May 2008, 18 December 2012 and 11 June 2014 and as amended by an amendment letter dated 16 October 2007 and as further amended or otherwise modified from time to time), among Alliance Boots Limited, Deutsche Bank AG, London Branch, as facility agent and the other obligors, agents and lenders party thereto, and (ii) the Subordinated Facility Agreement, dated 5 July 2007 (as amended and restated by amendment and restatement agreements dated 3 September 2007 and 18 December 2012 and as amended by an amendment letter dated 16 October 2007 and as further amended or otherwise modified from time to time), among Alliance Boots Limited, Deutsche Bank AG, London Branch, as facility agent and the other obligors, agents and lenders party thereto, and, in each case, refinancings, renewals or replacement thereof with the proceeds of Indebtedness for Borrowed Money issued or guaranteed by Alliance Boots and its Subsidiaries.

“ **Existing Alliance Boots Debt Repayment** ” means the payment or other satisfaction in full of all amounts due or outstanding in respect of the Existing Alliance Boots Debt, the termination of all commitments (if any) in respect thereof and the discharge and release of all guarantees (if any) thereof and security (if any) therefor.

“ **Existing Credit Agreements** ” means (i) that certain Credit Agreement dated as of July 20, 2011 (as amended by Amendment No. 1 thereto, dated February 29, 2012, Amendment No. 2 thereto, dated July 23, 2012 and as further

amended, restated, supplemented or otherwise modified from time to time) among Walgreens as borrower, the financial institutions party thereto as lenders and Bank of America as administrative agent and (ii) that certain Credit Agreement dated as of July 23, 2012 (as amended, restated, supplemented or otherwise modified from time to time) among Walgreens as borrower, the financial institutions party thereto as lenders and Bank of America as administrative agent.

“ **Existing Notes** ” means the (i) 1.000% Notes due 2015, (ii) 1.800% Notes due 2017, (iii) 5.250% Notes due 2019, (iv) 3.100% Notes due 2022 and (v) 4.400% Notes due 2042, in each case, issued by Walgreens and outstanding on October 17, 2014.

“ **Extending Lender** ” is defined in Section 2.02(b).

“ **Extension Date** ” is defined in Section 2.02(b).

“ **Facilities Fee Letter** ” means that certain Facilities Fee Letter, dated October 10, 2014, among the Arrangers, the Initial Lenders and Walgreens.

“ **Facility Termination Date** ” means the earlier of (a) November 10, 2019, subject to the extension thereof pursuant to Section 2.02(b), and (b) the date of termination in whole of the Aggregate Commitment pursuant to Section 2.05 or Section 8.01 hereof.

“ **Facility Termination Date Extension** ” is defined in Section 2.02(b).

“ **FATCA** ” means sections 1471-1474 of the Code as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with) and any regulations promulgated thereunder or official interpretations thereof and any agreements entered into pursuant to Section 1471(b) of the Code.

“ **Federal Funds Rate** ” means, for any day, the rate per annum 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 (a) 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 (b) if no such rate is so published on such next succeeding Business Day, the Federal Funds Rate for such day shall be the average rate (rounded upward, if necessary, to a whole multiple of 1/100 of 1%) charged to Bank of America on such day on such transactions as determined by the Administrative Agent.

“ **Fee Letters** ” means the Facilities Fee Letter and the Administrative Agency Fee Letter.

“ **Floating Rate** ” means, for any day for any Revolving Loan, a rate per annum equal to the Alternate Base Rate for such day, changing when and as the Alternate Base Rate changes.

“ **Floating Rate Advance** ” means an Advance which, except as otherwise provided in Section 2.11, bears interest at the Floating Rate.

“ **Floating Rate Loan** ” means a Revolving Loan, or portion thereof, which, except as otherwise provided in Section 2.11, bears interest at the Floating Rate. All Floating Rate Loans shall be denominated in Dollars.

“ **Foreign Currency** ” means Sterling, Euros, Yen, Swiss Francs or any other currency (other than Sterling, Euros, Yen or Swiss Francs), which is approved in accordance with Section 1.05.

“ **Foreign Lender** ” means any Lender or L/C Issuer that is not organized under the laws of the United States, any State thereof or the District of Columbia.

“ **Foreign Pension Plan** ” means any defined benefit plan as described in Section 3(35) of ERISA for which Parent, any Subsidiary or any member of the Controlled Group is a sponsor or administrator or to which Parent, any Subsidiary or any member of the Controlled Group has any liability, and which (a) is maintained or contributed to for the benefit of employees of Parent, any of its respective Subsidiaries or any member of its Controlled Group, (b) is not covered by ERISA pursuant to Section 4(b)(4) of ERISA, and (c) under applicable local law, is required to be funded through a trust or other funding vehicle.

“ **Fronting Exposure** ” means, at any time there is a Defaulting Lender, such Defaulting Lender’s Pro Rata Share of the Outstanding Credit Exposure with respect to L/C Obligations other than L/C Obligations as to which such Defaulting Lender’s participation obligation has been reallocated to other Lenders or Cash Collateralized in accordance with the terms hereof.

“ **Fund** ” means any Person (other than a natural person) that is (or will be) engaged in making, purchasing, holding or otherwise investing in commercial loans and similar extensions of credit in the ordinary course of its business.

“ **Governmental Authority** ” means the government of the United States or any other nation, or of any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any supra-national bodies such as the European Union or the European Central Bank).

“ **Hazardous Materials** ” means all explosive or radioactive substances or wastes and all hazardous or toxic substances, wastes or other pollutants, including petroleum or petroleum distillates, asbestos or asbestos-containing materials, polychlorinated biphenyls, radon gas, infectious or medical wastes and all other substances or wastes of any nature regulated pursuant to any Environmental Law.

“ **Honor Date** ” is defined in Section 2.03(c)(i).

“ **Holdco Reorganization** ” means the reorganization of Walgreens into a holding company structure pursuant to the merger of a newly formed, wholly owned subsidiary of Walgreens Boots Alliance with and into Walgreens, resulting in Walgreens, as the surviving company in such merger, becoming a wholly owned subsidiary of Walgreens Boots Alliance and Walgreens’ common shareholders becoming shareholders of Walgreens Boots Alliance.

“ **HSBC** ” means HSBC Bank USA, National Association.

“ **Indebtedness** ” of a Person means, without duplication, (a) the obligations of such Person (i) for borrowed money, (ii) under or with respect to notes payable and drafts accepted which represent extensions of credit (whether or not representing obligations for borrowed money) to such Person, (iii) constituting reimbursement obligations with respect to letters of credit issued for the account of such Person, (iv) for the deferred purchase price of property or services (other than current accounts payable arising in the ordinary course of such Person’s business payable on terms customary in the trade), (v) for its Contingent Obligations, (vi) for its Net Mark-to-Market Exposure under Rate Management Transactions, (vii) for its Capitalized Lease Obligations, (viii) for its Rate Management Obligations, (ix) for its Receivables Transaction Attributed Indebtedness and (x) with respect to Disqualified Stock, (b) the obligations of others, whether or not assumed, secured by Liens on property of such Person or payable out of the proceeds of, or production from, property or assets now or hereafter owned or acquired by such Person and (c) any other obligation or other financial accommodation which in accordance with Agreement Accounting Principles would be shown as a liability on the consolidated balance sheet of such Person.

“ **Indebtedness for Borrowed Money** ” of a Person means, without duplication, (a) indebtedness for borrowed money (whether or not evidenced by bonds, debentures, notes or similar instruments) or for the deferred purchase price of property or services (other than current accounts payable arising in the ordinary course of such Person’s business payable on terms customary in the trade), (b) Capitalized Lease Obligations and (c) obligations under direct or indirect guaranties in respect of, and obligations (contingent or otherwise) to purchase or otherwise

acquire, or otherwise to assure a creditor against loss in respect of, indebtedness or obligations of any other Person of the kinds referred to in clause (a) or (b) above.

“ **Indemnified Taxes** ” means Taxes (other than Excluded Taxes) imposed on or with respect to any payment made by or on account of any obligation of any Borrower hereunder.

“ **Indemnitee** ” is defined in Section 9.06(b).

“ **Information** ” is defined in Section 9.10.

“ **Initial Lenders** ” means Bank of America, HSBC, Deutsche Bank Luxembourg S.A., Goldman Sachs Bank USA, JPMorgan Chase Bank, N.A., Morgan Stanley Bank, N.A. and Wells Fargo Bank, N.A.

“ **Intangible Assets** ” means, at any date of determination, the value, as shown on or reflected in the most recent consolidated balance sheet of Parent and its subsidiaries as at the end of Parent’s fiscal quarter ending prior to such date, prepared in accordance with Agreement Accounting Principles and giving pro forma effect to any acquisition or disposition of Property of Parent or any of its subsidiaries with fair value in excess of \$100,000,000 that has occurred since the end of such fiscal quarter as if such acquisition or disposition had occurred on the last day of such fiscal quarter, of all trade names, trademarks, licenses, patents, copyrights, service marks, goodwill and other like intangibles.

“ **Interest Period** ” means, with respect to a Eurocurrency Advance, a period of one, two, three or six months or such other period agreed to by the Lenders and Parent, commencing on a Borrowing Date or on the date on which a Eurocurrency Advance is continued or a Floating Rate Advance is converted into a Eurocurrency Advance. Such Interest Period shall end on but exclude the day which corresponds numerically to such date one, two, three or six months or such other agreed upon period thereafter, *provided, however*, that if there is no such numerically corresponding day in such next, second, third or sixth succeeding month or such other succeeding period, such Interest Period shall end on the last Business Day of such next, second, third or sixth succeeding month or such other succeeding period. If an Interest Period would otherwise end on a day which is not a Business Day, such Interest Period shall end on the next succeeding Business Day, *provided, however*, that if said next succeeding Business Day falls in a new calendar month, such Interest Period shall end on the immediately preceding Business Day.

“ **ISP** ” means, with respect to any Letter of Credit, the “International Standby Practices 1998” published by the Institute of International Banking Law & Practice, Inc. (or such later version thereof as may be in effect at the time of issuance).

“ **Issuer Documents** ” means with respect to any Letter of Credit, the Letter of Credit Application, and any other document, agreement and instrument entered into by an L/C Issuer and the applicable Borrower (or any of its Subsidiaries) or in favor of such L/C Issuer and relating to any such Letter of Credit.

“ **Joinder Agreement** ” means, with respect to any Designated Borrower, an agreement substantially in the form of Exhibit A hereto signed by such Designated Borrower and Parent.

“ **Judgment Currency** ” is defined in Section 15.06.

“ **L/C Advance** ” means, with respect to each Lender, such Lender’s funding of its participation in any L/C Borrowing in accordance with its Pro Rata Share. All L/C Advances shall be denominated in Dollars.

“ **L/C Borrowing** ” means an extension of credit resulting from a drawing under any Letter of Credit which has not been reimbursed on the date when made or refinanced as an Advance. All L/C Borrowings shall be denominated in Dollars.

“ **L/C Credit Extension** ” means, with respect to any Letter of Credit, the issuance thereof or extension of the expiry date thereof, or the increase of the amount thereof.

“ **L/C Issuer** ” means, with respect to any Letter of Credit, each Initial Lender (or any Affiliate of such Initial Lender designated an L/C Issuer by such Initial Lender and reasonably acceptable to Parent) and/or any other Lender from time to time designated by Parent as an L/C Issuer with the consent of such Lender and reasonably acceptable to the Administrative Agent, to the extent such other Lender has agreed to issue such Letter of Credit hereunder, or any successor issuer of such Letters of Credit hereunder. In the event that there is more than one L/C Issuer at any time, references herein and in the other Loan Documents to the L/C Issuer shall be deemed to refer to the L/C Issuer in respect of the applicable Letter of Credit or to all L/C Issuers, as the context requires.

“ **L/C Obligations** ” means, as at any date of determination, the aggregate amount available to be drawn under all outstanding Letters of Credit *plus* the aggregate of all Unreimbursed Amounts, including all L/C Borrowings. For purposes of computing the amount available to be drawn under any Letter of Credit, the amount of such Letter of Credit shall be determined in accordance with Section 1.03. For all purposes of this Agreement, if on any date of determination a Letter of Credit has expired by its terms but any amount may still be drawn thereunder

by reason of the operation of Rule 3.13 or Rule 3.14 of the ISP or because a drawing was presented under such Letter of Credit on or prior to the expiry date thereof but has not yet been honored or dishonored, such Letter of Credit shall be deemed to be “outstanding” in the amount so remaining available to be drawn.

“ **Lead Arrangers** ” means Merrill Lynch, Pierce, Fenner & Smith Incorporated and HSBC Securities (USA) Inc.

“ **Lenders** ” means the lending institutions listed on the signature pages of this Agreement and their respective successors and assigns, as well as any Person that becomes a “Lender” hereunder pursuant to Section 2.01(b) or Section 2.02(b).

“ **Lending Installation** ” means, with respect to a Lender or the Agents, the office, branch, subsidiary or affiliate of such Lender or Agent listed on the administrative information sheets provided to the Administrative Agent in connection herewith, or otherwise selected by such Lender or Agent pursuant to Section 2.17.

“ **Letter of Credit** ” means any letter of credit issued hereunder. A Letter of Credit may be a commercial or a standby letter of credit, denominated, at the option of the applicable Borrower, in Dollars or any Foreign Currency.

“ **Letter of Credit Application** ” means an application and agreement for the issuance or amendment of a letter of credit in the form from time to time in use by the applicable L/C Issuer.

“ **Letter of Credit Commitment** ” means, as to any L/C Issuer, the amount set forth opposite such L/C Issuer’s name on the Commitment Schedule under the caption “Letter of Credit Commitment” or, with respect to any Lender that becomes an L/C Issuer after the Effective Date, the amount set forth by the Administrative Agent for such L/C Issuer in the Register as such L/C Issuer’s “Letter of Credit Commitment”, in each case, as such amount may be reduced from time to time pursuant to the terms hereof.

“ **Letter of Credit Expiration Date** ” means the day that is seven (7) days prior to the Facility Termination Date then in effect (or, if such day is not a Business Day, the next preceding Business Day).

“ **Letter of Credit Fee** ” is defined in Section 2.03(h).

“ **Letter of Credit Sublimit** ” means an amount equal to the lesser of (a)(i) prior to the Additional Commitment Availability Date, \$375,000,000 and (ii) on and after the Additional Commitment Availability Date, \$500,000,000 and (b) the Aggregate Commitments. The Letter of Credit Sublimit is part of, and not in addition to, the Aggregate Commitments.

“ **Lien** ” means any lien (statutory or other), mortgage, pledge, hypothecation, assignment, deposit arrangement, encumbrance or preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever (including, without limitation, the interest of a vendor or lessor under any conditional sale, Capitalized Lease or other title retention agreement).

“ **Loan Documents** ” means this Agreement, each Issuer Document, any Notes issued pursuant to Section 2.13 (if requested) and any agreement creating or perfecting rights in Cash Collateral pursuant to the provisions of Section 2.21 of this Agreement, as the same may be amended, restated or otherwise modified and in effect from time to time.

“ **Loan Party** ” means each applicable Borrower and Parent

“ **London Banking Day** ” means any day on which dealings in Dollar deposits are conducted by and between banks in the London interbank eurodollar market.

“ **Major Subsidiary** ” means Walgreens (to the extent the Holdco Reorganization is consummated on or prior to the Alliance Boots Acquisition Closing Date), any Designated Borrower and any Subsidiary of Parent (a) which is organized and existing under, or has its principal place of business in, the United States or any political subdivision thereof, Canada or any political subdivision thereof, any country which is a member of the European Union on the Effective Date or any political subdivision thereof, or Switzerland, Norway or Australia or any of their respective political subdivisions, and (b) which has at any time total assets (after intercompany eliminations) exceeding \$7,000,000,000.

“ **Material Adverse Effect** ” means a material adverse effect on (a) the financial condition, results of operations, business or Property of Parent and its Subsidiaries taken as a whole or (b) the rights of or remedies available to the Lenders or the Administrative Agent against any Borrower under the Loan Documents, taken as a whole.

“ **Moody’s** ” means Moody’s Investors Service, Inc. and any successor thereto.

“ **Multiemployer Plan** ” means a multiemployer plan as defined in Section 3(37) of ERISA that is subject to Title IV of ERISA and is maintained pursuant to a collective bargaining agreement or any other arrangement to which Parent, any Subsidiary or any member of the Controlled Group is a party to which more than one employer is obligated to make contributions.

“ **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 Rate Management Transactions. “ **Unrealized losses** ” means the fair market value of the cost to such Person of replacing such Rate Management Transaction as of the date of determination (assuming the Rate Management Transaction 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 Rate Management Transaction as of the date of determination (assuming such Rate Management Transaction were to be terminated as of that date).

“ **New Credit Agreements** ” means this Agreement and the Term Loan Credit Agreement, dated as of the date hereof, among Walgreens, Walgreens Boots Alliance, Bank of America, as administrative agent, and the lenders from time to time party thereto (as it may be amended, restated, supplemented or otherwise modified and as in effect from time to time).

“ **New Lender** ” is defined in Section 2.02(b).

“ **Non-Extension Notice Date** ” is defined in Section 2.03(b)(iii).

“ **Note** ” is defined in Section 2.13(d).

“ **Obligations** ” means all Revolving Loans, Advances, L/C Obligations, debts, liabilities, obligations, covenants and duties owing by any Borrower to any of the Agents, any Lender, the L/C Issuer, the Arranger, any affiliate of the Agents or any Lender, the L/C Issuer, the Arranger, or any indemnitee under the provisions of Section 9.06 or any other provisions of the Loan Documents, in each case of any kind or nature, present or future, arising under this Agreement or any other Loan Document, whether or not evidenced by any note, guaranty or other instrument, whether or not for the payment of money, whether arising by reason of an extension of credit, loan, foreign exchange risk, guaranty, indemnification, or in any other manner, whether direct or indirect (including those acquired by assignment), absolute or contingent, due or to become due, now existing or hereafter arising and however acquired. The term includes, without limitation, all interest, charges, expenses, fees, attorneys’ fees and disbursements, paralegals’ fees, and any other sum chargeable to Parent or any of its Subsidiaries under this Agreement or any other Loan Document.

“ **OFAC** ” means the Office of Foreign Assets Control of the U.S. Department of the Treasury.

“ **Other Taxes** ” means all present or future stamp, documentary, intangible, recording or filing taxes or any similar taxes, charges or levies arising from the execution, delivery or enforcement of, or otherwise with respect to, this Agreement or any other Loan Document.

“ **Outstanding Credit Exposure** ” means, as to any Lender at any time, (a) with respect to any Revolving Loans on any date, the Dollar Equivalent of the aggregate principal amount of its Revolving Loans outstanding at such time after giving effect to any borrowings and prepayments or repayments of any Revolving Loans occurring on such date; and (b) with respect to any L/C Obligation on any date, the Dollar Equivalent of the amount of such L/C Obligations on such date after giving effect to any L/C Credit Extension occurring on such date and any other changes in the aggregate amount of the L/C Obligation as of such date, including as a result of any reimbursements by the applicable Borrower of Unreimbursed Amounts.

“ **Overnight Rate** ” means, for any day, (a) with respect to any amount denominated in Dollars, the greater of (i) the Federal Funds Rate and (ii) an overnight rate determined by the Administrative Agent or any L/C Issuer, as the case may be, in accordance with banking industry rules on interbank compensation, and (b) with respect to any amount denominated in a Foreign Currency, the rate of interest per annum at which overnight deposits in the applicable Foreign Currency, in an amount approximately equal to the amount with respect to which such rate is being determined, would be offered for such day by a branch or Affiliate of the Administrative Agent in the applicable offshore interbank market for such currency to major banks in such interbank market.

“ **Parent** ” means (i) Walgreens or (ii) to the extent the Holdco Reorganization is consummated on or prior to the Alliance Boots Acquisition Closing Date, Walgreens Boots Alliance, as applicable.

“ **Parent Guarantee** ” is defined in Section 16.01.

“ **Participant** ” is defined in Section 12.01(d).

“ **Participant Register** ” is defined in Section 12.01(d).

“ **Payment Date** ” means the last Business Day of each March, June, September and December and the Facility Termination Date.

“ **PBGC** ” means the Pension Benefit Guaranty Corporation, or any successor thereto.

“ **Person** ” means any natural person, corporation, firm, joint venture, partnership, limited liability company, association, enterprise, trust or other entity or organization, or any government or political subdivision or any agency, department or instrumentality thereof.

“ **Plan** ” means an employee benefit plan other than a Multiemployer Plan which is covered by Title IV of ERISA or subject to the minimum funding standards under Section 412 of the Code as to which Parent, any Subsidiary or any member of the Controlled Group may have liability.

“ **Platform** ” is defined in Section 6.01.

“ **Pricing Schedule** ” means the Schedule identifying the Applicable Margin, the Applicable Commitment Fee Rate and the Applicable Letter of Credit Fee Rate attached hereto identified as such.

“ **Property** ” of a Person means any and all property, whether real, personal, tangible, intangible, or mixed, of such Person, or other assets owned, leased or operated by such Person.

“ **Pro Rata Share** ” means, with respect to a Lender, a portion equal to a fraction the numerator of which is such Lender’s Commitment at such time (in each case, as adjusted from time to time in accordance with the provisions of this Agreement) and the denominator of which is the Aggregate Commitment at such time, or, if the Aggregate Commitment has been terminated, a portion equal to a fraction the numerator of which is such Lender’s Outstanding Credit Exposure at such time and the denominator of which is the sum of the Aggregate Outstanding Credit Exposure at such time.

“ **Protesting Lender** ” is defined in Section 2.23(b).

“ **Public Lender** ” is defined in Section 6.01.

“ **Qualified Receivables Transaction** ” means any transaction or series of transactions that may be entered into by Parent or any Subsidiary pursuant to which Parent or any Subsidiary may sell, convey or otherwise transfer to a newly-formed Subsidiary or other special-purpose entity, or any other Person, any accounts or notes receivable and rights related thereto.

“ **Rate Management Obligations** ” of a Person means any and all obligations of such Person, whether absolute or contingent and howsoever and whensoever created, arising, evidenced or acquired (including all renewals, extensions and modifications thereof and substitutions therefor), under (a) any and all Rate Management Transactions, and (b) any and all cancellations, buy backs, reversals, terminations or assignments of any Rate Management Transactions.

“ **Rate Management Transaction** ” means any transaction (including an agreement with respect thereto) now existing or hereafter entered into between any Borrower and any Lender or Affiliate thereof which is a rate swap, basis swap, forward rate transaction, commodity swap, commodity option, equity or equity index swap, equity or equity index option, bond option, interest rate option, foreign exchange transaction, cap transaction, floor transaction, collar transaction,

forward transaction, currency swap transaction, cross-currency rate swap transaction, currency option or any other similar transaction (including any option with respect to any of these transactions) or any combination thereof, whether linked to one or more interest rates, foreign currencies, commodity prices, equity prices or other financial measures.

“ **Receivables Transaction Attributed Indebtedness** ” means the amount of obligations outstanding under the legal documents entered into as part of any Qualified Receivables Transaction on any date of determination that would be characterized as principal if such Qualified Receivables Transactions were structured as a secured lending transaction rather than as a purchase.

“ **Register** ” is defined in Section 12.01(c).

“ **Regulation D** ” means Regulation D of the Board of Governors of the Federal Reserve System as from time to time in effect and any successor thereto or other regulation or official interpretation of said Board of Governors relating to reserve requirements applicable to member banks of the Federal Reserve System.

“ **Regulation U** ” means Regulation U of the Board of Governors of the Federal Reserve System as from time to time in effect and any successor or other regulation or official interpretation of said Board of Governors relating to the extension of credit by banks, non-banks and non-broker lenders for the purpose of purchasing or carrying margin stock applicable to member banks of the Federal Reserve System.

“ **Regulation X** ” means Regulation X of the Board of Governors of the Federal Reserve System as from time to time in effect and any successor or other regulation or official interpretation of said Board of Governors relating to the extension of credit by foreign lenders for the purpose of purchasing or carrying margin stock (as defined therein).

“ **Related Parties** ” means, with respect to any Person, such Person’s Affiliates and the partners, directors, officers, employees, agents and advisors of such Person and of such Person’s Affiliates.

“ **Reportable Event** ” means a reportable event, as defined in Section 4043 of ERISA and the regulations issued under such section, with respect to a Plan, excluding, however, such events as to which the PBGC has by regulation or otherwise waived the requirement of Section 4043 (a) of ERISA that it be notified within thirty (30) days of the occurrence of such event, *provided, however*, that a failure to meet the minimum funding standard of Section 412 of the Code and of Section 302 of ERISA shall be a Reportable Event regardless of the issuance of any such waiver of the notice requirement in accordance with either Section 4043(a) of ERISA or Section 412(c) of the Code.

“ **Request for Credit Extension** ” means (a) with respect to an Advance, a Borrowing Notice and (b) with respect to an L/C Credit Extension, a Letter of Credit Application.

“ **Required Lenders** ” means Lenders in the aggregate having greater than fifty percent (50%) of the Aggregate Commitment or, if the Aggregate Commitment has been terminated, Lenders in the aggregate holding greater than fifty percent (50%) of the Aggregate Outstanding Credit Exposure (with the aggregate amount of each Lender’s risk participation and funded participation in L/C Obligations being deemed “held” by such Lender for purposes of this definition); *provided* that the Commitment of, and the portion of the Aggregate Outstanding Credit Exposure held or deemed held by, any Defaulting Lender shall be excluded for purposes of making a determination of Required Lenders.

“ **Requisite Amount** ” means \$200,000,000.

“ **Reserve Requirement** ” means, with respect to an Interest Period, the maximum aggregate reserve requirement (including all basic, supplemental, marginal and other reserves) which is imposed under Regulation D on “Eurocurrency liabilities” (as defined in Regulation D).

“ **Revaluation Date** ” means (a) with respect to any Revolving Loan denominated in a Foreign Currency (i) the first day of each Interest Period applicable to such Revolving Loan and (ii) in the case of any Revolving Loan with an Interest Period longer than three months, at three-month intervals after the first day of such Interest Period and (b) with respect to any Letter of Credit issued in a Foreign Currency, each of the following: (i) the date of the issuance of such Letter of Credit (or amendment of a Letter of Credit that increases the face amount thereof), (ii) the first Business Day of every calendar quarter after the date of issuance thereof while such Letter of Credit is outstanding and (iii) the date of each drawing thereunder.

“ **Revolving Loan** ” means, with respect to a Lender, such Lender’s loan made pursuant to Section 2.01 (and any conversion or continuation thereof pursuant to Section 2.09).

“ **S&P** ” means Standard & Poor’s Ratings Group, a division of The McGraw-Hill Companies, Inc. and any successor thereto.

“ **Same Day Funds** ” means (a) with respect to disbursements and payments in Dollars, immediately available funds, and (b) with respect to disbursements and payments in a Foreign Currency, same day or other funds as may be determined by the Administrative Agent or any L/C Issuer, as the case may be, to be customary in the place of disbursement or payment for the settlement of international banking transactions in the relevant Foreign Currency.

“**Sanctions**” means sanctions administered by OFAC (including by being listed on the list of Specially Designated Nationals and Blocked Persons issued by OFAC) or the U.S. Department of State.

“**Schedule**” refers to a specific schedule to this Agreement, unless another document is specifically referenced.

“**SEC**” means the Securities and Exchange Commission, or any Governmental Authority succeeding to any of its principal functions.

“**Section**” means a numbered section of this Agreement, unless another document is specifically referenced.

“**Section 5.15 Restricted Lender**” is defined in Section 5.15.

“**Section 6.14 Restricted Lender**” is defined in Section 6.14.

“**Seller**” means AB Acquisitions Holdings Limited, a private limited liability company incorporated under the laws of Gibraltar, having its registered office at 57/63 Line Wall Road, Gibraltar and registered under No. 98476.

“**Sterling**” and “**£**” mean the lawful currency of the United Kingdom.

“**Subsidiary**” of a Person means (a) any corporation more than fifty percent (50%) of the outstanding securities having ordinary voting power of which shall at the time be owned or controlled, directly or indirectly, by such Person or by one or more of its Subsidiaries or by such Person and one or more of its Subsidiaries, or (b) any partnership, limited liability company, association, joint venture or similar business organization more than fifty percent (50%) of the ownership interests having ordinary voting power of which shall at the time be so owned or controlled. Unless otherwise expressly provided, all references herein to a “Subsidiary” shall mean a Subsidiary of Parent.

“**Subsidiary Borrower Obligations**” is defined in Section 16.01.

“**Substantial Portion**” means, on any date of determination, with respect to the Property of Parent and its Subsidiaries, Property which represents more than fifteen percent (15%) of the Consolidated Assets of Parent and its Subsidiaries on such date.

“**Swiss Franc**” means the lawful currency of Switzerland.

“**Syndication Agent**” means HSBC Securities (USA) Inc. in its capacity as the syndication agent for the Lenders, and not in its individual capacity as a Lender or an L/C Issuer.

“ **TARGET Day** ” means any day on which TARGET2 (or, if such payment system ceases to be operative, such other payment system, if any, reasonably determined by the Administrative Agent to be a suitable replacement) is open for the settlement of payments in Euro.

“ **TARGET2** ” means the Trans-European Automated Real-time Gross Settlement Express Transfer payment system which utilizes a single shared platform and which was launched on November 19, 2007.

“ **Taxes** ” means all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

“ **Total Capitalization** ” means Consolidated Debt plus Consolidated Net Worth.

“ **Total Tangible Assets** ” means, at any date of determination, Consolidated Assets less Intangible Assets.

“ **Transferee** ” is defined in Section 12.02.

“ **Type** ” means, with respect to any Advance, its nature as a Floating Rate Advance or a Eurocurrency Advance.

“ **UCP** ” means, with respect to any Letter of Credit, the Uniform Customs and Practice for Documentary Credits, International Chamber of Commerce (“ICC”) Publication No. 600 (or such later version thereof as may be in effect at the time of issuance).

“ **Unfunded Liabilities** ” means the amount (if any) by which the present value of all vested and unvested accrued benefits under all Plans exceeds the fair market value of all such Plan assets allocable to such benefits, all determined as of the then most recent valuation date for such Plans using PBGC actuarial assumptions for single employer plan terminations.

“ **Unmatured Default** ” means an event which but for the lapse of time or the giving of notice, or both, would constitute a Default.

“ **Unreimbursed Amount** ” is defined in Section 2.03(c)(i).

“ **U.S. 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)), as amended.

“ **Walgreens** ” is defined in the preamble.

“ **Walgreens Boots Alliance** ” is defined in the preamble.

“ **Walgreens Guarantee** ” is defined in Section 17.01

“ **WBA Obligations** ” is defined in Section 17.01.

“ **Wholly-Owned Subsidiary** ” of a Person means (a) any Subsidiary all of the outstanding voting securities of which shall at the time be owned or controlled, directly or indirectly, by such Person or one or more Wholly-Owned Subsidiaries of such Person, or by such Person and one or more Wholly-Owned Subsidiaries of such Person, or (b) any partnership, limited liability company, association, joint venture or similar business organization 100% of the ownership interests having ordinary voting power of which shall at the time be so owned or controlled.

“ **Yen** ” and “ **¥** ” mean the lawful currency of Japan.

The foregoing definitions shall be equally applicable to both the singular and plural forms of the defined terms.

Any accounting terms used in this Agreement which are not specifically defined herein shall have the meanings customarily given them in accordance with Agreement Accounting Principles.

Section 1.02 . References . Any references to Parent’s Subsidiaries shall not in any way be construed as consent by the Administrative Agent or any Lender to the establishment, maintenance or acquisition of any Subsidiary, except as may otherwise be permitted hereunder.

Section 1.03 . Letter of Credit Amounts . Unless otherwise specified herein, the amount of a Letter of Credit at any time shall be deemed to be the Dollar Equivalent of the stated amount of such Letter of Credit in effect at such time; *provided, however*, that with respect to any Letter of Credit that, by its terms or the terms of any Issuer Document related thereto, provides for one or more automatic increases in the stated amount thereof, the Dollar Equivalent of the amount of such Letter of Credit shall be deemed to be the maximum stated amount of such Letter of Credit after giving effect to all such increases, whether or not such maximum stated amount is in effect at such time.

Section 1.04 . Exchange Rates, Basket Calculations . (a) The Administrative Agent or any L/C Issuer, as applicable, shall determine the Exchange Rate in respect of each Revaluation Date to be used for calculating Dollar Equivalent amounts of Revolving Loans and L/C Obligations denominated in Foreign Currencies. Such Exchange Rates shall become effective as of such Revaluation Date

and shall be the Exchange Rates employed in converting any amounts between the applicable currencies until the next Revaluation Date to occur. Except for purposes of financial statements delivered by Parent hereunder or calculating financial covenants hereunder or except as otherwise provided herein, the applicable amount of any currency (other than Dollars) for purposes of the Loan Documents shall be such Dollar Equivalent amount as so determined by the Administrative Agent or any L/C Issuer, as applicable, based on the Exchange Rate in respect of the date of such determination as if such date were the Revaluation Date.

(b) Wherever in this Agreement in connection with an Advance, conversion, continuation or prepayment of a Eurocurrency Loan or the issuance, amendment or extension of a Letter of Credit, an amount, such as a required minimum or multiple amount, is expressed in Dollars, but such Advance, Eurocurrency Loan or Letter of Credit is denominated in a Foreign Currency, such amount shall be the relevant Foreign Currency equivalent of such Dollar amount (rounded to the nearest unit of such Foreign Currency, with 0.5 of a unit being rounded upward), as determined by the Administrative Agent or any L/C Issuer, as the case may be, on the basis of the Exchange Rate (determined in respect of the most recent Revaluation Date).

(c) For purposes of determining compliance with Sections 6.12, no Unmatured Default or Default shall be deemed to have occurred solely as a result of changes in Exchange Rates occurring after the time any Lien is created or incurred.

(d) For purposes of determining compliance with Section 6.13, the amount of Indebtedness for Borrowed Money denominated in any currency other than Dollars will be converted into Dollars based on the relevant Exchange Rate(s) in effect as of the last day of the fiscal quarter of Parent for which the ratio of Consolidated Debt to Total Capitalization is calculated.

(e) The Administrative Agent does not warrant, nor accept responsibility, nor shall the Administrative Agent have any liability with respect to the administration, submission or any other matter related to the rates in the definition of "Eurocurrency Rate" or with respect to any comparable or successor rate thereto.

Section 1.05 . Additional Foreign Currencies .

(a) Parent may from time to time request that Eurocurrency Loans be made and/or Letters of Credit be issued in a currency other than those specifically listed in the definition of "Foreign Currency;" *provided* that such requested currency is a lawful currency (other than Dollars) that is readily transferable and readily convertible into Dollars in the London interbank market. Such request shall be subject to the approval of the Administrative Agent and the Lenders; and in the case of any such request with respect to the issuance of Letters of Credit, such request shall be subject to the approval of the Administrative Agent and applicable L/C Issuer.

(b) Any such request shall be made to the Administrative Agent not later than 11:00 a.m. (New York time), fifteen (15) Business Days prior to the date of the desired Advance or L/C Credit Extension (or such other time or date as may be agreed by the Administrative Agent and, in the case of any such request pertaining to Letters of Credit, the applicable L/C Issuer, in its or their sole discretion). In the case of any such request pertaining to Eurocurrency Loans, the Administrative Agent shall promptly notify each Lender thereof; and in the case of any such request pertaining to Letters of Credit, the Administrative Agent shall promptly notify the applicable L/C Issuer thereof. Each Lender (in the case of any such request pertaining to Eurocurrency Loans) or the applicable L/C Issuer (in the case of a request pertaining to Letters of Credit) shall notify the Administrative Agent, not later than 11:00 a.m. (New York time), five (5) Business Days after receipt of such request whether it consents, in its sole discretion, to the making of Eurocurrency Loans or the issuance of Letters of Credit, as the case may be, in such requested currency.

(c) Any failure by a Lender or an L/C Issuer, as the case may be, to respond to such request within the time period specified in the preceding sentence shall be deemed to be a refusal by such Lender or L/C Issuer, as the case may be, to permit Eurocurrency Loans to be made or Letters of Credit to be issued in such requested currency. If the Administrative Agent and all the Lenders consent to making Eurocurrency Loans in such requested currency, the Administrative Agent shall so notify Parent and such currency shall thereupon be deemed for all purposes to be a Foreign Currency hereunder for purposes of any Advance of Eurocurrency Loans; and if the Administrative Agent and the L/C Issuers consent to the issuance of Letters of Credit in such requested currency, the Administrative Agent shall so notify the applicable Borrower and such currency shall thereupon be deemed for all purposes to be a Foreign Currency hereunder for purposes of any Letter of Credit issuances. If the Administrative Agent shall fail to obtain consent to any request for an additional currency under this Section 1.05, the Administrative Agent shall promptly so notify the applicable Borrower.

Section 1.06 . *Change of Currency* .

(a) Each obligation of the Borrowers under this Agreement to make a payment denominated in the national currency unit of any member state of the European Union that adopts the Euro in accordance with the legislation of the European Union relating to Economic and Monetary Union as its lawful currency after the date hereof shall be redenominated into Euro at the time of such adoption, *provided* that if and to the extent that such legislation or member state provides that any such obligation may be paid by debtors in either the Euro or such other

currency, then the Borrowers shall be permitted to repay such amount either in the Euro or such other currency. If, in relation to the currency of any such member state, the basis of accrual of interest expressed in this Agreement in respect of that currency shall be inconsistent with any convention or practice in the London interbank market for the basis of accrual of interest in respect of the Euro, such expressed basis shall be replaced by such convention or practice with effect from the date on which such member state adopts the Euro as its lawful currency; *provided* that if any borrowing in the currency of such member state is outstanding immediately prior to such date, such replacement shall take effect, with respect to such borrowing, at the end of the then-current Interest Period.

(b) Each provision of this Agreement shall be subject to such reasonable changes of construction as the Administrative Agent may from time to time specify to be reasonably necessary to reflect the adoption of the Euro by any member state of the European Union and any relevant market conventions or practices relating to the Euro.

(c) Each provision of this Agreement also shall be subject to such reasonable changes of construction as the Administrative Agent may from time to time specify to be reasonably necessary to reflect a change in currency of any other country and any relevant market conventions or practices relating to the change in currency.

ARTICLE 2

T H E C R E D I T S

Section 2.01 . Description of Facility; Commitment . (a) From and including the Effective Date and prior to the Facility Termination Date, upon the satisfaction of the conditions precedent set forth in Sections 4.02, 4.03, 4.04 and 4.05, as applicable, each Lender severally and not jointly agrees, on the terms and conditions set forth in this Agreement, to make Revolving Loans to any Borrower from time to time in amounts not to exceed in the aggregate at any one time outstanding its Pro Rata Share of the Aggregate Commitment; *provided* that after giving effect to such Revolving Loans, (a) the Aggregate Outstanding Credit Exposure with respect to all Revolving Loans shall not exceed the Aggregate Commitment at such time and (b) the Outstanding Credit Exposure with respect to the Revolving Loans and L/C Obligations of any Lender shall not exceed such Lender's Commitment at such time, which Revolving Loans (other than Floating Rate Loans) may, at the applicable Borrower's election, be denominated in Dollars or a Foreign Currency. Subject to the terms of this Agreement, any Borrower may borrow, repay and reborrow Revolving Loans at any time prior to the Facility Termination Date. The Commitments to lend hereunder shall expire automatically on the Facility Termination Date. Each Advance hereunder shall consist of Revolving Loans made from the several Lenders ratably in proportion to the ratio that their respective Commitments bear to the Aggregate Commitment.

(b) Parent may at any time from time to time, upon prior written notice by Parent to the Administrative Agent, increase the Commitments (but not the Letter of Credit Sublimit) by a maximum aggregate amount of up to ONE BILLION FIVE HUNDRED MILLION DOLLARS (\$1,500,000,000) with additional Commitments from any existing Lenders and/or with new Commitments from any other Person selected by Parent and reasonably acceptable to the Administrative Agent and the L/C Issuers; *provided that*:

(i) any such increase shall be in a minimum principal amount of \$10,000,000 and in integral multiples of \$1,000,000 in excess thereof;

(ii) no Default or Unmatured Default shall exist and be continuing at the time of any such increase;

(iii) no existing Lender shall be under any obligation to increase its Commitment and any such decision whether to increase its Commitment shall be in such Lender's sole and absolute discretion;

(iv) (A) any new Lender shall join this Agreement by executing such joinder documents required by the Administrative Agent and/or (B) any existing Lender electing to increase its Commitment shall have executed a commitment agreement reasonably satisfactory to the Administrative Agent; and

(v) as a condition precedent to such increase, Parent shall (x) deliver to the Administrative Agent a certificate dated as of the date of such increase signed by an Authorized Officer of Parent (A) certifying and attaching the resolutions adopted by Parent approving or consenting to such increase, and (B) certifying that, before and after giving effect to such increase, (1) the representations and warranties contained in Article 5 and the other Loan Documents are true and correct in all material respects (except to the extent such representations and warranties are qualified with "materiality" or "Material Adverse Effect" or similar terms, in which case such representations and warranties shall be true and correct in all respects) on and as of the date of such increase, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they are true and correct in all material respects (except to the extent such representations and warranties are qualified with "materiality" or "Material Adverse Effect" or similar terms, in which case such representations and warranties shall be true and correct in all respects) on and as of such earlier date and (2) no Default or Unmatured Default exists and (y) pay any applicable fee related to such increase (including, without limitation, any applicable arrangement, upfront and/or administrative fee).

In connection with the effectiveness of any increase under this Section 2.01(b), (x) the Commitment Schedule shall be deemed amended to reflect such increase and the updated Commitments and Pro Rata Shares of the Lenders, (y) the Administrative Agent shall promptly notify Parent and the Lenders of the updated Commitment Schedule and (z) to the extent necessary to keep any outstanding Revolving Loans allocated ratably to the Lenders in accordance with their updated Pro Rata Shares, Parent shall (or shall cause the applicable Borrower to) prepay (or, if the Administrative Agent determines in its sole discretion that a re-allocation of the Revolving Loans can be accomplished without any cash prepayments or new cash Advances by the Lenders, be deemed to have prepaid) any Revolving Loans owing by it (or such Borrower, as applicable) and outstanding on the date of any such increase (and pay any additional amounts required pursuant to Section 3.04). The provisions of this Section 2.01(b) involving non-pro rata allocations, prepayments and Advances shall supersede any provisions in Sections 2.20 or 8.02 to the contrary.

Section 2.02 . Facility Termination Date .

(a) Any outstanding Revolving Loans, L/C Obligations and all other unpaid Obligations shall be paid in full by the applicable Borrower on the Facility Termination Date. Notwithstanding the termination of this Agreement on the Facility Termination Date, until all of the Obligations (other than contingent indemnity obligations) shall have been fully paid and satisfied and all financing arrangements among the Borrowers and the Lenders hereunder and under the other Loan Documents shall have been terminated, all of the rights and remedies under this Agreement and the other Loan Documents shall survive.

(b) Parent may extend the Facility Termination Date (as it may theretofore have been extended) for additional 1- or 2-year periods (a “**Facility Termination Date Extension**”) by providing written notice of such request to the Administrative Agent not more than 60 days and not less than 30 days prior to each anniversary of the Effective Date (any such applicable anniversary of the Effective Date, the “**Extension Date**”). The Administrative Agent shall promptly notify each Lender and L/C Issuer of such request and each Lender and L/C Issuer shall then, in its sole discretion, notify Parent and the Administrative Agent in writing no later than 15 days prior to the Extension Date whether such Lender or L/C Issuer will consent to the extension (each such Lender consenting to the extension, an “**Consenting Lender**”). The failure of any Lender or L/C Issuer to notify Parent and the Administrative Agent of its intent to consent to any extension shall be deemed a rejection by such Lender or L/C Issuer, as applicable. Such extension shall be effective as to Consenting Lenders and each L/C Issuer

consenting to such extension if the Required Lenders approve such Facility Termination Date Extension; *provided* that (A) the Facility Termination Date following any such extension shall not be a date that is more than five years after the applicable Extension Date and (B) at the existing Facility Termination Date in effect prior to each Facility Termination Date Extension, (1) the commitments of Lenders and L/C Issuers that did not consent to such Facility Termination Date Extension (each such Lender not consenting to the extension, a “**Declining Lender**”) will be terminated and the Revolving Loans and L/C Obligations of such Lenders and L/C Issuers will be repaid or Cash Collateralized, as applicable (it being understood that the commitments of the Declining Lenders and each L/C Issuer not consenting to such extension will remain in effect until the Facility Termination Date originally applicable to such Lenders), (2) the applicable Borrower shall make such additional prepayments as shall be necessary in order that the Revolving Loans and L/C Obligations hereunder immediately after such existing Facility Termination Date will not exceed, respectively, the Aggregate Commitments and Letter of Credit Sublimit and (3) solely to the extent necessary to ensure that any Outstanding Credit Exposure with respect to L/C Obligations is allocated ratably among the Consenting Lenders, Extending Lenders (if any) and New Lenders (if any) in accordance with their updated Pro Rata Share, the Administrative Agent may, in its sole discretion, reallocate each Consenting Lender’s Outstanding Credit Exposure with respect to L/C Obligations. The consent of Declining Lenders will not be required; *provided* that Consenting Lenders constituting the Required Lenders have approved such Facility Termination Date Extension. Parent shall have the right, at any time prior to the existing Facility Termination Date applicable to any Declining Lenders, to replace Declining Lenders with Consenting Lenders willing (in their sole discretion) to increase their existing commitments (each such Lender, an “**Extending Lender**”), or other financial institutions willing (in their sole discretion) to become Lenders and extend new commitments, on terms consistent with Section 2.19 (each such Lender, a “**New Lender**”), in each case on the existing Facility Termination Date. In connection therewith, the Administrative Agent shall enter in the Register (A) the names of any New Lenders, (B) the Facility Termination Date applicable to each Lender and L/C Issuer and (C) the respective allocations of any Declining Lenders, Consenting Lenders, Extending Lenders and New Lenders effective as of the Facility Termination Date applicable thereto. If any financial institution or other entity becomes a New Lender or any Extending Lender’s Commitment is increased pursuant to this Section 2.02(b), (x) Advances made and Letters of Credit issued on or after the existing Facility Termination Date shall be made in accordance with Section 2.01 based on the respective Commitments and Letter of Credit Commitments in effect on and after the existing Facility Termination Date, (y) if, on the date of such joinder or increase, there are any Advances outstanding, such Advances shall on or prior to such date be prepaid from the proceeds of new Advances made hereunder (reflecting such additional Lender or increase), which prepayment shall be accompanied by accrued interest on the Advances being prepaid

and any costs incurred by any Lender in accordance with Section 3.04 and (z) if, on the date of such joinder or increase, there are any L/C Obligations outstanding, each Lender's participation in any such outstanding L/C Obligations shall be reallocated according to each Lender's Pro Rata Share (giving effect to such additional Lender or increase). Each such Facility Termination Date Extension will not be effective as to any Lender or L/C Issuer unless (a) no Default or Unmatured Default shall have occurred and be continuing on or as of the date of such extension and (b) all representations and warranties of Parent set forth in Article V (excluding those contained in Sections 5.05 and 5.07) shall be true and correct in all material respects (except to the extent such representations and warranties are qualified with "materiality" or "Material Adverse Effect" or similar terms, in which case such representations and warranties shall be true and correct in all respects) as if made on and as of the date of such extension, except to the extent a representation or warranty is stated to relate solely to an earlier date, in which case the representation or warranty shall be true and correct in all material respects (except to the extent such representations and warranties are qualified with "materiality" or "Material Adverse Effect" or similar terms, in which case such representations and warranties shall be true and correct in all respects) on and as such earlier date.

Section 2.03 . Letters of Credit . (a) The Letter of Credit Commitment.

(i) Subject to the terms and conditions set forth herein, (A) each L/C Issuer agrees (subject, in the case of each L/C Issuer, to the amount of its Letter of Credit Commitment), in reliance upon the agreements of the Lenders set forth in this Section 2.03, (1) from time to time on any Business Day during the period from the Effective Date until the Letter of Credit Expiration Date, to issue Letters of Credit denominated in Dollars or any Foreign Currency for the account of any Borrower or any of its Subsidiaries, and to amend or extend Letters of Credit previously issued by it, in accordance with subsection (b) below, and (2) to honor drawings under the Letters of Credit; and (B) the Lenders severally agree to participate in Letters of Credit issued for the account of any Borrower or any of its Subsidiaries and any drawings thereunder; *provided* that after giving effect to any L/C Credit Extension with respect to any Letter of Credit, (x) the Aggregate Outstanding Credit Exposure with respect to all Revolving Loans and all L/C Obligations shall not exceed the Aggregate Commitment at such time, (y) the Outstanding Credit Exposure of any Lender with respect to the Revolving Loans and L/C Obligations shall not exceed such Lender's Commitment at such time and (z) the Dollar Equivalent of the outstanding amount of the L/C Obligations shall not exceed the Letter of Credit Sublimit; *provided further* that no L/C Issuer shall be required to issue a commercial Letter of Credit if such issuance would breach such L/C Issuer's internal policy or such L/C Issuer is otherwise

unable to issue commercial Letters of Credit. Each request by a Borrower for the issuance or amendment of a Letter of Credit shall be deemed to be a representation by such Borrower that the L/C Credit Extension so requested complies with the conditions set forth in the first proviso to the preceding sentence. Within the foregoing limits, and subject to the terms and conditions hereof, each Borrower's ability to obtain Letters of Credit shall be fully revolving, and accordingly each Borrower may, during the foregoing period, obtain Letters of Credit to replace Letters of Credit that have expired or that have been drawn upon and reimbursed.

(ii) No L/C Issuer shall issue any Letter of Credit if:

(A) subject to Section 2.03(b)(iii), the expiry date of such requested Letter of Credit would occur more than twelve months after the date of issuance or last extension, unless the Required Lenders (and such L/C Issuer) have approved such expiry date; or

(B) subject to Section 2.03(b)(v), the expiry date of such requested Letter of Credit would occur after the Letter of Credit Expiration Date, unless all the Lenders (and such L/C Issuer) have approved such expiry date.

(iii) No L/C Issuer shall be under any obligation to issue any Letter of Credit if:

(A) any order, judgment or decree of any Governmental Authority or arbitrator shall by its terms purport to enjoin or restrain the L/C Issuer from issuing such Letter of Credit, or any law applicable to the L/C Issuer or any request or directive (whether or not having the force of law) from any Governmental Authority with jurisdiction over the L/C Issuer shall prohibit, or request that the L/C Issuer refrain from, the issuance of letters of credit generally or such Letter of Credit in particular or shall impose upon the L/C Issuer with respect to such Letter of Credit any restriction, reserve or capital requirement (for which the L/C Issuer is not otherwise compensated hereunder) not in effect on the Effective Date, or shall impose upon the L/C Issuer any unreimbursed loss, cost or expense which was not applicable on the Effective Date and which the L/C Issuer in good faith deems material to it;

(B) the issuance of such Letter of Credit would violate one or more policies of the L/C Issuer applicable to letters of credit generally;

(C) except as otherwise agreed by the Administrative Agent and the L/C Issuer, such Letter of Credit is in an initial stated amount less than \$500,000;

(D) such Letter of Credit is to be denominated in a currency other than Dollars or any Foreign Currency; or

(E) any Lender is at that time a Defaulting Lender, unless the L/C Issuer has entered into arrangements, including the delivery of Cash Collateral, satisfactory to the L/C Issuer (in its sole discretion) with the applicable Borrower or such Lender to eliminate the L/C Issuer's actual or potential Fronting Exposure (after giving effect to Section 2.22(a)(iv)) with respect to the Defaulting Lender arising from either the Letter of Credit then proposed to be issued or that Letter of Credit and all other L/C Obligations as to which the L/C Issuer has actual or potential Fronting Exposure, as it may elect in its sole discretion;

(iv) No L/C Issuer shall be under any obligation to amend any Letter of Credit if (A) the L/C Issuer would have no obligation at such time to issue such Letter of Credit in its amended form under the terms hereof, or (B) the beneficiary of such Letter of Credit does not accept the proposed amendment to such Letter of Credit.

(v) The L/C Issuer shall act on behalf of the Lenders with respect to any Letters of Credit issued by it and the documents associated therewith, and the L/C Issuer shall have all of the benefits and immunities (A) provided to the Administrative Agent in Article 10 with respect to any acts taken or omissions suffered by the L/C Issuer in connection with Letters of Credit issued by it or proposed to be issued by it and Issuer Documents pertaining to such Letters of Credit as fully as if the term "Administrative Agent" as used in Article 10 included the L/C Issuer with respect to such acts or omissions, and (B) as additionally provided herein with respect to the L/C Issuer.

(b) Procedures for Issuance and Amendment of Letters of Credit; Auto-Extension Letters of Credit .

(i) Each Letter of Credit shall be issued or amended, as the case may be, upon the request of the applicable Borrower delivered to the applicable L/C Issuer (with a copy to the Administrative Agent) in the form of a Letter of Credit Application, appropriately completed and signed by an Authorized Officer of the applicable Borrower. Such Letter of Credit Application must be received by the applicable L/C Issuer and the Administrative Agent not later than 11:00 a.m. at least five (5) Business

Days (or such later date and time as the Administrative Agent and the applicable L/C Issuer may agree in a particular instance in their sole discretion) prior to the proposed issuance date or date of amendment, as the case may be. In the case of a request for an initial issuance of a Letter of Credit, such Letter of Credit Application shall specify in form and detail satisfactory to the applicable L/C Issuer: (A) the proposed issuance date of the requested Letter of Credit (which shall be a Business Day); (B) the amount and currency thereof; (C) the expiry date thereof; (D) the name and address of the beneficiary thereof; (E) the documents to be presented by such beneficiary in case of any drawing thereunder; (F) the full text of any certificate to be presented by such beneficiary in case of any drawing thereunder; (G) the purpose and nature of the requested Letter of Credit; and (H) such other matters as the applicable L/C Issuer may reasonably require. In the case of a request for an amendment of any outstanding Letter of Credit, such Letter of Credit Application shall specify in form and detail satisfactory to the applicable L/C Issuer: (w) the Letter of Credit to be amended; (x) the proposed date of amendment thereof (which shall be a Business Day); (y) the nature of the proposed amendment; and (z) such other matters as the applicable L/C Issuer may reasonably require. Additionally, the applicable Borrower shall furnish to the applicable L/C Issuer and the Administrative Agent such other documents and information pertaining to such requested Letter of Credit issuance or amendment, including any Issuer Documents, as the applicable L/C Issuer or the Administrative Agent may reasonably require.

(ii) Promptly after receipt of any Letter of Credit Application, the applicable L/C Issuer will confirm with the Administrative Agent (by telephone or in writing) that the Administrative Agent has received a copy of such Letter of Credit Application from the applicable Borrower and, if not, the applicable L/C Issuer will provide the Administrative Agent with a copy thereof. Unless the applicable L/C Issuer has received written notice from any Lender, the Administrative Agent or the applicable Borrower, at least one Business Day prior to the requested date of issuance or amendment of the applicable Letter of Credit, that one or more applicable conditions contained in Section 4.02 shall not be satisfied, then, subject to the terms and conditions hereof, the applicable L/C Issuer shall, on the requested date, issue a Letter of Credit for the account of the applicable Borrower or the applicable Subsidiary or enter into the applicable amendment, as the case may be, in each case in accordance with the applicable L/C Issuer's usual and customary business practices. Immediately upon the issuance of each Letter of Credit, each Lender shall be deemed to, and hereby irrevocably and unconditionally agrees to, purchase from the applicable L/C Issuer a risk participation in such Letter of Credit in an amount equal to the product of such Lender's Pro Rata Share times the amount of such Letter of Credit.

(iii) If the applicable Borrower so requests in any applicable Letter of Credit Application, the L/C Issuer may, in its sole and absolute discretion, agree to issue a Letter of Credit that has automatic extension provisions (each, an “ **Auto-Extension Letter of Credit** ”); *provided* that any such Auto-Extension Letter of Credit must permit the L/C Issuer to prevent any such extension at least once in each twelve-month period (commencing with the date of issuance of such Letter of Credit) by giving prior notice to the beneficiary thereof not later than a day (the “ **Non-Extension Notice Date** ”) in each such twelve-month period to be agreed upon at the time such Letter of Credit is issued. Unless otherwise directed by the L/C Issuer, the applicable Borrower shall not be required to make a specific request to the L/C Issuer for any such extension. Once an Auto-Extension Letter of Credit has been issued, the Lenders shall be deemed to have authorized (but may not require) the L/C Issuer to permit the extension of such Letter of Credit at any time to an expiry date not later than the Letter of Credit Expiration Date; *provided, however*, that (x) the applicable L/C Issuer shall not permit any such extension if (A) the L/C Issuer has determined that it would not be permitted at such time to issue such Letter of Credit in its revised form (as extended) under the terms hereof (by reason of the provisions of Section 2.03(a)(ii)(B)), or (B) it has received notice (which may be by telephone or in writing) on or before the day that is seven (7) Business Days before the Non-Extension Notice Date (1) from the Administrative Agent that the Required Lenders have elected not to permit such extension or (2) from the Administrative Agent, any Lender or the applicable Borrower that one or more of the applicable conditions specified in Section 4.02 is not then satisfied, and in each case directing the L/C Issuer not to permit such extension and (y) the L/C Issuer may elect whether or not to permit any such extension if the L/C Issuer has determined that it would have no obligation at such time to issue such Letter of Credit in its revised form (as extended) under the terms hereof (by reason of the provisions of Section 2.03(a)(iii) or otherwise).

(iv) Promptly after its delivery of any Letter of Credit or any amendment to a Letter of Credit to an advising bank with respect thereto or to the beneficiary thereof, the L/C Issuer will also deliver to the applicable Borrower and the Administrative Agent a true and complete copy of such Letter of Credit or amendment.

(v) Each L/C Issuer may, in its sole discretion, issue one or more Letters of Credit hereunder, with expiry dates that would occur after the Letter of Credit Expiration Date (and after the Facility Termination

Date), based upon the applicable Borrower's agreement to fully Cash Collateralize the L/C Obligations relating to such Letters of Credit on or before the Letter of Credit Expiration Date pursuant to the terms of Section 2.21. In the event the applicable Borrower fails to Cash Collateralize the outstanding L/C Obligations on or before the Letter of Credit Expiration Date, each outstanding Letter of Credit shall automatically be deemed to be drawn in full, the L/C Issuer shall be deemed to require reimbursements in Dollars and the applicable Borrower shall be deemed to have requested a Floating Rate Loan to be funded by the Lenders on the Letter of Credit Expiration Date to reimburse the Dollar Equivalent of such drawing (with the proceeds of such Floating Rate Loan being used to Cash Collateralize outstanding L/C Obligations as set forth in Section 2.21) in accordance with the provisions of Section 2.03(c). If a Floating Rate Loan cannot be made because the conditions set forth in Section 4.02 cannot be satisfied or for any other reason, the applicable Borrower shall be deemed to have incurred an L/C Borrowing from the L/C Issuer, and each Lender shall be obligated to fund its Pro Rata Share of such L/C Borrowing in the form of an L/C Advance in accordance with the provisions of Section 2.03(c) (with the proceeds of such L/C Advance being used to Cash Collateralize outstanding L/C Obligations as set forth in Section 2.21). The funding by a Lender of its Pro Rata Share of such Floating Rate Loan or such L/C Advance, as applicable, to Cash Collateralize the outstanding L/C Obligations on the Letter of Credit Expiration Date shall be deemed payment by such Lender in respect of its participation interest in such L/C Obligations.

(c) Drawings and Reimbursements; Funding of Participations .

(i) Within two Business Days after receipt from the beneficiary of any Letter of Credit of any notice of drawing under such Letter of Credit, the applicable L/C Issuer shall notify the applicable Borrower and the Administrative Agent thereof. In the case of a Letter of Credit denominated in a Foreign Currency, the applicable Borrower shall reimburse the applicable L/C Issuer in such Foreign Currency, unless (A) the applicable L/C Issuer (at its option) shall have specified in such notice that it will require reimbursement in Dollars, or (B) in the absence of any such requirement for reimbursement in Dollars, the applicable Borrower shall have notified the applicable L/C Issuer promptly following receipt of the notice of drawing that the applicable Borrower will reimburse the applicable L/C Issuer in Dollars. In the case of any such reimbursement in Dollars of a drawing under a Letter of Credit denominated in a Foreign Currency, the applicable L/C Issuer shall notify the applicable Borrower of the Dollar Equivalent of the amount of the drawing promptly following the determination thereof. Not later than 3:00 p.m. New York time on the Business Day immediately following the day the applicable Borrower received

notice thereof from the applicable L/C Issuer in respect of a Letter of Credit to be reimbursed in Dollars, or the Applicable Time on the Business Day immediately following the day the applicable Borrower received notice thereof from the applicable L/C Issuer in respect of a Letter of Credit to be reimbursed in a Foreign Currency (each such date, an “**Honor Date**”), the applicable Borrower shall reimburse the applicable L/C Issuer through the Administrative Agent in an amount equal to the amount of such drawing and in the applicable currency. In the event that (A) a drawing denominated in a Foreign Currency is to be reimbursed in Dollars pursuant to clause (B) of the second sentence in this Section 2.03(c)(i) and (B) the Dollar amount paid by the applicable Borrower, whether on or after the Honor Date, shall not be adequate on the date of that payment to purchase in accordance with normal banking procedures a sum denominated in the Foreign Currency equal to the drawing, the applicable Borrower agrees, as a separate and independent obligation, to indemnify the applicable L/C Issuer for the loss resulting from its inability on that date to purchase the Foreign Currency in the full amount of the drawing. If the applicable Borrower fails to timely reimburse the applicable L/C Issuer on the Honor Date, the Administrative Agent shall promptly notify each Lender of the Honor Date, the amount of the unreimbursed drawing (expressed in Dollars in the amount of the Dollar Equivalent thereof in the case of a Letter of Credit denominated in a Foreign Currency) (the “**Unreimbursed Amount**”), and the amount of such Lender’s Pro Rata Share thereof. In such event, the applicable Borrower shall be deemed to have requested an Advance of Floating Rate Loans to be disbursed on the Honor Date in an amount equal to the Unreimbursed Amount, without regard to the minimum and multiples specified in Section 2.06 for the principal amount of Floating Rate Loans, but subject to the conditions set forth in Section 4.02 and *provided* that, after giving effect to such Advance, the Aggregate Outstanding Credit Exposure shall not exceed the Aggregate Commitment. Any notice given by an L/C Issuer or the Administrative Agent pursuant to this Section 2.03(c)(i) may be given by telephone if immediately confirmed in writing; *provided* that the lack of such an immediate confirmation shall not affect the conclusiveness or binding effect of such notice.

(ii) Each Lender shall upon any notice by the Administrative Agent pursuant to Section 2.03(c)(i) make funds available to the Administrative Agent for the account of the applicable L/C Issuer, in Dollars, at the Administrative Agent’s Office for Dollar-denominated payments in an amount equal to its Pro Rata Share of the Unreimbursed Amount not later than 1:00 p.m. (New York time) on the Business Day specified in such notice by the Administrative Agent, whereupon, subject to the provisions of Section 2.03(c)(iii), each Lender that so makes funds available shall be

deemed to have made a Floating Rate Loan to the applicable Borrower in such amount. The Administrative Agent shall remit the funds so received to the applicable L/C Issuer in Dollars.

(iii) With respect to any Unreimbursed Amount that is not fully refinanced by an Advance of Floating Rate Loans because the conditions set forth in Section 4.02 cannot be satisfied or for any other reason, the applicable Borrower shall be deemed to have incurred from the applicable L/C Issuer an L/C Borrowing in the amount of the Unreimbursed Amount that is not so refinanced, which L/C Borrowing shall be due and payable on demand (together with interest) and shall bear interest at the default rate of interest pursuant to Section 2.11. In such event, each Lender's payment to the Administrative Agent for the account of the applicable L/C Issuer pursuant to Section 2.03(c)(ii) shall be deemed payment in respect of its participation in such L/C Borrowing and shall constitute an L/C Advance from such Lender in satisfaction of its participation obligation under this Section 2.03.

(iv) Until a Lender funds its Revolving Loan or L/C Advance pursuant to this Section 2.03(c) to reimburse the L/C Issuer for any amount drawn under any Letter of Credit, interest in respect of such Lender's Pro Rata Share of such amount shall be solely for the account of the applicable L/C Issuer.

(v) Each Lender's obligation to make Revolving Loans or L/C Advances to reimburse the applicable L/C Issuer for amounts drawn under Letters of Credit, as contemplated by this Section 2.03(c), shall be absolute and unconditional and shall not be affected by any circumstance, including (A) any setoff, counterclaim, recoupment, defense or other right which such Lender may have against the applicable L/C Issuer, the applicable Borrower or any other Person for any reason whatsoever; (B) the occurrence or continuance of a Default or Unmatured Default, or (C) any other occurrence, event or condition, whether or not similar to any of the foregoing; *provided, however*, that each Lender's obligation to make Revolving Loans pursuant to this Section 2.03(c) is subject to the conditions set forth in Section 4.02. No such making of an L/C Advance shall relieve or otherwise impair the obligation of the applicable Borrower to reimburse the applicable L/C Issuer for the amount of any payment made by the applicable L/C Issuer under any Letter of Credit, together with interest as provided herein.

(vi) If any Lender fails to make available to the Administrative Agent for the account of the applicable L/C Issuer any amount required to be paid by such Lender pursuant to the foregoing provisions of this Section 2.03(c)

by the time specified in Section 2.03(c)(ii), the applicable L/C Issuer shall be entitled to recover from such Lender (acting through the Administrative Agent), on demand, such amount with interest thereon for the period from the date such payment is required to the date on which such payment is immediately available to the applicable L/C Issuer at a rate per annum equal to the applicable Overnight Rate. A certificate of the applicable L/C Issuer submitted to any Lender (through the Administrative Agent) with respect to any amounts owing under this clause (vi) shall be conclusive absent manifest error.

(d) *Repayment of Participations* .

(i) At any time after the applicable L/C Issuer has made a payment under any Letter of Credit and has received from any Lender such Lender's L/C Advance in respect of such payment in accordance with Section 2.03(c), if the Administrative Agent receives for the account of the applicable L/C Issuer any payment in respect of the related Unreimbursed Amount or interest thereon (whether directly from the applicable Borrower or otherwise, including proceeds of cash collateral applied thereto by the Administrative Agent), the Administrative Agent will promptly distribute to such Lender its Pro Rata Share thereof (appropriately adjusted, in the case of interest payments, to reflect the period of time during which such Lender's L/C Advance was outstanding) in the same funds as those received by the Administrative Agent.

(ii) If any payment received by the Administrative Agent for the account of the applicable L/C Issuer pursuant to Section 2.03(c)(i) is subsequently invalidated, declared to be fraudulent or preferential, set aside or required to be repaid (including pursuant to any settlement entered into by the applicable L/C Issuer in its discretion), each Lender shall pay to the Administrative Agent for the account of the applicable L/C Issuer its Pro Rata Share thereof on demand of the Administrative Agent, plus interest thereon from the date of such demand to the date such amount is returned by such Lender, at a rate per annum equal to the applicable Overnight Rate from time to time in effect. The obligations of the Lenders under this clause shall survive the payment in full of the Obligations and the termination of this Agreement.

(e) *Obligations Absolute* . The obligation of the applicable Borrower to reimburse the applicable L/C Issuer for each drawing under each Letter of Credit and to repay each L/C Borrowing shall be absolute, unconditional and irrevocable, and shall be paid strictly in accordance with the terms of this Agreement under all circumstances, including the following:

- (i) any lack of validity or enforceability of such Letter of Credit, this Agreement or any other Loan Document;

(ii) the existence of any claim, counterclaim, setoff, defense or other right that the applicable Borrower or any of its Subsidiaries may have at any time against any beneficiary or any transferee of such Letter of Credit (or any Person for whom any such beneficiary or any such transferee may be acting), the applicable L/C Issuer or any other Person, whether in connection with this Agreement, the transactions contemplated hereby or by such Letter of Credit or any agreement or instrument relating thereto, or any unrelated transaction;

(iii) any draft, demand, certificate or other document presented under such 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; or any loss or delay in the transmission or otherwise of any document required in order to make a drawing under such Letter of Credit;

(iv) any payment by the applicable L/C Issuer under such Letter of Credit against presentation of a draft or certificate that does not strictly comply with the terms of such Letter of Credit; or any payment made by the applicable L/C Issuer under such Letter of Credit to any Person purporting to be a trustee in bankruptcy, debtor-in-possession, assignee for the benefit of creditors, liquidator, receiver or other representative of or successor to any beneficiary or any transferee of such Letter of Credit, including any arising in connection with any proceeding under any Federal bankruptcy law;

(v) any other circumstance or happening whatsoever, whether or not similar to any of the foregoing, including any other circumstance that might otherwise constitute a defense available to, or a discharge of, the applicable Borrower or any of its Subsidiaries; or

(vi) any adverse change in the relevant exchange rates or in the availability of the relevant Foreign Currency to the applicable Borrower or any of its Subsidiaries or in the relevant currency markets generally.

The applicable Borrower shall promptly examine a copy of each Letter of Credit and each amendment thereto that is delivered to it and, in the event of any claim of noncompliance with the applicable Borrower's instructions or other irregularity, the applicable Borrower will immediately notify the applicable L/C Issuer. The applicable Borrower shall be conclusively deemed to have waived any such claim against the applicable L/C Issuer and its correspondents unless such notice is given as aforesaid.

(f) *Role of L/C Issuer.* Each Lender and the applicable Borrower agree that, in paying any drawing under a Letter of Credit, the applicable L/C Issuer shall not have any responsibility to obtain any document (other than any sight draft, certificates and documents expressly required by such Letter of Credit) or to ascertain or inquire as to the validity or accuracy of any such document or the authority of the Person executing or delivering any such document. None of the applicable L/C Issuer, the Administrative Agent, any of their respective Related Parties nor any correspondent, participant or assignee of the applicable L/C Issuer shall be liable to any Lender for (i) any action taken or omitted in connection herewith at the request or with the approval of the Lenders or the Required Lenders, as applicable; (ii) any action taken or omitted in the absence of gross negligence or willful misconduct; or (iii) the due execution, effectiveness, validity or enforceability of any document or instrument related to any Letter of Credit or Issuer Document. The applicable Borrower hereby assumes all risks of the acts or omissions of any beneficiary or transferee with respect to its use of any Letter of Credit; *provided, however*, that this assumption is not intended to, and shall not, preclude the applicable Borrower's pursuing such rights and remedies as it may have against the beneficiary or transferee at law or under any other agreement. None of the applicable L/C Issuer, the Administrative Agent, any of their respective Related Parties nor any correspondent, participant or assignee of the applicable L/C Issuer shall be liable or responsible for any of the matters described in clauses (i) through (v) of Section 2.03(e); *provided, however*, that anything in such clauses to the contrary notwithstanding, the applicable Borrower may have a claim against the applicable L/C Issuer, and the applicable L/C Issuer may be liable to the applicable Borrower, to the extent, but only to the extent, of any direct, as opposed to consequential or exemplary, damages suffered by the applicable Borrower which the applicable Borrower proves were caused by the applicable L/C Issuer's willful misconduct or gross negligence or the applicable L/C Issuer's willful failure to pay under any Letter of Credit after the presentation to it by the beneficiary of a sight draft, certificate(s) or other document(s) strictly complying with the terms and conditions of a Letter of Credit unless the applicable L/C Issuer is prevented or prohibited from so paying as a result of any order or directive of any court or other Governmental Authority. In furtherance and not in limitation of the foregoing, the applicable L/C Issuer may accept documents that appear on their face to be in order, without responsibility for further investigation, regardless of any notice or information to the contrary, and the applicable L/C Issuer shall not be responsible for the validity or sufficiency of any instrument transferring or assigning or purporting to transfer or assign a 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.

(g) *Applicability of ISP and UCP.* Unless otherwise expressly agreed by the applicable L/C Issuer and the applicable Borrower when a Letter of Credit is issued, (i) the rules of the ISP shall apply to each standby Letter of Credit, and (ii) the rules of the UCP shall apply to each commercial Letter of Credit.

(h) *Letter of Credit Fees.* The applicable Borrower shall pay to the Administrative Agent for the account of each Lender in accordance with its Pro Rata Share a Letter of Credit fee (the “ **Letter of Credit Fee** ”) for each Letter of Credit equal to the Applicable Letter of Credit Fee Rate *times* the Dollar Equivalent of the daily maximum amount available to be drawn under such Letter of Credit; *provided, however*, any Letter of Credit Fees otherwise payable for the account of a Defaulting Lender with respect to any Letter of Credit as to which such Defaulting Lender has not provided Cash Collateral satisfactory to the L/C Issuer pursuant to this Section 2.03 (and, if applicable, Section 2.22(b)) shall be payable, to the maximum extent permitted by applicable law, to the other Lenders in accordance with the upward adjustments in their respective Pro Rata Share allocable to such Letter of Credit pursuant to Section 2.22(a)(iv), with the balance of such fee, if any, payable to the applicable L/C Issuer for its own account; except that the applicable Borrower shall not be required to pay the portion of any Letter of Credit Fee allocable to a Defaulting Lender with respect to a Letter of Credit for which the applicable Borrower has provided Cash Collateral sufficient to cover the Fronting Exposure of that Defaulting Lender. For purposes of computing the daily amount available to be drawn under any Letter of Credit, the amount of such Letter of Credit shall be determined in accordance with Section 1.03. Letter of Credit Fees shall be (i) computed on a quarterly basis in arrears and (ii) due and payable in Dollars on each Payment Date, commencing with the first such date to occur after the issuance of such Letter of Credit, on the Letter of Credit Expiration Date and thereafter on demand. If there is any change in the Applicable Letter of Credit Fee Rate during any quarter, the daily amount available to be drawn under each Letter of Credit shall be computed and multiplied by the Applicable Letter of Credit Fee Rate separately for each period during such quarter that such Applicable Letter of Credit Fee Rate was in effect. Notwithstanding anything to the contrary contained herein, while any Unmatured Default exists, all Letter of Credit Fees shall accrue at the default rate of interest pursuant to Section 2.11.

(i) *Fronting Fee and Documentary and Processing Charges Payable to L/C Issuer.* The applicable Borrower shall pay directly to each L/C Issuer for its own account a fronting fee with respect to each Letter of Credit issued by such L/C Issuer for the account of such Borrower or its Subsidiaries, at the rate per annum specified in the Engagement Letter or as separately agreed upon by the applicable Borrower and any L/C Issuer, as applicable, computed on the Dollar Equivalent of the actual daily maximum amount available to be drawn under such Letter of Credit (whether or not such maximum amount is then in effect under such Letter of Credit) and on a quarterly basis in arrears. Such fronting fee shall be due and payable in Dollars on each Payment Date in respect of the then-ended

quarterly period (or portion thereof, in the case of the first payment), commencing with the first such date to occur after the issuance of such Letter of Credit, on the Letter of Credit Expiration Date and thereafter on demand. For purposes of computing the daily amount available to be drawn under any Letter of Credit, the amount of such Letter of Credit shall be determined in accordance with Section 1.03. In addition, the applicable Borrower shall pay directly to the applicable L/C Issuer for its own account the customary issuance, presentation, amendment and other processing fees, and other standard costs and charges, of the applicable L/C Issuer relating to letters of credit issued to or for the account of such Borrower or its Subsidiaries as from time to time in effect. Such customary fees and standard costs and charges are due and payable on demand and are nonrefundable.

(j) *Conflict with Issuer Documents.* In the event of any conflict between the terms hereof and the terms of any Issuer Document, the terms hereof shall control.

(k) *Letters of Credit Issued for Subsidiaries.* Notwithstanding that a Letter of Credit issued or outstanding hereunder is in support of any obligations of, or is for the account of, a Subsidiary of a Borrower, such Borrower shall be obligated to reimburse the applicable L/C Issuer hereunder for any and all drawings under such Letter of Credit. The applicable Borrower hereby acknowledges that the issuance of Letters of Credit for the account of its Subsidiaries inures to the benefit of the applicable Borrower, and that the applicable Borrower's business derives substantial benefits from the businesses of its Subsidiaries.

Section 2.04 . Types of Advances. The Advances may consist of Floating Rate Loans or Eurocurrency Loans, or a combination thereof, selected by the applicable Borrower in accordance with Sections 2.08 and 2.09.

Section 2.05 . Fees; Reductions in Aggregate Commitment. (a) *Commitment Fee .* Parent agrees to pay to the Administrative Agent for the account of each Lender a commitment fee in Dollars (the “ **Commitment Fee** ”) at a per annum rate equal to the Applicable Commitment Fee Rate on the daily actual excess of such Lender's Commitment over such Lender's Outstanding Credit Exposure (such excess, such Lender's “ **Actual Unused Commitments** ”) as adjusted pursuant to Section 2.05(c) from and including the Effective Date to and including the date on which this Agreement is terminated in full and all Obligations hereunder have been paid in full pursuant to Section 2.02, payable quarterly in arrears on each Payment Date; *provided* that no Commitment Fee shall accrue hereunder with respect to the Actual Unused Commitment of a Defaulting Lender so long as such Lender shall be a Defaulting Lender.

(b) *Fee Letters.* Walgreens shall pay to each Arranger and the Administrative Agent for their own respective accounts fees in the amounts and at the times specified in the applicable Fee Letter. Such fees shall be fully earned when paid and shall be non-refundable for any reason whatsoever.

(c) *Reductions in Aggregate Commitment.* Parent may permanently reduce the Aggregate Commitment and/or the Letter of Credit Sublimit in whole, or in part ratably (except as provided in Section 2.19) among the Lenders, in integral multiples of \$10,000,000, by giving the Administrative Agent notice of such reduction not later than 11:00 a.m. (New York time) on any Business Day, which notice shall specify the amount of any such reduction; *provided, however*, that (i) the amount of the Aggregate Commitment may not be reduced below the Aggregate Outstanding Credit Exposure and (ii) Parent shall not terminate or reduce the Letter of Credit Sublimit if after giving effect thereto the Dollar Equivalent of the outstanding amount of L/C Obligations not fully Cash Collateralized hereunder would exceed the Letter of Credit Sublimit. If after giving effect to any reduction or termination of Commitments under this Section, the Letter of Credit Sublimit exceeds the Aggregate Commitment at such time, the Letter of Credit Sublimit shall be automatically reduced by the amount of such excess. All accrued Commitment Fees and Letter of Credit Fees shall be payable on the effective date of any termination of all or any part of the obligations of the Lenders to make Revolving Loans and participate in L/C Obligations and of the applicable L/C Issuers to issue Letters of Credit hereunder.

Section 2.06 . *Minimum Amount of Each Advance.* Each Eurocurrency Advance shall be in the minimum amount of \$10,000,000 (and in multiples of \$1,000,000 if in excess thereof), and each Floating Rate Advance shall be in the minimum amount of \$10,000,000 (and in multiples of \$1,000,000 if in excess thereof), *provided, however*, that any Eurocurrency Advance or Floating Rate Advance may be in the amount of the unused Aggregate Commitment. No Borrower shall request a Eurocurrency Advance if, after giving effect to the requested Eurocurrency Advance, more than ten (10) Interest Periods would be in effect (unless such limit has been waived by the Administrative Agent in its sole discretion).

Section 2.07 . *Prepayments* .

(a) *Optional Prepayments.* Each Borrower may from time to time pay, without penalty or premium, all of its outstanding Floating Rate Advances, or any portion of its outstanding Floating Rate Advances, upon prior notice to the Administrative Agent at or before 1:00 p.m. (New York time) on the date of such payment. Each Borrower may from time to time pay, subject to the payment of any funding indemnification amounts required by Section 3.04 but without penalty or premium, all of its outstanding Eurocurrency Advances, or, in a minimum aggregate amount of \$10,000,000 or any integral multiple of \$1,000,000 in excess thereof, any portion of its outstanding Eurocurrency Advances upon prior notice

to the Administrative Agent at or before 1:00 p.m. (New York time) at least three (3) Business Days' prior, in the case of any Eurocurrency Advances denominated in Dollars, and at least four (4) Business Days' prior, in the case of any Eurocurrency Advances denominated in a Foreign Currency, to the date of such payment (or, subject to the payment of any funding indemnification amounts required by Section 3.04, such other prior notice as the Administrative Agent may agree to). Subject to Section 2.22, each such prepayment shall be applied to the Revolving Loans of the Lenders to such Borrower in accordance with their respective Pro Rata Share thereof.

(b) *Mandatory Prepayments.* If the Administrative Agent notifies Parent, at any time, that the Dollar Equivalent with respect to Revolving Loans denominated, and L/C Obligations in respect of Letters of Credit issued, in any Foreign Currency plus the then outstanding amount of Revolving Loans denominated, and Letters of Credit issued, in Dollars, exceeds the Aggregate Commitment, then Parent shall, and shall cause the applicable Borrower to, within five business days, prepay such Revolving Loans, reduce or Cash Collateralize such Letters of Credit or take such other action, in each case, to the extent necessary to eliminate any such excess.

Section 2.08 . Method of Selecting Types and Interest Periods for New Advances. In the case of Revolving Loans, the applicable Borrower shall select the Type of Advance and, in the case of each Eurocurrency Advance, the Interest Period applicable thereto from time to time. The applicable Borrower shall give the Administrative Agent irrevocable notice substantially in the form of Exhibit F (a "**Borrowing Notice**") not later than 9:30 a.m. (New York time) on the Borrowing Date of each Floating Rate Advance, three (3) Business Days' before the Borrowing Date for each Eurocurrency Advance denominated in Dollars and four (4) Business Days' before the Borrowing Date for each Eurocurrency Advance denominated in a Foreign Currency. A Borrowing Notice shall specify:

- (a) the Borrowing Date, which shall be a Business Day, of such Advance,
- (b) the aggregate amount and currency of such Advance,
- (c) the Type of Advance selected,
- (d) the identity of the Borrower, and
- (e) in the case of each Eurocurrency Advance, the Interest Period applicable thereto.

If the applicable Borrower fails to specify a currency in a Borrowing Notice requesting an Advance, then the Advance so requested shall be made in Dollars.

Section 2.09 . Conversion and Continuation of Outstanding Advances. Floating Rate Advances shall continue as Floating Rate Advances unless and until such Floating Rate Advances are converted into Eurocurrency Advances pursuant to this Section 2.09 or are repaid in accordance with Section 2.07. Each Eurocurrency Advance shall continue as a Eurocurrency Advance until the end of the then applicable Interest Period therefor, at which time such Eurocurrency Advance shall be automatically converted into a Floating Rate Advance (*provided* , that in the case of a Eurocurrency Advance denominated in a Foreign Currency, such Eurocurrency Advance shall be continued as Eurocurrency Advance in its original currency with an Interest Period of one month), unless (x) such Eurocurrency Advance is or was repaid in accordance with Section 2.07 or (y) the applicable Borrower shall have given the Administrative Agent a Conversion/Continuation Notice (as defined below) requesting that, at the end of such Interest Period, such Eurocurrency Advance continue as a Eurocurrency Advance for the same or another Interest Period. Subject to the terms of Section 2.06, the applicable Borrower may elect from time to time to convert all or any part of a Floating Rate Advance into a Eurocurrency Advance. No Advance may be converted into or continued as an Advance denominated in a different currency, but instead must be prepaid in the original currency of such Advance and reborrowed in the other currency. Notwithstanding anything to the contrary contained in this Section 2.09, no Advance may be converted or continued as a Eurocurrency Advance (except with the consent of the Required Lenders) when any Default has occurred and is continuing (*provided* , that in the case of a Eurocurrency Advance denominated in a Foreign Currency, when any Default has occurred and is continuing such Eurocurrency Advance shall be continued as Eurocurrency Advance in its original currency with an Interest Period of one month). The applicable Borrower shall give the Administrative Agent irrevocable notice substantially in the form of Exhibit G (a “ **Conversion/Continuation Notice** ”) of each conversion of a Floating Rate Advance into a Eurocurrency Advance or continuation of a Eurocurrency Advance not later than 11:00 a.m. (New York time) at least three (3) Business Days prior to the date of the requested conversion or continuation, specifying:

- (a) the requested date, which shall be a Business Day, of such conversion or continuation,
- (b) the aggregate amount and Type of the Advance which is to be converted or continued as a Eurocurrency Advance, and
- (c) the duration of the Interest Period applicable thereto.

Section 2.10 . Interest Rates. Each Floating Rate Advance shall bear interest on the outstanding principal amount thereof, for each day from and including the date such Advance is made or is automatically converted from a Eurocurrency Advance into a Floating Rate Advance pursuant to Section 2.09 hereof, to but excluding the date it is paid or is converted into a Eurocurrency Advance pursuant to Section 2.09 hereof, at a rate per annum equal to the Floating Rate plus the Applicable Margin for such day. Changes in the rate of interest on that portion of any Advance maintained as a Floating Rate Advance will take effect simultaneously with each change in the Alternate Base Rate. Each Eurocurrency Advance shall bear interest on the outstanding principal amount thereof, for each day from and including the first day of the Interest Period applicable thereto to (but not including) the last day of such Interest Period at the Eurocurrency Rate for the applicable period plus the Applicable Margin. No Interest Period may end after the Facility Termination Date.

Section 2.11 . Rates Applicable After Default. During the continuance of a Default (including any Borrower's failure to pay any Revolving Loan to it at maturity) the Required Lenders may, at their option, by notice to Parent and the applicable Borrower (which notice may be revoked at the option of the Required Lenders notwithstanding any provision of Section 8.02 requiring unanimous consent of the Lenders to changes in interest rates), declare that interest on the Advances, all fees or any other Obligations of the applicable Borrower hereunder shall be payable at a rate (after as well as before the commencement of any proceeding under any Debtor Relief Laws) equal to 2% per annum in excess of the rate otherwise payable thereon (or, if no rate is otherwise payable thereon, shall bear interest at a rate equal to the Floating Rate *plus* the Applicable Margin *plus* 2% per annum) commencing on the date of such Default and continuing until such Default is cured or waived, *provided* that, during the continuance of a Default under Section 7.02, 7.05 or 7.06, such rate shall be applicable to all Advances, fees and other Obligations of the applicable Borrower hereunder commencing on the date of such Default and continuing until such Default is cured or waived without any election or action on the part of the Administrative Agent or any Lender.

Section 2.12 . Method of Payment. Except as otherwise specified herein, all payments by each Borrower of principal, interest, fees and its other Obligations shall be made, (i) with respect to Revolving Loans or L/C Borrowings denominated in Dollars, Letters of Credit denominated in Dollars and the Aggregate Commitments, in Dollars, and (ii) with respect to Revolving Loans or L/C Borrowings denominated in any Foreign Currency and Letters of Credit denominated in Foreign Currency, in the applicable Foreign Currency in which such Revolving Loans or Letters of Credit are denominated. All payments of the Obligations hereunder shall be made, without setoff, deduction, or counterclaim, in immediately available funds to the Administrative Agent at the Administrative Agent's

address specified pursuant to Article 13, or at any other Lending Installation of the Administrative Agent specified in writing by the Administrative Agent to the applicable Borrower, by 1:00 p.m. (New York time), in the case of any payments made in Dollars, and not later than the Applicable Time, in the case of any payments made in a Foreign Currency, in each case, on the date when due and shall be applied ratably by the Administrative Agent among the Lenders entitled thereto. Each payment delivered to the Administrative Agent for the account of any Lender shall be delivered promptly by the Administrative Agent to such Lender in the same type of funds that the Administrative Agent received at such Lender's address specified pursuant to Article 13 or at any Lending Installation specified in a notice received by the Administrative Agent from such Lender. The Administrative Agent is hereby authorized to charge the account of the applicable Borrower maintained with Bank of America or any of its Affiliates for each payment of principal, interest and fees as it becomes due hereunder.

Section 2.13 . Noteless Agreement; Evidence of Indebtedness. (a) Each Lender shall maintain in accordance with its usual practice an account or accounts evidencing the indebtedness of each Borrower to such Lender resulting from each Revolving Loan made by such Lender to such Borrower from time to time, including the amounts of principal and interest payable and paid to such Lender from time to time hereunder.

(b) (i) The Administrative Agent shall also maintain accounts in which it will record (A) the date and the amount of each Revolving Loan made hereunder, the Type thereof and the Interest Period, if any, applicable thereto, (B) the amount of any principal or interest due and payable or to become due and payable from each Borrower to each Lender hereunder, (C) the effective date and amount of each Assignment and Assumption delivered to and accepted by it and the parties thereto pursuant to Section 12.01, (D) the amount of any sum received by the Administrative Agent hereunder from each applicable Borrower and each Lender's share thereof, and (E) all other appropriate debits and credits as provided in this Agreement, including, without limitation, all fees, charges, expenses and interest and (ii) each Lender shall maintain in accordance with its usual practice accounts or records evidencing the purchases and sales by such Lender of participations in Letters of Credit. In the event of any conflict between the accounts and records maintained by the Administrative Agent and the accounts and records of any Lender in respect of such matters, the accounts and records of the Administrative Agent shall control absent manifest error.

(c) The entries maintained in the accounts maintained pursuant to clauses (a) and (b) above shall be *prima facie* evidence of the existence and amounts of the Obligations therein recorded; *provided, however*, that the failure of the Administrative Agent or any Lender to maintain such accounts or any error therein shall not in any manner affect the obligation of each Borrower to repay its Obligations in accordance with their terms.

(d) Any Lender may request that the Revolving Loans made or to be made by it be evidenced by a promissory note in substantially the form of Exhibit E (each, a “ **Note** ”). In such event, each applicable Borrower shall prepare, execute and deliver to such Lender such Note or Notes payable to such Lender (or its registered assigns). Thereafter, the Revolving Loans evidenced by each such Note and interest thereon shall at all times (including after any assignment pursuant to Section 12.01) be represented by one or more Notes payable to the payee named therein or any assignee pursuant to Section 12.01, except to the extent that any such Lender or assignee subsequently returns any such Note for cancellation and requests that such Revolving Loans once again be evidenced as described in clauses (a) and (b) above.

Section 2.14 . *Telephonic Notices.* Each Borrower for itself hereby authorizes the Lenders and the Administrative Agent to extend, convert or continue Advances, effect selections of Types of Advances and transfer funds based on telephonic notices made by any Person or Persons the Administrative Agent or any Lender in good faith believes to be acting on behalf of such Borrower, it being understood that the foregoing authorization is specifically intended to allow Borrowing Notices and Conversion/Continuation Notices to be given telephonically. Each Borrower for itself agrees to deliver promptly to the Administrative Agent a written confirmation, signed by an Authorized Officer of such Borrower, if such confirmation is requested by the Administrative Agent or any Lender, of each telephonic notice. If the written confirmation differs in any material respect from the action taken by the Administrative Agent and the Lenders, the records of the Administrative Agent and the Lenders shall govern absent manifest error.

Section 2.15 . *Interest Payment Dates; Interest and Fee Basis.* Interest accrued on each Floating Rate Advance shall be payable in arrears on each Payment Date, commencing with the first such date to occur after the Effective Date, on any date on which the Floating Rate Advance is prepaid, whether due to acceleration or otherwise, and on the Facility Termination Date. Interest accrued on that portion of the outstanding principal amount of any Floating Rate Advance converted into a Eurocurrency Advance on a day other than a Payment Date shall be payable on the date of conversion. Interest accrued on each Eurocurrency Advance shall be payable on the last day of its applicable Interest Period, on any date on which the Eurocurrency Advance is prepaid, whether by acceleration or otherwise, and on the Facility Termination Date. Interest accrued on each Eurocurrency Advance having an Interest Period longer than three (3) months shall also be payable on the last day of each three-month interval during such Interest Period. Interest accrued pursuant to Section 2.11 shall be payable on demand. With respect to (a) interest on all Advances (other than Floating Rate Loans where the

interest is based on the Alternate Base Rate), Commitment Fees, Letter of Credit Fees and other fees hereunder, such interest or fees shall be calculated for actual days elapsed on the basis of a 360-day year and (b) interest on Advances which are Floating Rate Loans where the interest is based on the Alternate Base Rate, such interest shall be calculated for actual days elapsed on the basis of a 365/366-day year. Interest shall be payable for the day an Advance is made but not for the day of any payment on the amount paid if payment is received prior to (x) 1:00 p.m. (New York time), in the case of an Advance denominated in Dollars or (y) the Applicable Time, in the case of an Advance denominated in a Foreign Currency, in each case, at the place of payment. If any payment of principal of or interest on an Advance, any fees or any other amounts payable to any Agent or any Lender hereunder shall become due on a day which is not a Business Day, such payment shall be made on the next succeeding Business Day and, in the case of a principal payment, such extension of time shall be included in computing interest, fees and commissions in connection with such payment.

Section 2.16 . *Notification of Advances, Interest Rates, Prepayments and Commitment Reductions; Availability of Revolving Loans.*

Promptly after receipt thereof, the Administrative Agent will notify each Lender and L/C Issuer of the contents of each Aggregate Commitment reduction notice, Borrowing Notice, Conversion/Continuation Notice, notice of a reduction of the Letter of Credit Sublimit and prepayment notice received by it hereunder. The Administrative Agent will notify each Lender of the interest rate applicable to each Eurocurrency Advance promptly upon determination of such interest rate and will give each Lender prompt notice of each change in the Alternate Base Rate. Not later than 1:00 p.m. (New York time), in the case of any Revolving Loan denominated in Dollars, and not later than the Applicable Time, in the case of any Revolving Loan denominated in a Foreign Currency, in each case, on each Borrowing Date, each Lender shall make available its Revolving Loan or Revolving Loans in funds immediately available to the Administrative Agent's Office for the applicable currency. The Administrative Agent will make the funds so received from the Lenders available to the applicable Borrower at the Administrative Agent's aforesaid address.

Section 2.17 . *Lending Installations.* Each Lender may book its Revolving Loans at any Lending Installation selected by such Lender and may change its Lending Installation from time to time. All terms of this Agreement shall apply to any such Lending Installation and the Revolving Loans and any Notes issued hereunder shall be deemed held by each Lender for the benefit of any such Lending Installation. Each Lender may, by written notice to the Administrative Agent and Parent in accordance with Article 13, designate replacement or additional Lending Installations through which Revolving Loans will be made by it and for whose account Revolving Loan payments are to be made.

Section 2.18 . Payments Generally; Administrative Agent's Clawback. (a) (i) *Funding by Lenders; Presumption by Administrative Agent.* Unless the Administrative Agent shall have received notice from a Lender prior to the proposed date of any Advance of Eurocurrency Loans (or, in the case of any Advance of Floating Rate Loans, prior to 12:00 noon (New York time) on the date of such Advance) that such Lender will not make available to the Administrative Agent such Lender's share of such Advance, the Administrative Agent may assume that such Lender has made such share available on such date in accordance with Section 2.16 and may, in reliance upon such assumption, make available to the applicable Borrower a corresponding amount. In such event, if a Lender has not in fact made its share of the applicable Advance available to the Administrative Agent, then the applicable Lender and the applicable Borrower severally agree to pay to the Administrative Agent forthwith on demand such corresponding amount in Same Day Funds with interest thereon, for each day from and including the date such amount is made available to the applicable Borrower to but excluding the date of payment to the Administrative Agent, at (A) in the case of a payment to be made by such Lender, the Overnight Rate and (B) in the case of a payment to be made by the applicable Borrower, the interest rate applicable to Floating Rate Loans. If the applicable Borrower and such Lender shall pay such interest to the Administrative Agent for the same or an overlapping period, the Administrative Agent shall promptly remit to the applicable Borrower the amount of such interest paid by the applicable Borrower for such period. If such Lender pays its share of the applicable Advance to the Administrative Agent, then the amount so paid shall constitute such Lender's Revolving Loan included in such Advance. Any payment by the applicable Borrower shall be without prejudice to any claim the applicable Borrower may have against a Lender that shall have failed to make such payment to the Administrative Agent.

(ii) *Payments by Borrower; Presumptions by Administrative Agent.* Unless the Administrative Agent shall have received notice from the applicable Borrower prior to the date on which any payment is due to the Administrative Agent for the account of the Lenders or the applicable L/C Issuer hereunder that the applicable Borrower will not make such payment, the Administrative Agent may assume that the applicable Borrower has made such payment on such date in accordance herewith and may, in reliance upon such assumption, distribute to the Lenders or the applicable L/C Issuer, as the case may be, the amount due. In such event, if the applicable Borrower has not in fact made such payment, then each of the Lenders and the applicable L/C Issuer, as the case may be, severally agrees to repay to the Administrative Agent forthwith on demand the amount so distributed to such Lender or the applicable L/C Issuer, as applicable, in Same Day Funds with interest thereon, for each day from and including the date such amount is distributed to it to but excluding the date of payment to the Administrative Agent, at the Overnight Rate.

A notice of the Administrative Agent to any Lender, the applicable L/C Issuer or the applicable Borrower with respect to any amount owing under this subsection (a) shall be conclusive, absent manifest error.

(b) *Obligations of Lenders Several.* The obligations of the Lenders hereunder to make Revolving Loans, fund participations in Letters of Credit and to make payments pursuant to Section 9.06(c) are several and not joint. The failure of any Lender to make any Revolving Loan, to fund any such participation or to make any payment under Section 9.06(c) on any date required hereunder shall not relieve any other Lender of its corresponding obligation to do so on such date, and no Lender shall be responsible for the failure of any other Lender to so make its Revolving Loan, to purchase its participation or to make its payment under Section 9.06(c).

Section 2.19 . *Replacement of Lender.* If any Lender requests compensation under Section 3.01 or 3.02, or if any Lender ceases to have an obligation to make Eurocurrency Loans pursuant to Section 3.03, or if any Borrower is required to pay any additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 3.05, or if any Lender is a Defaulting Lender, or if a Lender fails to consent to an amendment or waiver approved by the Required Lenders as to any matter for which such Lender's consent is needed, or if any Lender is a Declining Lender under Section 2.02(b), or if any Lender is a Protesting Lender under Section 2.23(b), then Parent may, at its sole expense and effort, upon notice to such Lender and the Administrative Agent, require such Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in, and consents required by, Section 12.01), all of its interests, rights and obligations under this Agreement and the related Loan Documents to an assignee that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such assignment), *provided* that:

(a) Parent shall have paid to the Administrative Agent the assignment fee specified in Section 12.01(b)(iv);

(b) such Lender shall have received payment of an amount equal to the outstanding principal of its Revolving Loans and L/C Advances, accrued interest thereon, accrued fees and all other amounts payable to it hereunder and under the other Loan Documents (including any amounts under Section 3.04) from the assignee (to the extent of such outstanding principal and accrued interest and fees) or Parent (in the case of all other amounts);

(c) in the case of any such assignment resulting from a claim for compensation under Section 3.01 or payments required to be made pursuant to Section 3.05, such assignment will result in a reduction in such compensation or payments thereafter;

(d) such assignment does not conflict with applicable laws;

(e) in the case of any such assignment resulting from a failure to consent to an amendment or waiver approved by the Required Lenders, such assignee shall have consented to the relevant amendment or waiver;

(f) in the case of any such assignment by a Declining Lender, such assignee shall have consented to the applicable Facility Termination Date Extension and shall, for all purposes, constitute a Consenting Lender; and

(g) in the case of any such assignment by a Protesting Lender, such assignee shall have consented to make Revolving Loans to the applicable Designated Foreign Borrower.

A Lender shall not be required to make any such assignment or delegation if, prior thereto, as a result of a waiver by such Lender or otherwise, the circumstances entitling Parent to require such assignment and delegation cease to apply.

Section 2.20 . *Sharing of Payments by Lenders.* If any Lender shall, by exercising any right of setoff or counterclaim or otherwise, obtain payment in respect of any principal of or interest on any of the Revolving Loans made by it, or the participations in L/C Obligations held by it (excluding any amount received by the L/C Issuer to secure the obligations of a Defaulting Lender to fund risk participations hereunder) resulting in such Lender's receiving payment of a proportion of the aggregate amount of such Revolving Loans or participations and accrued interest thereon greater than its Pro Rata Share thereof as provided herein, then the Lender receiving such greater proportion shall (a) notify the Administrative Agent of such fact, and (b) purchase (for cash at face value) participations in the Revolving Loans and subparticipations in L/C Obligations of the other Lenders, or make such other adjustments as shall be equitable, so that the benefit of all such payments shall be shared by the Lenders ratably in accordance with the aggregate amount of principal of and accrued interest on their respective Revolving Loans and other amounts owing them, *provided* that:

(i) if any such participations are purchased and all or any portion of the payment giving rise thereto is recovered, such participations shall be rescinded and the purchase price restored to the extent of such recovery, without interest; and

(ii) the provisions of this Section shall not be construed to apply to (x) any payment made by any Borrower pursuant to and in accordance with the express terms of this Agreement (including the application

of funds arising from the existence of a Defaulting Lender), (y) the application of Cash Collateral provided for in Section 2.21 or (z) any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Revolving Loans or subparticipations in L/C Obligations to any assignee or participant, other than to Parent or any Subsidiary thereof (as to which the provisions of this Section shall apply).

Each Borrower for itself and solely with respect to its Obligations consents to the foregoing and agrees, to the extent it may effectively do so under applicable law, that any Lender acquiring a participation pursuant to the foregoing arrangements may exercise against such Borrower rights of setoff and counterclaim with respect to such participation as fully as if such Lender were a direct creditor of such Borrower in the amount of such participation.

Section 2.21 . Cash Collateral. (a) *Certain Credit Support Events.* Upon the request of the Administrative Agent or the L/C Issuer (i) if the L/C Issuer has honored any full or partial drawing request under any Letter of Credit and such drawing has resulted in an L/C Borrowing, or (ii) if, as of the Letter of Credit Expiration Date, any L/C Obligation for any reason remains outstanding, the applicable Borrower shall, in each case, immediately Cash Collateralize the then outstanding amount of all L/C Obligations. At any time that there shall exist a Defaulting Lender, immediately upon the request of the Administrative Agent or the L/C Issuer, the applicable Borrower shall deliver to the Administrative Agent Cash Collateral in an amount sufficient to cover all Fronting Exposure (after giving effect to Section 2.22(a)(iv) and any Cash Collateral provided by the Defaulting Lender).

(b) *Grant of Security Interest.* All Cash Collateral (other than credit support not constituting funds subject to deposit) shall be maintained in blocked, non-interest bearing deposit accounts (other than any interest earned on the investment of such deposits, which investments shall be made at the option and sole discretion of the Administrative Agent (*provided* that such Cash Collateral shall be invested solely in investments that provide for preservation of capital)) at Bank of America. The applicable Borrower, and to the extent provided by any Lender, such Lender, hereby grants to (and subjects to the control of) the Administrative Agent, for the benefit of the Administrative Agent, the L/C Issuer and the Lenders, and agrees to maintain, a security interest in all such cash, deposit accounts and all balances therein, and all other property so provided as collateral pursuant hereto, and in all proceeds of the foregoing, all as security for the obligations to which such Cash Collateral may be applied pursuant to Section 2.21(c). If at any time the Administrative Agent determines that Cash Collateral is subject to any right or claim of any Person other than the Administrative Agent (for the benefit of the Administrative Agent, the L/C Issuer and the Lenders) as herein provided, or that the total amount of such Cash Collateral is less than the applicable Fronting Exposure

and other obligations secured thereby, the applicable Borrower or the relevant Defaulting Lender will, promptly upon demand by the Administrative Agent, pay or provide to the Administrative Agent additional Cash Collateral in an amount sufficient to eliminate such deficiency. Notwithstanding the foregoing, no Defaulting Lender shall be obligated to provide Cash Collateral hereunder in an amount in excess of the Obligations owing to such Defaulting Lender hereunder.

(c) *Application.* Notwithstanding anything to the contrary contained in this Agreement, Cash Collateral provided under any of this Section 2.21 or Sections 2.03, 2.22 or 8.01 in respect of Letters of Credit shall be held and applied to the satisfaction of the specific L/C Obligations, obligations to fund participations therein (including, as to Cash Collateral provided by a Defaulting Lender, any interest and the Commitment Fees accrued on such obligation) and other obligations for which the Cash Collateral was so provided, prior to any other application of such property as may be provided for herein.

(d) *Release.* Cash Collateral (or the appropriate portion thereof) provided to reduce Fronting Exposure or other obligations shall be released promptly following (i) the elimination of the applicable Fronting Exposure or other obligations giving rise thereto (including by the termination of Defaulting Lender status of the applicable Lender (or, as appropriate, its assignee following compliance with Section 12.01(b) (viii))) or (ii) the Administrative Agent's good faith determination that there exists excess Cash Collateral; *provided, however*, (x) that Cash Collateral furnished by or on behalf of the applicable Borrower shall not be released during the continuance of a Default or Unmatured Default (and following application as provided in this Section 2.21 may be otherwise applied in accordance with the terms of this Agreement) and (y) the Person providing Cash Collateral and the L/C Issuer, may agree that Cash Collateral shall not be released but instead held to support future anticipated Fronting Exposure or other obligations.

Section 2.22 . Defaulting Lenders. (a) *Adjustments.* Notwithstanding anything to the contrary contained in this Agreement, if any Lender becomes a Defaulting Lender, then, until such time as that Lender is no longer a Defaulting Lender, to the extent permitted by applicable law:

(i) *Waivers and Amendments .* That Defaulting Lender's right to approve or disapprove any amendment, waiver or consent with respect to this Agreement shall be restricted as set forth in Section 8.02 and the definition of Required Lender.

(ii) *Reallocation of Payments.* Any payment of principal, interest, fees or other amounts received by the Administrative Agent for the account of that Defaulting Lender under this Agreement or the other Loan

Documents (whether voluntary or mandatory, at maturity, pursuant to Section 8.01 or otherwise, and including any amounts made available to the Administrative Agent by that Defaulting Lender pursuant to Section 11.01), shall be applied at such time or times as may be determined by the Administrative Agent as follows: *first*, to the payment of any amounts owing by that Defaulting Lender to the Administrative Agent hereunder; *second*, to the payment on a pro rata basis of any amounts owing by that Defaulting Lender to the L/C Issuer hereunder; *third*, if so determined by the Administrative Agent or requested by the L/C Issuer, to be held as Cash Collateral deemed provided by such Defaulting Lender for future funding obligations of that Defaulting Lender with respect to outstanding L/C Obligations, with a corresponding release of any Cash Collateral provided by the applicable Borrower and/or reversal of any reallocations made among the Lenders with respect to such L/C Obligations pursuant to Section 2.22(a)(iv); *fourth*, as Parent may request (so long as no Default or Unmatured Default exists), to the funding of any Revolving Loan in respect of which that Defaulting Lender has failed to fund its portion thereof as required by this Agreement, as determined by the Administrative Agent; *fifth*, if so determined by the Administrative Agent and Parent, to be held in a non-interest bearing deposit account (other than any interest earned on the investment of such deposits, which investments shall be made at the option and sole discretion of the Administrative Agent (*provided* that such Cash Collateral shall be invested solely in investments that provide for preservation of capital)) and released in order to satisfy obligations of that Defaulting Lender to fund Revolving Loans under this Agreement and/or to be held as Cash Collateral for future funding obligations of that Defaulting Lender of any participation in any Letter of Credit; *sixth*, to the payment of any amounts owing to the Lenders or the L/C Issuer as a result of any judgment of a court of competent jurisdiction obtained by any Lender or the L/C Issuer against that Defaulting Lender as a result of that Defaulting Lender's breach of its obligations under this Agreement; *seventh*, so long as no Default or Unmatured Default exists, to the payment of any amounts owing to the applicable Borrower as a result of any judgment of a court of competent jurisdiction obtained by such Borrower against that Defaulting Lender as a result of that Defaulting Lender's breach of its obligations under this Agreement; and *eighth*, to that Defaulting Lender or as otherwise directed by a court of competent jurisdiction; *provided* that if (x) such payment is a payment of the principal amount of any Revolving Loans or L/C Borrowings in respect of which that Defaulting Lender has not fully funded its appropriate share and (y) such Revolving Loans or L/C Borrowings were made at a time when the conditions set forth in Section 4.02 were satisfied or waived, such payment shall be applied first to pay the Revolving Loans of, and L/C Borrowings owed to, all non-Defaulting Lenders on a pro rata basis prior to being applied as set forth above in this

sub-clause (ii). Any payments, prepayments or other amounts paid or payable to a Defaulting Lender that are applied (or held) to pay amounts owed by a Defaulting Lender or to post Cash Collateral pursuant to this Section 2.22(a)(ii) shall be deemed paid to and redirected by that Defaulting Lender, and each Lender irrevocably consents hereto.

(iii) *Certain Fees* . The Defaulting Lender (x) shall not be entitled to receive any Commitment Fee pursuant to Section 2.05(a) for any period during which that Lender is a Defaulting Lender and (y) shall be limited in its right to receive Letter of Credit Fees as provided in Section 2.03(h) (and the applicable Borrower shall not be required to pay the amount of the Letter of Credit Fee that would otherwise be payable for the account of such Defaulting Lender with respect to any Letter of Credit for which the applicable Borrower has provided Cash Collateral sufficient to cover the Fronting Exposure of that Defaulting Lender).

(iv) *Reallocation of Applicable Percentages to Reduce Fronting Exposure*. During any period in which there is a Defaulting Lender, for purposes of computing the amount of the obligation of each non-Defaulting Lender to acquire, refinance or fund participations in Letters of Credit pursuant to Section 2.03, the Pro Rata Share of each non-Defaulting Lender shall be computed without giving effect to the Commitment of that Defaulting Lender; *provided* , that, (A) each such reallocation shall be given effect only if, at the date the applicable Lender becomes a Defaulting Lender, the Defaulting Lender has not provided sufficient Cash Collateral (as determined by the Administrative Agent) and no Default or Unmatured Default exists; and (B) the aggregate obligation of each non-Defaulting Lender to acquire, refinance or fund participations in Letters of Credit shall not exceed the positive difference, if any, of (1) the Commitment of that non-Defaulting Lender *minus* (2) the aggregate Outstanding Credit Exposure of the Revolving Loans of that Lender.

(b) *Defaulting Lender Cure*. If the applicable Borrower, the Administrative Agent, and the L/C Issuer agree in writing in their sole discretion that a Defaulting Lender should no longer be deemed to be a Defaulting Lender, the Administrative Agent will so notify the parties hereto, whereupon as of the effective date specified in such notice and subject to any conditions set forth therein (which may include arrangements with respect to any Cash Collateral), that Lender will, to the extent applicable, purchase that portion of outstanding Revolving Loans of the other Lenders or take such other actions as the Administrative Agent may determine to be necessary to cause the Revolving Loans and funded and unfunded participations in Letters of Credit to be held on a pro rata basis by the Lenders in accordance with their Pro Rata Shares (without giving effect to Section 2.22(a)(iv)), whereupon that Lender will cease to be a Defaulting Lender; *provided*

that no adjustments will be made retroactively with respect to fees accrued or payments made by or on behalf of the applicable Borrower while that Lender was a Defaulting Lender; and *provided further*, that except to the extent otherwise expressly agreed by the affected parties, no change hereunder from Defaulting Lender to Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender's having been a Defaulting Lender.

Section 2.23 . Designated Borrowers . (a) Parent may at any time, and from time to time after the Effective Date designate, by written notice to the Administrative Agent, any of its Wholly-Owned Subsidiaries as a "Designated Borrower" for purposes of this Agreement and such Wholly-Owned Subsidiary shall thereupon become a "Designated Borrower" for purposes of this Agreement and, as such, shall have all of the rights and obligations of a Borrower hereunder; *provided* that prior to the Existing Alliance Boots Debt Repayment neither Alliance Boots nor any of its Subsidiaries shall be permitted to be a Designated Borrower hereunder. The Administrative Agent shall promptly notify each Lender of each such designation by Parent and the identity of the respective Wholly-Owned Subsidiary.

(b) Notwithstanding the foregoing, with respect to any Designated Borrower not organized under the laws of the United States or any State thereof (a "**Designated Foreign Borrower**"), no Lender shall be required to make Revolving Loans to such Designated Borrower and no L/C Issuer shall be required to issue or amend any Letter of Credit for such Designated Borrower in the event that the making of such Revolving Loans or issuance or amendment of such Letter of Credit would reasonably be expected to breach or violate any internal policy (other than with respect to Designated Borrowers formed under the laws of any nation that is a member of the Organization for Economic Cooperation and Development as of the date hereof), law or regulation to which such Revolving Lender or L/C Issuer is, or would be upon the making of such Revolving Loan or issuance or amendment of such Letter of Credit, subject (any such Lender, a "**Protesting Lender**"); *provided* that (i) any Lender or L/C Issuer, as applicable, which is relying solely on such internal policies as the basis for not making Revolving Loans or issuing or amending Letters of Credit may do so only if such internal policies are being applied by such Lender or L/C Issuer to all similarly situated borrowers seeking loans, Letters of Credit or other extensions of credit from or with respect to doing business in such jurisdiction; and (ii) each Lender or L/C Issuers, as applicable, shall use reasonable efforts to designate (or identify) a different lending office for funding or booking its Revolving Loans to such Designated Borrower or issuing or amending Letters of Credit for the account of such Designated Borrower or to assign (or identify for purposes of assignment of) its rights and obligations hereunder to make its Revolving Loans to, or issue or amend Letters of Credit for the account of, such Designated Borrower to another of its offices, branches or affiliates, if, in the judgment of such Lender or L/C Issuer, such designation

or assignment would permit it to make Revolving Loans to such Designated Borrower or issue or amend Letters of Credit for the account of such Designated Borrower and would not otherwise be disadvantageous to such Lender or L/C Issuer, as applicable (and Parent and the relevant Designated Borrower shall agree to pay all reasonable out-of-pocket costs and expenses incurred by such Lender or L/C Issuer in connection with any such designation or assignment).

(c) As soon as practicable (but in any event not more than five Business Days) after receipt of notice from Parent or the Administrative Agent of Parent's intent to designate a Designated Foreign Borrower, any Protesting Lender shall notify Parent and the Administrative Agent in writing of its inability to lend to such Designated Foreign Borrower. With respect to each Protesting Lender, Parent shall, effective on or before the date that such Designated Foreign Borrower shall have the right to borrow under the Revolving Credit Facility, either (A) replace such Protesting Lender with Lenders willing (in their sole discretion) to increase their existing Commitments, or other financial institutions willing (in their sole discretion) to become Lenders and extend new commitments, on terms consistent with Section 2.19, or (B) cancel its request to designate such Designated Foreign Borrower as a "Designated Borrower".

(d) Upon the payment and performance in full of all of the indebtedness, liabilities and obligations under this Agreement of any Designated Borrower (other than any contingent indemnification obligations for which no claim has been made), such Designated Borrower's status as a "Designated Borrower" shall terminate automatically upon notice by Parent to the Administrative Agent (which notice the Administrative Agent shall give promptly to each Lender, upon and only upon its receipt of a request therefor from Parent). Thereafter, the Lenders shall be under no further obligation to make any Revolving Loans to such former Designated Borrower until such time, if ever, as it has been re-designated a Designated Borrower by Parent.

ARTICLE 3

YIELD PROTECTION ; TAXES

Section 3.01 . Yield Protection . If, on or after the date of this Agreement, any Change in Law:

(a) imposes, modifies or deems applicable any reserve, special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or credit extended or participated in by, any Lender (except any reserve requirement reflected in the Eurocurrency Rate) or the L/C Issuer;

(b) subjects any Lender or the L/C Issuer to any Tax of any kind whatsoever (except for Indemnified Taxes or Other Taxes covered by Section 3.05 and Excluded Taxes) on its loans, loan principal, letters of credit, commitments, or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto; or

(c) imposes on any Lender, the L/C Issuer or the London interbank market any other condition, cost or expense affecting this Agreement or Eurocurrency Loans made by such Lender or the L/C Issuer;

and the result of any of the foregoing shall be to increase the cost to such Lender of making, continuing, converting to or maintaining any Eurocurrency Loans (or in the case of a Change in Law with respect to Taxes, any Revolving Loan) or of maintaining its obligation to make any such Revolving Loan or to increase the cost to such Lender or the L/C Issuer of participating in, issuing or maintaining any Letter of Credit (or of maintaining its obligation to participate in or to issue any Letter of Credit), or to reduce the amount of any sum received or receivable by such Lender hereunder (whether of principal, interest or any other amount) then, upon request of such Lender or the L/C Issuer, Parent shall pay, or shall cause the applicable Borrower to pay, to such Lender or the L/C Issuer such additional amount or amounts as will compensate such Lender or the L/C Issuer for such additional costs incurred or reduction suffered.

Section 3.02 . *Changes in Capital Adequacy Regulations; Certificates for Reimbursement; Delay in Requests* . (a) *Changes in Capital Adequacy* . If any Lender or the L/C Issuer determines that any Change in Law affecting such Lender, the L/C Issuer or any Lending Installation of such Lender or the L/C Issuer or such Lender's or the L/C Issuer's holding company, if any, regarding capital or liquidity requirements has or would have the effect of reducing the rate of return on such Lender's or the L/C Issuer's capital or on the capital of such Lender's or the L/C Issuer's holding company, if any, as a consequence of this Agreement, the Commitments of such Lender or the L/C Issuer or the Revolving Loans made by such Lender or Letters of Credit issued by the L/C Issuer, to a level below that which such Lender or the L/C Issuer or such Lender's or the L/C Issuer's holding company could have achieved but for such Change in Law (taking into consideration such Lender's or the L/C Issuer's policies and the policies of such Lender's or the L/C Issuer's holding company with respect to capital adequacy), then from time to time Parent will pay to such Lender or the L/C Issuer such additional amount or amounts as will compensate such Lender or the L/C Issuer or such Lender's or the L/C Issuer's holding company for any such reduction suffered.

(b) *Certificates for Reimbursement* . A certificate of a Lender or the L/C Issuer setting forth the amount or amounts necessary to compensate such Lender or the L/C Issuer or its holding company, as the case may be, as specified in Section 3.01

or subsection (a) of this Section and delivered to Parent shall be conclusive absent manifest error. Parent shall pay, or shall cause the applicable Borrower to pay, to such Lender or the L/C Issuer the amount shown as due on any such certificate within fifteen (15) days after receipt thereof.

(c) *Delay in Requests* . Failure or delay on the part of any Lender or the L/C Issuer to demand compensation pursuant to the foregoing provisions of this Section or Section 3.01 shall not constitute a waiver of such Lender's or the L/C Issuer's right to demand such compensation, *provided* that Parent shall not be required to compensate a Lender or the L/C Issuer pursuant to the foregoing provisions of this Section or Section 3.01 for any increased costs incurred or reductions suffered more than nine months prior to the date that such Lender or the L/C Issuer notifies Parent of the Change in Law giving rise to such increased costs or reductions and of such Lender's or the L/C Issuer's intention to claim compensation therefor (except that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the nine-month period referred to above shall be extended to include the period of retroactive effect thereof).

(d) *Additional Reserve Requirements* . Parent shall pay (or cause the applicable Borrower to pay) to each Lender, as long as such Lender shall be required to comply with any reserve ratio requirement or analogous requirement of any central banking or financial regulatory authority imposed in respect of the maintenance of the Commitments or the funding of the Eurocurrency Loans denominated in a Foreign Currency, such additional costs (expressed as a percentage per annum and rounded upwards, if necessary, to the nearest five decimal places) equal to the actual costs allocated to such Commitment or Revolving Loan by such Lender (as determined by such Lender in good faith, which determination shall be conclusive), which shall be due and payable on each date on which interest is payable on such Revolving Loan, *provided* Parent shall have received at least 30 days' prior notice (with a copy to the Administrative Agent) of such additional costs from such Lender. Such Lender shall deliver a certificate to Parent setting forth in reasonable detail a calculation of such actual costs incurred by such Lender and shall certify that it is generally charging such costs to similarly situated customers of the applicable Lender under agreements having provisions similar to this Section 3.02(d) after consideration of such factors as such Lender then reasonably determines to be relevant (which determination shall be made in good faith). If a Lender fails to give notice 30 days prior to the relevant Payment Date, such additional costs shall be due and payable 30 days from receipt of such notice. For the avoidance of doubt, any amounts paid under this Section 3.02(d) shall be without duplication of eurocurrency adjustments in the definition of "Eurocurrency Rate".

Section 3.03 . Illegality . If any Lender determines that any law has made it unlawful, or that any Governmental Authority has asserted that it is unlawful,

for any Lender or its applicable Lending Installation to make, maintain or fund Eurocurrency Loans, or to determine or charge interest rates based upon the Eurocurrency Rate, or any Governmental Authority has imposed material restrictions on the authority of such Lender to purchase or sell, or to take deposits of, Dollars or any Foreign Currency in the London interbank market, then, on notice thereof by such Lender to Parent through the Administrative Agent, any obligation of such Lender to make or continue Eurocurrency Loans or to convert Floating Rate Loans to Eurocurrency Loans shall be suspended until such Lender notifies the Administrative Agent and Parent that the circumstances giving rise to such determination no longer exist. Upon receipt of such notice, each applicable Borrower shall, upon demand from such Lender (with a copy to the Administrative Agent), prepay or, if applicable and such Revolving Loans are denominated in Dollars, convert all Eurocurrency Loans of such Lender to Floating Rate Loans, either on the last day of the Interest Period therefor, if such Lender may lawfully continue to maintain such Eurocurrency Loans to such day, or immediately, if such Lender may not lawfully continue to maintain such Eurocurrency Loans. Upon any such prepayment or conversion, the applicable Borrower shall also pay accrued interest on the amount so prepaid or converted.

Section 3.04 . Compensation for Losses . Upon demand of any Lender (with a copy to the Administrative Agent) from time to time, Parent shall, or shall cause the applicable Borrower to, promptly compensate such Lender for and hold such Lender harmless from any loss, cost or expense incurred by it as a result of:

(a) any continuation, conversion, payment or prepayment of any Revolving Loan other than a Floating Rate Loan on a day other than the last day of the Interest Period for such Revolving Loan or other than upon at least three (3) Business Days' prior notice to the Administrative Agent (whether voluntary, mandatory, automatic, by reason of acceleration, or otherwise, but excluding any prepayment or conversion required pursuant to Section 3.03);

(b) any failure by the applicable Borrower (for a reason other than the failure of such Lender to make a Revolving Loan) to prepay, borrow, continue or convert any Revolving Loan other than a Floating Rate Loan on the date or in the amount or currency notified by such Borrower; or

(c) any assignment of a Eurocurrency Loan on a day other than the last day of the Interest Period therefor as a result of a request by Parent pursuant to Section 2.19;

including any foreign exchange losses and loss or expense arising from the liquidation or reemployment of funds obtained by it to maintain such Revolving Loan or from fees payable to terminate the deposits from which such funds were obtained or from the performance of any foreign exchange contract. Parent shall also pay any customary administrative fees charged by such Lender in connection with the foregoing.

For purposes of calculating amounts payable by Parent to the Lenders under this Section 3.04, each Lender shall be deemed to have funded each Eurocurrency Loan made by it at the Eurocurrency Rate for such Revolving Loan by a matching deposit or other borrowing in the London interbank eurodollar market for such currency and for a comparable amount and for a comparable period, whether or not such Eurocurrency Loan was in fact so funded.

Section 3.05 . Taxes . (a) *Payments Free of Taxes; Obligation to Withhold; Payments on Account of Taxes .* (i) Any and all payments by or on account of any obligation of the applicable Loan Party hereunder or under any other Loan Document shall to the extent permitted by applicable laws be made free and clear of and without reduction or withholding for any Taxes. If, however, applicable laws require the applicable Loan Party or the Administrative Agent to withhold or deduct any Tax, such Tax shall be withheld or deducted in accordance with such laws as determined by such Loan Party or the Administrative Agent, as the case may be, upon the basis of the information and documentation to be delivered pursuant to subsection (e) below.

(ii) If the applicable Loan Party or the Administrative Agent shall be required by applicable law to withhold or deduct any Taxes from any payment, then (A) such Loan Party or the Administrative Agent, as applicable, shall withhold or make such deductions as are determined by such Loan Party or the Administrative Agent, as applicable, to be required based upon the information and documentation it, or the applicable taxing authority, has received pursuant to subsection (e) below (for the avoidance of doubt, in the case of any such information and documentation received by an applicable taxing authority, solely to the extent such Loan Party or the Administrative Agent has been provided with a copy of such information and documentation or otherwise has actual knowledge of such information and documentation and, in each case, is entitled to rely thereon), (B) such Loan Party or the Administrative Agent, as applicable, shall timely pay the full amount withheld or deducted to the relevant Governmental Authority in accordance with applicable law, and (C) to the extent that the withholding or deduction is made on account of Indemnified Taxes or Other Taxes, the sum payable by such Loan Party shall be increased as necessary so that after any required withholding or the making of all required deductions (including deductions applicable to additional sums payable under this Section) the Administrative Agent, any Lender or the L/C Issuer receives an amount equal to the sum it would have received had no such withholding or deduction been made.

(b) *Payment of Other Taxes* . Without limiting the provisions of subsection (a) above, Parent shall timely pay, or shall cause the applicable Borrower to pay, any Other Taxes to the relevant Governmental Authority in accordance with applicable laws.

(c) *Indemnification* . (i) Without limiting the provisions of subsection (a) or (b) above, Parent shall, or shall cause the applicable Borrower to, indemnify the Administrative Agent, each Lender and the L/C Issuer, and shall make payment in respect thereof within thirty (30) days after written demand therefor, for the full amount of any Indemnified Taxes or Other Taxes (including Indemnified Taxes or Other Taxes imposed or asserted on or attributable to amounts payable under this Section) withheld or deducted by the applicable Borrower or the Administrative Agent or paid by the Administrative Agent or such Lender or the L/C Issuer, and any penalties, interest and reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes or Other Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. Parent shall also, or shall cause the applicable Borrower to, indemnify the Administrative Agent, and shall make payment in respect thereof within thirty (30) days after demand therefor, for any amount which a Lender or the L/C Issuer for any reason fails to pay indefeasibly to the Administrative Agent as required by clause (ii)(x)(1) of this subsection. A certificate as to the amount of any such payment or liability delivered to Parent by a Lender or the L/C Issuer (with a copy to the Administrative Agent), or by the Administrative Agent on its own behalf or on behalf of a Lender or the L/C Issuer, shall be conclusive absent manifest error.

(ii) Without limiting the provisions of subsection (a) or (b) above, each Lender and the L/C Issuer shall, and does hereby, indemnify (x) Parent, each applicable Borrower and the Administrative Agent, and shall make payment in respect thereof within thirty (30) days after demand therefor, against any and all Taxes and any and all related losses, claims, liabilities, penalties, interest and expenses (including the fees, charges and disbursements of any counsel for Parent, each applicable Borrower or the Administrative Agent) incurred by or asserted against Parent, such applicable Borrower or the Administrative Agent by any Governmental Authority as a result of (1) the failure by such Lender or the L/C Issuer to deliver, or as a result of the inaccuracy, inadequacy or deficiency of, any documentation required to be delivered by such Lender or the L/C Issuer to Parent, each applicable Borrower or the Administrative Agent pursuant to subsection (e) or (2) the failure of such Lender to comply with the provisions of Section 12.01(d) relating to the maintenance of a Participant Register and (y) the Administrative Agent against any Indemnified Taxes or Other Taxes attributable to such Lender or the L/C Issuer (but only to the extent Parent or the applicable Borrower has not already indemnified the Administrative Agent for such Indemnified Taxes or Other Taxes and

without limiting the obligation of Parent to do so or cause the applicable Borrower to do so) or Excluded Taxes attributable to such Lender or L/C Issuer, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. Each Lender and the L/C Issuer hereby authorizes the Administrative Agent to set off and apply any and all amounts at any time owing to such Lender or the L/C Issuer under this Agreement or any other Loan Document against any amount due to the Administrative Agent under this clause (ii). The agreements in this clause (ii) shall survive the resignation and/or replacement of the Administrative Agent, any assignment of rights by, or the replacement of, a Lender or the L/C Issuer, the termination of the Aggregate Commitments and the repayment, satisfaction or discharge of all other Obligations.

(d) *Evidence of Payments* . Upon request by Parent or the Administrative Agent, as the case may be, after any payment of Taxes by Parent, any Borrower or the Administrative Agent to a Governmental Authority as provided in this Section 3.05, Parent or the applicable Borrower shall deliver to the Administrative Agent or the Administrative Agent shall deliver to Parent and the applicable Borrower, as the case may be, the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of any return required by law to report such payment or other evidence of such payment reasonably satisfactory to Parent, the applicable Borrower or the Administrative Agent, as the case may be.

(e) *Status of Lenders; Tax Documentation* . (i) Each Lender and L/C Issuer shall deliver to Parent, the applicable Borrower, the Administrative Agent or the applicable taxing authority, at the time or times prescribed by applicable laws or when reasonably requested by Parent, the applicable Borrower or the Administrative Agent, such properly completed and executed documentation prescribed by applicable laws or by the taxing authorities of any jurisdiction and such other reasonably requested information (A) to secure any applicable exemption from, or reduction in the rate of, deduction or withholding imposed by any jurisdiction in respect of any payments to be made by Parent or the applicable Borrower to such Lender or L/C Issuer, and (B) as will permit Parent, the applicable Borrower or the Administrative Agent, as the case may be, to determine (1) whether or not payments made hereunder or under any other Loan Document are subject to Taxes, (2) if applicable, the required rate of withholding or deduction, and (3) such Lender's or L/C Issuer's, as applicable, entitlement to any available exemption from, or reduction of, applicable Taxes in respect of all payments to be made to such Lender or L/C Issuer, as applicable, by Parent or the applicable Borrower pursuant to this Agreement or otherwise to establish such Lender's or L/C Issuer, as applicable, status for withholding tax purposes in the applicable jurisdiction.

(ii) Without limiting the generality of the foregoing, if the applicable Borrower is a “United States person” within the meaning of Section 7701(a)(30) of the Code (or, if such Borrower is disregarded as an entity separate from its owner for U.S. federal income tax purposes, the Person treated as its owner for U.S. federal income tax purposes),

(A) any Lender or L/C Issuer, as applicable, that is a “United States person” within the meaning of Section 7701(a)(30) of the Code (or, if such Lender or L/C Issuer is disregarded as an entity separate from its owner for U.S. federal income tax purposes, the Person treated as its owner for U.S. federal income tax purposes) shall deliver to Parent, the applicable Borrower and the Administrative Agent on or prior to the date on which such Lender or L/C Issuer becomes a Lender or L/C Issuer under this Agreement (and from time to time thereafter upon the request of Parent, the applicable Borrower or the Administrative Agent) executed originals of Internal Revenue Service Form W-9 or such other documentation or information prescribed by applicable laws or reasonably requested by Parent, the applicable Borrower or the Administrative Agent as will enable Parent, applicable Borrower or the Administrative Agent, as the case may be, to determine whether or not such Lender or L/C Issuer is subject to backup withholding or information reporting requirements;

(B) each Foreign Lender (or, if such Foreign Lender is disregarded as an entity separate from its owner for U.S. federal income tax purposes, the Person treated as its owner for U.S. federal income tax purposes) that is entitled under the Code or any applicable treaty to an exemption from or reduction of withholding tax with respect to payments hereunder or under any other Loan Document shall deliver to Parent, the applicable Borrower and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the request of Parent, the applicable Borrower or the Administrative Agent, but only if such Foreign Lender (or, if such Foreign Lender is disregarded as an entity separate from its owner for U.S. federal income tax purposes, the Person treated as its owner for U.S. federal income tax purposes) is legally entitled to do so), whichever of the following is applicable:

(1) executed originals of Internal Revenue Service Form W-8BEN or W-BEN-E, as applicable, claiming eligibility for benefits of an income tax treaty to which the United States is a party,

(2) executed originals of Internal Revenue Service Form W-8ECI,

(3) executed originals of Internal Revenue Service Form W-8IMY and all required supporting documentation,

(4) in the case of a Foreign Lender (or, if such Foreign Lender is disregarded as an entity separate from its owner for U.S. federal income tax purposes, the Person treated as its owner for U.S. federal income tax purposes) claiming the benefits of the exemption for portfolio interest under section 881(c) of the Code, (x) a certificate to the effect that such Foreign Lender (or such other Person) is not (A) a “bank” within the meaning of section 881(c)(3)(A) of the Code, (B) a “10 percent shareholder” of the applicable Borrower within the meaning of section 881(c)(3)(B) of the Code, or (C) a “controlled foreign corporation” described in section 881(c)(3)(C) of the Code and (y) executed originals of Internal Revenue Service Form W-8BEN or W-8BEN-E, as applicable, or

(5) executed originals of any other form prescribed by applicable laws as a basis for claiming exemption from or a reduction in U.S. federal withholding tax together with such supplementary documentation as may be prescribed by applicable laws to permit Parent, the applicable Borrower or the Administrative Agent to determine the withholding or deduction required to be made.

(C) each Lender and L/C Issuer shall deliver to the Administrative Agent, Parent and the applicable Borrower such documentation reasonably requested by the Administrative Agent, Parent or the applicable Borrower sufficient for the Administrative Agent, Parent and the applicable Borrower to comply with their obligations under FATCA and to determine whether payments to such Lender or L/C Issuer are subject to withholding tax under FATCA. Solely for purposes of this sub-clause (C), “FATCA” shall include any amendments made to FATCA after the date of this Agreement.

(iii) Each Lender and L/C Issuer shall promptly (A) notify Parent, the applicable Borrower and the Administrative Agent of any change in circumstances which would modify or render invalid any claimed exemption or reduction, and (B) take such steps as shall not be materially disadvantageous to it, in the reasonable judgment of such Lender or L/C Issuer, as applicable, and as may be reasonably necessary (including the re-designation of its Lending Installation) to avoid any requirement of applicable laws of any jurisdiction that Parent, the applicable Borrower or the Administrative Agent make any withholding or deduction for taxes from amounts payable to such Lender or L/C Issuer.

(f) *Treatment of Certain Refunds* . Unless required by applicable laws, at no time shall the Administrative Agent have any obligation to file for or otherwise pursue on behalf of a Lender or the L/C Issuer, or have any obligation to pay to any Lender or the L/C Issuer, any refund of Taxes withheld or deducted from funds paid for the account of such Lender or the L/C Issuer. If the Administrative Agent or any Lender or the L/C Issuer determines, in its sole discretion, that it has received a refund of any Taxes or Other Taxes as to which it has been indemnified by Parent or any Borrower or with respect to which Parent or any Borrower have paid additional amounts pursuant to this Section, it shall pay to Parent or such Borrower, respectively, an amount equal to such refund (but only to the extent of indemnity payments made, or additional amounts paid, by Parent or such Borrower, respectively, under this Section with respect to the Taxes or Other Taxes giving rise to such refund), net of all out-of-pocket expenses incurred by the Administrative Agent or such Lender or the L/C Issuer, as the case may be, and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund), *provided* that Parent or the applicable Borrower, as the case may be, upon the request of the Administrative Agent or such Lender or the L/C Issuer, agrees to repay the amount paid over to Parent or such Borrower, respectively (plus any penalties, interest (to the extent accrued from the date such refund is paid over to Parent or such Borrower, respectively) or other charges imposed by the relevant Governmental Authority), to the Administrative Agent or such Lender or the L/C Issuer in the event the Administrative Agent or such Lender or the L/C Issuer is required to repay such refund to such Governmental Authority. This subsection shall not be construed to require the Administrative Agent or any Lender or the L/C Issuer to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to Parent, the applicable Borrower or any other Person.

Section 3.06 . *Mitigation Obligations* . If any Lender or the L/C Issuer requests compensation under Section 3.01 or Section 3.02, or Parent or the applicable Borrower is required to pay any additional amount to any Lender or the L/C Issuer or any Governmental Authority for the account of any Lender or the L/C Issuer pursuant to Section 3.05, or if any Lender or the L/C Issuer gives a notice

pursuant to Section 3.03, then such Lender or the L/C Issuer shall, as applicable, use reasonable efforts to designate a different Lending Installation for funding or booking its Revolving Loans hereunder or to assign its rights and obligations hereunder to another of its offices, branches or affiliates, if, in the judgment of such Lender or the L/C Issuer, such designation or assignment (i) would eliminate or reduce amounts payable pursuant to Section 3.01, 3.02 or 3.05, as the case may be, in the future, or eliminate the need for the notice pursuant to Section 3.03, as applicable, and (ii) in each case, would not subject such Lender or the L/C Issuer to any unreimbursed cost or expense and would not otherwise be disadvantageous to such Lender or the L/C Issuer. Parent hereby agrees to pay all reasonable costs and expenses incurred by any Lender or the L/C Issuer in connection with any such designation or assignment.

Section 3.07 . *Inability to Determine Rates* . If the Required Lenders determine that for any reason in connection with any request for a Eurocurrency Loan or a conversion to or continuation thereof that (a)(i) deposits (whether in Dollars or a Foreign Currency) are not being offered to banks in the London interbank eurodollar market for the applicable amount and Interest Period of such Eurocurrency Loan or (ii) adequate and reasonable means do not exist for determining the Eurocurrency Base Rate for any requested Interest Period with respect to a proposed Eurocurrency Loan (whether denominated in Dollars or a Foreign Currency), or (b) the Eurocurrency Base Rate for any requested Interest Period with respect to a proposed Eurocurrency Loan does not adequately and fairly reflect the cost to such Lenders of funding such Revolving Loan, the Administrative Agent will promptly so notify Parent and each Lender. Thereafter, the obligation of the Lenders to make or maintain Eurocurrency Loans in the affected currency shall be suspended until the Administrative Agent (upon the instruction of the Required Lenders) revokes such notice. Upon receipt of such notice, any Borrower may revoke any pending request for an Advance of, conversion to or continuation of Eurocurrency Loans of the affected currency or, failing that, will be deemed to have converted such request into a request for Floating Rate Loans in the amount specified therein.

Section 3.08 . *Survival* . All of Parent's and the applicable Borrower's obligations under this Article 3 shall survive termination of the Aggregate Commitments, repayment of all other Obligations hereunder and resignation of the Administrative Agent.

ARTICLE 4 C ONDITIONS P RECEDENT

Section 4.01 . *Initial Effectiveness* . The Lenders' Commitments and the obligations of the L/C Issuers to issue Letters of Credit shall become effective

hereunder on and as of the first date (the “ **Effective Date** ”) on which Walgreens has furnished to the Administrative Agent (or, in the case of Section 4.01(x), Walgreens shall have paid) the following:

(i) Copies of the articles of incorporation of each of Walgreens and Walgreens Boots Alliance, together with all amendments thereto, and a certificate of good standing for each of Walgreens and Walgreens Boots Alliance, each certified by the appropriate governmental officer in its jurisdiction of incorporation;

(ii) Copies, certified by the Secretary or Assistant Secretary of Walgreens and Walgreens Boots Alliance, as applicable, of each of Walgreens’ and Walgreens Boots Alliance’s by-laws and of its Board of Directors’ resolutions and of resolutions or actions of any other body authorizing the execution of the Loan Documents to which it is a party and a certification that there have been no changes to its articles of incorporation provided pursuant to Section 4.01(i);

(iii) An incumbency certificate, executed by the Secretary or Assistant Secretary of each of Walgreens and Walgreens Boots Alliance, which shall identify by name and title and bear the signatures of the Authorized Officers and any other officers or employees of each of Walgreens and Walgreens Boots Alliance authorized to sign the Loan Documents to which Walgreens or Walgreens Boots Alliance, as applicable, is a party and to request Revolving Loans hereunder, upon which certificate the Agents and the Lenders shall be entitled to rely until informed of any change in writing by Walgreens or Walgreens Boots Alliance, as applicable;

(iv) An officer’s certificate, signed by an Authorized Officer of Walgreens, certifying that (x) on the Effective Date, no Default or Unmatured Default has occurred and is continuing and (y) the representations and warranties contained in Article 5 are true and correct in all material respects (except to the extent such representations and warranties are qualified with “materiality” or “Material Adverse Effect” or similar terms, in which case such representations and warranties shall be true and correct in all respects) as of the Effective Date, except to the extent any such representation or warranty is stated to relate solely to an earlier date, in which case such representation or warranty shall have been true and correct in all material respects (except to the extent such representations and warranties are qualified with “materiality” or “Material Adverse Effect” or similar terms, in which case such representations and warranties shall be true and correct in all respects) on and as of such earlier date;

(v) A written opinion of Walgreens' counsel (which may include internal counsel for Walgreens), in form and substance reasonably satisfactory to the Administrative Agent and addressed to the Lenders;

(vi) Each Note requested by any Lender pursuant to Section 2.13 executed by Walgreens and payable to the order of each such requesting Lender;

(vii) Written money transfer instructions, in substantially the form of Exhibit D, of each of Walgreens and Walgreens Boots Alliance, in each case, addressed to the Administrative Agent and signed by an Authorized Officer of Walgreens or Walgreens Boots Alliance, together with such other related money transfer authorizations as the Administrative Agent may have reasonably requested;

(viii) Evidence satisfactory to the Administrative Agent that the Existing Credit Agreements have been, or shall simultaneously on the Effective Date be, terminated (except for those provisions that expressly survive the termination thereof) and all loans outstanding and other amounts owed to the lenders or agents thereunder shall have been, or simultaneously with the initial Advance hereunder will, be paid in full;

(ix) Reserved;

(x) All fees, costs and expenses due and payable to the Administrative Agent, for itself and on behalf of the Lenders, or its counsel on the Effective Date for which Walgreens has received an invoice (*provided* that such invoice may reflect an estimate and/or only costs processed to date and shall not thereafter preclude a final settling of accounts between Walgreens and the Administrative Agent, including with respect to fees, costs or expenses incurred prior to the Effective Date);

(xi) At least three (3) Business Days prior to the Effective Date, Walgreens shall have provided the documentation and other information to the Administrative Agent that is required by bank regulatory authorities under applicable "know your customer" and anti-money laundering rules and regulations, including, without limitation, the U.S. Patriot Act, to the extent such information was reasonably requested by the Arranger or a Lender in writing at least ten (10) days prior to the Effective Date;

(xii) Such other documents as any Lender or its counsel may have reasonably requested at least five (5) Business Days prior to the Effective Date; and

(xiii) The Administrative Agent (or its counsel) shall have received from each party hereto either (i) a counterpart of this Agreement signed on behalf of such party or (ii) customary written evidence reasonably satisfactory to the Administrative Agent (which may include telecopy or electronic transmission of a signed signature page of this Agreement) that such party has signed a counterpart of this Agreement.

Without limiting the generality of the provisions of Section 8.02, for purposes of determining compliance with the conditions specified in this Section 4.01, each Lender that has signed this Agreement shall be deemed to have consented to, approved or accepted or to be satisfied with, each document or other matter required thereunder to be consented to or approved by or acceptable or satisfactory to a Lender unless the Administrative Agent shall have received notice from such Lender prior to the proposed Effective Date specifying its objection thereto.

Section 4.02 . *Each Request for Credit Extension* . Neither the Lenders nor the L/C Issuers shall be required to honor any Request for Credit Extension unless on the applicable Borrowing Date:

(a) No Default or Unmatured Default has occurred and is continuing, or would result from such Request for Credit Extension; and

(b) The representations and warranties contained in (i) Section 5.01, Section 5.02, Section 5.03, Section 5.09, Section 5.13 and Section 5.14, in each case, only with respect to the Borrower making a Request for Credit Extension (but excluding the representation and warranty contained in Section 5.13 if the Borrower making the Request for Credit Extension is Parent) and (ii) Sections 5.04 and 5.15 are, in each case, true and correct in all material respects (except to the extent such representations and warranties are qualified with “materiality” or “Material Adverse Effect” or similar terms, in which case such representations and warranties shall be true and correct in all respects) as of such Borrowing Date, except to the extent any such representation or warranty is stated to relate solely to an earlier date, in which case such representation or warranty shall have been true and correct in all material respects (except to the extent such representations and warranties are qualified with “materiality” or “Material Adverse Effect” or similar terms, in which case such representations and warranties shall be true and correct in all respects) on and as of such earlier date.

Each Request for Credit Extension shall constitute a representation and warranty by the applicable Borrower that the conditions contained in Section 4.02(a) and (b) have been satisfied.

Section 4.03 . *Initial Advance to Each Designated Borrower* . Neither the Lenders nor the L/C Issuers shall be required to honor any initial Request for Credit Extension by any Designated Borrower following any designation of such

Designated Borrower as a Borrower hereunder pursuant to Section 2.23 unless the Administrative Agent shall have received on or before the date of such initial Advance or L/C Credit Extension each of the following:

- (a) Copies of the articles or certificate of incorporation, certificate of partnership, articles or certificate of organization or other similar formation document, instrument or agreement, as the case may be, of such Designated Borrower, together with all amendments thereto, and a certificate of good standing (or the equivalent thereof, if any, in any foreign jurisdiction), each certified by the appropriate governmental officer in its jurisdiction of formation;
- (b) Copies, certified by the Secretary or Assistant Secretary of such Designated Borrower, of such Designated Borrower's by-laws (or equivalent organizational document) and of its Board of Directors' resolutions and/or resolutions or actions of any other body authorizing the execution of the Loan Documents to which it is a party and a certification that there have been no changes to its articles of incorporation, certificate of partnership, articles or certificate of organization or other similar formation document, instrument or agreement, as the case may be, provided pursuant to Section 4.03(a);
- (c) An incumbency certificate, executed by the Secretary or Assistant Secretary (or other comparable officer) of such Designated Borrower, which shall identify by name and title and bear the signatures of the Authorized Officers and any other officers or employees of such Designated Borrower authorized to sign the Loan Documents to which it is a party and to request Revolving Loans hereunder, upon which certificate the Agents and the Lenders shall be entitled to rely until informed of any change in writing by such Designated Borrower;
- (d) A written opinion (addressed to the Administrative Agent and the Lenders) of each of (i) internal counsel to such Designated Borrower (covering customary corporate opinions) and (ii) Wachtell, Lipton, Rosen & Katz or other counsel to Designated Borrower reasonably acceptable to the Arrangers (covering customary legal matters for an unsecured bank loan financing), in each case in form and substance to be mutually agreed upon by the Administrative Agent and Walgreens prior to the Effective Date;
- (e) Each Note requested by any Lender pursuant to Section 2.13 executed by such Designated Borrower and payable to the order of each such requesting Lender;
- (f) At least three (3) Business Days prior to the initial Advance or L/C Credit Extension, as applicable, to such Designated Borrower, documentation and other information that is required by bank regulatory authorities under applicable "know your customer" and anti-money laundering rules and regulations, including, without limitation, the U.S. Patriot Act, to the extent such information was reasonably

requested by the Administrative Agent or a Lender in writing at least ten (10) days prior to date of such Designated Borrower's initial Request for Credit Extension; and

(g) An executed Joinder Agreement.

Section 4.04 . *Additional Commitment Availability Date* . The Aggregate Commitment shall increase to \$3,000,000,000 and the Letter of Credit Sublimit shall increase to the lesser of \$500,000,000 and the Aggregate Commitments, in each case, on and as of the first date (the “**Additional Commitment Availability Date**”) after the Effective Date on which Walgreens has furnished to the Administrative Agent an officer's certificate of Walgreens certifying that the Buyer Shareholder Approval has been obtained. The Administrative Agent shall furnish each Lender and L/C Issuer with prompt notice of the occurrence of the Additional Commitment Availability Date.

Section 4.05 . *Initial Advance to Walgreens Boots Alliance* . Neither the Lenders nor the L/C Issuers shall be required to honor any initial Request for Credit Extension by Walgreens Boots Alliance (and Walgreens Boots Alliance shall not constitute a Borrower hereunder) unless the Administrative Agent shall have received on or before the date of the consummation of the Holdco Reorganization each of the following:

(a) A written opinion (addressed to the Administrative Agent and the Lenders) of each of (i) internal counsel to such Designated Borrower (covering customary corporate opinions) and (ii) Wachtell, Lipton, Rosen & Katz or other counsel to Designated Borrower reasonably acceptable to the Arrangers (covering customary legal matters for an unsecured bank loan financing), in each case in form and substance to be mutually agreed upon by the Administrative Agent and Walgreens prior to the Effective Date;

(b) Each Note requested by any Lender pursuant to Section 2.13 executed by Walgreens Boots Alliance and payable to the order of each such requesting Lender; and

(c) An officer's certificate of Walgreens certifying that the Holdco Reorganization has been consummated on or prior to the Alliance Boots Acquisition Closing Date.

ARTICLE 5
R EPRESENTATIONS AND W ARRANTIES

Parent represents and warrants as follows to each Lender, each L/C Issuer and the Agents as of the Effective Date and thereafter on each date as required by Section 4.02 (it being agreed that the representations and warranties contained in (i) Sections 5.05 and 5.07 shall be made only as of the Effective Date and (ii) Section 5.01, Section 5.02, Section 5.03, Section 5.09, Section 5.13 and Section 5.14 shall be made only with respect to the Borrower making the applicable Request for Credit Extension (provided that the representation and warranty contained in Section 5.13 shall not be made if the Borrower making the Request for Credit Extension is Parent)):

Section 5.01 . *Existence and Standing* . Each Borrower (a) is a corporation, partnership, limited liability company or other entity duly and properly incorporated or organized, as the case may be, validly existing and (to the extent such concept applies to such entity) in good standing under the laws of its jurisdiction of incorporation or organization and (b) has all requisite authority to conduct its business in each jurisdiction in which its business is conducted, except to the extent that the failure to have such authority would not reasonably be expected to have a Material Adverse Effect.

Section 5.02 . *Authorization and Validity* . Each Borrower has the power and authority and legal right to execute and deliver the Loan Documents and to perform its obligations thereunder. The execution and delivery by each Borrower of the Loan Documents and the performance of its obligations thereunder have been duly authorized by proper proceedings, and the Loan Documents constitute legal, valid and binding obligations of each Borrower enforceable against such Borrower in accordance with their terms, except as may be limited by bankruptcy, insolvency or similar laws relating to or affecting creditors' rights generally and by general principles of equity, regardless of whether considered in a proceeding in equity or at law.

Section 5.03 . *No Conflict; Government Consent* . (a) Neither the execution and delivery by each Borrower of the Loan Documents, nor the consummation of the transactions therein contemplated, nor compliance with the provisions thereof will violate (i) any law, rule, regulation, order, writ, judgment, injunction, decree or award binding on such Borrower, (ii) such Borrower's bylaws, articles or certificate of incorporation, partnership agreement, certificate of partnership, operating agreement or other management agreement, articles or certificate of organization or other similar formation, organizational or governing documents, instruments and agreements, as the case may be, or (iii) the provisions of any indenture, instrument or agreement to which such Borrower is a party or is subject, or by which it, or its Property, is bound, except in the case of clauses (i) and (iii) where such violation would not reasonably be expected to have a Material Adverse Effect.

(b) No order, consent, adjudication, approval, license, authorization, or validation of, or filing, recording or registration with, or exemption by, or other action in respect of any governmental or public body or authority, or any subdivision thereof, which has not been obtained by any Borrower, is required to be obtained by such Borrower in connection with the execution and delivery of the Loan Documents, the borrowings under the Loan Documents, the payment and performance by such Borrower of its Obligations or the legality, validity, binding effect or enforceability of the Loan Documents.

Section 5.04 . *Financial Statements* . The August 31, 2014 audited consolidated financial statements of Walgreens and its Subsidiaries heretofore delivered to the Arrangers and the Lenders, copies of which are included in Walgreens' Annual Report on Form 10-K as filed with the SEC, (a) were prepared in accordance with generally accepted accounting principles in effect on the date of such statements, (b) fairly present in all material respects the consolidated financial condition and operations of Walgreens and its Subsidiaries at such date and the consolidated results of their operations and cash flows for the fiscal year then ended and (c) show all material indebtedness and other liabilities, direct or contingent, of Walgreens and its Subsidiaries as of the date thereof that are required under Agreement Accounting Principles to be reflected thereon.

Section 5.05 . *Material Adverse Effect* . Except (a) as disclosed in the Buyer SEC Report (excluding any disclosures set forth in any risk factor section and in any section relating to forward-looking or safe harbor statements) or (b) as set forth in the buyer disclosure schedule to the Acquisition Agreement in the form delivered to the Administrative Agent on June 18, 2012, as of the Effective Date, since August 31, 2014 there has been no material adverse effect on the financial condition, results of operations, business or Property of Walgreens and its Subsidiaries taken as a whole.

Section 5.06 . *Reserved* .

Section 5.07 . *Litigation* . As of the Effective Date, there is no litigation, arbitration, governmental investigation, proceeding or inquiry pending or, to the knowledge of any of their officers, threatened against or affecting Walgreens or any of its Subsidiaries which has not been disclosed in the Buyer SEC Report or Acquired Business's 2013/2014 Annual Report, (a) that would reasonably be expected to have a Material Adverse Effect or (b) which seeks to prevent, enjoin or delay the making of any Revolving Loan or otherwise calls into question the validity of any Loan Document and as to which there is a reasonable possibility of an adverse decision.

Section 5.08 . *Reserved .*

Section 5.09 . *Regulation U .* No Borrower is engaged principally, or as one of its important activities, in the business of extending credit for the purpose, whether immediate, incidental or ultimate of buying or carrying margin stock (within the meaning of Regulation U or Regulation X); and after applying the proceeds of each Advance or drawing under each Letter of Credit, margin stock (as defined in Regulation U) constitutes not more than twenty-five (25%) of the value of those assets of any Borrower which are subject to any limitation on sale or pledge, or any other restriction hereunder.

Section 5.10 . *Reserved .*

Section 5.11 . *Reserved .*

Section 5.12 . *Reserved .*

Section 5.13 . *Borrowers .* Each Borrower (other than Parent) is a Wholly-Owned Subsidiary of Parent.

Section 5.14 . *Investment Company Act .* No Borrower is an “investment company”, a company “controlled by” an “investment company” or a company required to register as an “investment company,” each as defined in the Investment Company Act of 1940, as amended.

Section 5.15 . *OFAC, FCPA .* None of Parent, any of its Subsidiaries, or, to the knowledge of Parent, any directors or officers of Parent or any of its Subsidiaries, is the subject of Sanctions. None of Parent or its Subsidiaries is located, organized or resident in a country or territory that is the subject of Sanctions. No part of the proceeds of the Revolving Loans or L/C Advances shall be used by any Borrower in violation of the United States Foreign Corrupt Practices Act of 1977, as amended. Any Lender may elect not to benefit from the representation set forth in this Section 5.15 by providing prior written notice of such election to the Administrative Agent and Parent (such Lender, a “ **Section 5.15 Restricted Lender** ”). This Section 5.15 shall only apply for the benefit of a Section 5.15 Restricted Lender to the extent that this Section 5.15 would not result in any violation of or liability under EU Regulation (EC) 2271/96 or §7 of the German Aussenwirtschaftsverordnung. In connection with any amendment, waiver, determination or direction relating to this Section 5.15, the Advance or Commitment of any Section 5.15 Restricted Lender will be excluded for the purpose of determining whether any consent pursuant to Section 8.02 has been obtained.

ARTICLE 6
COVENANTS

From the Effective Date, so long as any Lender shall have any Commitment hereunder, or any Revolving Loan or other Obligation hereunder (other than any contingent indemnification obligations for which no claim has been made) shall remain unpaid or unsatisfied or any Letter of Credit shall remain outstanding:

Section 6.01 . *Financial Reporting* . Parent will maintain, for itself and each Subsidiary, a system of accounting established and administered in accordance with generally accepted accounting principles, and furnish to the Administrative Agent for the Administrative Agent's distribution to the Lenders and L/C Issuers:

(a) As soon as available, but in any event on or prior to the earlier of (i) the 90th day after the close of each of its fiscal years and (ii) the day that is five (5) Business Days after the date Parent's annual report on Form 10-K is required to be filed with the SEC after giving effect to any extensions permitted by the SEC (commencing with the fiscal year ending August 31, 2015), an unqualified audit report certified by independent certified public accountants of recognized standing, prepared in accordance with Agreement Accounting Principles on a consolidated basis for itself and its Subsidiaries, including a balance sheet as of the end of such period, related statements of income, shareholders' equity and cash flows, accompanied by any management letter prepared by said accountants.

(b) As soon as available, but in any event on or prior to the earlier of (i) the 45th day after the close of the first three quarterly periods of each of its fiscal years and (ii) the day that is five (5) Business Days after the date Parent's quarterly report on Form 10-Q is required to be filed with the SEC after giving effect to any extensions permitted by the SEC (commencing with the fiscal quarter ending on or about November 30, 2014), for itself and its Subsidiaries, a consolidated unaudited balance sheet as at the close of each such period and consolidated statements of income, shareholders' equity and cash flows for the period from the beginning of such fiscal year to the end of such quarter, all certified by its chief financial officer, chief accounting officer or treasurer.

(c) Together with the financial statements required under Sections 6.01(a) and (b), a compliance certificate in substantially the form of Exhibit B signed by its chief financial officer, chief accounting officer or treasurer showing the calculations necessary to determine compliance with the financial covenant set forth in Section 6.13 and stating that no Default or Unmatured Default exists, or if any Default or Unmatured Default exists, stating the nature and status thereof.

(d) Reserved.

(e) Reserved.

(f) Reserved.

(g) Promptly upon the filing thereof, copies of all registration statements or other regular reports not otherwise provided pursuant to this Section 6.01 which Parent or any of its Subsidiaries files with the SEC.

(h) Reserved.

(i) Such other information with respect to the business, condition or operations, financial or otherwise, and Properties of Parent and its Subsidiaries as the Administrative Agent, including at the request of any Lender or L/C Issuer, may from time to time reasonably request.

Documents required to be delivered pursuant to Section 6.01(a), (b) or (g) may be delivered electronically and if so delivered, shall be deemed to have been delivered on the date (i) on which Parent posts such documents, or provides a link thereto on Parent's website on the Internet at <http://investor.walgreens.com> or such other website with respect to which Parent may from time to time notify the Administrative Agent and to which the Lenders and L/C Issuers have access; or (ii) on which such documents are posted on Parent's behalf by the Administrative Agent on SyndTrak or another relevant website, if any, to which each Lender, each L/C Issuer and the Administrative Agent have access (whether a commercial, third-party website or whether sponsored by the Administrative Agent) or filed electronically through EDGAR and available on the Internet at www.sec.gov; *provided* that Parent shall notify (which may be by facsimile or electronic mail) the Administrative Agent of the posting or filing of any such documents and provide to the Administrative Agent by electronic mail electronic versions (i.e., soft copies) of such documents. The Administrative Agent shall have no obligation to request the delivery or to maintain copies of the documents referred to above, and in any event shall have no responsibility to monitor compliance by Parent with any such request for delivery.

Parent hereby acknowledges that (a) the Administrative Agent and/or the Arrangers will make available to the Lenders and the L/C Issuers materials and/or information provided by or on behalf of Parent hereunder (collectively, "**Borrower Materials**") by posting the Borrower Materials on SyndTrak or another similar electronic system (the "**Platform**") and (b) certain of the Lenders (each a "**Public Lender**") may have personnel who do not wish to receive material non-public information with respect to Parent or its Affiliates, or the respective securities of any of the foregoing, and who may be engaged in investment and other market-related activities with respect to such Persons' securities. Parent hereby agrees that (w) all Borrower Materials that are to be made available to Public Lenders shall be clearly and conspicuously marked "PUBLIC" which, at a minimum, shall

mean that the word “PUBLIC” shall appear prominently on the first page thereof; (x) by marking Borrower Materials “PUBLIC,” Parent shall be deemed to have authorized the Administrative Agent, the Arrangers and the Lenders to treat such Borrower Materials as not containing any material non-public information with respect to Parent or its securities for purposes of United States Federal and state securities laws (*provided* , *however* , that to the extent such Borrower Materials constitute Information, they shall be treated as set forth in Section 9.10); (y) all Borrower Materials marked “PUBLIC” are permitted to be made available through a portion of the Platform designated “Public Side Information;” and (z) the Administrative Agent and the Arrangers shall be entitled to treat any Borrower Materials that are not marked “PUBLIC” as being suitable only for posting on a portion of the Platform that is not designated “Public Side Information.”

Section 6.02 . *Use of Proceeds* . Each Borrower will, and will cause each of its Subsidiaries to, use the proceeds of the Advances and the Letters of Credit for general corporate purposes (which may include financing a portion of the Alliance Boots Acquisition and repaying or refinancing certain Indebtedness of Walgreens, Alliance Boots and their respective Subsidiaries). Each Borrower shall use the proceeds of the Advances and Letters of Credit in compliance with all applicable legal and regulatory requirements and any such use shall not result in a violation of any such requirements, including, without limitation, Regulation U and Regulation X, the Securities Act of 1933 and the Securities Exchange Act of 1934 and the regulations promulgated thereunder.

Section 6.03 . *Notice of Default* . Parent will give prompt notice in writing to the Lenders of the occurrence of any Default or Unmatured Default.

Section 6.04 . *Conduct of Business* . Parent will, and will cause each of its Subsidiaries to, except as otherwise permitted by Section 6.10, do all things necessary to remain duly incorporated or organized, validly existing and (to the extent such concept applies to such entity) in good standing as a corporation, partnership, limited liability company or other entity in its jurisdiction of incorporation or organization, as the case may be, and maintain all requisite authority to conduct its business in each jurisdiction in which its business is conducted, except in each case (other than valid existence of any Borrower) where the failure to do so would not reasonably be expected to have a Material Adverse Effect.

Section 6.05 . *Reserved* .

Section 6.06 . *Compliance with Laws* . Parent will, and will cause each of its Major Subsidiaries to, comply in all material respects with all applicable laws, rules, regulations and orders (such compliance to include, without limitation, compliance with ERISA and Environmental Laws and paying before the same become delinquent all taxes, assessments and governmental charges imposed upon it or upon its property except to the extent contested in good faith), except to the extent such noncompliance would not have a Material Adverse Effect.

Section 6.07 . Reserved .

Section 6.08 . Inspection; Keeping of Books and Records. Subject to applicable law and third party confidentiality agreements entered into by Parent or any Subsidiary in the ordinary course of business, Parent will, and will cause each Subsidiary to, permit the Administrative Agent, during the continuance of a Default or Unmatured Default, by its representatives and agents, to inspect any of the Property, books and financial records of Parent and each Subsidiary, to examine and make copies of the books of accounts and other financial records of Parent and each Subsidiary, and to discuss the affairs, finances and accounts of Parent and each Subsidiary with their respective officers at such reasonable times and intervals as the Administrative Agent may designate but in all events upon reasonable prior notice to Parent's Finance Department, Attention: Director of Investor Relations. Parent shall keep and maintain, and cause each of its Subsidiaries to keep and maintain, in all material respects, proper books of record and account in which entries in conformity with Agreement Accounting Principles shall be made of all dealings and transactions in relation to their respective businesses and activities.

Section 6.09 . Existing Alliance Boots Debt; Holdco Reorganization. (a) Prior to the Existing Alliance Boots Debt Repayment, Parent will not, and will not permit any Subsidiary (other than Alliance Boots and its Subsidiaries) to, guarantee any Indebtedness of Alliance Boots or its Subsidiaries.

(b) To the extent Parent in its sole discretion seeks to refinance, renew or replace any portion of the Existing Alliance Boots Debt, Parent shall use reasonable efforts to refinance, renew or replace such Indebtedness for Borrowed Money with the proceeds of unsecured indebtedness incurred by Parent and not guaranteed by any Person other than (if Walgreens Boots Alliance is then Parent) Walgreens.

(c) Promptly (and in any event within 10 Business Days) after the Alliance Boots Acquisition Closing Date, if the Holdco Reorganization is not consummated on or prior to the Alliance Boots Acquisition Closing Date, Walgreens Boots Alliance will merge with and into Walgreens, with Walgreens surviving such merger.

Section 6.10 . Merger . (a) Parent will not merge into or consolidate with any other Person, unless (i) the Person formed by such consolidation or into which Parent is merged shall be a Person organized and existing under the laws of the United States of America, any State thereof or the District of Columbia and shall expressly assume pursuant to an instrument executed and delivered to the

Administrative Agent, and in form and substance reasonably satisfactory to the Administrative Agent, Parent's obligations for the due and punctual payment of the Obligations and the performance of every covenant of this Agreement on the part of Parent to be performed; and (ii) immediately after giving effect to such transaction, no Default or Unmatured Default shall have occurred and be continuing. For the avoidance of doubt, this Section 6.10 shall only apply to a merger or consolidation in which Parent is not the surviving Person.

(b) Upon any consolidation by Parent with or merger by Parent into any other Person, the successor Person formed by such consolidation or into which Parent is merged shall succeed to, and be substituted for, and may exercise every right and power of, Parent under this Agreement with the same effect as if such successor Person had been named as Parent herein.

Section 6.11 . *Sale of Assets.* Parent will not lease, sell or otherwise dispose of, or permit one or more Subsidiaries to lease, sell or otherwise dispose of, all or substantially all of the Property of Parent and the Subsidiaries, taken as a whole, to any Person, unless, immediately before and after giving effect thereto, no Default or Unmatured Default would exist.

Section 6.12 . *Liens .* No Borrower will, and Parent will not permit any Major Subsidiary to, create or suffer to exist any Lien in, of or on any of its Property, in each case to secure or provide for the payment of any Indebtedness for Borrowed Money, except:

(a) Liens for taxes, assessments or governmental charges or levies on its Property if the same shall not at the time be delinquent or thereafter can be paid without penalty, or are being contested in good faith and by appropriate proceedings and for which adequate reserves in accordance with Agreement Accounting Principles shall have been set aside on its books.

(b) Liens for taxes, assessments or governmental charges or levies on its Property regardless of their delinquency or whether they can be paid without penalty *provided* such taxes, assessments, charges or levies do not in the aggregate at any one time exceed \$10,000,000.

(c) Liens imposed by law, such as carriers', warehousemen's and mechanics' liens and other similar liens arising in the ordinary course of business which secure payment of obligations not more than sixty (60) days past due or which are being contested in good faith by appropriate proceedings and for which adequate reserves in accordance with Agreement Accounting Principles shall have been set aside on its books.

(d) Liens arising out of pledges or deposits under worker's compensation laws, unemployment insurance, old age pensions, or other social security or retirement benefits, or similar legislation.

(e) Utility easements, building restrictions and such other encumbrances or charges against real property as Parent reasonably deems necessary or desirable consistent with past practices.

(f) Precautionary Liens provided by any Borrower or Major Subsidiary in connection with the sale, assignment, transfer or other disposition of assets by any Borrower or Major Subsidiary which transaction is determined by the Board of Directors of such Borrower or Major Subsidiary to constitute a "sale" under accounting principles generally accepted in the United States.

(g) Liens existing on the date hereof securing Indebtedness for Borrowed Money (and the replacement, extension or renewal thereof upon or in the same property), other than Liens securing the Existing Alliance Boots Debt.

(h) Liens securing Indebtedness for Borrowed Money in an aggregate amount, immediately after giving effect to the incurrence of such Indebtedness for Borrowed Money, not to exceed the greater of (I) 15% of Total Tangible Assets and (II) the sum of (x) the amount of Existing Alliance Boots Debt outstanding at such time plus (y) \$1,000,000,000 plus (z) 70% of the aggregate amount of Existing Alliance Boots Debt repaid or otherwise satisfied on and prior to such time (*provided* that the sum of the amounts calculated pursuant to sub-clauses (y) and (z) in this clause (II) shall not at any time exceed 15% of Total Tangible Assets).

(i) Liens on deposits, cash or cash equivalents, if any, in favor of the L/C Issuers to cash collateralize or otherwise secure the obligations of a Defaulting Lender to fund risk participations hereunder.

(j) Usual and customary set off rights with respect to bank accounts and brokerage accounts in the ordinary course of business.

(k) Usual and customary deposits in favor of lessors and similar deposits in the ordinary course of business.

(l) Liens existing on property of any Person acquired by any Borrower or Major Subsidiary, other than any such Lien or security interest created in contemplation of such acquisition (and the replacement, extension or renewal thereof upon or in the same property).

Section 6.13 . *Financial Covenant* . As of the last day of each fiscal quarter of Parent, commencing with the first fiscal quarter-end date occurring after the Effective Date, the ratio of Consolidated Debt to Total Capitalization shall not be

greater than 0.60:1.00; it being understood that on and after the Alliance Boots Acquisition Closing Date, such calculation shall be made giving effect to the Alliance Boots Acquisition and the repayment or refinancing of Indebtedness of Walgreens, Alliance Boots and their respective Subsidiaries in connection therewith.

Section 6.14 . Sanctions . Parent and its Subsidiaries will not, directly or, to the knowledge of Parent, indirectly, (a) use the proceeds of the Revolving Loans or L/C Advances, or (b) lend, contribute or otherwise make available such proceeds to any Subsidiary, joint venture partner or other individual or entity, in each case, to fund any activities or business (x) of or with any individual or entity named on the most current list of Specially Designated Nationals or Blocked Persons maintained by OFAC or the U.S. Department of State, or (y) in any country or territory, that, at the time of such funding, is, or whose government is, the subject of Sanctions, except in the case of (a) or (b) to the extent licensed by OFAC or otherwise permissible under U.S. law. Any Lender may elect not to benefit from the covenants set forth in this Section 6.14 by providing prior written notice of such election to the Administrative Agent and Parent (such Lender, a “ **Section 6.14 Restricted Lender** ”). This Section 6.14 shall only apply for the benefit of a Section 6.14 Restricted Lender to the extent that this Section 6.14 would not result in any violation of or liability under EU Regulation (EC) 2271/96 or §7 of the German Aussenwirtschaftsverordnung. In connection with any amendment, waiver, determination or direction relating this Section 6.14, the Advance or Commitment of any Section 6.14 Restricted Lender will be excluded for the purpose of determining whether any consent pursuant to Section 8.02 has been obtained.

ARTICLE 7

D EFAULTS

The occurrence of any one or more of the following events shall constitute a Default:

Section 7.01 . Breach of Representations or Warranties. Any representation or warranty made by Parent to the Lenders, the L/C Issuers or the Administrative Agent under this Agreement, or any certificate or information delivered in connection with this Agreement, shall be false in any material respect when made or deemed made.

Section 7.02 . Failure to Make Payments When Due. Nonpayment of (a) principal of any Revolving Loan or any L/C Obligation when due, or (b) interest upon any Revolving Loan or any L/C Obligation, any Commitment Fee, any Letter of Credit Fee (including an amount necessary to Cash Collateralize any L/C Obligation) or other payment Obligations under any of the Loan Documents within five (5) Business Days after such interest, fee or other Obligation becomes due.

Section 7.03 . Breach of Covenants. The breach by Parent of (a) any of the terms or provisions of Section 6.03, 6.09, 6.10, 6.11, 6.12 or 6.13 or (b) any of the other terms or provisions of this Agreement which is not remedied within thirty (30) days after Parent knows of the occurrence thereof.

Section 7.04 . Cross Default. (a) Any Borrower or any Major Subsidiary shall fail to pay any principal of or premium or interest on any Indebtedness for Borrowed Money which is outstanding in a principal amount of at least the Requisite Amount in the aggregate (but excluding indebtedness arising hereunder) of such Borrower or such Major Subsidiary (as the case may be), when the same becomes due and payable (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise), and such failure shall continue after the applicable grace period, if any, specified in the agreement or instrument relating to such Indebtedness for Borrowed Money unless adequate provision for any such payment has been made in form and substance satisfactory to the Required Lenders.

(b) Any Indebtedness for Borrowed Money of any Borrower or any Major Subsidiary which is outstanding in a principal amount of at least the Requisite Amount in the aggregate shall be declared to be due and payable, or required to be prepaid (other than by a scheduled required prepayment), redeemed, purchased or defeased, or an offer to prepay, redeem, purchase or defease such Indebtedness for Borrowed Money shall be required to be made, in each case prior to the stated maturity thereof as a result of a breach by such Borrower or such Major Subsidiary (as the case may be) of the agreement or instrument relating to such Indebtedness for Borrowed Money and such failure shall continue after the applicable grace period, if any, specified in the agreement or instrument relating to such Indebtedness for Borrowed Money unless adequate provision for the payment of such Indebtedness for Borrowed Money has been made in form and substance satisfactory to the Required Lenders.

(c) Parent or any of its Major Subsidiaries shall admit in writing its inability to pay its debts generally as they become due.

Section 7.05 . Voluntary Bankruptcy; Appointment of Receiver; Etc . Parent or any of its Major Subsidiaries shall (a) have an order for relief entered with respect to it under the Federal bankruptcy laws as now or hereafter in effect, (b) make an assignment for the benefit of creditors, (c) apply for, seek, consent to, or acquiesce in, the appointment of a receiver, custodian, trustee, examiner, liquidator or similar official for it or any Substantial Portion of its Property, (d) institute any proceeding seeking an order for relief under the Federal bankruptcy laws as

now or hereafter in effect or seeking to adjudicate it a bankrupt or insolvent, or seeking dissolution, winding up, liquidation, reorganization, arrangement, adjustment or composition of it or its debts under any law relating to bankruptcy, insolvency or reorganization or relief of debtors or fail to file an answer or other pleading denying the material allegations of any such proceeding filed against it, (e) take any corporate or partnership action to authorize or effect any of the foregoing actions set forth in this Section 7.05, or (f) fail to contest in good faith any appointment or proceeding described in Section 7.06

Section 7.06 . *Involuntary Bankruptcy; Appointment of Receiver; Etc* . Without the application, approval or consent of Parent or any of its Major Subsidiaries, a receiver, trustee, custodian, examiner, liquidator or similar official shall be appointed for Parent or any of its Major Subsidiaries or any Substantial Portion of its Property, or a proceeding described in Section 7.05(d) shall be instituted against Parent or any of its Major Subsidiaries, and such appointment continues undischarged, or such proceeding continues undismissed or unstayed, in each case, for a period of sixty (60) consecutive days.

Section 7.07 . *Judgments* . Parent or any of its Major Subsidiaries shall fail within sixty (60) days to pay, bond or otherwise discharge one or more judgments or orders for the payment of money (except to the extent covered by independent third party insurance and as to which the insurer has not disclaimed coverage) in excess of \$200,000,000 (or the equivalent thereof in currencies other than Dollars) in the aggregate, which judgment(s), in any such case, is/are not stayed on appeal or otherwise being appropriately contested in good faith.

Section 7.08 . *Unfunded Liabilities* . (i) The aggregate Unfunded Liabilities of all Plans would reasonably be expected to result in a material adverse effect on the financial condition, results of operations, business or Property of Parent and its Subsidiaries taken as a whole; (ii) the present value of the unfunded liabilities to provide the accrued benefits under all Foreign Pension Plans in the aggregate would reasonably be expected to result in a material adverse effect on the financial condition, results of operations, business or Property of Parent and its Subsidiaries taken as a whole; or (iii) any Reportable Event shall occur in connection with any Plan and such Reportable Event would reasonably be expected to result in a material adverse effect on the financial condition, results of operations, business or Property of Parent and its Subsidiaries taken as a whole.

Section 7.09 . *Guarantees* . (i) So long as any Wholly Owned Subsidiary of Parent is a Designated Borrower, the Parent Guarantee in respect of such Designated Borrower shall for any reason cease (other than in accordance with the terms hereof) to be valid and binding on Parent, or Parent shall so state in writing, and (ii) so long as the Holdco Reorganization is consummated on or prior to the Alliance Boots Acquisition Closing Date, the Walgreens Guarantee shall for any reason cease (other than in accordance with the terms hereof) to be valid and binding on Walgreens, or Walgreens shall so state in writing.

Section 7.10 . Other ERISA Liabilities . Parent, any Subsidiary or any other member of the Controlled Group shall have been notified by the sponsor of a Multiemployer Plan that it has incurred withdrawal liability or become obligated to make contributions to a Multiemployer Plan in an amount which, when aggregated with all other amounts required to be paid to Multiemployer Plans by Parent, any Subsidiary or any other member of the Controlled Group as withdrawal liability (determined as of the date of such notification), would reasonably be expected to result in a material adverse effect on the financial condition, results of operations, business or Property of Parent and its Subsidiaries taken as a whole.

Section 7.11 . Invalidity of Loan Documents . Any material provision of any Loan Document, at any time after its execution and delivery and for any reason other than as expressly permitted hereunder or thereunder or satisfaction in full of all the Obligations (other than contingent indemnification obligations that survive the termination of this Agreement), ceases to be in full force and effect; or Parent contests in any manner the validity or enforceability of any Loan Document; or Parent denies that it has any or further liability or obligation under any Loan Document, or purports to revoke, terminate or rescind any Loan Document for any reason other than as expressly permitted hereunder or thereunder.

ARTICLE 8

ACCELERATION, WAIVERS, AMENDMENTS AND REMEDIES

Section 8.01 . Acceleration, Etc . If any Default described in Section 7.05 or 7.06 occurs, the obligations of the Lenders to make Revolving Loans and any obligation of the L/C Issuers to make L/C Credit Extensions hereunder shall automatically terminate, the Obligations of each Borrower shall immediately become due and payable and each Borrower shall automatically be obligated to Cash Collateralize its L/C Obligations (in an amount equal to the then outstanding amount thereof), in each case without any election or action on the part of the Administrative Agent or any Lender. If any other Default occurs, the Required Lenders (or the Administrative Agent with the consent of the Required Lenders) may terminate or suspend (in whole or in part) the obligations of the Lenders to make Revolving Loans and the obligation of the L/C Issuers to make L/C Credit Extensions hereunder, declare the Obligations of each Borrower to be due and payable (in whole or in part), or require each Borrower to Cash Collateralize its L/C Obligations (in an amount equal to the then outstanding amount thereof), whereupon such Obligations shall become immediately due and payable, without presentment, demand, protest or notice of any kind, all of which the Borrowers hereby expressly waive. Promptly upon any acceleration of the Obligations, the Administrative Agent will provide each Borrower with notice of such acceleration.

If, within thirty (30) days after acceleration of the maturity of the Obligations of each Borrower or termination of the obligations of the Lenders to make Revolving Loans and the obligations of the L/C Issuers to make L/C Credit Extensions hereunder as a result of any Default (other than any Default as described in Section 7.05 or 7.06) and before any judgment or decree for the payment of the Obligations due shall have been obtained or entered, the Required Lenders (in their sole discretion) shall so direct, the Administrative Agent shall, by notice to each Borrower, rescind and annul such acceleration and/or termination.

Section 8.02 . Amendments . Subject to the provisions of this Article 8, the Required Lenders (or the Administrative Agent with the consent in writing of the Required Lenders) and Parent may enter into agreements supplemental hereto for the purpose of adding or modifying any provisions to the Loan Documents or changing in any manner the rights of the Lenders, Parent or the Borrowers hereunder or thereunder or waiving any Default hereunder or thereunder; *provided , however ,* that no such supplemental agreement shall:

(a) Extend the final maturity of any Revolving Loan or L/C Borrowing, of any Lender or forgive all or any portion of the principal amount thereof payable to any Lender, or reduce the rate or extend the scheduled time of payment of interest or fees thereon (other than a waiver of the application of the default rate of interest pursuant to Section 2.11 hereof) payable to any Lender, without the consent of such Lender.

(b) Reduce the percentage specified in the definition of Required Lenders or any other percentage of Lenders specified to be the applicable percentage in this Agreement to act on specified matters or amend Section 2.20 or the definition of “Pro Rata Share”, without the consent of all Lenders affected thereby. For the sake of clarity, the addition of a term loan or increased or additional revolving credit facility or an extension of the maturity of a portion of the revolving credit facility and similar modifications shall be permitted with the consent of the Required Lenders and the Lenders agreeing to participate in the new facility or to increase the amount of their commitment or extend the maturity of their Revolving Loans.

(c) Extend the Facility Termination Date as it applies to any Lender (other than as expressly permitted by the terms of Section 2.02(b)), or increase the amount or otherwise extend the term of the Commitment of any Lender hereunder (other than as expressly permitted by the terms of Section 2.01(b)) without the consent of such Lender.

(d) Permit any Borrower to assign its rights or obligations under this Agreement except as provided in Section 6.10 without the consent of all Lenders.

(e) Release, other than in accordance with the terms hereof, all or substantially all of the value of any guarantee of the Obligations (including the Walgreens Guarantee and the Parent Guarantee) or all or substantially all of the collateral, if any, securing the Obligations, without the consent of all Lenders.

(f) Amend the definition of "Foreign Currency", Section 1.05 or Section 2.23 without the consent of all Lenders.

(g) Amend this Section 8.02 without the consent of all Lenders.

provided further, that (w) no amendment of any provision of this Agreement relating to any Agent shall be effective without the written consent of such Agent; (x) no amendment, waiver or consent shall, unless in writing and signed by the L/C Issuers in addition to the Lenders required above, affect the rights or duties of the L/C Issuers under this Agreement or any Issuer Document relating to any Letter of Credit issued or to be issued by it; and (y) no amendment, waiver or consent shall, unless in writing and signed by the Administrative Agent in addition to the Lenders required above, affect the rights or duties of the Administrative Agent under this Agreement or any other Loan Document. Notwithstanding anything to the contrary herein, no Defaulting Lender shall have any right to approve or disapprove any amendment, waiver or consent hereunder, (it being specifically understood and agreed that any amendment, waiver or consent which by its terms requires the consent of all Lenders or each affected Lender may be effected with the consent of the applicable Lenders other than Defaulting Lenders), except that (A) the Commitment of such Lender may not be increased or extended without the consent of such Lender and (B) any waiver, amendment or modification requiring the consent of all Lenders or each affected Lender that by its terms affects any Defaulting Lender more adversely than other affected Lenders shall require the consent of such Defaulting Lender.

Section 8.03 . Preservation of Rights . No delay or omission of the Lenders, the L/C Issuers or Agents to exercise any right under the Loan Documents shall impair such right or be construed to be a waiver of any Default or an acquiescence therein, and the making of a Revolving Loan or any L/C Credit Extension notwithstanding the existence of a Default or Unmatured Default or the inability of the applicable Borrower to satisfy the conditions precedent to such Revolving Loan or L/C Credit Extension shall not constitute any waiver or acquiescence. Any single or partial exercise of any such right shall not preclude other or further exercise thereof or the exercise of any other right, and no waiver, amendment or other variation of the terms, conditions or provisions of the Loan Documents whatsoever shall be valid unless in writing signed by, or by the Administrative

Agent with the consent of, the requisite number of Lenders required pursuant to Section 8.02, and then only to the extent in such writing specifically set forth. All remedies contained in the Loan Documents or by law afforded shall be cumulative and all shall be available to the Agents and the Lenders until all of the Obligations have been paid in full.

ARTICLE 9
GENERAL PROVISIONS

Section 9.01 . *Survival of Representations* . All representations and warranties made hereunder and in any other Loan Document or other document delivered pursuant hereto or thereto or in connection herewith or therewith shall survive the execution and delivery hereof and thereof. Such representations and warranties have been or will be relied upon by the Administrative Agent, each Lender and the L/C Issuer, regardless of any investigation made by the Administrative Agent, any Lender or the L/C Issuer or on their behalf and notwithstanding that the Administrative Agent, any Lender or the L/C Issuer may have had notice or knowledge of any Default at the time of any Advance or L/C Credit Extension, and shall continue in full force and effect as long as any Revolving Loan, Letter of Credit or any other Obligation hereunder (other than any contingent indemnification obligations for which no claim has been made) shall remain unpaid or unsatisfied.

Section 9.02 . *Governmental Regulation* . Anything contained in this Agreement to the contrary notwithstanding, no Lender shall be obligated to extend credit to any Borrower in violation of any limitation or prohibition provided by any applicable statute or regulation.

Section 9.03 . *Headings* . Section headings in the Loan Documents are for convenience of reference only, and shall not govern the interpretation of any of the provisions of the Loan Documents.

Section 9.04 . *Entire Agreement* . The Loan Documents, together with the Fee Letters, embody the entire agreement and understanding among the Borrowers, the Agents, the Lenders and the L/C Issuers party thereto and supersede all prior agreements and understandings among the Borrowers, the Agents, the Lenders and the L/C Issuers, as applicable, relating to the subject matter thereof.

Section 9.05 . *Several Obligations; Benefits of this Agreement* . The respective obligations of the Lenders and the L/C Issuers hereunder are several and not joint and no Lender or the L/C Issuer shall be the partner or agent of any other (except to the extent to which the Agents are authorized to act as such). The failure of any Lender or L/C Issuer to perform any of its obligations hereunder shall

not relieve any other Lender or L/C Issuer from any of its obligations hereunder. Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby, Participants to the extent provided in Section 12.01(d) and, to the extent expressly contemplated hereby, the Related Parties of each of the Administrative Agent, the Lenders and the L/C Issuers) any legal or equitable right, remedy or claim under or by reason of this Agreement; *provided, however*, that the parties hereto expressly agree that each Arranger shall enjoy the benefits of the provisions of Sections 2.05(b), 9.06, 9.09 and 10.07 to the extent specifically set forth therein and shall have the right to enforce such provisions on its own behalf and in its own name to the same extent as if it were a party to this Agreement.

Section 9.06 . Expenses; Indemnification . (a) *Costs and Expenses* . Parent shall reimburse (i) all reasonable out-of-pocket expenses incurred by the Administrative Agent, the Lead Arrangers and their respective Affiliates (including the reasonable fees, charges and disbursements of one counsel for the Administrative Agent and the Lead Arrangers), in connection with the syndication of the credit facilities provided for herein, the preparation, negotiation, execution, delivery and administration of this Agreement and the other Loan Documents or any amendments, modifications or waivers of the provisions hereof or thereof (whether or not the transactions contemplated hereby or thereby shall be consummated) and (ii) all reasonable out-of-pocket expenses incurred by the Administrative Agent, the Lead Arrangers, the Lenders or the L/C Issuer (including the reasonable fees, charges and disbursements of one primary counsel (and to the extent reasonably determined to be necessary, one local counsel and one regulatory counsel in any applicable jurisdiction) for the Administrative Agent, the Lead Arrangers, the Lenders and the L/C Issuer), and shall pay all fees and time charges for attorneys who may be employees of the Administrative Agent, the Lead Arrangers, any Lender or the L/C Issuer, in connection with the enforcement or protection of its rights (A) in connection with this Agreement and the other Loan Documents, including its rights under this Section, or (B) in connection with the Revolving Loans made and Letters of Credit issued hereunder, including all such reasonable out-of-pocket expenses incurred during any workout, restructuring or negotiations in respect of such Revolving Loans or Letters of Credit.

(b) *Indemnification by Parent* . Parent shall, or shall cause the applicable Borrower to, indemnify the Administrative Agent (and any sub-agent thereof), each Lender and the L/C Issuer, and each Related Party of any of the foregoing Persons (each such Person being called an “**Indemnitee**”) against, and hold each Indemnitee harmless from, any and all losses, claims, damages, liabilities and related expenses (including the reasonable fees, charges and disbursements of any counsel for any Indemnitee), incurred by any Indemnitee or asserted against any Indemnitee by any third party or by any Borrower arising out of, in connection

with, or as a result of (i) the execution or delivery of this Agreement, any other Loan Document or any agreement or instrument contemplated hereby or thereby, the performance by the parties hereto of their respective obligations hereunder or thereunder, the consummation of the transactions contemplated hereby or thereby, or, in the case of the Administrative Agent (and any sub-agent thereof) and its Related Parties only, the administration of this Agreement and the other Loan Documents (including in respect of any matters addressed in Section 3.05), (ii) any Revolving Loan or the use or proposed use of the proceeds therefrom, (iii) any actual or alleged presence or release of Hazardous Materials on or from any property owned, leased or operated by Parent or any of its Subsidiaries, or any Environmental Liability related in any way to Parent or any of its Subsidiaries, or (iv) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory, whether brought by a third party or by any Borrower, and regardless of whether any Indemnitee is a party thereto; *provided* that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities or related expenses are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from (x) the gross negligence or willful misconduct of such Indemnitee, (y) a material breach in bad faith of such Indemnitee's obligations hereunder or under any other Loan Document or (z) a dispute among two or more Lenders not arising from any act or omission of the Borrowers or their Subsidiaries hereunder (but not including any such dispute that involves a Lender to the extent such Lender is acting in a different capacity (i.e., the Administrative Agent or a Lead Arranger) under any Loan Document). This Section 9.06(b) shall not apply with respect to Taxes other than any Taxes that represent losses, claims, damages, etc. arising from any non-Tax claim.

(c) *Reimbursement by Lenders* . To the extent that Parent for any reason fails to indefeasibly pay any amount required under subsection (a) of this Section or Parent for any reason fail to indefeasibly pay or cause to be paid any amount required under subsection (b) of this Section, in each case, to be paid to the Administrative Agent (or any sub-agent thereof), the L/C Issuer or any Related Party of any of the foregoing, each Lender severally agrees to pay to the Administrative Agent (or any such sub-agent), the L/C Issuer or such Related Party, as the case may be, such Lender's Pro Rata Share (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought) of such unpaid amount, *provided* that the unreimbursed expense or indemnified loss, claim, damage, liability or related expense, as the case may be, was incurred by or asserted against the Administrative Agent (or any such sub-agent) or the L/C Issuer in its capacity as such, or against any Related Party of any of the foregoing acting for the Administrative Agent (or any such sub-agent) or L/C Issuer in connection with such capacity. The obligations of the Lenders under this subsection (c) are subject to the provisions of Section 2.18(b).

(d) *Waiver of Consequential Damages, Etc* . To the fullest extent permitted by applicable law, each Borrower shall not assert, and hereby waives, any claim against any Indemnitee, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement, any other Loan Document or any agreement or instrument contemplated hereby, the transactions contemplated hereby or thereby, any Revolving Loan or Letter of Credit or the use of the proceeds thereof. No Indemnitee referred to in subsection (b) above shall be liable for any damages arising from the use by unintended recipients of any information or other materials distributed to such unintended recipients by such Indemnitee through telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Loan Documents or the transactions contemplated hereby or thereby other than for direct or actual damages resulting from the gross negligence or willful misconduct of such Indemnitee or a material breach in bad faith of such Indemnitee's obligations hereunder or under any other Loan Document, in each case, as determined by a final and nonappealable judgment of a court of competent jurisdiction.

(e) *Payments* . All amounts due under this Section shall be payable not later than ten (10) Business Days after demand therefor.

(f) *Survival* . The agreements in this Section shall survive the resignation of the Administrative Agent and the L/C Issuer, the replacement of any Lender, the termination of the Aggregate Commitment and the repayment, satisfaction or discharge of all the other Obligations.

Section 9.07 . Accounting . Except as provided to the contrary herein, all accounting terms used herein shall be interpreted and all accounting determinations hereunder shall be made in accordance with Agreement Accounting Principles. If any changes in generally accepted accounting principles are hereafter required or permitted and are adopted by Parent or any of its Subsidiaries with the agreement of its independent certified public accountants and such changes result in a change in the method of calculation of any of the financial covenants, tests, restrictions or standards herein or in the related definitions or terms used therein (“**Accounting Changes**”), the parties hereto agree, at Parent's request, to enter into negotiations, in good faith, in order to amend such provisions in a credit neutral manner so as to reflect equitably such changes with the desired result that the criteria for evaluating Parent's and its Subsidiaries' financial condition shall be the same after such changes as if such changes had not been made; *provided, however*, until such provisions are amended in a manner reasonably satisfactory to the Administrative Agent and the Required Lenders, no Accounting Change shall be given effect in such calculations and all financial statements and reports required to be delivered hereunder shall be prepared in accordance with Agreement Accounting Principles without taking into account such Accounting Changes. In

the event such amendment is entered into, all references in this Agreement to Agreement Accounting Principles shall mean generally accepted accounting principles as of the date of such amendment.

Section 9.08 . Severability of Provisions . Any provision in any Loan Document that is held to be inoperative, unenforceable, or invalid in any jurisdiction shall, as to that jurisdiction, be inoperative, unenforceable, or invalid without affecting the remaining provisions in that jurisdiction or the operation, enforceability, or validity of that provision in any other jurisdiction, and to this end the provisions of all Loan Documents are declared to be severable. Without limiting the foregoing provisions of this Section 9.08, if and to the extent that the enforceability of any provisions in this Agreement relating to Defaulting Lenders shall be limited by Debtor Relief Laws, as determined in good faith by the Administrative Agent or the L/C Issuer, as applicable, then such provisions shall be deemed to be in effect only to the extent not so limited.

Section 9.09 . Nonliability of Lenders . The relationship between each Borrower on the one hand and the Lenders, the L/C Issuer and the Agents on the other hand shall be solely that of borrower and lender. None of the Agents, the Arranger, any Lender or the L/C Issuer shall have any fiduciary responsibilities to any Borrower. None of the Agents, the Arranger, any Lender or the L/C Issuer undertakes any responsibility to any Borrower to review or inform any Borrower of any matter in connection with any phase of such Borrower's business or operations. Each Borrower agrees that none of the Agents, the Arranger, any Lender or the L/C Issuer shall have liability to such Borrower (whether sounding in tort, contract or otherwise) for losses suffered by such Borrower in connection with, arising out of, or in any way related to, the transactions contemplated and the relationship established by the Loan Documents, or any act, omission or event occurring in connection therewith, unless it is determined in a final, non-appealable judgment by a court of competent jurisdiction that such losses resulted from (x) the gross negligence or willful misconduct of the party from which recovery is sought or (y) such party's material breach in bad faith of its obligations hereunder or under any other Loan Document. None of the Agents, the Arranger, any Lender or the L/C Issuer shall have any liability with respect to, and each Borrower hereby waives, releases and agrees not to sue for, any special, indirect, consequential or punitive damages (as opposed to direct or actual damages) suffered by such Borrower in connection with, arising out of, or in any way related to the Loan Documents or the transactions contemplated thereby.

Section 9.10 . Confidentiality . Each of the Administrative Agent, the Lenders and the L/C Issuer agrees to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed (a) to its Affiliates and to its and its Affiliates' respective partners, directors, officers, employees, agents, trustees, advisors and representatives on a confidential basis (it

being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential), (b) to the extent requested by any state, federal or foreign authority or examiner regulating banks or banking or otherwise purporting to have jurisdiction over it or its Affiliates (including any self-regulatory authority, such as the National Association of Insurance Commissioners), (c) as may be compelled in a judicial or administrative proceeding or as otherwise required by applicable laws or regulations or by any subpoena or similar legal process, *provided* that the Administrative Agent, the Lenders and the L/C Issuer, as applicable, shall, except with respect to regulatory audit or examination conducted by accountants or any governmental or regulatory authority exercising examination or regulatory authority, to the extent not prohibited by applicable law, give Parent reasonable notice thereof before complying therewith, (d) to any other party hereto, (e) in connection with the exercise of any remedies hereunder or under any other Loan Document, the Fee Letters or any action or proceeding relating to this Agreement or any other Loan Document, the Fee Letters or the enforcement of rights hereunder or thereunder or the transactions contemplated hereby or thereby or enforcement hereof and thereof or the assertion of any due diligence defense, (f) subject to an agreement containing provisions substantially the same as those of this Section or other provisions at least as restrictive as this Section, to (i) any assignee of or Participant in, or any prospective assignee of or Participant in, any of its rights or obligations under this Agreement or (ii) any actual or prospective counterparty (or its advisors) to any swap or derivative transaction relating to any Borrower and its obligations, (g) with the consent of Parent, (h) to the extent such Information (x) becomes publicly available other than as a result of a breach of this Section or (y) becomes available to the Administrative Agent, any Lender, the L/C Issuer or any of their respective Affiliates from a source, other than any Borrower or its Affiliates, that is not to such Person's knowledge subject to any confidentiality or fiduciary obligation to the Borrowers with respect to such Information, (i) on a confidential basis, to ratings agencies if requested or required by such agencies in connection with a rating relating to the Advances hereunder; *provided, however*, that any such ratings agency shall be informed of the confidentiality of such information and instructed to keep such information confidential in accordance with its standard practices or (j) to the extent that such information was already in the Administrative Agent, Lender or L/C Issuer's possession (other than as a result of the Administrative Agent, Lender or L/C Issuer, as applicable, being provided such information by or on behalf of any Borrower hereunder) or is independently developed by the Administrative Agent, Lender or L/C Issuer, as applicable.

In addition, on a confidential basis, the Administrative Agent, each Lender and each L/C Issuer may disclose the existence of this Agreement and the information about this Agreement to market data collectors, similar services providers to the lending industry, and service providers to the Administrative Agent, the L/C Issuers and the Lenders in connection with the administration and management of this Agreement and the other Loan Documents.

For purposes of this Section, “ **Information** ” means all information received from Parent or any Subsidiary relating to Parent or any Subsidiary or any of their respective businesses, other than any such information that is available to the Administrative Agent, any Lender or the L/C Issuer on a nonconfidential basis prior to disclosure by Parent or any Subsidiary. Any Person required to maintain the confidentiality of Information as provided in this Section shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Information as such Person would accord to its own confidential information.

Each of the Administrative Agent, the Lenders and the L/C Issuers acknowledges that (a) the Information may include material non-public information concerning Parent or a Subsidiary, as the case may be, (b) it has developed compliance procedures regarding the use of material non-public information and (c) it will handle such material non-public information in accordance with applicable law, including United States Federal and state securities laws.

Section 9.11 . Nonreliance . Each of the Lenders and L/C Issuers hereby represents that it is not relying on or looking to any margin stock (as defined in Regulation U) as collateral in the extension or maintenance of the credit provided for herein.

Section 9.12 . Disclosure . Parent, each Lender and the L/C Issuer hereby acknowledge and agree that Bank of America and/or its respective Affiliates and certain of the other Lenders and/or their respective Affiliates from time to time may hold investments in, make other loans to or have other relationships with Parent and its Affiliates.

ARTICLE 10

T H E A D M I N I S T R A T I V E A G E N T

Section 10.01 . Appointment and Authority . Each of the Lenders and the L/C Issuers hereby irrevocably appoints Bank of America to act on its behalf as the Administrative Agent hereunder and under the other Loan Documents and authorizes the Administrative Agent to take such actions on its behalf and to exercise such powers as are delegated to the Administrative Agent by the terms hereof or thereof, together with such actions and powers as are reasonably incidental thereto. The provisions of this Article, other than Section 10.06 below, are solely for the benefit of the Administrative Agent, the Lenders and the L/C Issuers, and neither Parent nor any Borrower shall have rights as a third party beneficiary of

any of such provisions (other than as provided in Section 10.06 below). It is understood and agreed that the use of the term “agent” herein or in any other Loan Documents (or any other similar term) with reference to the Administrative Agent is not intended to connote any fiduciary or other implied (or express) obligations arising under agency doctrine of any applicable law. Instead such term is used as a matter of market custom, and is intended to create or reflect only an administrative relationship between contracting parties.

Section 10.02 . *Rights as a Lender* . The Person serving as the Administrative Agent hereunder shall have the same rights and powers in its capacity as a Lender as any other Lender and may exercise the same as though it were not the Administrative Agent and the term “Lender” or “Lenders” shall, unless otherwise expressly indicated or unless the context otherwise requires, include the Person serving as the Administrative Agent hereunder in its individual capacity. Such Person and its Affiliates may accept deposits from, lend money to, act as the financial advisor or in any other advisory capacity for and generally engage in any kind of business with Parent or any Subsidiary or other Affiliate thereof as if such Person were not the Administrative Agent hereunder and without any duty to account therefor to the Lenders.

Section 10.03 . *Reliance by Administrative Agent* . The Administrative Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing (including any electronic message, Internet or intranet website posting or other distribution) believed by it to be genuine and to have been signed, sent or otherwise authenticated by the proper Person. The Administrative Agent also may rely upon any statement made to it orally or by telephone and believed by it to have been made by the proper Person, and shall not incur any liability for relying thereon. In determining compliance with any condition hereunder to the making of a Revolving Loan, or the issuance of a Letter of Credit, that by its terms must be fulfilled to the satisfaction of a Lender or the L/C Issuer, the Administrative Agent may presume that such condition is satisfactory to such Lender or the L/C Issuer unless the Administrative Agent shall have received notice to the contrary from such Lender or the L/C Issuer prior to the making of such Revolving Loan or the issuance of such Letter of Credit. The Administrative Agent may consult with legal counsel (who may be counsel for Parent), independent accountants and other experts selected by it, and shall not be liable for any action taken or not taken by it in good faith in accordance with the advice of any such counsel, accountants or experts.

Section 10.04 . *Exculpatory Provisions* . The Administrative Agent shall not have any duties or obligations except those expressly set forth herein and in the other Loan Documents. Without limiting the generality of the foregoing, the Administrative Agent:

- (a) shall not be subject to any fiduciary or other implied duties, regardless of whether a Default has occurred and is continuing;

(b) shall not have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby or by the other Loan Documents that the Administrative Agent is required to exercise as directed in writing by the Required Lenders (or such other number or percentage of the Lenders as shall be expressly provided for herein or in the other Loan Documents), *provided* that the Administrative Agent shall not be required to take any action that, in its opinion or the opinion of its counsel, may expose the Administrative Agent to liability or that is contrary to any Loan Document or applicable law, including for the avoidance of doubt any action that may be in violation of the automatic stay under any Debtor Relief Law or that may effect a forfeiture, modification or termination of property of a Defaulting Lender in violation of any Debtor Relief Law; and

(c) shall not, except as expressly set forth herein and in the other Loan Documents, have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to Parent or any of its Affiliates that is communicated to or obtained by the Person serving as the Administrative Agent or any of its Affiliates in any capacity.

The Administrative Agent shall not be liable for any action taken or not taken by it (i) with the consent or at the request of the Required Lenders (or such other number or percentage of the Lenders as shall be necessary, or as the Administrative Agent shall believe in good faith shall be necessary, under the circumstances as provided in Article 8) or (ii) in the absence of its own gross negligence or willful misconduct. The Administrative Agent shall be deemed not to have knowledge of any Default unless and until notice describing such Default is given to the Administrative Agent by Parent, any Borrower, a Lender or the L/C Issuer.

The Administrative Agent shall not be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with this Agreement or any other Loan Document, (ii) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein or therein or the occurrence of any Default, (iv) the validity, enforceability, effectiveness or genuineness of this Agreement, any other Loan Document or any other agreement, instrument or document or (v) the satisfaction of any condition set forth in Article 4 or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to the Administrative Agent.

Section 10.05 . *Delegation of Duties* . The Administrative Agent may perform any and all of its duties and exercise its rights and powers hereunder or under any other Loan Document by or through any one or more sub-agents appointed by the Administrative Agent. The 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 Related Parties. The exculpatory provisions of this Article shall apply to any such sub-agent and to the Related Parties of the Administrative Agent and any such sub-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.

Section 10.06 . *Resignation of Administrative Agent* . The Administrative Agent may at any time give notice of its resignation to the Lenders, the L/C Issuer and Parent. Upon receipt of any such notice of resignation, the Required Lenders shall have the right, subject to, so long as no Default or Unmatured Default has occurred and is continuing, the consent of Parent (such consent not to be unreasonably withheld or delayed), to appoint a successor, which shall be a bank with an office in the United States, or an Affiliate of any such bank with an office in the United States. If no such successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within 30 days after the retiring Administrative Agent gives notice of its resignation, then the retiring Administrative Agent may on behalf of the Lenders and the L/C Issuers, appoint a successor Administrative Agent meeting the qualifications set forth above, subject to, so long as no Default or Unmatured Default has occurred and is continuing, the consent of Parent (such consent not to be unreasonably withheld or delayed); *provided* that if the Administrative Agent shall notify Parent, the Lenders and any other L/C Issuers that no qualifying Person has accepted such appointment, then such resignation shall nonetheless become effective in accordance with such notice and (1) the retiring Administrative Agent shall be discharged from its duties and obligations hereunder and under the other Loan Documents and (2) except for any indemnity payments or other amounts then owed to the retiring Administrative Agent, all payments, communications and determinations provided to be made by, to or through the Administrative Agent shall instead be made by or to each Lender and the L/C Issuers directly, until such time as the Required Lenders appoint a successor Administrative Agent as provided for above in this Section. Upon the acceptance of a successor's appointment as Administrative Agent hereunder, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring (or retired) Administrative Agent (other than as provided in Section 3.08 and other than any rights to indemnity payments or other amounts owed to the retiring Administrative Agent as of the effective date of its resignation), and the retiring Administrative Agent shall be discharged from all of its duties and obligations hereunder or under the other Loan Documents (if not already discharged therefrom as provided above in this Section). The fees payable by Parent to a successor Administrative Agent shall be

the same as those payable to its predecessor unless otherwise agreed between Parent and such successor. After the retiring Administrative Agent's resignation hereunder and under the other Loan Documents, the provisions of this Article and Section 9.06 shall continue in effect for the benefit of such retiring Administrative Agent, its sub-agents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them while the retiring Administrative Agent was acting as Administrative Agent.

Any resignation by Bank of America as Administrative Agent pursuant to this Section shall also constitute its resignation as the L/C Issuer. Upon the acceptance of a successor's appointment as Administrative Agent hereunder, (a) such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring L/C Issuer, (b) such retiring L/C Issuer shall be discharged from all of their respective duties and obligations hereunder or under the other Loan Documents, and (c) any successor L/C Issuer shall issue letters of credit in substitution for the Letters of Credit, if any, outstanding at the time of such succession or make other arrangements satisfactory to such retiring L/C Issuer to effectively assume the obligations of such retiring L/C Issuer with respect to such Letters of Credit.

Section 10.07 . *Non-Reliance on Administrative Agent and Other Lenders* . Each of the Lenders and the L/C Issuers acknowledges that it has, independently and without reliance upon the Administrative Agent or any other Lender or L/C Issuer or any of their Related Parties and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each of the Lenders and the L/C Issuers also acknowledges that it will, independently and without reliance upon the Administrative Agent or any other Lender or L/C Issuer or any of their Related Parties and based on such documents and information as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Agreement, any other Loan Document or any related agreement or any document furnished hereunder or thereunder.

Section 10.08 . *No Other Duties, Etc* . Anything herein to the contrary notwithstanding, none of the Bookrunners, Arranger or other Agents listed on the cover page hereof shall have any powers, duties or responsibilities under this Agreement or any of the other Loan Documents, except in its capacity, as applicable, as the Administrative Agent, a Lender or the L/C Issuer hereunder.

ARTICLE 11

SETOFF

Section 11.01 . Setoff . In addition to, and without limitation of, any rights of the Lenders under applicable law, if any Default occurs, any and all deposits (including all account balances, whether provisional or final and whether or not collected or available) and any other Indebtedness at any time held or owing by any Lender or any Affiliate of any Lender to or for the credit or account of any Borrower may be offset and applied toward the payment of the Obligations of such Borrower then owing to such Lender to the extent the Obligations shall then be due; *provided*, that in the event that any Defaulting Lender shall exercise any such right of setoff, (x) all amounts so set off shall be paid over immediately to the Administrative Agent for further application in accordance with the provisions of Section 2.22(a)(ii) and, pending such payment, shall be segregated by such Defaulting Lender from its other funds and deemed held in trust for the benefit of the Administrative Agent, the L/C Issuers and the Lenders, and (y) the Defaulting Lender shall provide promptly to the Administrative Agent a statement describing in reasonable detail the Obligations owing to such Defaulting Lender as to which it exercised such right of setoff.

ARTICLE 12

BENEFIT OF AGREEMENT ; ASSIGNMENTS ; PARTICIPATIONS

Section 12.01 . Successors and Assigns . (a) *Successors and Assigns Generally .* The provisions of this Agreement and the other Loan Documents shall be binding upon and inure to the benefit of the parties hereto and thereto and their respective successors and assigns permitted hereby, except that no Borrower may assign or otherwise transfer any of its rights or obligations hereunder or thereunder without the prior written consent of the Administrative Agent and each Lender and no Lender may assign or otherwise transfer any of its rights or obligations hereunder except (i) to an assignee in accordance with the provisions of subsection (b) of this Section, (ii) by way of participation in accordance with the provisions of subsection (d) of this Section or (iii) by way of pledge or assignment of a security interest subject to the restrictions of subsection (f) of this Section (and any other attempted assignment or transfer by any party hereto shall be null and void).

(b) *Assignments by Lenders .* Any Lender may at any time assign to one or more assignees all or a portion of its rights and obligations under this Agreement and the other Loan Documents (including all or a portion of its Commitment and the Revolving Loans (including for purposes of this subsection (b), participations in L/C Obligations) at the time owing to it); *provided* that any such assignment shall be subject to the following conditions:

(i) *Minimum Amounts .*

(A) in the case of an assignment of the entire remaining amount of the assigning Lender's Commitment and the Revolving Loans at the time owing to it or in the case of an assignment to a Lender, an Affiliate of a Lender or an Approved Fund, no minimum amount need be assigned; and

(B) in any case not described in subsection (b)(i)(A) of this Section, the aggregate amount of the Commitment (which for this purpose includes Revolving Loans outstanding thereunder) or, if the Commitment is not then in effect, the principal outstanding balance of the Revolving Loans of the assigning Lender subject to each such assignment, determined as of the date the Assignment and Assumption with respect to such assignment is delivered to the Administrative Agent or, if “Trade Date” is specified in the Assignment and Assumption, as of the Trade Date, shall not be less than \$10,000,000 unless each of the Administrative Agent and, so long as no Default under Sections 7.02, 7.05 or 7.06 has occurred and is continuing, Parent otherwise consents (each such consent not to be unreasonably withheld or delayed); *provided, however*, that concurrent assignments to members of an Assignee Group and concurrent assignments from members of an Assignee Group to a single Eligible Assignee (or to an Eligible Assignee and members of its Assignee Group) will be treated as a single assignment for purposes of determining whether such minimum amount has been met.

(ii) *Proportionate Amounts*. Each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender’s rights and obligations under this Agreement with respect to the Revolving Loans or the Commitment assigned.

(iii) *Required Consents*. No consent shall be required for any assignment except to the extent required by subsection (b)(i)(B) of this Section and, in addition:

(A) the prior written consent of Parent (such consent not to be unreasonably withheld or delayed) shall be required unless (1) a Default under Sections 7.02, 7.05 or 7.06 has occurred and is continuing at the time of such assignment or (2) such assignment is to a Lender, an Affiliate of a Lender or an Approved Fund with respect to such Lender; *provided* that Parent shall be deemed to have consented to any such assignment unless it shall

object thereto by written notice to the Administrative Agent within ten (10) Business Days after having received notice thereof; *provided further* that no assignment shall result in any Lender, together with its Affiliates, holding more than 15% of the Aggregate Commitments at any time without the prior written consent of Parent;

(B) the prior written consent of the Administrative Agent (such consent not to be unreasonably withheld or delayed) shall be required if such assignment is to a Person that is not a Lender, an Affiliate of such Lender or an Approved Fund with respect to such Lender; and

(C) the prior written consent of each appropriate L/C Issuer (such consent not to be unreasonably withheld or delayed) shall be required for any assignment that increases the obligation of the assignee to participate in exposure under one or more Letters of Credit (whether or not then outstanding).

(iv) *Assignment and Assumption* . The parties to each assignment shall execute and deliver to the Administrative Agent an Assignment and Assumption, together with a processing and recordation fee in the amount of \$3,500; *provided, however*, that the Administrative Agent may, in its sole discretion, elect to waive such processing and recordation fee in the case of any assignment. The assignee, if it is not a Lender, shall deliver to the Administrative Agent an administrative questionnaire.

(v) *No Assignment to Borrower* . No such assignment shall be made to any Borrower or any of its Affiliates or Subsidiaries.

(vi) *No Assignment to Natural Persons* . No such assignment shall be made to a natural person.

(vii) *No Assignment to Defaulting Lenders* . No such assignment shall be made to a Defaulting Lender.

(viii) *Certain Additional Payments* . In connection with any assignment of rights and obligations of any Defaulting Lender hereunder, no such assignment shall be effective unless and until, in addition to the other conditions thereto set forth herein, the parties to the assignment shall make such additional payments to the Administrative Agent in an aggregate amount sufficient, upon distribution thereof as appropriate (which may be outright payment, purchases by the assignee of participations or subparticipations, or other compensating actions, including funding, with the consent of Parent and the Administrative Agent, the Pro Rata Share of

Revolving Loans previously requested but not funded by the Defaulting Lender, to each of which the applicable assignee and assignor hereby irrevocably consent), to (x) pay and satisfy in full all payment liabilities then owed by such Defaulting Lender to the Administrative Agent or any Lender hereunder (and interest accrued thereon) and (y) acquire (and fund as appropriate) its full Pro Rata Share of all Revolving Loans and participations in Letters of Credit. Notwithstanding the foregoing, in the event that any assignment of rights and obligations of any Defaulting Lender hereunder shall become effective under applicable law without compliance with the provisions of this paragraph, then the assignee of such interest shall be deemed to be a Defaulting Lender for all purposes of this Agreement until such compliance occurs.

Subject to acceptance and recording thereof by the Administrative Agent pursuant to subsection (c) of this Section, from and after the effective date specified in each Assignment and Assumption, the assignee thereunder shall be a party to this Agreement and, to the extent of the interest assigned by such Assignment and Assumption, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Assumption, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto) but shall continue to be entitled to the benefits of Sections 3.01, 3.04, 3.05, and 9.06 with respect to facts and circumstances occurring prior to the effective date of such assignment. Upon request, each Borrower (at its expense) shall execute and deliver a Note to the assignee Lender. Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this subsection shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with subsection (d) of this Section.

(c) *Register*. The Administrative Agent, acting solely for this purpose as an agent of Parent, shall maintain at the Administrative Agent's Office a copy of each Assignment and Assumption delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Commitments and Letter of Credit Commitments of, and principal amounts (and stated interest) of the Revolving Loans and L/C Obligations owing to, each Lender pursuant to the terms hereof from time to time (the "**Register**"). The entries in the Register shall be conclusive, absent manifest error, and Parent, the Administrative Agent and the Lenders may treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender and L/C Issuer hereunder for all purposes of this Agreement, notwithstanding notice to the contrary. In addition, the Administrative Agent shall maintain on the Register information regarding the designation, and revocation of designation, of any Lender as a Defaulting Lender. The Register

shall be available for inspection by Parent at any reasonable time and from time to time upon reasonable prior notice. In addition, at any time that a request for a consent for a material or substantive change to the Loan Documents is pending, any Lender may request and receive from the Administrative Agent a copy of the Register.

(d) *Participations* . Any Lender may at any time, without the consent of, or notice to, Parent or the Administrative Agent, sell participations to any Person (other than a natural person, Defaulting Lender or any Borrower or any of its Affiliates or Subsidiaries) (each, a “**Participant**”) in all or a portion of such Lender’s rights and/or obligations under this Agreement (including all or a portion of its Commitment and/or the Revolving Loans (including such Lender’s participations in L/C Obligations owing to it)); *provided* that (i) such Lender’s obligations under this Agreement shall remain unchanged, (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations and (iii) Parent, each Borrower, the Administrative Agent, the Lenders and the L/C Issuers shall continue to deal solely and directly with such Lender in connection with such Lender’s rights and obligations under this Agreement.

Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; *provided* that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, waiver or other modification described in the first proviso to Section 8.02 that affects such Participant. Subject to subsection (e) of this Section, Parent agrees that each Participant shall be entitled to the benefits of Sections 3.01, 3.04 and 3.05 to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to subsection (b) of this Section. To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 11.01 as though it were a Lender, *provided* that such Participant agrees to be subject to Section 2.20 as though it were a Lender.

Each Lender that sells a participation shall, acting solely for this purpose as a nonfiduciary agent of the applicable 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 Revolving Loans or other Obligations under the Loan Documents (the “**Participant Register**”); *provided* that no Lender shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any Participant or any information relating to a Participant’s interest in any Commitments, Revolving Loans, Letters of Credit or its other Obligations under any Loan Document) to any Person except to the extent that such disclosure is necessary to establish that such Commitment, Revolving Loan, Letter of Credit or other Obligation is in registered form under

Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error, 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. For the avoidance of doubt, the Administrative Agent (in its capacity as Administrative Agent) shall have no responsibility for maintaining a Participant Register.

(e) *Limitations upon Participant Rights* . A Participant shall not be entitled to receive any greater payment under Section 3.01, 3.04 or 3.05 than the applicable Lender would have been entitled to receive with respect to the participation sold to such Participant, unless the sale of the participation to such Participant is made with the applicable Borrower's prior written consent. A Participant shall not be entitled to the benefits of Section 3.05 unless such Participant agrees to comply with Section 3.05 as though it were a Lender (it being understood that the documentation required under Section 3.05(e) shall be delivered to the Lender who sells the participation).

(f) *Certain Pledges* . Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement (including under its Note, if any) to secure obligations of such Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank or other central banking authority having jurisdiction over such Lender; *provided* that no such pledge or assignment shall release such Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

(g) *Resignation as L/C Issuer after Assignment* . Notwithstanding anything to the contrary contained herein, if at any time any Lender that is also an L/C Issuer assigns all of its Commitment and Revolving Loans pursuant to subsection (b) above, such L/C Issuer may, upon thirty days' notice to Parent and the Lenders, resign as L/C Issuer. If such L/C Issuer resigns as L/C Issuer, it shall retain all the rights, powers, privileges and duties of the L/C Issuer hereunder with respect to all Letters of Credit outstanding as of the effective date of its resignation as L/C Issuer and all L/C Obligations with respect thereto (including the right to require the Lenders to make Floating Rate Loans or fund risk participations in Unreimbursed Amounts pursuant to Section 2.03(c)). Upon the appointment of a successor L/C Issuer, if any, for such L/C Issuer, (1) such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring L/C Issuer, and (2) the successor L/C Issuer shall issue letters of credit in substitution for the Letters of Credit, if any, outstanding at the time of such succession or make other arrangements satisfactory to the resigning L/C Issuer to effectively assume the obligations of the resigning L/C Issuer with respect to such Letters of Credit.

Section 12.02 . Dissemination of Information . Parent authorizes each of the Lenders and the L/C Issuer to disclose to any Participant or any other Person acquiring an interest in the Loan Documents by operation of law (each a “ **Transferee** ”) and any prospective Transferee any and all information in such Lender’s or the L/C Issuer’s, as applicable, possession concerning the creditworthiness of Parent and its Subsidiaries, including without limitation any information contained in any reports or other information delivered by Parent pursuant to Section 6.01; *provided* that each Transferee and prospective Transferee agrees to be bound by Section 9.10 of this Agreement or other provisions at least as restrictive as Section 9.10 including making the acknowledgments set forth therein.

Section 12.03 . Tax Treatment . If any interest in any Loan Document is transferred to any Transferee which is organized under the laws of any jurisdiction other than the United States or any State thereof, the transferor Lender shall cause such Transferee, concurrently with the effectiveness of such transfer, to comply with the provisions of Section 3.05(e).

ARTICLE 13

NOTICES

Section 13.01 . Notices; Effectiveness; Electronic Communication . (a) *Notices Generally* . Except in the case of notices and other communications expressly permitted to be given by telephone (and except as provided in subsection (b) below), all notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by telecopier as follows, and all notices and other communications expressly permitted hereunder to be given by telephone shall be made to the applicable telephone number, as follows:

- (i) if to Parent or any Borrower, the Administrative Agent or the L/C Issuer, to the address, telecopier number, electronic mail address or telephone number set forth on Schedule 13.01; and
- (ii) if to any other Lender, to the address, telecopier number, electronic mail address or telephone number specified in its administrative questionnaire.

Notices and other communications sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when received; notices and other communications sent by telecopier shall be deemed to have been given when sent (except that, if not given during normal business hours for the recipient, shall be deemed to have been given at the opening of business on the next Business Day for the recipient). Notices and other communications delivered through electronic communications to the extent provided in paragraph (b) below, shall be effective as provided in said paragraph (b).

(b) *Electronic Communications* . Notices and other communications to the Lenders and the L/C Issuers hereunder may be delivered or furnished by electronic communication (including e-mail and internet or intranet websites) pursuant to procedures approved by the Administrative Agent or as otherwise determined by the Administrative Agent, *provided* that the foregoing shall not apply to notices to any Lender or the L/C Issuer pursuant to Article 2 if such Lender or the L/C Issuer, as applicable, has notified the Administrative Agent that it is incapable of receiving notices under such Article by electronic communication. The Administrative Agent, Parent or any Borrower may, in its respective discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it or as it otherwise determines, *provided* that such determination or approval may be limited to particular notices or communications.

Unless the 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 given during the normal business hours of the recipient, such notice or communication shall be deemed to have been given 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.

(c) The Platform. THE PLATFORM IS PROVIDED "AS IS" AND "AS AVAILABLE." THE AGENT PARTIES (AS DEFINED BELOW) DO NOT WARRANT THE ACCURACY OR COMPLETENESS OF THE BORROWER MATERIALS OR THE ADEQUACY OF THE PLATFORM, AND EXPRESSLY DISCLAIM LIABILITY FOR ERRORS IN OR OMISSIONS FROM THE BORROWER MATERIALS. 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 ANY AGENT PARTY IN CONNECTION WITH THE BORROWER MATERIALS OR THE PLATFORM. In no event shall the Administrative Agent or any of its Related Parties (collectively, the "**Agent Parties**") have any liability to Parent, any Borrower, any Lender, the L/C Issuer or any other Person for losses,

claims, damages, liabilities or expenses of any kind (whether in tort, contract or otherwise) arising out of Parent's or the Administrative Agent's transmission of Borrower Materials through the Internet, except to the extent that such losses, claims, damages, liabilities or expenses are determined by a court of competent jurisdiction by a final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of such Agent Party; *provided, however*, that in no event shall any Agent Party have any liability to Parent, any Borrower, any Lender, the L/C Issuer or any other Person for indirect, special, incidental, consequential or punitive damages (as opposed to direct or actual damages).

(d) *Change of Address, Etc*. Each of Parent, any Borrower, the Administrative Agent and the L/C Issuer may change its address, telecopier or telephone number for notices and other communications hereunder by written notice to the other parties hereto. Each other Lender may change its address, telecopier or telephone number for notices and other communications hereunder by written notice to Parent, the Administrative Agent and the L/C Issuers. In addition, each Lender agrees to notify the Administrative Agent from time to time to ensure that the Administrative Agent has on record (i) an effective address, contact name, telephone number, telecopier number and electronic mail address to which notices and other communications may be sent and (ii) accurate wire instructions for such Lender. Furthermore, 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 Borrower Materials that are not made available through the "Public Side Information" portion of the Platform and that may contain material non-public information with respect to Parent or its securities for purposes of United States Federal or state securities laws.

(e) *Reliance by Administrative Agent, L/C Issuers and Lenders*. The Administrative Agent, the Lenders and the L/C Issuers shall be entitled to rely and act upon any notices (including telephonic Borrowing Notices) purportedly given by or on behalf of any Borrower so long as such notices appear on their face to be authentic even if (i) such notices were not made in a manner specified herein, were incomplete or were not preceded or followed by any other form of notice specified herein, or (ii) the terms thereof, as understood by the recipient, varied from any confirmation thereof. The Borrowers shall jointly and severally indemnify the Administrative Agent, each Lender, the L/C Issuer and the Related Parties of each of them from all losses, costs, expenses and liabilities resulting from the reliance by such Person on each notice purportedly given by or on behalf of any Borrower. All telephonic notices to and other telephonic communications with the Administrative Agent may be recorded by the Administrative Agent, and each of the parties hereto hereby consents to such recording.

ARTICLE 14

C O U N T E R P A R T S ; I N T E G R A T I O N ; E F F E C T I V E N E S S ; E L E C T R O N I C E X E C U T I O N

Section 14.01 . *Counterparts; Effectiveness* . This Agreement may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. Except as provided in Article 4, this Agreement shall become effective when it shall have been executed by the Administrative Agent and when the Administrative Agent shall have received counterparts hereof which, when taken together, bear the signatures of each of the parties hereto, and thereafter shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. Delivery of an executed counterpart of a signature page of this Agreement by telecopy or email shall be effective as delivery of a manually executed counterpart of this Agreement.

Section 14.02 . *Electronic Execution of Assignments* . The words “execution,” “signed,” “signature,” and words of like import in any Assignment and Assumption 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, or any other state laws based on the Uniform Electronic Transactions Act.

ARTICLE 15

C H O I C E O F L A W ; C O N S E N T T O J U R I S D I C T I O N ; W A I V E R O F J U R Y T R I A L

Section 15.01 . *Choice of Law* . THE LOAN DOCUMENTS AND OBLIGATIONS OF THE PARTIES THEREUNDER (INCLUDING, WITHOUT LIMITATION, ANY CLAIMS SOUNDING IN CONTRACT LAW OR TORT LAW ARISING OUT OF THE SUBJECT MATTER THEREOF AND ANY DETERMINATIONS WITH RESPECT TO POST-JUDGMENT INTEREST) SHALL BE GOVERNED BY AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, WITHOUT REGARD TO CONFLICTS OF LAW PRINCIPLES THEREOF THAT WOULD REQUIRE THE APPLICATION OF THE LAWS OF ANOTHER JURISDICTION.

Section 15.02 . *Consent to Jurisdiction* . EACH OF PARENT, THE BORROWERS, THE AGENTS, THE LENDERS AND THE L/C ISSUER HEREBY IRREVOCABLY SUBMITS TO JURISDICTION OF ANY FEDERAL COURT OF THE UNITED STATES OF AMERICA SITTING IN THE BOROUGH OF MANHATTAN OR, IF THAT COURT DOES NOT HAVE SUBJECT MATTER JURISDICTION, IN ANY STATE COURT LOCATED IN THE CITY AND COUNTY OF NEW YORK IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO ANY LOAN DOCUMENTS AND HEREBY IRREVOCABLY AGREES THAT ALL CLAIMS IN RESPECT OF SUCH ACTION OR PROCEEDING MAY BE HEARD AND DETERMINED IN ANY SUCH COURT AND IRREVOCABLY WAIVES ANY OBJECTION IT MAY NOW OR HEREAFTER HAVE AS TO THE VENUE OF ANY SUCH SUIT, ACTION OR PROCEEDING BROUGHT IN SUCH A COURT OR THAT SUCH COURT IS AN INCONVENIENT FORUM. NOTHING HEREIN SHALL LIMIT THE RIGHT OF THE AGENTS, ANY LENDER OR THE L/C ISSUER TO BRING PROCEEDINGS AGAINST PARENT AND/OR ANY BORROWER IN THE COURTS OF ANY OTHER JURISDICTION. ANY JUDICIAL PROCEEDING BROUGHT BY PARENT AND/OR ANY BORROWER, DIRECTLY OR INDIRECTLY, IN ANY WAY ARISING OUT OF, RELATED TO, OR CONNECTED WITH ANY LOAN DOCUMENT SHALL BE BROUGHT ONLY IN A COURT IN ANY FEDERAL COURT OF THE UNITED STATES OF AMERICA SITTING IN THE BOROUGH OF MANHATTAN OR, IF THAT COURT DOES NOT HAVE SUBJECT MATTER JURISDICTION, IN ANY STATE COURT LOCATED IN THE CITY AND COUNTY OF NEW YORK.

EACH OF PARENT, THE BORROWERS, THE AGENTS, THE LENDERS AND THE L/C ISSUER HEREBY AGREES FURTHER 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 PERSON AT ITS ADDRESS PROVIDED IN ACCORDANCE WITH SECTION 13.01 AND AGREES THAT SUCH SERVICE IS SUFFICIENT TO CONFER PERSONAL JURISDICTION OVER THE APPLICABLE PERSON IN ANY SUCH PROCEEDING IN ANY SUCH COURT, AND OTHERWISE CONSTITUTES EFFECTIVE AND BINDING SERVICE IN EVERY RESPECT. NOTHING HEREIN SHALL LIMIT THE RIGHT OF THE AGENTS, LENDERS OR L/C ISSUER TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY LAW.

Section 15.03 . *Waiver of Jury Trial* . EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN

DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

Section 15.04 . U.S. Patriot Act Notice . Each Lender that is subject to the U.S. Patriot Act and the Administrative Agent (for itself and not on behalf of any Lender) hereby notifies Parent and each Borrower that pursuant to the requirements of the U.S. Patriot Act, it is required to obtain, verify and record information that identifies Parent and each Borrower, which information includes the name and address of Parent and each Borrower and other information that will allow such Lender or the Administrative Agent, as applicable, to identify Parent and each Borrower in accordance with the U.S. Patriot Act. Parent and each Borrower shall, promptly following a request by the Administrative Agent or any Lender, provide all documentation and other information that the Administrative Agent or such Lender requests in order to comply with its ongoing obligations under applicable “know your customer” and anti-money laundering rules and regulations, including the U.S. Patriot Act.

Section 15.05 . No Advisory or Fiduciary Responsibility . In connection with all aspects of each transaction contemplated hereby (including in connection with any amendment, waiver or other modification hereof or of any other Loan Document), Parent and each Borrower acknowledges and agrees, and acknowledges its Affiliates’ understanding, that: (i) (A) the arranging and other services regarding this Agreement provided by the Administrative Agent, the Arranger and the Lenders are arm’s-length commercial transactions between Parent and its Affiliates, on the one hand, and the Administrative Agent, the Arranger and the Lenders, on the other hand, (B) each of Parent and the Borrowers has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate, and (C) each of Parent and the Borrowers is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated hereby and by the other Loan Documents; (ii) (A) each of the Administrative Agent, the Arranger and the Lenders is and has been acting solely as a principal and, except as expressly agreed in writing by the relevant parties, has not been, is not, and will not be acting as an advisor, agent or fiduciary for Parent or any of its Affiliates, or any other Person and (B) neither the Administrative Agent nor the Arranger nor any of the Lenders has any obligation to Parent or any

of its Affiliates with respect to the transactions contemplated hereby except those obligations expressly set forth herein and in the other Loan Documents; and (iii) the Administrative Agent, the Arranger, the Lenders and their respective Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of Parent and its Affiliates, and neither the Administrative Agent nor the Arranger nor any of the Lenders has any obligation to disclose any of such interests to Parent or its Affiliates. To the fullest extent permitted by law, Parent and each Borrower hereby waives and releases any claims that it may have against the Administrative Agent, the Arranger and the Lenders with respect to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of any transaction contemplated hereby.

Section 15.06 . Judgment Currency . If, for the purposes of obtaining judgment in any court, it is necessary to convert a sum due hereunder or any other Loan Document in one currency into another currency, the rate of exchange used shall be that at which in accordance with normal banking procedures the Administrative Agent could purchase the first currency with such other currency on the Business Day preceding that on which final judgment is given. The obligation of each Borrower in respect of any such sum due from it to the Administrative Agent or any Lender hereunder or under the other Loan Documents shall, notwithstanding any judgment in a currency (the “**Judgment Currency**”) other than that in which such sum is denominated in accordance with the applicable provisions of this Agreement (the “**Agreement Currency**”), be discharged only to the extent that on the Business Day following receipt by the Administrative Agent or such Lender, as the case may be, of any sum adjudged to be so due in the Judgment Currency, the Administrative Agent or such Lender, as the case may be, may in accordance with normal banking procedures purchase the Agreement Currency with the Judgment Currency. If the amount of the Agreement Currency so purchased is less than the sum originally due to the Administrative Agent or any Lender from any applicable Borrower in the Agreement Currency, such applicable Borrower agrees, as a separate obligation and notwithstanding any such judgment, to indemnify the Administrative Agent or such Lender, as the case may be, against such loss. If the amount of the Agreement Currency so purchased is greater than the sum originally due to the Administrative Agent or any Lender in such currency, the Administrative Agent or such Lender, as the case may be, agrees to return the amount of any excess to such applicable Borrower (or to any other Person who may be entitled thereto under applicable law).

ARTICLE 16

P A R E N T G U A R A N T Y

Section 16.01 . Parent Guaranty . Parent hereby guarantees (the undertaking of Parent contained in this Article 16 being the “**Parent Guarantee**”) the punctual payment when due, whether at stated maturity, by acceleration or otherwise,

of all Obligations of Walgreens and each Designated Borrower now or hereafter existing under this Agreement, whether for principal, interest, fees, expenses or otherwise, which Obligations shall include such indebtedness, obligations, and liabilities which may be or hereafter become unenforceable or shall be an allowed or disallowed claim under any proceeding or case commenced by or against Parent, Walgreens or any Designated Borrower under any Debtor Relief Laws, and shall include interest that accrues after the commencement of any proceeding under any Debtor Relief Laws (such obligations, collectively, being the “ **Subsidiary Borrower Obligations** ”), and any and all expenses (including counsel fees and expenses) incurred by the Administrative Agent or the Lenders in enforcing any rights under the Parent Guarantee. The Parent Guarantee is a guaranty of payment and not of collection. Parent agrees that, as between Parent and the Administrative Agent, the Subsidiary Borrower Obligations may be declared to be due and payable for purposes of the Parent Guarantee notwithstanding any stay, injunction or other prohibition which may prevent, delay or vitiate any declaration as regards Walgreens or any Designated Borrower and that in the event of a declaration or attempted declaration, the Subsidiary Borrower Obligations shall immediately become due and payable by Parent for purposes of the Parent Guarantee.

Section 16.02 . Guaranty Absolute . Parent guarantees that the Subsidiary Borrower Obligations will be paid strictly in accordance with the terms of this Agreement, regardless of any law, regulation or order now or hereafter in effect in any jurisdiction affecting any of such terms or the rights of the Administrative Agent or the Lenders with respect thereto. The liability of Parent under the Parent Guarantee shall be absolute and unconditional irrespective of:

(a) any lack of validity, enforceability or genuineness of any provision of this Agreement, any Subsidiary Borrower Obligations or any other agreement or instrument relating thereto;

(b) any change in the time, manner or place of payment of, or in any other term of, all or any of the Subsidiary Borrower Obligations, or any other amendment or waiver of or any consent to departure from this Agreement;

(c) any exchange, release or non-perfection of any collateral, or any release or amendment or waiver of or consent to departure from any other guaranty, for all or any of the Subsidiary Borrower Obligations;

(d) any law or regulation of any jurisdiction or any other event affecting any term of a Subsidiary Borrower Obligation; or

(e) any other circumstance which might otherwise constitute a defense available to, or a discharge of, Parent or any other Borrower.

The Parent Guarantee shall continue to be effective or be reinstated, as the case may be, if at any time any payment of any of the Subsidiary Borrower Obligations is rescinded or must otherwise be returned by the Administrative Agent or any Lender upon the insolvency, bankruptcy or reorganization of Walgreens or a Designated Borrower or otherwise, all as though such payment had not been made.

Section 16.03 . Waivers .

(a) Parent hereby waives promptness, diligence, notice of acceptance and any other notice with respect to any of the Subsidiary Borrower Obligations and the Parent Guarantee and any requirement that the Administrative Agent or any Lender protect, secure, perfect or insure any security interest or lien or any property subject thereto or exhaust any right or take any action against Walgreens or a Designated Borrower or any other Person or any collateral.

(b) Parent hereby irrevocably waives any claims or other rights that it may now or hereafter acquire against Walgreens or any Designated Borrower that arise from the existence, payment, performance or enforcement of the obligations of Parent under the Parent Guarantee, including, without limitation, any right of subrogation, reimbursement, exoneration, contribution or indemnification and any right to participate in any claim or remedy of the Administrative Agent or any Lender against Walgreens or such Designated Borrower or any collateral, whether or not such claim, remedy or right arises in equity or under contract, statute or common law, including, without limitation, the right to take or receive from Walgreens or such Designated Borrower, directly or indirectly, in cash or other property or by set-off or in any other manner, payment or security on account of such claim, remedy or right. If any amount shall be paid to Parent in violation of the preceding sentence at any time prior to the later of the payment in full of the Subsidiary Borrower Obligations and all other amounts payable under the Parent Guarantee and the Facility Termination Date, such amount shall be held in trust for the benefit of the Administrative Agent and the Lenders and shall forthwith be paid to the Administrative Agent to be credited and applied to the Subsidiary Borrower Obligations and all other amounts payable under the Parent Guarantee, whether matured or unmatured, in accordance with the terms of this Agreement and the Parent Guarantee, or to be held as collateral for any Subsidiary Borrower Obligations or other amounts payable under the Parent Guarantee thereafter arising. Parent acknowledges that it will receive direct and indirect benefits from the financing arrangements contemplated by this Agreement and the Parent Guarantee and that the waiver set forth in this Section 16.03(b) is knowingly made in contemplation of such benefits.

Section 16.04 . Continuing Guaranty . The Parent Guaranty is a continuing guaranty and shall (i) remain in full force and effect until payment in full of the Subsidiary Borrower Obligations (including any and all Subsidiary Borrower

Obligations which remain outstanding after the Facility Termination Date) and all other amounts payable under the Parent Guarantee, (ii) be binding upon each of Parent and its successors and assigns, and (iii) inure to the benefit of and be enforceable by the Lenders, the Administrative Agent and their respective successors, transferees and assigns. Notwithstanding the foregoing, if the Holdco Reorganization is consummated on or prior to the Alliance Boots Acquisition Closing Date, the obligations of Walgreens under the Parent Guarantee will automatically and unconditionally be released and discharged.

ARTICLE 17
W ALGREENS G UARANTY

Section 17.01 . *Walgreens Guaranty* . Walgreens hereby guarantees (the undertaking of Walgreens contained in this Article 17 being the “**Walgreens Guarantee**”) the punctual payment when due, whether at stated maturity, by acceleration or otherwise, of all Obligations of Walgreens Boots Alliance now or hereafter existing under this Agreement (including, for the avoidance of doubt, under Article 16), whether for principal, interest, fees, expenses or otherwise, which Obligations shall include such indebtedness, obligations, and liabilities which may be or hereafter become unenforceable or shall be an allowed or disallowed claim under any proceeding or case commenced by or against Walgreens or Walgreens Boots Alliance under any Debtor Relief Laws, and shall include interest that accrues after the commencement of any proceeding under any Debtor Relief Laws (such obligations, collectively, being the “**WBA Obligations**”), and any and all expenses (including counsel fees and expenses) incurred by the Administrative Agent or the Lenders in enforcing any rights under the Walgreens Guarantee. The Walgreens Guarantee is a guaranty of payment and not of collection. Walgreens agrees that, as between Walgreens and the Administrative Agent, the WBA Obligations may be declared to be due and payable for purposes of the Walgreens Guarantee notwithstanding any stay, injunction or other prohibition which may prevent, delay or vitiate any declaration as regards Walgreens Boots Alliance and that in the event of a declaration or attempted declaration, the WBA Obligations shall immediately become due and payable by Walgreens for purposes of the Walgreens Guarantee.

Section 17.02 . *Guaranty Absolute* . Walgreens guarantees that the WBA Obligations will be paid strictly in accordance with the terms of this Agreement, regardless of any law, regulation or order now or hereafter in effect in any jurisdiction affecting any of such terms or the rights of the Administrative Agent or the Lenders with respect thereto. The liability of Walgreens under the Walgreens Guarantee shall be absolute and unconditional irrespective of:

(a) any lack of validity, enforceability or genuineness of any provision of this Agreement, any WBA Obligations or any other agreement or instrument relating thereto;

(b) any change in the time, manner or place of payment of, or in any other term of, all or any of the WBA Obligations, or any other amendment or waiver of or any consent to departure from this Agreement;

(c) any exchange, release or non-perfection of any collateral, or any release or amendment or waiver of or consent to departure from any other guaranty, for all or any of the WBA Obligations;

(d) any law or regulation of any jurisdiction or any other event affecting any term of a WBA Obligation; or

(e) any other circumstance which might otherwise constitute a defense available to, or a discharge of, Walgreens or Walgreens Boots Alliance.

The Walgreens Guarantee shall continue to be effective or be reinstated, as the case may be, if at any time any payment of any of the WBA Obligations is rescinded or must otherwise be returned by the Administrative Agent or any Lender upon the insolvency, bankruptcy or reorganization of a Designated Borrower or otherwise, all as though such payment had not been made.

Section 17.03 . Waivers .

(a) Walgreens hereby waives promptness, diligence, notice of acceptance and any other notice with respect to any of the WBA Obligations and the Walgreens Guarantee and any requirement that the Administrative Agent or any Lender protect, secure, perfect or insure any security interest or lien or any property subject thereto or exhaust any right or take any action against Walgreens Boots Alliance or any other Person or any collateral.

(b) Walgreens hereby irrevocably waives any claims or other rights that it may now or hereafter acquire against Walgreens Boots Alliance that arise from the existence, payment, performance or enforcement of the obligations of Walgreens under the Walgreens Guarantee, including, without limitation, any right of subrogation, reimbursement, exoneration, contribution or indemnification and any right to participate in any claim or remedy of the Administrative Agent or any Lender against Walgreens Boots Alliance or any collateral, whether or not such claim, remedy or right arises in equity or under contract, statute or common law, including, without limitation, the right to take or receive from Walgreens Boots Alliance, directly or indirectly, in cash or other property or by set-off or in any other manner, payment or security on account of such claim, remedy or right. If any amount shall be paid to Walgreens in violation of the preceding sentence at

any time prior to the later of the payment in full of the WBA Obligations and all other amounts payable under the Walgreens Guarantee and the Facility Termination Date, such amount shall be held in trust for the benefit of the Administrative Agent and the Lenders and shall forthwith be paid to the Administrative Agent to be credited and applied to the WBA Obligations and all other amounts payable under the Walgreens Guarantee, whether matured or unmatured, in accordance with the terms of this Agreement and the Walgreens Guarantee, or to be held as collateral for any WBA Obligations or other amounts payable under the Walgreens Guarantee thereafter arising. Walgreens acknowledges that it will receive direct and indirect benefits from the financing arrangements contemplated by this Agreement and the Walgreens Guarantee and that the waiver set forth in this Section 17.03(b) is knowingly made in contemplation of such benefits.

Section 17.04 . Termination . The Walgreens Guarantee will automatically terminate, and the obligations of Walgreens under the Walgreens Guarantee will be unconditionally released and discharged, if (a) the Holdco Reorganization is not consummated on or prior to the Alliance Boots Acquisition Closing Date or (b)(i) the aggregate outstanding principal amount of Capital Markets Indebtedness, including the Existing Notes and Commercial Bank Indebtedness, in each case, of Walgreens is less than \$2,000,000,000 and (ii) Walgreens does not guarantee any Capital Markets Indebtedness or Commercial Bank Indebtedness, in each case, of Walgreens Boots Alliance. Once released in accordance with its terms, the Walgreens Guarantee will not subsequently be required to be reinstated for any reason.

Section 17.05 . Continuing Guaranty . Subject to Section 17.04, the Walgreens Guaranty is a continuing guaranty and shall (i) remain in full force and effect until payment in full of the WBA Obligations (including any and all WBA Obligations which remain outstanding after the Facility Termination Date) and all other amounts payable under the Walgreens Guarantee, (ii) be binding upon each of Walgreens and its successors and assigns, and (iii) inure to the benefit of and be enforceable by the Lenders, the Administrative Agent and their respective successors, transferees and assigns.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above.

WALGREEN CO.

/s/ Jason Dubinsky

Name: Jason Dubinsky

Title: Treasurer

WALGREENS BOOTS ALLIANCE, INC.

Name: Timothy R. McLevish

Title: Treasurer

[*Signature Page to Revolving Credit Agreement*]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above.

WALGREEN CO.

Name: Jason Dubinsky
Title: Treasurer

WALGREENS BOOTS ALLIANCE, INC.

/s/ Timothy R. McLevish
Name: Timothy R. McLevish
Title: Treasurer

[*Signature Page to Revolving Credit Agreement*]

BANK OF AMERICA, N.A. , as Administrative Agent,
Lender and an L/C Issuer

By: /s/ J. Casey Cosgrove

Name: J. Casey Cosgrove

Title: Director

[*Signature Page to Revolving Credit Agreement*]

HSBC Bank USA, N.A. , as a Lender and an L/C Issuer

By: /s/ Thomas A. Foley

Name: Thomas A Foley

Title: Managing Director

[*Signature Page to Revolving Credit Agreement*]

Deutsche Bank Luxembourg S.A. ,
as a Lender and an L/C Issuer

By: /s/ BELHOSTE

Name: BELHOSTE

Title:

/s/ A. BREYER-SIMSKI

A. BREYER-SIMSKI

[*Signature Page to Revolving Credit Agreement*]

GOLDMAN SACHS BANK USA,
as a Lender and an L/C Issuer

By: /s/ Rebecca Kratz
Name: Rebecca Kratz
Title: Authorized Signatory

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JPMORGAN CHASE BANK, N.A. ,
as a Lender

By: /s/ Brendan Korb
Name: Brendan Korb
Title: Vice President

[*Signature Page to Revolving Credit Agreement*]

MORGAN STANLEY BANK, N.A. , as a Lender and
an L/C Issuer

By: /s/ Sherrese Clarke
Name: Sherrese Clarke
Title: Authorized Signatory

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Wells Fargo Bank, N.A., as a Lender and an L/C Issuer

By: /s/ Peter R. Martinets

Name: Peter R. Martinets

Title: Managing Director

[*Signature Page to Revolving Credit Agreement*]

The Bank of Tokyo-Mitsubishi, UFJ, LTD.
as a Lender

By: /s/ Mark Maloney
Name: Mark Maloney
Title: Authorized Signatory

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The Royal Bank of Scotland plc , as a Lender

By: /s/ M.A. COLLINS

Name: M.A. COLLINS

Title: EXECUTIVE DIRECTOR

[*Signature Page to Revolving Credit Agreement*]

SOCIETE GENERALE , as a Lender

By: /s/ Yao Wang

Name: Yao Wang

Title: Director

[*Signature Page to Revolving Credit Agreement*]

UniCredit Bank AG, New York Branch ,
as a Lender

By: /s/ Filippo Pappalardo

Name: Filippo Pappalardo

Title: Managing Director

By: /s/ Elaine Tung

Name: Elaine Tung

Title: Director

[*Signature Page to Revolving Credit Agreement*]

US BANK NATIONAL ASSOCIATION , as a Lender

By: /s/ Frances W. Josephic

Name: Frances W. Josephic

Title: Vice President

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Fifth Third Bank , as a Lender

By: /s/ Daniel J. Clarke, Jr.

Name: Daniel J. Clarke, Jr.

Title: Managing Director

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Intesa Sanpaolo S.p.A., New York Branch , as a
Lender

By: /s/ William S. Denton
Name: William S. Denton
Title: Global Relationship Manager

By: /s/ Glen Binder
Name: Glen Binder
Title: Senior Relationship Manager

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Lloyds Bank plc , as a Lender

By: /s/ Stephen Giacolone

Name: Stephen Giacolone

Title: Assistant Vice President – G011

By: /s/ Daven Popat

Name: Daven Popat

Title: Senior Vice President – P003

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Mizuho Bank, Ltd. , as a Lender

By: /s/ David Lim

Name: David Lim

Title: Authorized Signatory

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Sumitomo Mitsui Banking Corporation, as a Lender

By: /s/ David W. Kee

Name: David W. Kee

Title: Managing Director

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Bank of China, Chicago Branch , as a Lender

By: /s/ Kun Xiang

Name: Kun Xiang

Title: SVP & Deputy Branch Manager

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BRANCH BANKING AND TRUST COMPANY, as a
Lender

By: /s/ John Malloy

Name: John Malloy

Title: Senior Vice President

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THE NORTHERN TRUST COMPANY, as a Lender

By: /s/ Peter J. Hallan

Name: Peter J. Hallan

Title: Vice President

[*Signature Page to Revolving Credit Agreement*]

SANTANDER BANK, NA.A as a Lender

By: /s/ PEDRO BELL ASTORZA

Name: PEDRO BELL ASTORZA

Title: Senior Banker – Corp. Banking

[*Signature Page to Revolving Credit Agreement*]

SunTrust Bank , as a Lender

By: /s/ Richard C. Wilson

Name: Richard C. Wilson

Title: Managing Director

[*Signature Page to Revolving Credit Agreement*]

**PRICING SCHEDULE
TO REVOLVING CREDIT AGREEMENT**

Index Debt Rating (Moody's or S&P)	Commitment Fee	Applicable Margin for	
		Eurocurrency Loans and Applicable Letter of Credit Fee Rate	Applicable Margin for Floating Rate Loans
Rating Category 1: \geq A- / A3	0.080%	0.875%	0.000%
Rating Category 2: BBB+ / Baa1	0.100%	1.000%	0.000%
Rating Category 3: BBB / Baa2	0.125%	1.125%	0.125%
Rating Category 4: BBB- / Baa3	0.175%	1.375%	0.375%
Rating Category 5: \leq BB+ / Ba1	0.225%	1.625%	0.625%

For purposes of the foregoing, “**Index Debt**” means senior, unsecured, long-term Indebtedness for Borrowed Money of Parent that is not guaranteed by any other person or subject to any other credit enhancement (other than, if applicable, the Walgreens Guarantee). If (i) either Moody's or S&P shall not have in effect a rating for the Index Debt (other than by reason of the circumstances referred to in the last sentence of this paragraph), then such rating agency shall be deemed to have established a rating in Rating Category 5; (ii) the ratings established or deemed to have been established by Moody's and S&P for the Index Debt shall fall within different Rating Categories, the Applicable Margin shall be based on the higher of the two ratings, and (iii) the ratings established or deemed to have been established by Moody's and S&P for the Index Debt shall be changed (other than as a result of a change in the rating system of Moody's or S&P), such change shall be effective as of the date on which it is first announced by the applicable rating agency. Each change in the Applicable Margin shall apply during the period commencing on the effective date of such change and ending on the date immediately preceding the effective date of the next such change. If the rating system of Moody's or S&P shall change, or if either such rating agency shall cease to be in the business of rating corporate debt obligations, Parent and the Revolving Lenders shall negotiate in good faith to amend this definition to reflect such changed rating system or the unavailability of ratings from such rating agency and, pending the effectiveness of any such amendment, the Applicable Margin shall be determined by reference to the rating most recently in effect prior to such change or cessation.

**COMMITMENT SCHEDULE
TO REVOLVING CREDIT AGREEMENT**

[ON FILE WITH ADMINISTRATIVE AGENT]

Schedule 13.01

CERTAIN ADDRESSES FOR NOTICES

1. Address of each Borrower:

Attention: Dan Morrell
108 Wilmot Road
Deerfield, IL 60015
Phone: 847-315-2278
Fax: 847-315-3993
dan.morrell@walgreens.com

With a copy to:

Attention: Joseph Greenberg
104 Wilmot Road
Deerfield, IL 60015
Phone: 847-315-8204
Fax: 847-315-4464
joseph.greenberg@walgreens.com

2. Address for the Administrative Agent:

DAILY OPERATIONS CONTACT:

David Cochran
Phone: 980-386-8201
Fax: 704-719-5440
David.A.Cochran@BAML.com

LOAN CLOSER CONTACT:

Tammy Reed
Phone: 980-388-1108
Tammy.Reed@BAML.com

MAILING ADDRESS

Bank of America
Mail Code: NC1-001-05-46
One Independence Center
101 N. Tryon St.
Charlotte, NC, 28255-000

3. Wiring Instructions for the Administrative Agent

USD PAYMENT INSTRUCTIONS :

Bank of America
New York NY
ABA 026009593
Acct # 1366212250600
Acct Name: Corporate Credit Services
Ref: WALGREEN CO.

EUR PAYMENT INSTRUCTIONS :

Bank of America London
SWIFT BOFAGB22
ACCOUNT NUMBER 96272019
IBAN GB63BOFA16505096272019
ATTN GRAND CAYMAN UNIT #1207
REF: WALGREEN CO.

GBP PAYMENT INSTRUCTIONS :

Bank of America London
SWIFT BOFAGB22
ACCOUNT NUMBER 96272027
IBAN GB41BOFA16505096272027
ATTN GRAND CAYMAN UNIT #1207
REF: WALGREEN CO.

SWISS FRANC PAYMENT INSTRUCTIONS :

Bank of America London Re Switzerland
SWIFT BOFAGB3SSWI
ACCOUNT NUMBER CH9308726000091207013
ATTN: GRAND CAYMAN UNIT #1207
REF: WALGREEN CO.

YEN PAYMENT INSTRUCTIONS :

Bank of America Tokyo
SWIFT BOFAJPJX
ACCOUNT NUMBER 96272011
ATTN: GRAND CAYMAN UNIT #1207
REF: WALGREEN CO.