Section 1: 8-K (8-K)

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

Form 8-K

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

Date of Report (Date of earliest event reported): December 19, 2018

ALTRIA GROUP, INC.
(Exact Name of Registrant as Specified in its Charter)

Virginia	1-08940	13-3260245
(State or other jurisdiction of incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

6601 West Broad Street
Richmond, Virginia 23230
(Address of principal executive offices)

(804) 274-2200
(Registrant's telephone number, including area code)

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))

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

Emerging growth company ☐

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

Item 1.01. Entry into a Material Definitive Agreement.

Investment in JUUL

Purchase Agreement

On December 20, 2018, Altria Group, Inc. ("Altria") entered into a Stock Purchase Agreement (the "Purchase Agreement") with JUUL Labs, Inc. ("JUUL"), pursuant to which Altria, through its wholly owned subsidiary, Altria Enterprises LLC ("Altria Sub"), purchased for an aggregate price of $12.8 billion shares of JUUL's non-voting Class C-1 Common Stock, which will convert automatically to shares of voting Class C Common Stock upon antitrust clearance (collectively, the "Acquired Shares"), and a security convertible (the "True-Up Security") into additional shares of Class C-1 Common Stock or Class C Common Stock, as applicable, for no additional payment upon settlement or exercise of certain JUUL convertible securities (the "Transaction"). Closing of the Transaction (the "Closing") occurred simultaneously with the parties' entry into the Purchase Agreement and related transaction documents. As a result of the Transaction, Altria beneficially owns 35% of the issued and outstanding capital stock of JUUL, or approximately 33.2% on a fully diluted basis. Substantially all of the consideration paid by Altria to JUUL is being distributed to existing JUUL employees and equity holders, and JUUL has agreed to retain a net cash balance of no less than $950 million following such distribution and payment of certain costs and expenses related to the Transaction.

Upon antitrust clearance and the resulting conversion of Altria's non-voting Class C-1 Common Stock to voting Class C Common Stock, Altria will possess 35% of JUUL's outstanding voting power, unless Altria's percentage ownership has decreased (in which case Altria will possess such decreased percentage of voting power). The Purchase Agreement requires the parties to use their respective reasonable best efforts to obtain all necessary regulatory approvals, including under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, to enable the conversion of Altria's non-voting shares of Class C-1 Common Stock into voting shares of Class C Common Stock. Altria has obtained representations and warranties insurance on customary terms and subject to policy limits providing coverage in the event that certain losses arise as a result of inaccuracies of JUUL's representations and warranties contained in the Purchase Agreement. The premium and deductible of the insurance policy are shared equally by Altria and JUUL.

The Purchase Agreement has been attached as an exhibit to this Current Report on Form 8-K to provide investors with information regarding its terms. It is not intended to provide any other factual information about Altria or JUUL or to modify or supplement any factual disclosures about Altria in its public reports filed with the U.S. Securities and Exchange Commission (the "SEC"). The Purchase Agreement includes representations, warranties and covenants of Altria and JUUL made solely for the purposes of the Purchase Agreement and that may be subject to important qualifications and limitations agreed to by Altria and JUUL in connection with the negotiated terms of the Purchase Agreement. Moreover, some of those representations and warranties may not be accurate or complete as of any specified date, may be subject to a contractual standard of materiality different from those generally applicable to Altria's SEC filings or may have been used for purposes of allocating risk among Altria and JUUL rather than establishing matters as facts.

The description above is only a summary, and is subject to and qualified in its entirety by reference to the Purchase Agreement, a copy of which is attached as Exhibit 2.1 and is incorporated by reference in this Current Report on Form 8-K.

Relationship Agreement

In connection with the Transaction, Altria, Altria Sub and JUUL have entered into a relationship agreement (the "Relationship Agreement") setting forth certain ongoing rights and obligations of the parties. Many of Altria's rights and obligations under the Relationship Agreement are dependent upon its beneficial ownership percentage of JUUL's outstanding capital stock, calculated subject to certain adjustments and caps set forth in the Relationship Agreement. This ownership percentage, as calculated pursuant to the terms of the Relationship Agreement, is referred to in the Relationship Agreement as the "Applicable Percentage." The initial Applicable Percentage is 35%; it is deemed never to increase (even if Altria's actual percentage ownership of JUUL exceeds

35%), and can only be decreased to the extent Altria fails to exercise its preemptive rights described below or transfers JUUL shares. So long as the Applicable Percentage is at least 25%, the Relationship Agreement provides Altria with preemptive rights to maintain its percentage ownership of JUUL to the extent JUUL issues additional capital securities to third parties, which issuances are not subject to the True-Up Security. Conversely, JUUL is entitled to redeem JUUL shares held by Altria in connection with certain tender offers by JUUL and on a quarterly basis, in each case, if and to the extent Altria then owns more than the Applicable Percentage (e.g., because of stock repurchases or employee stock forfeitures). Regardless of Altria's ownership percentage, Altria's voting power in JUUL is not permitted to exceed the Applicable Percentage.

So long as the Applicable Percentage is at least 30%, the Relationship Agreement provides Altria with certain consent rights, including as to transactions that would result in the sale of control of JUUL or of substantially all of its international operations, or the ownership by a competitor of Altria of more than 4.9% of JUUL's voting power or equity, in each case, other than in connection with a sale process meeting specified criteria. In particular, no sale of JUUL, its international operations or more than 4.9% of its voting power or equity to a competitor of Altria may occur unless Altria has elected to participate in the sale process, and no such sale to any third party may occur unless Altria has been provided with an opportunity to participate in the sale process and has not been intentionally or materially disadvantaged in connection therewith. The Relationship Agreement further provides that, so long as the Applicable Percentage is at least 30%, in any JUUL sale transaction, Altria must be provided with the ability, if it so desires, to retain its equity interest and other rights with respect to JUUL. So long as the Applicable Percentage is at least 20%, Altria also has consent rights as to certain stock issuances that would adversely affect Altria's rights. In addition, so long as the Applicable Percentage is at least 10%, the Relationship Agreement affords Altria with certain information rights.

Altria has agreed in the Relationship Agreement to certain standstill obligations generally restricting it and its affiliates from acquiring additional securities of JUUL beyond the Applicable Percentage or making takeover proposals other than pursuant to procedures specified in the Relationship Agreement. In particular, Altria is generally prohibited from making a takeover offer for four years from the Closing, and any such takeover offer must be conditioned on approval by both a majority of the JUUL board of directors (other than any Altria designees) and a majority of the JUUL stockholders unaffiliated with Altria.

The Relationship Agreement generally prohibits Altria from competing, or otherwise acquiring an interest in an entity competing, in the e-vapor business for a period of at least six years from Closing, extendable thereafter unless terminated by Altria. If another person were to acquire 40% or more of Altria's voting power, or 30% of Altria's voting power combined with contractual control of a majority of Altria's board of directors, that person would also be subject to certain non-compete obligations set forth in the Relationship Agreement.

The Relationship Agreement generally restricts Altria from transferring its JUUL shares for a period of six years from the Closing, after which Altria may transfer up to one sixth of its JUUL shares per calendar quarter (in addition to any securities not transferred in a previous quarter in which Altria had the right to make a transfer), subject to JUUL's right of first offer other than in the case of a broadly distributed offering.

The description above is only a summary, and is subject to and qualified in its entirety by reference to the Relationship Agreement, a copy of which is attached as Exhibit 2.2 and is incorporated by reference in this Current Report on Form 8-K.

Other agreements between Altria and JUUL

Altria and JUUL have also entered into a services agreement pursuant to which Altria has agreed to provide JUUL with certain commercial services on a cost plus 3% basis for an initial term of six years. Among other things, Altria will provide services to JUUL with respect to logistics and distribution, access to retail shelf space, youth vaping prevention, cigarette pack inserts and onserts, regulatory matters and government affairs. Altria has also agreed to grant JUUL a non-exclusive, royalty-free perpetual, irrevocable, sublicensable license to Altria's non-trademark licensable intellectual property rights in the e-vapor field, subject to the terms and conditions set forth in an intellectual property license agreement between the parties.

Agreements between Altria, Altria Sub, JUUL and certain other JUUL stockholders

In connection with the Transaction, Altria, Altria Sub, JUUL and certain other stockholders of JUUL have entered into a voting agreement, an investors' rights agreement and a right of first refusal and co-sale agreement.

The voting agreement, among other things, entitles Altria to immediately designate one board observer to the JUUL board of directors, as long as the Applicable Percentage is at least 30%, and, once antitrust clearance has been obtained, to designate one-third of the members of the JUUL board of directors, subject to proportionate downward adjustment in the event the Applicable Percentage decreases (with Altria no longer having any right to board representation if the Applicable Percentage is below 10%). The voting agreement provides a "drag-along" right requiring the parties to participate in certain sale of control transactions, subject to Altria's applicable consent rights contained in the Relationship Agreement and certain other exceptions. The voting agreement also sets forth board designation and observer rights of certain other significant JUUL stockholders, obligations of Altria and other significant JUUL stockholders to vote in favor of each other's board designees and related matters.

The investors' rights agreement provides, among other things, for registration rights of Altria and the other JUUL stockholders party thereto, which would facilitate sales of the parties' shares in the public market following an initial public offering of JUUL.

The right of first refusal and co-sale agreement provides for certain "tag-along" rights affording the stockholder parties thereto (including Altria and Altria Sub) the ability to participate as sellers in connection with certain change of control transactions, and for certain rights of first refusal of the stockholder parties thereto (other than Altria) with respect to sales of JUUL securities to third parties.

Term Loan

On December 20, 2018 (the "Effective Date"), Altria entered into a term loan agreement (the "Term Loan Agreement"), with JPMorgan Chase Bank, N.A. ("JPMCB"), as administrative agent and initial lender. Altria entered into the Term Loan Agreement in connection with the Transaction and Altria's previously announced investment in Cronos Group Inc. ("Cronos"), which was disclosed in Altria's Current Report on Form 8-K filed on December 7, 2018 (the "Cronos Form 8-K"). As a result of entering into the Term Loan Agreement, Altria terminated its commitments under the Bridge Loan Commitment Letter, dated December 7, 2018, between Altria and JPMCB, which was disclosed in the Cronos Form 8-K.

The Term Loan Agreement provides for borrowings up to an aggregate principal amount of $14.6 billion and is comprised of (i) a $12.8 billion tranche intended to finance the Transaction and (ii) a $1.8 billion tranche intended to finance Altria's investment in Cronos. In connection with the signing of the Purchase Agreement and the Term Loan Agreement, Altria borrowed $12.8 billion under the applicable tranche of the Term Loan Agreement to finance the Transaction.

Borrowings under the Term Loan Agreement mature on December 19, 2019, which is 364 days after the Effective Date, and interest rates on borrowings under the Term Loan Agreement will be based on prevailing interest rates as described in the Term Loan Agreement and, in part, upon Altria's senior unsecured long-term debt rating. The Term Loan Agreement requires that commitments thereunder be reduced or any borrowing thereunder be prepaid by an amount equal to (i) 100% of the net proceeds of any specified capital markets financing transaction or asset sale outside of Altria's ordinary course of business or (ii) the aggregate amount of any borrowing under a debt facility (in each case, subject to certain exceptions and thresholds as described in the Term Loan Agreement). The Term Loan Agreement contains certain covenants, including a requirement that Altria maintain a ratio of consolidated earnings before interest, taxes, depreciation and amortization to consolidated interest expense of not less than 4.0 to 1.0.

Altria's obligations under the Term Loan Agreement are guaranteed by Philip Morris USA Inc., a wholly-owned subsidiary of Altria ("PM USA"). PM USA's guarantee is evidenced by a guarantee agreement (the "Guarantee Agreement") made by PM USA in favor of the lenders party to the Term Loan Agreement.

JPMCB and its affiliates have various relationships with Altria and its subsidiaries involving the provision of financial services.

The description above is only a summary, and is subject to and qualified in its entirety by reference to the Term Loan Agreement and the Guarantee Agreement, copies of which are attached as Exhibits 10.1 and 10.2, respectively, and are incorporated by reference in this Current Report on Form 8-K.

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

The information set forth above under "Item 1.01. Entry into a Material Definitive Agreement—Term Loan" is incorporated by reference in Item 2.03 of this Current Report on Form 8-K.

Item 7.01. Regulation FD Disclosure.

On December 20, 2018, Altria issued a press release, a copy of which is attached as Exhibit 99.1 and incorporated by reference in this Current Report on Form 8-K, announcing Altria's investment in JUUL, a cost reduction program described in Item 8.01 of this Current Report on Form 8-K and related matters.

In accordance with General Instruction B.2 of Form 8-K, the information in this Item 7.01, including Exhibit 99.1, shall not be deemed "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section. The information in this Item 7.01 shall not be incorporated by reference into any filing or other document pursuant to the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such filing or document.

Item 8.01. Other Events.

On December 19, 2018, the Board of Directors of Altria approved a cost reduction program designed to deliver approximately $500 million to $600 million in annualized cost savings by the end of 2019. This program will include, among other things, reducing third-party spending across the business and workforce reductions. Altria expects this program to offset most of the interest expense associated with the debt incurred to finance the Transaction and Altria's investment in Cronos.

Altria estimates total pre-tax restructuring charges in connection with the cost reduction program to be in a range of approximately $230 million to $280 million, or $0.09 per share to $0.11 per share, the majority of which is expected to be recorded in the fourth quarter of 2018. The estimated charges, substantially all of which will result in cash expenditures, relate primarily to employee separation costs of approximately $190 million to $220 million and other costs of approximately $40 million to $60 million.

The estimated charges do not reflect the non-cash impact that may result from pension settlement and curtailment accounting.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

Exhibit No.	Description
2.1	Class C-1 Common Stock Purchase Agreement, dated as of December 20, 2018, by and among JUUL Labs, Inc., Altria Group, Inc. and Altria Enterprises LLC*
2.2	Relationship Agreement, dated as of December 20, 2018, by and among JUUL Labs, Inc., Altria Group, Inc. and Altria Enterprises LLC*
10.1	Term Loan Agreement, dated as of December 20, 2018, among Altria Group, Inc., the lenders party thereto and JPMorgan Chase Bank, N.A., as administrative agent

10.2 Guarantee Agreement, dated as of December 20, 2018, by Philip Morris USA Inc. in favor of the lenders party to the Term Loan Agreement

99.1 Altria Group, Inc. Press Release, dated December 20, 2018 (furnished under Item 7.01)

* Schedules and exhibits omitted pursuant to Item 601(b)(2) of Regulation S-K. Altria agrees to supplementally furnish to the SEC upon request any omitted schedule or exhibit to the Purchase Agreement or the Relationship Agreement.

SIGNATURES

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

ALTRIA GROUP, INC.

Date: December 20, 2018

By: /s/ W. HILDEBRANDT SURGNER, JR.
Name: W. Hildebrandt Surgner, Jr.
Title: Vice President, Corporate Secretary and Associate General Counsel

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Section 2: EX-2.1 (EX-2.1)

Exhibit 2.1

Execution Version

CLASS C-1 COMMON STOCK PURCHASE AGREEMENT

BY AND AMONG

JUUL LABS, INC.,

ALTRIA GROUP, INC.

and

ALTRIA ENTERPRISES LLC

December 20, 2018

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JUUL LABS, INC.

CLASS C-1 COMMON STOCK PURCHASE AGREEMENT

This Class C-1 Common Stock Purchase Agreement (as it may be amended from time to time, this "**Agreement**") is made as of December 20, 2018 by and among JUUL Labs, Inc., a Delaware corporation (the "**Company**"), Altria Group, Inc., a Virginia corporation (the "**Investor**"), and Altria Enterprises LLC, a Virginia limited liability company and wholly owned subsidiary of the Investor ("**Investor Sub**" and, together with the Investor, the "**Investors**"). Each of Investor Sub, the Investor and the Company is sometimes referred to herein as a "**Party**" and together the "**Parties**."

RECITALS

WHEREAS, at the Closing (as defined below), the Company intends to issue to Investor Sub, and Investor Sub intends to purchase, 41,571,928 non-voting shares of the Company's Class C-1 Common Stock, par value $0.0001 per share (the "**Class C-1 Common**") and the True-Up Convertible Security (as defined below), in accordance with the terms and conditions set forth in this Agreement;

WHEREAS, in connection with the transactions contemplated hereby, the Company has taken all necessary corporate and other actions to amend and restate its (i) certificate of incorporation in the form attached hereto as Exhibit A (as it may be amended from time to time, the "**Restated Certificate**") and (ii) bylaws in the form attached hereto as Exhibit B (as they may be amended from time to time, the "**Restated Bylaws**");

WHEREAS, following the Closing and pursuant to Section 4.1, the Parties have agreed to use their reasonable best efforts to obtain Antitrust Clearance (as defined below); and

WHEREAS, if Antitrust Clearance is obtained on or prior to the Antitrust Termination Date, then upon such occurrence, all outstanding shares of Class C-1 Common then held by the Investor and/or its subsidiaries will, as set forth in the Restated Certificate, be automatically converted (the "**Antitrust Conversion**") into an equal number of voting shares of the Company's Class C Common Stock, par value $0.0001 per share (the "**Class C Common**").

NOW, THEREFORE, in consideration of the foregoing mutual covenants contained in this Agreement, and for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Company and the Investors agree as follows:

1. Authorization, Sale and Issuance of the Class C-1 Common.

1.1 Authorization. The Company will, on or prior to the Closing (as defined below) authorize (a) the issuance of up to 100,000,000 shares of the Class C-1 Common pursuant to this Agreement, the Relationship Agreement (as defined below), and the True-Up Convertible Security, having the rights, preferences and restrictions set forth in the Restated Certificate; (b) the issuance of up to 100,000,000 shares of the Class C Common pursuant to the Restated Certificate, this Agreement, the Relationship Agreement, and the True-Up Convertible Security, having the rights, preferences and restrictions set forth in the Restated Certificate (the "**Class C Conversion**

Shares"), (c) the reservation of shares of Class A Common for issuance upon conversion of the Class C-1 Common or the Class C Common, as applicable, pursuant to the Restated Certificate (the "**Class A Conversion Shares**"), and (d) the issuance of the True-Up Convertible Security.

1.2 Sale and Issuance of the Shares. Subject to the terms and conditions of this Agreement, Investor Sub agrees to purchase at the Closing (as defined below), and the Company agrees to sell and issue to Investor Sub at the Closing, 41,571,928 shares of the Class C-1 Common (the "**Initial Shares**", of which 721,710 shall be referred to herein as the "**Additional Shares**") and the True-Up Convertible Security in consideration of an aggregate cash purchase price of twelve billion and eight hundred million dollars ($12,800,000,000). The Parties acknowledge and agree that, for purposes of Article V of the Relationship Agreement, twelve billion and six hundred million dollars ($12,600,000,000) shall be attributed to the Initial Shares (other than the Additional Shares) and the True-Up Security, and two hundred million dollars ($200,000,000) (the "**Additional Share Purchase Price**") shall be attributed to the Additional Shares, but for the avoidance of doubt such attribution is not intended to be, and shall not be, binding or determinative for any Tax purpose. The Initial Shares, together with all other shares of the Class C-1 Common or the Class C Common issued to Investor Sub pursuant to this Agreement, the Restated Certificate, or conversion of the True-Up Convertible Security, and together with all Class A Conversion Shares issued upon conversion thereof, shall be referred to in this Agreement as the "**Shares**."

1.3 Closing Date and Delivery; Additional Issuances of Shares.

(a) Closing. The purchase and sale of the Initial Shares shall take place at a closing (the "**Closing**") by electronic mail in PDF format of all required documents to the offices of Pillsbury Winthrop Shaw Pittman LLP, Four Embarcadero Center, 22nd Floor, San Francisco, California 94111, at 10:00 a.m., Pacific time, on the date hereof, or at such other time and place as the Company and the Investor mutually agree upon in writing (including by email) (such date on which the Closing occurs, the "**Closing Date**").

(b) Closing Process. At the Closing, the Company will deliver to the Investors a copy of the stock ledger of the Company reflecting the issuance of the Initial Shares and an electronic certificate registered in Investor Sub's name and generated on the Carta platform representing the number of the Initial Shares against payment by the Investor on behalf of Investor Sub of the aggregate purchase price therefor as set forth in Section 1.2, by wire transfer in accordance with the Company's wire instructions attached hereto as Schedule 1.3(b), and when issued the Initial Shares shall be validly issued, fully paid and nonassessable.

(c) 35% Make-Whole Covenant. The Initial Shares to be purchased hereunder at the Closing shall represent a number of shares of the Company's outstanding capital stock such that, immediately following the issuance of the Initial Shares to Investor Sub at the Closing, Investor Sub will own exactly thirty-five percent (35%) of the Company's outstanding shares of capital stock (rounded to the nearest whole share) as of the date of issuance (for these purposes, including Unvested Shares (as defined below) and disregarding, for the avoidance of doubt, Vested Convertible Securities (as defined below) and Unvested Convertible Securities (as defined below)) (the "**35% Target**"). The parties acknowledge that the Additional Shares are intended to satisfy the 35% Target with respect to Unvested Shares. The Company has obtained

waivers from each holder of any Unvested Convertible Securities that are "early exercisable" for Unvested Shares. In the event that, following the issuance of the Initial Shares, it is subsequently determined that the Initial Shares represented less than the 35% Target, including as a result of the exercise or conversion prior to the Closing of any Unvested Convertible Securities or Vested Convertible Securities, then the Company shall promptly issue to Investor Sub, for no additional consideration, an additional number of shares of the Class C-1 Common or the Class C Common, as applicable, so as to achieve the 35% Target, and when issued such additional shares will be validly issued, fully paid and nonassessable. Upon such issuance, the Company will deliver to the Investors a copy of the stock ledger of the Company reflecting such issuance and an electronic certificate registered in Investor Sub's name and generated on the Carta platform representing the number of such additional shares.

(d) True-Up Upon Settlement of Vested Convertible Securities.

(i) The Company has set forth in Schedule 1.3(d) a true and complete schedule as of the Closing of (1) (A) the portion of all outstanding stock options, restricted stock units and other equity awards to purchase or acquire shares of the Company's capital stock that are vested or exercisable (but excluding the portion of all outstanding stock options that are "early exercisable" for Unvested Shares and including any Promised Units that, if issued as of the Closing, would be deemed vested pursuant to the last sentence hereof), and (B) all outstanding warrants, rights and other agreements to purchase or acquire shares of the Company's capital stock that are vested or not subject to forfeiture, other than conversion or preemptive rights and rights of first refusal and similar rights (the preceding clauses (1)(A) and (1)(B), collectively, "**Vested Convertible Securities**"), (2) (A) all outstanding shares of the Company's capital stock that are subject to repurchase rights or forfeiture and (B) all outstanding options, restricted stock units, equity awards, warrants, rights and other agreements, the terms of which require the Company to make a cash payment or distribution with respect thereto in the event the Company declares or makes a cash dividend or distribution with respect to its capital stock, either on a current basis or on an escrowed or set aside basis (the preceding clauses (2)(A) and (2)(B), "**Unvested Shares**") and (3) (A) the portion of all outstanding stock options, restricted stock units and other equity awards to purchase or acquire shares of the Company's capital stock that are unvested and un-exercisable (but including the portion of all outstanding stock options that are "early exercisable" for unvested shares and including all Promised Units other than those described in the definition of Vested Convertible Securities) and (B) all outstanding warrants, rights and other agreements to purchase or acquire shares of the Company's capital stock that are unvested and subject to forfeiture, other than conversion or preemptive rights and rights of first refusal and similar rights (the preceding clauses (3)(A) and (3)(B) collectively, "**Unvested Convertible Securities**"). For the avoidance of doubt, (x) the schedules with respect to clauses (1)(A), (1)(B), (3)(A) and (3)(B) above, and the terms Vested Convertible Securities and Unvested Convertible Securities, shall not include the items set forth in clause (2)(B) above, and (y) the distribution of any part of any Cash Distribution with respect to options, restricted stock units, equity awards, warrants, rights and other agreements shall not, in itself, result in such equity interests being deemed to constitute Unvested Shares. "**Promised Units**" means restricted stock units (including any adjustments thereto made in connection with the Cash Distribution) that are not outstanding as of the Closing Date but are set forth in an offer letter or contractor agreement signed by the Company and the counterparty thereto in effect as of 11:59 pm, Eastern Time, on December 17, 2018. For purposes of the foregoing, any restricted stock units that are subject to both service based vesting conditions and a liquidity event condition shall be deemed vested to the extent the service based vesting condition is satisfied as of the Closing (without regard to the liquidity event condition).

(ii) In the event that, following the Closing, the Company issues shares of capital stock upon settlement or exercise of any Vested Convertible Security as of the Closing or, as applicable, any Unvested Convertible Security as of the Closing, then a portion of the True-Up Convertible Security shall convert into such number of shares of the Class C-1 Common or the Class C Common, as applicable, in accordance with the terms of the True-Up Convertible Security. Upon such conversion, such shares of Class C-1 Common or Class C Common, as applicable, will be validly issued, fully paid and nonassessable and the Company will deliver to the Investors a copy of the stock ledger of the Company reflecting the issuance of such shares and an electronic certificate registered in Investor Sub's name and generated on the Carta platform representing the number of such additional shares. "**True-Up Convertible Security**" means the convertible security issued by the Company to Investor Sub on the Closing Date convertible (a) prior to Antitrust Clearance, into shares of Class C-1 Common and (b) following Antitrust Clearance obtained on or prior to the Antitrust Termination Date, into shares of Class C Common, in the case of each of (a) and (b), for the consideration set forth in the True-Up Convertible Security.

(iii) For the avoidance of doubt, the True-Up Convertible Security does not convert into the Class C-1 Common or the Class C Common when Unvested Shares cease to be subject to a repurchase right or forfeiture.

(iv) The Parties will cooperate and establish mutually agreeable policies and procedures as are necessary to effect and implement the conversion from time to time of the True-Up Convertible Security into shares of the Class C-1 Common or the Class C Common, as applicable, pursuant to this Section 1.3(d). Except to the extent otherwise required by applicable Law or pursuant to a "determination" (within the meaning of Section 1313(a) of the Code or any similar provision of state, local, or foreign law), the Parties agree to report the issuance of shares of the Class C-1 Common or the Class C Common, as applicable, upon any conversion of the True-Up Convertible Security as an adjustment to the purchase price (i.e., as an adjustment to the number of shares purchased at the Closing) for Tax purposes, except to the extent that the shares issued in such conversion are allocable to the value of services agreed to be provided under the Services Agreement (such value not to exceed the $118,550,991 aggregate dollar amount of the credits described in Section 4.1(b) of the Services Agreement).

(e) Antitrust Conversion.

(i) "**Affiliate**" has the meaning set forth in the Relationship Agreement.

(ii) "**Antitrust Clearance**" means the earlier of (1) the first date following the Closing upon which all of the following are true: (A) all applicable requirements of all applicable Antitrust Laws with respect to the Antitrust Conversion shall have been satisfied (including expiration or termination of any applicable waiting period (and any extension thereof) under the HSR Act); (B) no Law or Order shall have been enacted, issued, promulgated, enforced

or entered that is in effect and would (i) make the Antitrust Conversion illegal under any Antitrust Law or (ii) otherwise prohibit or enjoin consummation of the Antitrust Conversion under any Antitrust Law; and (C) any period of time (and any extension thereof) agreed to with a Governmental Body not to consummate Antitrust Conversion shall have expired or been terminated; provided that no such agreement shall be entered into without the Company's prior written consent, and (2) such date as may be agreed in writing by the Company and the Investors.

(iii) "**Antitrust Laws**" means the HSR Act, the Sherman Act, as amended, the Clayton Act, as amended, the Federal Trade Commission Act, as amended, and any other Laws that are designed to prohibit, restrict or regulate actions having the purpose or effect of monopolization or restraint of trade or constituting anticompetitive conduct.

(iv) "**Confidentiality Agreement**" means, collectively, that certain Mutual Nondisclosure Agreement, dated April 14, 2017, by and between the Company and Altria Client Services LLC, that certain Assignment and Novation of Mutual Nondisclosure Agreement, dated April 20, 2018, by and among the Company, Altria Client Services LLC and the Investor, that certain Amendment Agreement, dated April 26, 2018, by and between the Company and the Investor and that certain Exclusivity Agreement, dated November 1, 2018, by and between the Company and the Investor.

(v) "**Antitrust Termination Date**" means the date on which the Antitrust Conversion becomes permanently prohibited or enjoined pursuant to an Antitrust Law by a court of competent jurisdiction without any possibility of appeal or review or, if earlier, the date on which the Investors determine, in their sole discretion, to abandon their efforts to seek Antitrust Clearance.

(vi) "**e-Vapor Business**" has the meaning set forth in the Relationship Agreement.

(vii) "**Governmental Body**" means any foreign, federal, state, provincial, local or other court or governmental authority.

(viii) "**HSR Act**" means the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and any rules and regulations promulgated thereunder.

(ix) "**Law**" means any foreign or domestic federal, state or local law, statute, consent agreement, constitution, treaty, ordinance, regulation, rule, code, official interpretation or other interpretative material, or other requirement or rule enacted or promulgated by any Governmental Body, including any Order.

(x) "**Order**" means, with respect to any Person (as defined below), any award, decision, injunction, judgment, order, ruling, subpoena or verdict entered, issued, made or rendered by any Governmental Body or arbitrator binding upon such Person.

(xi) In the event that the Antitrust Conversion occurs on or prior to the Antitrust Termination Date, then, as set forth in the Restated Certificate, all outstanding shares of the Class C-1 Common then held by the Investor and/or its subsidiaries shall automatically convert into an equal number of shares of the Class C Common, and when issued such shares of the Class C Common will be validly issued, fully paid and nonassessable and such converted shares of the Class C-1 Common shall be cancelled and retired. Upon such conversion, the Company will deliver to the Investors a copy of the stock ledger of the Company reflecting the conversion and an electronic certificate registered in Investor Sub's name and generated on the Carta platform representing the number of such shares of the Class C Common.

(f) Transaction Agreements. Concurrent with the Closing, the Parties are executing and delivering the following: (i) that certain IP License Agreement between the Company and the Investor, dated as of the Closing Date (as it may be amended from time to time, the "**License Agreement**"), (ii) that certain Relationship Agreement among the Parties, dated as of the Closing Date (as it may be amended from time to time, the "**Relationship Agreement**"), (iii) that certain Services Agreement between the Company and the Investor, dated as of the Closing Date (as it may be amended from time to time, the "**Services Agreement**"), (iv) that certain Ninth Amended and Restated Investors' Rights Agreement by and among the Parties and the other parties thereto, dated as of the Closing Date (as it may be amended from time to time, the "**Rights Agreement**"), (v) that certain Eighth Amended and Restated Voting Agreement by and among the Parties and the other parties thereto, dated as of the Closing Date (as it may be amended from time to time, the "**Voting Agreement**"), (vi) that certain Ninth Amended and Restated Right of First Refusal and Co-Sale Agreement by and among the Parties and the other parties thereto, dated as of the Closing Date (as it may be amended from time to time, the "**Co-Sale Agreement**") and (vii) the True-Up Convertible Security. For purposes of this Agreement, the term "**Transaction Agreements**" means this Agreement, the License Agreement, the Relationship Agreement, the Services Agreement, the Rights Agreement, the Voting Agreement, the Co-Sale Agreement and the True-Up Convertible Security.

2. Representations and Warranties of the Company. Except as set forth on the Schedule of Exceptions attached hereto as Exhibit C delivered to the Investors (the "**Schedule of Exceptions**") (it being understood that any information, item or matter set forth on one section or subsection of the Schedule of Exceptions shall only be deemed disclosure with respect to, and shall only be deemed to apply to and qualify, the section or subsection of this Agreement to which it corresponds in number and each other section or subsection of this Agreement to the extent that it is reasonably apparent on its face that such information, item or matter is relevant to such other section or subsection), the Company hereby represents and warrants to the Investors that the following representations are true and complete as of the date of the Closing:

2.1 Organization, Good Standing and Qualification. The Company is a corporation duly organized, validly existing and in good standing under the Laws of the State of Delaware. The Company and each of its subsidiaries has the requisite corporate power and authority to own and operate its properties and assets and to carry on its business as presently conducted. The Company has the requisite corporate power and authority to execute and deliver the Transaction Agreements, to issue and sell the Shares and to carry out the provisions of the Transaction Agreements. The Company and each of its subsidiaries is presently qualified to do business as a foreign corporation and is in good standing in California and each other jurisdiction in which the nature of its activities and its properties (both owned and leased) makes such qualification necessary, except where the failure to be so qualified would not have a material adverse effect on the Company's business, assets (including intangible assets), liabilities, condition (financial or otherwise), property or results of operations (a "**Material Adverse Effect**").

2.2 No Subsidiaries.

(a) The Company does not own or control, directly or indirectly, any interest in any corporation, partnership, limited liability company, association or other business entity.

(b) The Company is not a participant in any joint venture, partnership or similar arrangement.

2.3 Capitalization.

(a) The authorized capital stock of the Company consists, immediately prior to the Closing and after filing of the Restated Certificate with the Secretary of State of the State of Delaware, of: (i) 33,256,571 shares of Preferred Stock (the "**Preferred Stock**"), of which 12,126,186 shares have been designated Series C Preferred Stock ("**Series C Preferred**"), all of which are issued and outstanding, 14,280,517 shares have been designated Series D Preferred Stock ("**Series D Preferred**"), all of which are issued and outstanding and 3,199,868 shares have been designated Series E Preferred Stock ("**Series E Preferred**"), 2,910,613 of which are issued and outstanding, (ii) 214,000,000 shares of Class A Common Stock ("**Class A Common**"), 4,734,698 of which are issued and outstanding, (iii) 83,500,000 shares of Class B Common Stock, par value $0.0001 per share ("**Class B Common**"), of which 43,138,618 shares are issued and outstanding, of which 1,325,941 shares are unvested or subject to forfeiture, (iv) 100,000,000 shares of the Class C-1 Common, none of which are issued or outstanding, and (v) 100,000,000 shares of the Class C Common, none of which are issued or outstanding.

(b) The rights, preferences and restrictions of the Class A Common, the Class B Common, the Class C-1 Common, the Class C Common, the Series C Preferred, the Series D Preferred and the Series E Preferred are as stated in the Restated Certificate. All of the outstanding shares of the Class A Common, the Class B Common and the Preferred Stock have been duly authorized, are fully paid and nonassessable and were issued in material compliance with all applicable federal and state securities Laws.

(c) The Company has reserved:

(i) a maximum of 15,033,669 shares of Class A Common for issuance pursuant to its 2018 Equity Incentive Plan (the "**2018 Stock Plan**"). Of such reserved shares of Class A Common, options and other equity awards to purchase or otherwise acquire 1,198,450 shares of Class A Common are outstanding, of which options and other equity awards to purchase or otherwise acquire 1,190,660 shares of Class A Common are unvested and currently 606,445 reserved shares of Class A Common are reserved and available for issuance under the 2018 Stock Plan;

(ii) an aggregate of 20,653,880 shares of Class B Common for issuance pursuant to its 2007 Stock Plan (the "**2007 Stock Plan**") and its 2016 Equity Incentive, which includes its Amended and Restated 2016 Equity Incentive Plan (the "**2016 Stock Plan**"), of which options to purchase 11,299,455 shares of Class B Common are issued and outstanding, of which options to purchase 4,334,692 shares of Class B Common are unvested, in each case as of the date hereof;

(iii) (1) 2,910,613 shares of Class A Common reserved for issuance upon conversion of the Series E Preferred, (2) 43,138,618 shares of Class A Common reserved for issuance upon conversion of the Class B Common and (3) 100,000,000 shares of Class A Common reserved for issuance upon conversion of the Class C-1 Common and the Class C Common, as applicable;

(iv) 14,280,517 shares of Class B Common reserved for issuance upon conversion of the Series D Preferred;

(v) 12,126,186 shares of Class B Common reserved for issuance upon conversion of the Series C Preferred.

Section 2.3(c) of the Schedule of Exceptions contains a true and complete list as of the date of this Agreement of all outstanding equity awards corresponding to shares of the Company, indicating with respect to each award, (v) the number of shares covered by the award, (w) the nature of the award, (x) the holder of the award, (y) the vesting schedule with respect to such award, and (z) for any stock options or stock appreciation rights, the exercise price of such award. Immediately prior to Closing, there are 1,340,319 Unvested Shares, 6,331,066 Unvested Convertible Securities and 6,999,421 Vested Convertible Securities.

(d) The Shares, when issued and delivered and paid for in compliance with the provisions of this Agreement, will be validly issued, fully paid and nonassessable. The Class C Conversion Shares and the Class A Conversion Shares have been duly and validly reserved and, when issued in compliance with the provisions of this Agreement, the Restated Certificate and applicable Law, will be validly issued, fully paid and nonassessable. The Shares will be free of any Liens (as defined below), other than any Liens created by or imposed upon the Investors or Liens set forth in the Transaction Agreements or Side Letters (as defined below); *provided, however*, that the Shares are subject to restrictions on transfer under U.S. state and/or federal securities Laws and as set forth herein and in the Transaction Agreements. "**Side Letters**" means the individual side letter agreements by and between the Company and each of PXH LLC, JIV Holdings LLC, D1 Capital Partners Master LP and D1 SPV JL Master LP previously entered into in connection with the execution and delivery of that certain Series E Preferred Stock and Class A Common Stock Purchase Agreement by and among the Company and the investors thereto, dated as of June 26, 2018, and as amended effective on the Closing Date. True and complete copies of the Side Letters, as amended or to be amended on or prior to the Closing Date, have been provided to the Investors prior to the Closing Date.

(e) Except (i) for the conversion rights of the Preferred Stock, the Class B Common, the Class C-1 Common and the Class C Common, (ii) for outstanding options and equity awards to purchase or acquire 12,497,905 shares of Class A Common and Class B Common issued pursuant to the 2007 Stock Plan, the 2016 Stock Plan and the 2018 Stock Plan, (iii) for outstanding exchange rights to acquire 42,000 shares of Class A Common, of which exchange rights to acquire 27,622 shares of Class A Common are unvested and for outstanding exchange rights to acquire 16,004 shares of Class B Common, of which exchange rights to acquire 16,004 are unvested (iv) as set forth in the Transaction Agreements and the Side Letters, there are no outstanding options, warrants, rights (including conversion or preemptive rights and rights of first refusal or similar rights) or agreements, orally or in writing, for the purchase or acquisition from

the Company of any shares of its capital stock, or other equity or voting interests, or any securities convertible into or exchangeable for any shares of its capital stock, or other equity or voting interests. There are no additional shares of the Company's capital stock reserved for issuance pursuant to the 2007 Stock Plan, the 2016 Stock Plan or the 2018 Stock Plan other than the shares described in subsection (e)(ii) above.

(f) Except as described in Section 2.3(a) and Section 2.3(b), there are (i) no outstanding shares of capital stock of, or other equity or voting interests in, the Company and (ii) no outstanding securities of the Company convertible into or exchangeable for shares of capital stock of, or other equity or voting interests in, the Company.

2.4 Authorization. All corporate action on the part of the Company and its directors, officers and stockholders necessary for the authorization, execution and delivery of the Transaction Agreements by the Company, the authorization, sale, issuance and delivery of the Shares, and the performance of all of the Company's obligations under the Transaction Agreements have been taken or will be taken prior to the Closing. The Transaction Agreements, when executed and delivered by the Company, shall constitute valid and binding obligations of the Company, enforceable in accordance with their terms, except (i) as limited by Laws of general application relating to bankruptcy, insolvency and the relief of debtors and (ii) as limited by rules of Law governing specific performance, injunctive relief or other equitable remedies and by general principles of equity (the "**Enforceability Exceptions**").

2.5 Disqualification. The Company has conducted a factual inquiry, including by procurement of relevant questionnaires from each Company Covered Person (as defined below) or other means, the nature and scope of which reflect reasonable care under the relevant facts and circumstances, to determine whether any Covered Person is subject to any "bad actor" disqualifying event described in Rule 506(d)(1)(i)-(viii) of the Securities Act of 1933, as amended (the "**Securities Act**"), (a "**Disqualification Event**"). No Disqualification Event is applicable to the Company or, to the Company's knowledge after conducting such factual inquiries, any Company Covered Person, except for a Disqualification Event as to which Rule 506(d)(2)(ii–iv) or (d)(3), is applicable. The Company has complied, to the extent applicable, with any disclosure obligations under rule 506(e) under the Securities Act. "**Company Covered Person**" means, with respect to the Company as an "issuer" for purposes of Rule 506 promulgated under the Securities Act, any individual, corporation, partnership, trust, limited liability company, association or other entity (each, a "**Person**") listed in the first paragraph of Rule 506(d)(1).

2.6 Material Contracts.

(a) The Company has scheduled on Section 2.6 of the Schedule of Exceptions and made available each of the following to which the Company or any of its subsidiaries as of the date hereof is a party or subject to (each a "**Material Contract**", and collectively, the "**Material Contracts**"):

(i) any contract, agreement or arrangement with or relating to customers and distributors, including marketing, distribution, sales and similar agreements, pursuant to which the Company has received more than $4 million in 2018 or expects to receive more than $4 million in 2019 (each counterparty thereto, a "**Significant Distributor**");

(ii) any contract, agreement or arrangement with the Company's vendors and suppliers, relating to its products, pursuant to which the Company (including, for the avoidance of doubt, any master terms and conditions of a series of related contracts, agreements or arrangements) has paid more than $4 million in 2018 or expects to pay more than $4 million in 2019 (each counterparty thereto, a "**Significant Supplier**");

(iii) any joint venture, partnership, strategic alliance or other similar contract, agreement or arrangement;

(iv) any lease to which the Company or any of its subsidiaries is a party and leases interest in any material real property;

(v) any material contract, agreement or arrangement the terms of which would be subject to violation, breach, default, termination, acceleration of performance, or which would result in the creation of any Lien as a result of the execution, delivery and performance by the Company of this Agreement and the transactions contemplated hereby;

(vi) any contract, agreement or arrangement purporting to, or containing covenants that, limit the ability of the Company or any of its subsidiaries or Affiliates to compete in any line of business or with any Person, include any kind of exclusive dealing, exclusive sourcing, right of first refusal, right of first negotiation, or "most favored nation" provision or which involve any restriction on the soliciting of customers or employees or the geographical area in which, or method by which or with whom, the Company or any subsidiary may carry on its business;

(vii) any contract, agreement or arrangement relating to the acquisition or disposition of any material business or material assets (whether by merger, sale of stock or assets or otherwise), which acquisition or disposition is not yet complete or where such contract, agreement or arrangement contains continuing material obligations of the Company or any of its subsidiaries;

(viii) any contract, agreement or arrangement providing for "earnouts," "savings guarantees," "performance guarantees," or other contingent payments (other than in the ordinary course of the operating businesses of the Company) by the Company or any of its subsidiaries other than those with respect to which there are no further material obligations under such provisions;

(ix) any contract, agreement or arrangement pursuant to which the Company or any of its subsidiaries has granted any material pricing discounts in connection with bundling of products or services, sales volume or services levels other than pursuant to the Company's standard volume discount structure as made available;

(x) any contract, agreement or arrangement that grants any right of first refusal, right of first offer or similar right with respect to any material assets, rights or properties of the Company or any of its subsidiaries or that limits or purports to limit the ability of the Company or any of its subsidiaries to sell, transfer, pledge or otherwise dispose of any of their material assets, rights, businesses or properties, excluding any contract, agreement or arrangement requiring the sale of inventory in the ordinary course of business;

(xi) any contract, agreement or arrangement relating to indebtedness of the Company (including indebtedness for borrowed money, indebtedness evidenced by notes or debentures, deferred purchase price of assets, capital leases and guarantees of any of the foregoing) ("**Indebtedness**") or any of its subsidiaries or any swap, option, derivative or hedging arrangement;

(xii) any contract, agreement or arrangement that contains any standstill or similar agreement pursuant to which the Company or any of its subsidiaries has agreed not to acquire any material assets or securities of another Person;

(xiii) any contract, agreement or arrangement relating to the pledging, sale, factoring or other transfer of accounts receivable;

(xiv) any contract, agreement or arrangement that by its terms limits the payment of dividends or other distributions by the Company or any of its subsidiaries;

(xv) any contract, agreement or arrangement (other than the Transaction Agreements) that by its terms would restrict any activities of or place any obligations on, the Investors or any of their respective subsidiaries; and

(xvi) any contract, agreement or arrangement that would be required to be filed by the Company or any of its subsidiaries as a "material contract" pursuant to Item 601(b)(10) of Regulation S-K under the Securities Act (other than management contracts and compensatory plans, contracts, or arrangements) or disclosed by the Company or any such subsidiary under Item 1.01 on a Current Report on Form 8-K, in each case, if the Company or any such subsidiary were required to file periodic reports under applicable Law.

(b) Except as is not and would not reasonably be expected to be material and adverse to the Company and its subsidiaries, each Material Contract is in full force and effect (except for those contracts or agreements that have expired in accordance with their terms), is a legal, valid and binding agreement of the Company or such subsidiary, as the case may be, and, to the Company's knowledge, of each other party thereto, enforceable against the Company or such subsidiary, as the case may be, and, to the Company's knowledge, against the other party or parties thereto, in each case, in accordance with its terms, subject to the Enforceability Exceptions. The Company is not in material default under any Material Contracts and, to the Company's knowledge, there is no material default by the other contracting party under any of such Material Contracts.

(c) For purposes of this Agreement, "**made available**" means provided to the Investors or their representatives by 5:00 P.M. Eastern Standard Time at least three (3) business days prior to the Closing Date in the "Project Richard" data room or "Project Richard-Clean Room" data room, as applicable, hosted on the Donnelley Financial Solutions "Venue" platform.

2.7 Intellectual Property.

(a) The following definitions apply:

(i) "**Commercial Software**" means any generally commercially available software in executable code form that is generally available and is used in the general operation of Company's business and not incorporated into any Company Product.

(ii) "**Company Intellectual Property**" means all Intellectual Property Rights owned by, or exclusively licensed to, the Company or any of its subsidiaries, including Company Registered Intellectual Property.

(iii) "**Company Products**" means all products or services designed, developed, distributed, produced, provided, marketed, licensed, sold, offered for sale, or otherwise commercialized by or on behalf of the Company or any of its subsidiaries.

(iv) "**Company Registered Intellectual Property**" means all Registered Intellectual Property that is owned by, or registered, filed or recorded in the name of, Company or any of its subsidiaries as of the Closing Date.

(v) "**Intellectual Property Rights**" means any and all common law and statutory rights anywhere in the world arising under or associated with: (a) issued, registered, validated or granted patents and patent applications ("**Patents**"), and similar or equivalent rights in inventions, including invention disclosures; (b) trademarks, trade names, service marks, trade dress and other designations of origin ("**Trademarks**"); (c) trade secret and industrial secret rights, and rights in know-how and confidential or proprietary information ("**Trade Secrets**"); (d) copyrights and any other rights in works of authorship (including software) and any related rights of authors ("**Copyrights**"); (e) rights in domain names, uniform resource locators and other similar names and locators associated with Internet addresses and sites; (f) applications for, or registrations of, any of the foregoing (as applicable); and (g) all other similar or equivalent intellectual property or proprietary rights anywhere in the world.

(vi) "**Registered Intellectual Property**" means all applications, registrations and filings for Intellectual Property Rights that have been registered, filed, certified or otherwise perfected or recorded with or by any state, government or other public or quasi-public legal authority anywhere in the world, including the United States Patent and Trademark Office and the United States Copyright Office, in each case, only to the extent constituting issued Patents and published Patent applications, registered Trademarks and Trademark applications and registered Copyrights and Copyright applications.

(b) Section 2.7(b) of the Schedule of Exceptions sets forth a true and complete list, as of the date of this Agreement, of each item of Company Registered Intellectual Property, including, to the extent such information is maintained in Company's or its subsidiaries' records in the ordinary course of business, the current owner, the jurisdiction in which each item has been registered or filed, the applicable registration, application or serial number or similar identifier, the filing date, and the applicable issuance, registration or grant date.

(c) The Company and its subsidiaries exclusively own all right, title and interest in and to all or have an exclusive license to material Company Intellectual Property, free and clear of any Liens other than Permitted Liens. Without limiting the generality of the foregoing, all material Company Intellectual Property is fully transferable, alienable and licensable by the

Company and its subsidiaries without restriction and without payment of any kind to any third party (*provided*, *however*, that for the avoidance of doubt, the foregoing is not intended to apply to any non-exclusive licenses). Neither the Company nor any of its subsidiaries has granted or transferred (and is not obligated to grant or transfer) to any Person, or permitted (or is obligated to permit) any Person to retain an ownership interest, including any joint ownership interest, or any exclusive rights in, any Intellectual Property that is material Company Intellectual Property. No material Company Intellectual Property is subject to any proceeding or outstanding decree, order, judgment or settlement agreement or court stipulation that restricts in any manner the use, provision, transfer, assignment or licensing thereof by the Company or any of its subsidiaries or that may affect the validity, use or enforceability of any Company Intellectual Property, other than in the context of the prosecution of Company Registered Intellectual Property and any oppositions, interferences or comparable proceedings or objections arising in connection therewith. Each item of material Company Registered Intellectual Property is subsisting, and to the Company's knowledge, not unenforceable or invalid. There are no actions, suits or proceedings pending or, to the Company's knowledge, threatened that challenge the legality, validity, enforceability, registration, use or ownership of any material Company Intellectual Property, other than in the context of the prosecution of Company Registered Intellectual Property.

(d) Neither the operation of the business of the Company and its subsidiaries nor any Company Product has infringed or misappropriated any Intellectual Property Rights of any Person or constituted unfair competition or trade practices under the laws of any jurisdiction. Following the Closing, to the extent that the operation of the business of the Company and its subsidiaries is conducted in substantially the same manner as conducted as of the Closing, such operation will not infringe or misappropriate any Intellectual Property rights of any Person or constitute unfair competition or trade practices under the laws of any jurisdiction. Neither the Company nor any of its representatives has received any written communication from any Person (including offers to license or referencing breach of contract) either (i) that would reasonably be construed to be making a material claim that or (ii) claiming that, any Company Product or conduct infringes or misappropriates any Intellectual Property Rights of any Person or constitutes unfair competition or trade practices under the laws of any jurisdiction.

(e) Since January 1, 2015, neither the Company nor any Person acting on its behalf, has brought, or threatened to bring, any action, suit or proceeding against a third party alleging infringement, or misappropriation of any material Company Intellectual Property.

(f) Section 2.7(f) of the Schedule of Exceptions sets forth a list of all material contracts, agreements or arrangements to which the Company or any of its subsidiaries is a party that grants the Company a license, ownership rights, an option to the foregoing, or other comparable rights in or to any Intellectual Property Rights owned by a third party, including any contract, agreement or arrangement for the receipt of software, or development services, other than licenses to Commercial Software or non-exclusive licenses entered into in the ordinary course of business.

(g) Section 2.7(g) of the Schedule of Exceptions sets forth a list of all material contracts, agreements or arrangements to which the Company or one of its subsidiaries is a party under which Company or such subsidiary grants any third party a license (including covenants not to sue) or other comparable rights in or to any Company Intellectual Property, other than non-exclusive licenses entered into in the ordinary course of business.

(h) In each case in which the Company or any of its subsidiaries has engaged or hired an employee, consultant or contractor (whether current or former) for the purpose of developing or creating any material technology or any material Intellectual Property Rights, the Company has obtained an assignment or transfer of all such Intellectual Property Rights to the Company, or the Company otherwise is the owner of such Intellectual Property Rights by operation of Law. The Company and its subsidiaries have taken and take commercially reasonable actions to maintain and protect Trade Secrets that are material Company Intellectual Property. To the Company's knowledge, there has been no unauthorized disclosure or misappropriation of any Trade Secrets that are material Company Intellectual Property.

(i) To the extent the Company or any of its subsidiaries use any "open source" or "copyleft" software in their respective products or services or is a party to "open" or "public source" or similar licenses for use in their respective products or services, the Company or its subsidiary, as applicable, is in compliance with the terms of any such licenses except as would not be reasonably expected to have a materially adverse impact on the business of the Company and its subsidiaries, taken as a whole.

2.8 Obligations to Related Parties. There are no obligations of the Company to officers, directors, employees or owners of greater than 5% of the outstanding capital stock of the Company (a "**Related Party**") or member of such Related Party's immediate family, or any corporation, partnership, trust, limited liability company, association or other entity in which such Related Party is an officer, director or partner, or in which such Related Party has significant ownership interests or otherwise controls, other than (a) for payment of salary and other compensation for services rendered, (b) reimbursement for business expenses incurred on behalf of the Company and (c) for other standard employee benefits made generally available to all employees (including stock option agreements outstanding under any stock option plan approved by the Board of Directors of the Company). None of such persons is currently indebted to the Company or any of its subsidiaries, and, to the Company's knowledge, none of such persons has any direct or indirect ownership interest in any firm or corporation with which the Company is affiliated or with which the Company has a business relationship, or any firm or corporation that competes with the Company, except that Related Party and members of such Related Party's immediate families may own stock in publicly traded companies that may compete with the Company. No Related Party or member of their immediate family is directly or indirectly interested in any contract with the Company or any of its subsidiaries (other than indirectly as an investor in or employee of the Company).

2.9 No Breach by Executive Officer. To the Company's knowledge, no executive officer of the Company is obligated under any contract or other agreement or subject to any Order, that would materially interfere with the use of his or her efforts to promote the interests of the Company or that would conflict with the Company's business as presently conducted.

2.10 Title to Properties and Assets; Liens. The Company or a subsidiary thereof has good and marketable title to all of the properties and assets of the Company and its subsidiaries, and has good title to all of the leasehold interests of the Company and its subsidiaries, in each case

subject to no mortgage, deeds of trust, pledge, lien, lease, encumbrance or charge (collectively, "**Liens**"), other than (i) Liens for Taxes not yet due and payable or for Taxes that are being contested in good faith through appropriate proceedings and for which adequate reserves, in accordance with GAAP, have been established in the Financial Statements, (ii) Liens imposed by Law (other than Tax Law) and incurred in the ordinary course of business for obligations not past due, (iii) Liens in respect of pledges or deposits under workers' compensation Laws or similar legislation, (iv) Liens in favor of customs and revenue authorities arising as a matter of Law to secure payments of customs duties in connection with the importation of goods, (v) Liens on insurance proceeds in favor of insurance companies granted solely as security for financed premiums, (vi) zoning restrictions, easements, rights of way, title irregularities and other similar encumbrances which, alone or in the aggregate, are not substantial in amount and do not materially detract from the value of the property subject thereto, (vii) Liens of carriers, warehousemen, mechanics, materialmen, vendors and landlords incurred in the ordinary course of business for sums not overdue or being contested in good faith, and (viii) other immaterial Liens (which, for the avoidance of doubt, shall not include any Liens that materially interfere with the use of the encumbered property in the operations of the Company) (each of clause (i) through (vii), a "**Permitted Lien**").

2.11 Environmental, Health and Safety Requirements.

(a) "**Environmental, Health and Safety Requirements**" means all applicable Law concerning or relating to worker/occupational health and safety, or pollution or protection of the environment, including those relating to the presence, use, manufacturing, refining, production, generation, handling, transportation, treatment, recycling, transfer, storage, disposal, distribution, importing, labeling, testing, processing, discharge, release, threatened release, control or other action or failure to act involving cleanup of any hazardous materials, substances or wastes, chemical substances or mixtures, pesticides, pollutants, contaminants, toxic chemicals, petroleum products or byproducts, asbestos, polychlorinated biphenyls, noise or radiation (collectively, "**Hazardous Materials**"), each as amended and as now in effect.

(b) The Company and each of its subsidiaries is in compliance in all material respects with all Environmental, Health and Safety Requirements in connection with the ownership, use, maintenance or operation of its business or assets or properties. There are no pending, or to the Company's knowledge, any threatened allegations by any Person that the properties or assets of the Company or any of its subsidiaries are not, or that its business has not been conducted, in material compliance with all Environmental, Health and Safety Requirements. Neither the Company nor any of its subsidiaries has assumed any liability of any other Person under any Environmental, Health and Safety Requirements.

(c) There are no material ongoing investigations, cleanups or other remediation activities being conducted by the Company at any real property owned or leased by the Company or any of its subsidiaries for the purpose of treating, abating, removing, containing or otherwise addressing any Hazardous Materials, and none of the Company or its subsidiaries have received any written notice, request for information or order from a Governmental Body or third party alleging that any such material investigation, cleanup or other remediation activity must be conducted.

(d) None of the real properties owned or leased by the Company or any of its subsidiaries are subject to any Lien in favor of any Governmental Body for (A) material liability under any Environmental, Health and Safety Requirements or (B) material costs incurred by a Governmental Body in response to a release or threatened release of a Hazardous Material into the environment.

(e) The Company and each of its subsidiaries have obtained all material permits under all Environmental, Health and Safety Requirements that are necessary to the operation of the Company's business as currently conducted and are in compliance in all material respects with their terms and conditions and have timely filed all required renewal applications.

(f) All material environmental audits, assessments, investigations or other analysis conducted by the Company since January 1, 2015 with respect to any real property owned or leased by the Company or any of its subsidiaries have been made available.

(g) There has been no release of Hazardous Materials during the Company's occupancy at, to, on, under or emanating from any real property owned or leased by the Company or any of its subsidiaries that would be required to be investigated or remediated under applicable Environmental, Health and Safety Requirements.

2.12 Compliance with Other Instruments. The Company is not in violation or default of any provisions of its Restated Certificate or its Restated Bylaws. Neither the Company nor any of its subsidiaries are in violation or default of any instrument, judgment, order, writ or decree, or under any note, indenture, mortgage, lease, agreement, contract or purchase order to which it is a party or by which it is bound or of any provision of Law applicable to the Company or any of its subsidiaries, the violation of which would have a Material Adverse Effect. The execution and delivery of the Transaction Agreements by the Company, the performance by the Company of its obligations pursuant to the Transaction Agreements, and the issuance of the Shares pursuant to this Agreement, will not, with or without the passage of time or giving of notice, result in (a) any violation of, or conflict with, or constitute a default under, the Restated Certificate or the Restated Bylaws or any of the agreements of the Company or its subsidiaries, (b) the creation of any Lien upon any of the properties or assets of the Company or its subsidiaries (c) assuming the truth and accuracy of the Investors' representations and warranties in Section 3, a violation of Law, or (d) the suspension, revocation, impairment, forfeiture, or nonrenewal of any permit, license, authorization, or approval applicable to the Company, its business or operations or any of its assets or properties.

2.13 Litigation. There are no, and since January 1, 2015 there have been no, actions, suits, proceedings or investigations pending or, to the Company's knowledge, currently threatened against the Company, any of its subsidiaries or any of its properties before any Governmental Body. Neither the Company nor any of its subsidiaries nor, to the Company's knowledge, any of its officers or directors (in their capacity as such) is a party or is named as subject to the provisions of any Order (in the case of officers or directors, such as would affect the Company). The foregoing includes, without limitation, actions pending or, to the Company's knowledge, threatened involving the prior employment of any of the Company's employees, their use in connection with the Company's business of any information or techniques allegedly proprietary to any of their former employers, or their obligations under any agreements with prior

employers. Neither the Company nor any of its subsidiaries is a party or, to the Company's knowledge, subject to the provisions of any Order of any court or government agency or instrumentality. There is no action, suit, proceeding or investigation by the Company currently pending or which the Company intends to initiate.

2.14 Offering. Assuming the truth and accuracy of the Investors' representations and warranties in Section 3, the offer, sale and issuance of the Shares to be issued in conformity with the terms of this Agreement will be exempt from the registration requirements of the Securities Act, will have been registered or qualified (or are exempt from registration and qualification) under the registration, permit or qualification requirements of all applicable state securities laws and are in material compliance with all applicable securities Laws of the United States and each of the states whose Laws govern the issuance of the Shares. Neither the Company nor any of its subsidiaries nor any agent on any of their behalf has solicited any offers to sell or has offered to sell all or any part of the Shares to any person or persons so as to bring the sale of such Shares by the Company within the registration provisions of the Securities Act or any state securities laws.

2.15 Governmental Consent. Assuming the truth and accuracy of the Investors' representations and warranties in Section 3, no consent, approval or authorization of or designation, declaration or filing with any Governmental Body on the part of the Company is required in connection with the valid execution and delivery of this Agreement, or the offer, sale or issuance of the Shares, or the consummation of any other transaction contemplated by this Agreement, except (i) the filing of the Restated Certificate with the Secretary of State of the State of Delaware, (ii) the filing of such notices as may be required under the Securities Act, (iii) such filings as may be required under applicable state securities Laws, and (iv) as required in connection with the HSR Act and other applicable Antitrust Laws.

2.16 Registration and Voting Rights. Except as set forth in the Transaction Agreements and the Side Letters, the Company is presently not under any obligation and has not granted any rights to register under the Securities Act any of its presently outstanding securities or any of its securities that may hereafter be issued. Except as contemplated in the Transaction Agreements and the Side Letters, the Company has not entered into with any stockholder of the Company and, to the Company's knowledge no stockholder of the Company has entered into, any agreements with respect to the voting or giving of written consent of capital stock of the Company or by a director of the Company. The Company has inquired of the stockholders set forth on Section 2.16 of the Schedule of Exceptions whether, as of the date hereof, there are in effect any oral or written agreements or understandings, or whether such persons have any plans or intention to enter into in the future, agreements or understandings with any other stockholder of the Company relating to the voting, sale or purchase of stock, or board designation rights.

2.17 Compliance With Laws: Permits.

(a) Neither the Company nor any of its subsidiaries is, or has been since January 1, 2015, in violation of any applicable Law in respect of the conduct of its business or the ownership of its properties, which violation would have a Material Adverse Effect. The Company has all franchises, permits, licenses and any similar authority necessary for the conduct of its business as now being conducted by it in all material respects. The Company is not in default in any material respect under any such franchises, permits, licenses or any similar authority.

(b) Except as set forth in Section 2.17(b) of the Schedule of Exceptions, neither the Company nor any of its subsidiaries has received any untitled letters, warning letters or notices of adverse findings, or similar documents that assert a lack of material compliance with any applicable Laws or Orders that have not been fully resolved to the satisfaction of regulatory authority or any other Governmental Body (including the U.S. Food and Drug Administration (the "**FDA**")), as applicable, and there is no pending or, to the Company's knowledge, threatened suit, arbitration, legal or administrative or regulatory proceeding, charge, complaint or investigation of any sort by any regulatory authority or any other Governmental Body (including the FDA) against the Company or any of its subsidiaries.

(c) Neither the Company nor any of its subsidiaries, nor, to the Company's knowledge, any of their respective directors, officers, employees or agents acting on their behalf has made an untrue statement of material fact or fraudulent statement to the FDA or other applicable regulatory agencies or any Governmental Body or, to the Company's knowledge, failed to disclose a material fact required to be disclosed to such regulatory agency or any Governmental Body.

(d) Since August 8, 2016, there have been no modifications to any products sold in the operation of the business including any changes in manufacture, supplier, design, process, specification, component, part, ingredient, materials or packaging, in each case that would constitute a "new product" for purposes of section 910 of the Federal Food, Drug, and Cosmetic Act.

2.18 Brokers or Finders. Except as set forth in that certain engagement letter dated April 17, 2018 between the Company and Goldman Sachs & Co. LLC (a copy of which has been made available), the Company has not incurred, and will not incur, directly or indirectly, as a result of any action taken by the Company, any liability for brokerage or finders' fees or agents' commissions or any similar charges in connection with this Agreement or any of the transactions contemplated hereby.

2.19 Tax Returns and Payments.

(a) The Company and each of its subsidiaries have timely filed (taking into account all applicable extensions) all income, franchise and other material Tax Returns required to be filed by each of them with appropriate Governmental Bodies. These income, franchise and other material Tax Returns (and any amendments thereto) are true, correct and complete in all material respects. All material (whether individually or in the aggregate) Taxes due and payable by the Company and each of its subsidiaries (whether or not shown on any Tax Return) have been duly and timely paid or will be duly and timely paid to the appropriate Governmental Body prior to the time they become delinquent other than Taxes contested in good faith through appropriate proceedings and for which adequate reserves, in accordance with GAAP, are reflected in the Financial Statements. All material (whether individually or in the aggregate) required estimated Tax payments sufficient to avoid underpayment penalties or interest have been made by the Company and each of its subsidiaries. The Company and, if applicable, each of its subsidiaries,

have made adequate provision in their books and records and Financial Statements in accordance with GAAP for all Taxes which are not yet due and payable. All material (whether individually or in the aggregate) Taxes that the Company and each of its subsidiaries have been required to collect or withhold have been duly withheld or collected and, to the extent required, have been duly and timely paid to the proper Governmental Body and the Company and each of its subsidiaries have complied in all material respects with all Tax information reporting provisions of all applicable Laws. Neither the Company nor any of its subsidiaries (i) has been a member of an affiliated group (within the meaning of Section 1504 of the Code) filing a combined, consolidated, or unitary Tax Return (other than a group the common parent of which was the Company) or (ii) has any liability for the Taxes of any Person by reason of Treasury Regulations Section 1.1502-6 (or any analogous provision of state, local or foreign Law), contract (other than agreements solely between the Company and/or any of its subsidiaries and commercial agreements entered into in the ordinary course of business and the primary purpose of which does not relate to Taxes), assumption, transferee or successor liability, operation of law or otherwise. Neither the Company nor any of its subsidiaries is a party to or bound by any Tax sharing agreement, Tax indemnity or similar agreement with any Person with respect to Taxes, other than agreements solely between the Company and/or any of its subsidiaries and commercial agreements entered into in the ordinary course of business and the primary purpose of which does not relate to Taxes. Neither the Company nor any of its subsidiaries has been a party to any "listed transaction" within the meaning of Treasury Regulations Section 1.6011-4(b), or any other transaction requiring disclosure under analogous provisions of state, local or foreign Law. Neither the Company nor any of its subsidiaries has been a "controlled corporation" or a "distributing corporation" (within the meaning of Section 355(a)(1)(A) of the Code) in a distribution of stock intending to qualify for tax-free treatment under Section 355 of the Code (other than the distribution by the Company to its stockholders of the equity interests of PAX Labs, Inc., formerly PAX Labs (Deux), Inc., pursuant to the Contribution and Distribution Agreement, dated as of June 30, 2017, by and between the Company and PAX Labs, Inc. (the "**Spin-Off**")) within the past two (2) years. The Spin-Off qualifies under Section 355 of the Code.

(b) There is no Tax audit, examination, investigation, or administrative or judicial proceeding concerning any material (whether individually or in the aggregate) Tax matters with respect to the Company or any of its subsidiaries that is currently pending or being conducted or that has been threatened in writing. Neither the Company nor any of its subsidiaries has been advised by a Governmental Body in writing (i) of any material (whether individually or in the aggregate) deficiency in assessment or material (whether individually or in the aggregate) proposed adjustment to its Taxes or (ii) in a jurisdiction in which the Company or any of its subsidiaries have not filed Tax Returns, that the Company or any of its subsidiaries are or may be subject to material (whether individually or in the aggregate) Tax by, or required to file material (whether individually or in the aggregate) Tax Returns in, that jurisdiction. There are no material (whether individually or in the aggregate) Liens for any Taxes (other than for Taxes not yet due and payable or for Taxes that are being contested in good faith through appropriate proceedings and for which adequate reserves, in accordance with GAAP, have been established in the Financial Statements) upon any of the properties or assets of the Company or any of its subsidiaries. There are no outstanding agreements or waivers by the Company or any of its subsidiaries extending the statutory period of limitation applicable to any material (individually or in the aggregate) Tax Return of the Company or any of its subsidiaries for any period. Neither the Company nor any of its subsidiaries has received or applied for a Tax ruling from any Governmental Body or entered

into any "closing agreement" pursuant to Section 7121 of the Code (or any similar provision of state, local or non-U.S. Law) or other written agreement with a Governmental Body regarding material (individually or in the aggregate) Taxes or material (individually or in the aggregate) Tax matters.

(c) As used in this Agreement, (i) "**Taxes**" means any and all foreign, United States federal, state, provincial, local, and other taxes, levies, fees, imposts, duties, and similar governmental charges (including any interest, fines, assessments, penalties or additions to tax imposed in connection therewith or with respect thereto) including those imposed on, measured by, or computed with respect to income, franchise, profits or gross receipts, alternative or add-on minimum, margin, ad valorem, value added, capital gains, sales, goods and services, use, real or personal property, unclaimed property taxes (or similar), environmental, capital stock, license, branch, payroll, estimated, withholding, employment, social security (or similar), insurance, disability, workers compensation, unemployment, compensation, utility, severance, production, excise, stamp, occupation, premium, windfall profits, transfer and gains taxes, registrations, net worth, and customs duties, and (ii) "**Tax Return**" means any return (including any information return), report, statement, schedule, notice, form, or other document or information, including any attachment thereto and any amendments thereof, filed with or submitted to, or required to be filed with or submitted to, any Governmental Body in connection with the determination, assessment, collection, or payment, of any Tax.

(d) Notwithstanding any other provisions of this Agreement, the Investors acknowledges and agrees that no representation or warranty is made by the Company in this Agreement or any Transaction Documents in respect of Tax matters, other than the representations and warranties set forth in this Section 2.19, Section 2.10, Section 2.21 or Section 2.23, and no other provisions of this Agreement or any Transaction Document shall be interpreted as containing any representation or warranty with respect thereto.

2.20 Employees.

(a) To the Company's actual knowledge (without inquiry), no officer, key employee or material group of employees intends to terminate his or her employment with the Company or any of its subsidiaries, nor does the Company have a present intention to terminate the employment of any officer, key employee or group of employees. Each officer and key employee of the Company is currently devoting all of his or her business time to the conduct of the Company's business. No employees of the Company or any of its subsidiaries employed in the United States are represented by any labor union or covered by any collective bargaining agreement. There is no labor union organizing activity pending or, to the Company's knowledge, threatened with respect to the Company. The employment of each officer and employee of the Company or any of its subsidiaries employed in the United States is terminable at the will of the Company or such subsidiary, as applicable.

(b) The Company (i) is not a party to any collective bargaining agreement, works council agreement or other agreement with any labor organization, (ii) does not have any employees covered by an employee representative body, including a labor union, labor organization or works council that represents such employees, (iii) has not experienced any strike, work stoppage, walkout, or other material labor dispute since January 1, 2015, and (iv) has not

engaged in any plant closing or employee layoff activities since January 1, 2015 that violate the Worker Adjustment and Retraining Notification Act of 1988, as amended ("**WARN Act**"). There are no pending or, to the Company's knowledge, threatened, union organizing efforts or representational demands involving any employees of the Company.

(c) The Company is and has been during the three years prior to the date of this Agreement in compliance in all material respects with all applicable Laws respecting labor, employment, immigration, fair employment practices, terms and conditions of employment, workers' compensation, occupational safety, plant closings, mass layoffs, worker classification, exempt and non-exempt status, compensation and benefits, wages and hours and the WARN Act.

2.21 Employee Benefit Plans.

(a) Section 2.21 of the Schedule of Exceptions sets forth a true and complete list of each employee or director benefit plan, arrangement or agreement, whether or not written, including, without limitation, any employee welfare benefit plan within the meaning of Section 3(1) of the Employee Retirement Income Security Act of 1974, as amended ("**ERISA**"), any employee pension benefit plan within the meaning of Section 3(2) of ERISA (in each case, whether or not such plan is subject to ERISA) and any bonus, incentive, deferred compensation, vacation, stock purchase, stock option, severance, employment, change of control or fringe benefit plan, program or agreement (the "**Plans**") that is or has been sponsored, maintained or contributed to by the Company or by any ERISA Affiliate. For purposes of this Agreement, "**ERISA Affiliate**" means, with respect to any entity, trade or business, any other entity, trade or business that is a member of a group described in Section 414(b), (c), (m) or (o) of the Code or Section 4001(b)(1) of ERISA that includes the first entity, trade or business, or that is a member of the same "controlled group" as the first entity, trade or business pursuant to Section 4001(a)(14) of ERISA.

(b) The Company has made available true and complete copies of each of the Plans and certain related documents, including, but not limited to, (i) each writing constituting a part of such Plan, including all amendments thereto; (ii) the most recent Annual Reports (Form 5500 Series) and accompanying schedules, if any; and (iii) the most recent determination letter from the IRS (if applicable) for such Plan.

(c) (i) Each of the Plans has been operated and administered in all material respects in accordance with its terms and applicable Laws, including but not limited to ERISA, and the Internal Revenue Code of 1986, as amended (the "**Code**"); (ii) each of the Plans intended to be "qualified" within the meaning of Section 401(a) of the Code is so qualified, and there are no existing circumstances or any events that have occurred that could reasonably be expected to adversely affect the qualified status of any such plan; (iii) no Plan is subject to Title IV or Section 302 of ERISA or Section 412 or 4971 of the Code; (iv) no Plan provides benefits, including, without limitation, death or medical benefits (whether or not insured), with respect to current or former employees or directors of the Company beyond their retirement or other termination of service, other than (A) coverage mandated by applicable law or (B) death benefits or retirement benefits under any "employee pension plan" (as such term is defined in Section 3(2) of ERISA); (v) no liability under Title IV of ERISA has been incurred by the Company or any of its ERISA Affiliates that has not been satisfied in full, and no condition exists

that presents a risk to the Company or any ERISA Affiliate of incurring a liability thereunder; (vi) no Plan is a "multiemployer pension plan" (as such term is defined in Section 3(37) of ERISA) or a plan that has two or more contributing sponsors at least two of whom are not under common control, within the meaning of Section 4063 of ERISA; (vii) all contributions or other amounts payable by the Company as of the Closing Date pursuant to each Plan in respect of current or prior plan years have been timely paid or accrued in accordance with GAAP; and (viii) there are no pending or, to the Company's knowledge, threatened claims (other than routine claims for benefits) by, on behalf of or against any of the Plans or any trusts related thereto plan.

(d) Neither the execution and delivery of this Agreement nor the consummation of the transactions contemplated hereby (either alone or in conjunction with any other event) will (i) result in any material payment (including, without limitation, severance, unemployment compensation, "excess parachute payment" (within the meaning of Section 280G of the Code), forgiveness of indebtedness or otherwise) becoming due to any current or former director or any employee of the Company from the Company or any of its subsidiaries under any Plan or otherwise, (ii) materially increase any benefits otherwise payable under any Plan or (iii) result in any acceleration of the time of payment, funding or vesting of any such benefits.

(e) Neither the Company nor any of its subsidiaries is a party to, or is otherwise obligated under, any plan, policy, agreement or arrangement that provides for the gross-up or reimbursement of Taxes imposed under Section 409A or 4999 of the Code (or any corresponding provisions of state or local Law relating to Tax).

2.22 Corporate Documents. The Restated Certificate and the Restated Bylaws are in the form set forth in Exhibit A and Exhibit B, respectively.

2.23 Financial Statements. The Company has delivered to the Investors its audited financial statements as of and for the year ended December 31, 2017 and its unaudited financial statements as of and for the nine (9) months ended as of September 30, 2018 (the "**Balance Sheet Date**") (such audited and unaudited financial statements, the "**Financial Statements**"). The Financial Statements, together with the notes thereto, have been derived from the books and records of the Company and its subsidiaries and have been prepared in accordance with accounting principles generally accepted in the United States ("**GAAP**") applied on a consistent basis throughout the periods indicated. The Financial Statements fairly present in all material respects the financial condition and operating results of the Company and its subsidiaries as of the date, and for the period, indicated therein. Except as set forth in the Financial Statements, neither the Company nor any of its subsidiaries has any material liabilities or obligations, contingent or otherwise, other than (i) liabilities incurred in the ordinary course of business subsequent to the Balance Sheet Date; and (ii) obligations under Material Contracts, and under contracts and commitments incurred in the ordinary course of business, that are not required under GAAP to be reflected in the Financial Statements. Except as disclosed in the Financial Statements, neither the Company nor any of its subsidiaries is a guarantor or indemnitor of any indebtedness of any other Person. The Company and each of its subsidiary maintain a standard system of accounting established and administered in accordance with GAAP. The Company and its subsidiaries maintain systems of internal accounting controls sufficient to provide reasonable assurances regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with GAAP in all material respects, including

internal accounting controls sufficient to provide reasonable assurance that: (i) transactions are executed in accordance with management's general or specific authorization, and (ii) transactions are recorded as necessary to permit the preparation of the Financial Statements in conformity with GAAP and maintain accountability for assets. There are no material weaknesses or significant deficiencies (as such terms are defined in Regulation S-X promulgated under the Securities Act and Exchange Act) in the Company's and its subsidiaries' internal controls likely to adversely affect its ability to record, process, summarize and report financial information of the Company and its subsidiaries and there has not been any fraud, whether or not material, that involves management or other employees of the Company and its subsidiaries who have a significant role in internal controls over financial reporting.

2.24 Changes. Since the Balance Sheet Date, there has not been:

(a) any change in the assets, liabilities, financial condition or operating results of the Company from that reflected in the Financial Statements, that, individually or in the aggregate, has had a Material Adverse Effect;

(b) any resignation or termination of any officer, key employee or group of employees of the Company or any of its subsidiaries, and to the Company's actual knowledge (without inquiry), there is no impending resignation or termination of employment of any officer, key employee or material group of employees;

(c) any material damage, destruction or loss, whether or not covered by insurance, of any assets or properties of the Company or its subsidiaries;

(d) any waiver by the Company of a valuable right or of a material debt owed to it or any of its subsidiaries;

(e) any material change in any equity compensation arrangement or equity agreement with any of the Company's executive officers;

(f) any sale, assignment, or exclusive license of any Registered Intellectual Property, in each case, owned by the Company or any of its subsidiaries to a third party (other than any Affiliate of the Company); *provided*, *however*, that for the avoidance of doubt, this Section 2.24(f) is not intended to cover any exclusive distribution, supply, manufacturing or other commercial agreements;

(g) other than the Cash Distribution (as defined below), any declaration or payment of any dividend or other distribution by the Company;

(h) any acquisition or disposition (whether through merger, consolidation, stock or asset purchase or otherwise) of a business or assets (other than the purchase or sale of inventory in the ordinary course of business consistent with past practice) for consideration (including assumed liabilities) in excess of $10,000,000 in the aggregate, or any merger or consolidation with any other Person;

(i) any loans, advances, guarantees or capital contributions to, or investments in, any other Person, other than ordinary course advances to employees in connection with business expenses;

(j) any change in any method of financial accounting or accounting practice or policy used by the Company or any of its subsidiaries, other than such changes as are required by GAAP or a Governmental Body;

(k) any material capital expenditures, other than in accordance with the budget made available;

(l) any material changes to the compliance policies or codes of conduct of the Company or any of its subsidiaries;

(m) any compromise or settlement of any suit, action, arbitration, claim, inquiry, investigation, or proceeding other than compromises or settlements resulting in no obligation of the Company or any of its subsidiaries other than the payment of less than $25,000,000 in the aggregate; or

(n) any arrangement or commitment by the Company or any of its subsidiaries to do any of the acts described in subsections (a) through (m).

2.25 Shell Company Status. The Company is not, nor has it ever been, an issuer identified in Rule 144(i)(1) promulgated under the Securities Act.

2.26 Foreign Corrupt Practices; Sanctions. Except for such violations as are not, individually or in the aggregate, material to the Company and its subsidiaries, taken as a whole, neither the Company nor any of its subsidiaries, nor any of their respective directors, officers, employees or agents (acting in their role as directors, officers, employees or agents), have taken any action that violated or failed to comply with any (i) anti-bribery or anticorruption Laws, including the Foreign Corrupt Practices Act of 1977, as amended or (ii) any sanctions, export controls, money laundering, anti-terrorism, embargo or anti-boycott Laws administered or enforced by the United States, the European Union (or any member state of the European Union), the United Kingdom, or the United Nations.

2.27 Products. The Company's product packaging is complete and accurate in all material respects with respect to product ingredients (as applicable), country of origin, and any other packaging requirements required by current Law.

2.28 Data Privacy.

(a) "**Personal Data**" means any information about an identifiable individual, including a natural person's name, street address, telephone number, e-mail address, photograph, social security number, social insurance number or tax identification number, driver's license number, passport number, credit card number, bank information, or customer or account number, biometric identifiers or any other piece of personal information, each to the extent that the foregoing allows the identification of or contact with a natural person.

(b) "**Privacy Law**" means any Law relating to the collection, use, storage, processing, retention, transfer (including, without limitation, any transfer across national borders), or disclosure of Personal Data, including the Payment Card Industry Data Security Standard published by the Payment Card Industry Security Standards Council.

(c) The Company and its subsidiaries maintain policies and procedures regarding data security and privacy that are commercially reasonable and that are designed for the Company and its subsidiaries to be in compliance with and the Company and its subsidiaries are in all material respects in compliance with, its privacy policies and all applicable Privacy Law. The consummation of the transactions contemplated by this Agreement are not, and will not result in the Company being, in material breach of its privacy policies or any applicable Privacy Law. There is no complaint to, proceeding, investigation or claim, pending, or to the Company's knowledge, threatened, against the Company by any Governmental Body, or by any Person in respect of the collection, use, processing, retention, transfer, or disclosure of Personal Data. Since January 1, 2015 there have been no losses or thefts of, or any unauthorized access to, misuse of, or data or security breaches relating to, any Personal Data or other material confidential data held or under the control of the Company or any of its subsidiaries or for which the Company or any of its subsidiaries are responsible that (i) are required to be disclosed or reported by the Company or any of its subsidiaries under applicable Law or (ii) would reasonably be expected to be material to the Company and its subsidiaries, taken as a whole.

2.29 Significant Supplier. No Significant Supplier has terminated, materially reduced or threatened in writing to terminate or materially reduce its provision of products or services to the Company, or otherwise materially and adversely revised the terms upon which it supplies products or service to the Company (or proposed in writing any such material, adverse revision).

2.30 Significant Customers and Distributors. No Significant Distributor has terminated, materially reduced or threatened in writing to terminate or materially reduce its acquisition or distribution of products or services of the Company, or otherwise materially and adversely revised the terms upon which it acquires or distributes products or service of the Company (or proposed in writing any such material, adverse revision).

2.31 Minute Books. The Company has made available minute books of the Company relating to all meetings of directors and stockholders since June 1, 2017.

2.32 Insurance and Recalls. The Company has commercially reasonable and customary general commercial, product liability, fire and casualty insurance policies. The Company has in full force and effect commercially reasonable and customary products liability and errors and omissions insurance. The Company has made available copies of each of its material insurance policies. The Company has never recalled any of the Company's products.

2.33 Disclosure; Knowledge. The Company does not make any representations or warranties (including any statements in respect of any projections prepared by the Company and statements made in the confidential information memorandum made available), whether expressed or implied, at Law or in equity, other than as expressly set forth in this Section 2, and any such representations or warranties (other than those expressly set forth in this Section 2) are

hereby expressly disclaimed. As used herein, the phrase "**to the Company's knowledge**" means the actual knowledge of the Company's CEO, CFO or CLO and, solely with respect to Section 2.7 (Intellectual Property), the Company's VP, Intellectual Property, in each case after reasonable inquiry to the employees of the Company primarily responsible for the subject matter of the applicable representation or warranty.

3. Representations and Warranties of the Investors. The Investors hereby represent and warrant to the Company as follows:

3.1 Investment Intent. Investor Sub is acquiring the Shares for investment for its own account, not as a nominee or agent, and not with the view to, or for resale in connection with, any distribution thereof, and Investor Sub has no present intention of selling, granting any participation in, or otherwise distributing the same.

3.2 Investment Experience. Investor Sub has such knowledge and experience in financial and business matters so that Investor Sub is capable of evaluating the merits and risks of its investment in the Company.

3.3 Speculative Nature of Investment. Investor Sub understands and acknowledges that the Company has a limited financial and operating history and that an investment in the Company is highly speculative and involves substantial risks. Investor Sub can bear the economic risk of Investor Sub's investment and is able, without impairing Investor Sub's financial condition, to hold the Shares, as applicable, for an indefinite period of time and to suffer a complete loss of Investor Sub's investment.

3.4 Access to Data; Non-Reliance.

(a) The Investors have had an opportunity to ask questions of, and receive answers from, the officers of the Company concerning the Transaction Agreements, the exhibits and schedules attached thereto and the transactions contemplated by the Transaction Agreements, as well as the Company's business, management and financial affairs. Assuming the accuracy of the representations and warranties set forth in Article 2, the Investors believe that they have received all the information the Investors consider necessary or appropriate for deciding whether to purchase the Shares. The Investors acknowledge that any business plans prepared by the Company have been, and continue to be, subject to change and that any projections included in such business plans or otherwise are necessarily speculative in nature, and it can be expected that some or all of the assumptions underlying the projections will not materialize or will vary significantly from actual results.

(b) The Investors represent that: (i) they are not relying and hereby disclaims reliance (for purposes of entering into this Agreement) upon any advice, counsel or representations (whether written or oral) of the Company (including information included in any information memorandum) or omissions therefrom, other than the express representations and warranties made by the Company in the Transaction Agreements; and (ii) neither the Company nor any of its representatives has given the Investors (directly or indirectly through any other Person) any assurance, guarantee or representation whatsoever as to the expected or projected success of the Company, profitability, return, performance, result, effect, consequence or benefit (including legal, regulatory, tax, financial, accounting or otherwise) of the Transaction Agreements.

3.5 Accredited Investor. The Investors are "accredited investors" within the meaning of Regulation D, Rule 501(a), promulgated by the Securities and Exchange Commission (the "**SEC**") under the Securities Act.

3.6 Restricted Securities. Investor Sub understands that the Shares have not been, and (except as otherwise set forth in the Transaction Agreements) will not be, registered under the Securities Act, by reason of a specific exemption from the registration provisions of the Securities Act which depends upon, among other things, the bona fide nature of the investment intent and the truth and accuracy of the Investors' representations as expressed herein. Investor Sub understands that the Shares are "restricted securities" under applicable U.S. federal and state securities Laws and that, pursuant to these Laws, Investor Sub must hold the Shares indefinitely unless they are registered with the SEC and qualified by state authorities, or an exemption from such registration and qualification requirements is available. Investor Sub acknowledges that the Company has no obligation to register or qualify the Shares for resale except as expressly set forth in the Transaction Agreements. Investor Sub further acknowledges that if an exemption from registration or qualification is available, it may be conditioned on various requirements including, but not limited to, the time and manner of sale, the holding period for the Shares, and on requirements relating to the Company which are outside of the Investors' control, and with respect to which the Company is under no obligation and may not be able to satisfy.

3.7 No Public Market. Investor Sub understands and acknowledges that no public market now exists for any of the securities issued by the Company and that the Company has made no assurances that a public market will ever exist for the Company's securities except as expressly set forth in the Transaction Documents.

3.8 Authorization.

(a) The Investors have all requisite power and authority to execute and deliver the Transaction Agreements, to purchase the Shares hereunder and to carry out and perform their respective obligations under the terms of the Transaction Agreements. All action on the part of the Investors necessary for the authorization, execution, delivery and performance of the Transaction Agreements, and the performance of all of the Investors' respective obligations under the Transaction Agreements, has been taken or will be taken prior to the Closing.

(b) The Transaction Agreements, when executed and delivered by the Investors, will constitute valid and legally binding obligations of the Investors, enforceable in accordance with their terms subject to the Enforceability Exceptions.

(c) Except as required under the HSR Act with respect to the Antitrust Conversion and any other approval or clearance required under any other Antitrust Laws at the time of the Antitrust Conversion, no consent, approval, authorization, order, filing, registration or qualification of or with any Governmental Body or third person is required to be obtained by the Investors in connection with the execution and delivery of the Transaction Agreements by the Investors or the performance of the Investors' respective obligations thereunder.

(d) The execution and delivery of the Transaction Agreements by the Investors, and the performance by the Investors of their respective obligations pursuant to the Transaction Agreements, will not result in (i) any violation of, or conflict with, or constitute a default under, the Investor's articles of incorporation or bylaws, Investor Sub's limited liability company agreement or under any agreement to which the Investors or any of their respective Affiliates is a party, or (ii) a violation of Law.

(e) Other than the Transaction Agreements, neither the Investor nor any of its Affiliates is party or subject to any agreement that, following the Closing, will bind the Company, any of the Company's subsidiaries, or any of their respective businesses or assets, including any such agreements that, following the Closing, will require the Company or any of its subsidiaries to, or require the Investors to require the Company or any of its subsidiaries to, (i) limit or restrict any assets or business of the Company or its subsidiaries or the ownership or operation thereof (including any non-compete, non-solicitation, non-investment, non-interference or similar restrictive covenant) or (ii) grant to any third party any ownership of, or right or license to, any assets or business of the Company or any of its subsidiaries.

3.9 Brokers or Finders. The Investors have not incurred, and will not incur, directly or indirectly, as a result of any action taken by the Investors, any liability for brokerage or finders' fees or agents' commissions or any similar charges in connection with this Agreement or any of the transactions contemplated hereby, in each case that would become a liability of the Company.

3.10 Legends.

(a) The Investors understand and agree that the certificates evidencing the Shares, or any other securities issued in respect of the Shares upon any stock split, stock dividend, recapitalization, merger, consolidation or similar event, shall bear the following legend (in addition to any legend required by the Transaction Agreements or under applicable state securities Laws):

"THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE SECURITIES LAWS OF ANY STATE, AND MAY NOT BE SOLD, TRANSFERRED, ASSIGNED, PLEDGED OR HYPOTHECATED UNLESS AND UNTIL REGISTERED UNDER SUCH ACT AND/OR APPLICABLE STATE SECURITIES LAWS, OR UNLESS THE COMPANY HAS RECEIVED AN OPINION OF COUNSEL OR OTHER EVIDENCE, REASONABLY SATISFACTORY TO THE COMPANY AND ITS COUNSEL, THAT SUCH REGISTRATION IS NOT REQUIRED.

THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE, INCLUDING A LOCK-UP PERIOD IN THE EVENT OF A PUBLIC OFFERING, AS SET FORTH IN AN AGREEMENT, A

COPY OF WHICH MAY BE OBTAINED AT THE PRINCIPAL OFFICE OF THE COMPANY. BY ACCEPTING ANY INTEREST IN SUCH SECURITIES, THE PERSON HOLDING SUCH INTEREST SHALL BE DEEMED TO AGREE TO AND SHALL BECOME BOUND BY ALL THE PROVISIONS OF SAID AGREEMENT."

(b) Any legend set forth in, or required by, the other Transaction Agreements.

(c) Any legend required by the securities Laws of any state to the extent such Laws are applicable to the Shares represented by the certificate so legended.

4. Covenants.

4.1 Reasonable Best Efforts.

(a) Subject to the terms and conditions of this Agreement, each Party shall use its reasonable best efforts to take, or cause to be taken, all actions, and to do, or cause to be done, and to assist and cooperate with the other Party in doing, all things reasonably necessary, proper or advisable under applicable Law to consummate and make effective the Antitrust Conversion, (i) obtaining all necessary actions or nonactions, waivers, clearances, consents, permits and approvals from Governmental Bodies, (ii) making all necessary registrations, filings, notices, notifications and requests for authorizations with and to all Governmental Bodies, pursuant to all applicable Antitrust Laws, relating to the Antitrust Conversion (including an appropriate filing of a Notification and Report Form pursuant to the HSR Act with respect to the Antitrust Conversion, which each party shall file within 90 days following the Closing) and, if requested, to promptly amend or furnish additional information thereunder and (iii) obtaining each other's consent, authorization and/or approval (if any) required to be obtained by such Party pursuant to any applicable Law or material contract in connection with the transactions contemplated hereby (*provided*, that in no event shall the Company be obligated to pay or to commit to pay to any person whose consent, authorization and/or approval is being sought any cash or other consideration, make any accommodation or commitment or incur any liability or other obligation to such person in connection with such consent, authorization and/or approval). Each Party shall use its reasonable best efforts to: (A) respond at the earliest practicable date to any requests for additional information made by any Governmental Body, including the U.S. Department of Justice or the Federal Trade Commission, relating to the Antitrust Conversion; (B) act in good faith and reasonably cooperate with the other party in connection with any investigation by any Governmental Body under any applicable Antitrust Laws (including the HSR Act) relating to the Antitrust Conversion; (C) furnish to each other all information required for any filing, form, declaration, notification, registration and notice under any applicable Antitrust Laws (including the HSR Act) relating to the Antitrust Conversion, subject to advice of such party's antitrust counsel; and (D) take all other actions reasonably necessary, proper or advisable and consistent with this Section 4.1 to cause a decision, in whatever form (including a declaration of lack of jurisdiction) by any relevant Governmental Bodies or the expiration of the applicable waiting periods (or any extension thereof) under all applicable Antitrust Laws (including the expiration of the applicable waiting periods under the HSR Act relating to the Antitrust

Conversion). The Company and the Investors shall, subject to applicable Law, use reasonable best efforts to (x) cooperate and coordinate with the other in the taking of the actions contemplated by the immediately preceding sentence and (y) supply the other with any information that may be reasonably required in order to effectuate the taking of such actions.

(b) In connection with the foregoing, each Party shall use its reasonable best efforts: (i) to give the other Party reasonable prior notice of any substantive communication it initiates with, and any proposed understanding or agreement with, any Governmental Body regarding any investigations, proceedings, forms, declarations, registrations, filings, notices, notifications, registrations or requests for authorization, and permit the other to review and discuss in advance, and consider in good faith the views of the other in connection with, any proposed communication initiated by it, understanding or agreement with any Governmental Body, in each case under any applicable Antitrust Law relating to the Antitrust Conversion, subject to advice of such Party's antitrust counsel; (ii) not to participate in any substantive meeting or conversation, or engage in any substantive conversation with any Governmental Body in respect of any filings or inquiry under any applicable Antitrust Law relating to the Antitrust Conversion, without giving the other Party prior notice of the meeting or conversation and, unless denied by such Governmental Body, the opportunity to attend and/or participate therein; (iii) if attending a meeting, conference, or conversation with a Governmental Body under any applicable Antitrust Law relating to the Antitrust Conversion, from which the other Party is prohibited by applicable Law or denied by the applicable Governmental Body from participating in or attending, to keep the other Party reasonably apprised with respect thereto; and (iv) to consult and cooperate with the other Party in connection with any information or proposals submitted in connection with any proceeding, inquiry, or other proceeding under any applicable Antitrust Law relating to the Antitrust Conversion.

(c) To the extent reasonably practicable and subject to the provisions of Section 8.1 of the Relationship Agreement, legal counsel for the Company and the Investors shall have the right to review in advance, and will consult with the other on and consider in good faith the views of the other in connection with, all of the information relating to the Company or the Investors, as the case may be, and any of their respective subsidiaries and representatives, that appears in any filing made with, or written materials submitted to, any third party or Governmental Body in connection with the Antitrust Conversion (provided, that these materials may be redacted to the extent necessary to address reasonable attorney-client or other privilege, or other confidentiality concerns; *provided*, *further*, that the Parties shall use reasonable best efforts to cause the information so redacted to be provided in a manner that would not reasonably be expected to result in any waiver or loss of such privilege, including by entering into a common interest or joint defense agreement). In exercising the foregoing rights, each of the Company and the Investors shall act reasonably and as promptly as reasonably practicable. Information disclosed pursuant to this Section 4.1(c) shall be subject to the Confidentiality Agreement, and the Parties shall comply with, and shall cause their respective representatives to comply with, all of their respective obligations thereunder. Neither the Company nor the Investors shall commit to or agree (or permit their respective subsidiaries to commit to or agree) with any Governmental Body to stay, toll or extend any applicable waiting period under any applicable Antitrust Laws, without the prior written consent of the other (such consent not to be unreasonably withheld, conditioned or delayed).

(d) If any objections are asserted by any Governmental Body or any private party with respect to the Antitrust Conversion under any Antitrust Law or if any legal proceeding is instituted by any Governmental Body or any private party challenging the Antitrust Conversion as violative of any Antitrust Law, each Party shall use its reasonable best efforts to: (i) oppose or defend against any action to prevent or enjoin consummation of the Antitrust Conversion; and (ii) take such action as reasonably necessary to overturn any action by any Governmental Body or private party to block consummation of the Antitrust Conversion, including by defending any legal proceeding brought by any Governmental Body or private party in order to avoid entry of, or to have vacated, overturned or terminated, including by appeal if necessary, any decree, judgment, injunction or other order (whether temporary, preliminary or permanent) that would restrain, prevent or delay the Antitrust Conversion, or in order to resolve any such objections or challenge as such Governmental Body or private party may have to such transactions under such Antitrust Law so as to permit consummation of the Antitrust Conversion.

(e) The Investor, to the extent permitted by the applicable Laws and the Investor's and its subsidiaries' obligations under any contracts or other binding instrument in effect as of the Closing Date (the "**Remedy Restrictions**"), shall and, shall cause its Affiliates to, (i) propose, negotiate, offer to commit and effect (and if such offer is accepted, commit to and effect), by consent decree, hold separate order, or otherwise, the sale, divestiture, license, disposition or hold separate of such assets or businesses of the Investor or any of its Affiliates (excluding the Company and its subsidiaries), or (ii) otherwise offer to take or offer to commit to take any action (including any action that limits its freedom of action, ownership or control with respect to, or its ability to retain or hold, any of the businesses, assets, product lines, properties or services, or creating, terminating, or amending any existing relationships, ventures, contractual rights or obligations, of the Investor or any of its Affiliates, excluding the Company and its subsidiaries) which it is lawfully capable of taking (clauses (i) and (ii) collectively, "**Remedial Actions**") and if the offer is accepted, take or commit to take such action, in each case, as may be required in order to avoid the entry of any decree, judgment, injunction or other order (whether temporary, preliminary or permanent) that would restrain, prevent or delay the Antitrust Conversion or avoid the commencement of any legal proceeding to prohibit the Antitrust Conversion, or if already commenced, to avoid the entry of, or to effect the dissolution of, any injunction, temporary restraining order or other order in any legal proceeding so as to enable the Antitrust Conversion to occur ; *provided*, *however*, that the Investor shall not be required to take Remedial Actions with respect to any of the Investor's or its Affiliates' products or services other than the Investor's and its subsidiaries' e-Vapor Business. If any divestiture or disposition of the Investor's and its subsidiaries' e-Vapor Business is not permitted by applicable Remedy Restrictions but subsequently becomes permitted thereunder, the Investor shall as promptly as practicable thereafter provide written notice to the Company that such divestiture or other disposition has become permissible and shall offer to divest or otherwise dispose of such e-Vapor Business as promptly as practicable after receipt of confirmation by the Company to do the same.

(f) Notwithstanding anything to the contrary contained herein, in no event will the Company or its Affiliates be required to propose, negotiate, offer to commit or effect, by consent decree, hold separate order, or otherwise, the sale, divestiture, license, disposition or holding separate of any assets or businesses of the Company or its Affiliates, or otherwise offer to take or offer to commit to take any such action (including any such action that limits its or their respective freedom of action, ownership or control with respect to, or its or their respective ability to retain or hold, any of the businesses, assets, product lines, properties or services, or creating, terminating, or amending any existing relationships, ventures, contractual rights or obligations, of the Company or its Affiliates).

(g) The Parties shall work cooperatively together on all communications and strategy relating to litigation matters under Antitrust Laws (*provided*, that each Party acts in good faith and neither Party is constrained from complying with applicable Law), subject to consultations with and the inclusion of the other Party at meetings with Governmental Bodies involving substantive issues under the Antitrust Laws, unless the inclusion of one Party is reasonably determined by the other Party after good faith consultation by both Parties to be strategically detrimental to the ultimate goal of obtaining Antitrust Clearance.

(h) The obligations of this Section 4.1 shall terminate upon the earlier of receipt of Antitrust Clearance and the Antirust Termination Date.

4.2 Actions Following Antitrust Clearance. Promptly following Antitrust Clearance, the Company shall take all steps necessary or appropriate (a) to effectuate the Antitrust Conversion and (b) to appoint each Investor Director (as defined in the Relationship Agreement) to the Board of Directors of the Company in accordance with the Transaction Agreements (which, in each case (a) and (b), shall take place no later than five (5) business days following Antitrust Clearance).

4.3 Prepayment of Notes. Reference is made to those certain Subordinated Promissory Notes, issued on July 20, 2018, by and between the Company and the holders thereof (as amended, the "**Notes**"), which were issued pursuant to the that certain Subordinated Convertible Note Purchase Agreement dated December 4, 2017, as amended. Promptly following the Closing and in any event within ten (10) days, the Company shall prepay the Notes in full.

4.4 Cash Distribution. Following the Closing, the Company may effect one or more cash distributions up to the aggregate amount set forth on Schedule 4.4(a) to the holders of its outstanding capital stock and other equity securities, including outstanding options, as of immediately prior to the Closing in accordance with the plan set forth in Schedule 4.4(b) (the "**Cash Distribution**") (it being understood that neither the Investors, nor any holder of Class C-1 Common or Class C Common shall receive any portion of the Cash Distribution). If, after the Closing, the Company desires to change the Cash Distribution plan set forth on Schedule 4.4(b), the Company and the Investors shall use their good faith efforts to determine an alternative plan to effect the goals of the Cash Distribution and such alternative plan may be effected (and Schedule 4.4 and the definition of Cash Distribution may be amended accordingly) by agreement of the Company and the Investors; provided that in no event shall the Investors have any obligation to agree to any such alternative plan and/or amendment that adversely affects the Investors relative to the Cash Distribution. Without limiting the foregoing, in no event shall the Company effect any Cash Distribution that would result in the cash of the Company and its subsidiaries, net of the Indebtedness of the Company and its subsidiaries and net of any fees of financial advisors payable in connection with the transactions contemplated hereby, being less than $950,000,000 immediately following the completion of the Cash Distribution. The Investors hereby consents to the Cash Distribution, and in connection therewith, if such Cash Distribution requires stockholder approval, Investor Sub shall vote or act by written consent (as applicable) all of the Shares owned

by it in favor of the Cash Distribution, and execute and deliver all related documentation and take such other action in support of such Cash Distribution as shall reasonably be requested by the Company in order to carry out the terms and provisions of this Section 4.4.

4.5 R&W Policy. "**R&W Policy**" means, collectively, that certain primary representation and warranty insurance policy issued to the Investors as the "Named Insured" therein (Policy No. 18403029) with respect to the Company's representations and warranties set forth in this Agreement and related excess representation and warranty insurance policies, which such policy, for the avoidance of doubt, includes terms to the effect that the insurer(s) waives its rights to bring any claim by way of subrogation, contribution or otherwise against the Company and its Affiliates (other than with respect to any claims arising from any fraud). No later than five (5) business days following the Closing, the Company shall pay the Investor Sub, via wire transfer, $10,351,649.38, representing 50% of the premium for the R&W Policy. In addition, in the event that the Investors actually incur from time to time a loss that is covered by the R&W Policy (or would be covered but for the retention under the R&W Policy), then the Company shall within ten (10) business days after a claim for such loss is submitted under the R&W Policy pay the Investors via wire transfer 50% of the amount of such loss, *provided* that the aggregate amount that the Company shall be obligated to pay pursuant to this sentence shall not exceed $30,000,000, representing 50% of the retention for the R&W Policy. The Investors will not, without the consent of the Company, permit provisions in the R&W Policy regarding subrogation to be amended or modified in a manner adverse to the Company. In the event of any claim made in good faith under the R&W Policy with respect to the representations and warranties set forth in Section 2.17(d), the Company shall provide the Investors with access to the materials identified in Section 2.17(d) of the Schedule of Exceptions.

4.6 Joint Press Release. Promptly following the Closing, the Parties will issue a mutually agreed joint press release describing the Investor's support obligations set forth in the Services Agreement.

5. Conditions to the Investors' Obligation to Close. The Investors' obligation to effect the Closing, including for Investor Sub to purchase the Shares at the Closing, is subject to the fulfillment on or before the Closing of each of the following conditions, unless waived by the Investors:

5.1 Representations and Warranties. The representations and warranties made by the Company in Section 2 (as modified by the disclosures on the Schedule of Exceptions) shall be true and correct as of the date of the Closing.

5.2 Covenants. All covenants, agreements and conditions contained in this Agreement to be performed by the Company on or prior to the Closing shall have been performed or complied with in all material respects.

5.3 Blue Sky. The Company shall have obtained all necessary blue sky Law permits and qualifications, or have the availability of exemptions therefrom, required by any state for the offer and sale of the Shares.

5.4 Restated Certificate. The Restated Certificate shall have been duly authorized, executed and filed with and accepted by the Secretary of State of the State of Delaware on or prior to the Closing, which shall continue to be in full force and effect as of the Closing.

5.5 True-Up Convertible Security. The Company shall have executed and delivered the True-Up Convertible Security.

5.6 License Agreement, Relationship Agreement and Services Agreement. The Company shall have executed and delivered the License Agreement, the Relationship Agreement and the Services Agreement.

5.7 Rights Agreement. The Company and sufficient stockholders to amend the prior Rights Agreement shall have executed and become a party to the Rights Agreement.

5.8 Co-Sale Agreement. The Company and sufficient stockholders to amend the prior Co-Sale Agreement shall have executed and become a party to the Co-Sale Agreement.

5.9 Voting Agreement. The Company and sufficient stockholders to amend the prior Voting Agreement shall have executed and become a party to the Voting Agreement.

5.10 Closing Deliverables. The Company shall have delivered to the Investors on or prior to the Closing the following:

(a) a certificate executed by a duly authorized officer of the Company, certifying the satisfaction of the conditions to closing listed in Sections 5.1 and 5.2;

(b) a certificate of the Secretary of State of the State of Delaware dated as of a date within five (5) days prior to the date of the Closing, with respect to the good standing of the Company; and

(c) a certificate of the Company executed by a duly authorized officer of the Company having attached thereto (1) the Restated Certificate as in effect at the time of the Closing, (2) the Restated Bylaws as in effect at the time of the Closing, and (3) the resolutions of the Board of Directors of the Company and the stockholders of the Company adopted in connection with the transactions contemplated by this Agreement, as applicable.

5.11 Proceedings and Documents. All corporate and other proceedings required to carry out the transactions at the Closing contemplated by this Agreement, and all instruments and other documents relating to such transactions, shall be reasonably satisfactory in form and substance to the Investors or their counsel, and the Investors or their counsel shall have been furnished with such instruments and documents as it shall have reasonably requested.

5.12 Consents and Waivers. The Company shall have obtained any and all material consents, permits and waivers necessary or appropriate for consummation of the transactions contemplated by this Agreement or the Transaction Agreements at the Closing, including (a) all governmental or regulatory consents, approvals or authorizations required in connection with the valid execution and delivery of this Agreement or the Transaction Agreements (excluding, for the avoidance of doubt, the Antitrust Clearance) and (b) waivers in respect of any preemptive or similar rights directly or indirectly affecting any of its securities.

5.13 Reservation of Conversion Shares. The Class C Conversion Shares shall have been duly authorized and reserved for issuance upon the Antitrust Conversion and upon conversion of the True-Up Convertible Security, and the Class A Conversion Shares shall have been duly authorized and reserved for issuance upon conversion of the Class C-1 Common and the Class C Common, as applicable.

6. Conditions to Company's Obligation to Close. The Company's obligation to sell and issue the Shares at the Closing is subject to the fulfillment on or before the Closing of the following conditions, unless waived by the Company:

6.1 Representations and Warranties. The representations and warranties made by the Investors in Section 3 shall be true and correct in all material respects as of the date of the Closing.

6.2 Covenants. All covenants, agreements and conditions contained in the Transaction Agreements to be performed by the Investors on or prior to the date of the Closing shall have been performed or complied with as of the date of the Closing.

6.3 Compliance with Securities Laws. The Company shall be satisfied that the offer and sale of the Shares shall be qualified or exempt from registration or qualification under all applicable federal and state securities Laws (including receipt by the Company of all necessary blue sky Law permits and qualifications required by any state, if any).

6.4 Qualifications. All authorizations, approvals or permits, if any, of any governmental authority or regulatory body of the United States or of any state that are required in connection with the lawful issuance and sale of the Shares pursuant to this Agreement shall be obtained and effective as of the Closing.

6.5 Restated Certificate. The Restated Certificate shall have been duly authorized, executed and filed with and accepted by the Secretary of State of the State of Delaware on or prior to the Closing, which shall continue to be in full force and effect as of the Closing.

6.6 True-Up Convertible Security. The Investors shall have executed and delivered the True-Up Convertible Security.

6.7 License Agreement, Relationship Agreement and Services Agreement. The Investor shall have executed and delivered the License Agreement and the Services Agreement, and the Investors shall have executed and delivered the Relationship Agreement .

6.8 Rights Agreement. The Investors and sufficient stockholders to amend the prior Rights Agreement shall have executed and become a party to the Rights Agreement.

6.9 Co-Sale Agreement. The Investors and sufficient stockholders to amend the prior Co-Sale Agreement shall have executed and become a party to the Co-Sale Agreement.

6.10 Voting Agreement. The Investors, and sufficient stockholders to amend the prior Voting Agreement, shall have executed and become a party to the Voting Agreement.

6.11 Side Letter and Board Observer Rights Letter. The counterparty to the Side Letter by and between the Company and PXH LLC shall have executed and become a party to an amendment to such Side Letter to terminate the provisions under the heading "Related Party Transactions". The observer rights set forth in that certain Amended and Restated Board Observer Rights letter agreement, dated May 9, 2014, between the Company and Sand Hill Angels X, LLC and the "Representative" named therein, shall have been terminated.

6.12 Consents and Waivers. The Company shall have obtained any and all material consents, permits and waivers necessary or appropriate for consummation of the transactions contemplated by this Agreement and the other Transaction Agreements at the Closing, including (a) all governmental or regulatory consents, approvals or authorizations required in connection with the valid execution and delivery of this Agreement and the other Transaction Agreements (excluding, for the avoidance of doubt, the Antitrust Clearance) and (b) waivers in respect of any preemptive, right of first offer or similar rights directly or indirectly affecting any of its securities.

7. Miscellaneous.

7.1 Amendment. Neither this Agreement nor any term hereof may be amended, waived, discharged or terminated other than by a written instrument referencing this Agreement and signed by the Company and the Investors. Without limiting the foregoing, this Agreement may not be amended or terminated, and no material term hereof may be waived or discharged, unless such amendment, termination, waiver (in the case of a waiver by the Company) or discharge (in the case of a discharge by the Company) is approved by the affirmative vote of at least two-thirds (2/3rd) of the Non-Investor Directors (as defined in the Relationship Agreement).

7.2 Notices. All notices and other communications required or permitted hereunder shall be made in accordance with the Relationship Agreement.

7.3 Governing Law. This Agreement shall be governed in all respects by the internal Laws of the State of Delaware, without regard to principles of conflicts of Law.

7.4 Fees and Expenses. Except as set forth in Section 4.5, the Company and the Investors shall each pay their respective fees and expenses incurred in connection with the transactions contemplated by this Agreement.

7.5 Survival.

(a) The Parties, intending to modify any applicable statute of limitations, acknowledge and agree that the representations and warranties of the Company contained in this Agreement (or in any instrument delivered by the Company to an Investor under this Agreement) shall terminate upon, and shall not survive, the Closing. The Company shall have no obligation for indemnification hereunder or any other liability to the Investors with respect to any claim based on, in respect of or by reason of a breach of any representation or warranty of the Company contained in this Agreement (or in any instrument delivered by the Company to the

Investors under this Agreement). The Investors hereby acknowledge and agree that, upon the Closing and except for intentional and knowing fraud by the Company against the Investors with respect to any representations and warranties contained in this Agreement (or in any instrument delivered by the Company to the Investors under this Agreement), the Investors' sole and exclusive remedy with respect to the representations and warranties of the Company contained in this Agreement (or in any instrument delivered by the Company to the Investors under this Agreement) shall be limited to any recourse available under the R&W Policy and, notwithstanding the provisions of this Section 7.5(a) and Section 7.5(b), under Section 4.5 of this Agreement.

(b) In furtherance of the foregoing, from and after the Closing, the Investors (on behalf of themselves and each of their respective Affiliates) hereby waive and release, and covenant not to sue with respect to, to the fullest extent permitted under Law, any and all rights, claims and causes of action (including any statutory rights to contribution or indemnification) for any breach of any representation or warranty of the Company contained in this Agreement (or in any instrument delivered by the Company to the Investors under this Agreement) arising under or based upon any theory whatsoever, under any Law, in equity, contract, tort or otherwise; *provided*, *however*, that, without limiting Section 3.4(b), the foregoing shall not operate to limit the common law liability of the Company in the event of intentional and knowing fraud by the Company against the Investors with respect to any representations and warranties contained in this Agreement (or in any instrument delivered by the Company to an Investor under this Agreement).

(c) Each of the covenants and agreements made in this Agreement shall survive the Closing in accordance with its terms.

(d) The Investors hereby agree that, from and after the Closing, the Investors shall indemnify, defend and hold harmless the Company Indemnified Parties from and against, and shall compensate and reimburse each of the Company Indemnified Parties for, any and all Losses actually suffered or incurred by any of the Company Indemnified Parties as a result of any Claim asserted against or sought to be collected from any Company Indemnified Party by a third party (a "**Third-Party Claim**"), to the extent that the allegations or claims in such Third-Party Claim, if proven correct, would have resulted in any breach of the representations and warranties of the Investors in Section 3.8 of this Agreement, without regard to the actual or constructive knowledge of any Company Indemnified Party with respect thereto.

(e) The following definitions apply:

(i) "**Claim**" means any claim, cause of action, action, demand, lawsuit, investigation, review, grievance, citation, summons, subpoena, inquiry, audit, hearing, originating application to a tribunal, arbitration or other similar proceeding of any nature, civil, criminal, regulatory, administrative or otherwise, whether in equity or at law, in contract, in tort or otherwise.

(ii) "**Company Indemnified Parties**" means the Company and its Affiliates and their respective directors, managers, officers or other Persons acting in a similar capacity, successors and permitted assigns, in each case, in their capacity as such.

(iii) "**Losses**" means, with respect to any Company Indemnified Party, any and all losses, direct damages, obligations, Taxes, judgments, fines, settlement payments or awards of any kind actually suffered or incurred by such Company Indemnified Party after the Closing Date (together with all reasonably incurred and documented cash disbursements, costs and expenses, including reasonable and documented out-of-pocket costs of investigation, defense and appeal and reasonable and documented out-of-pocket attorneys' fees and expenses), but excluding (a) any indirect, incidental or consequential damages except to the extent the purported Company Indemnified Party alleging such damages can reasonably establish such damages would be recoverable under the contract Law principles of the laws of Delaware, as applicable, to a breach of an underlying contractual provision, (b) any amounts calculated as a multiple of earnings, profits, revenues, sales or other financial performance measures or operating statistics or diminution of value or any loss of goodwill and (c) any punitive, exemplary or special damages, in each case even if a Party has been advised of the possibility thereof; provided, however, that with respect to any Third-Party Claim, "Losses" shall include any damages actually awarded pursuant to a Final Determination in connection therewith. "Losses" shall also be net of (A) any proceeds actually received by the Company Indemnified Party or any of its Affiliates under any insurance policy or pursuant to any claim, recovery, settlement or payment by or against any other Person, less any actual costs or expenses incurred in connection with securing or obtaining such proceeds and (B) any reduction in the cash Tax liability of the Company Indemnified Party that is actually realized as a result of such Loss..

7.6 Successors and Assigns. This Agreement, and any and all rights, duties and obligations hereunder, shall not be assigned, transferred, delegated or sublicensed by an Investor without the prior written consent of the Company. Any attempt by an Investor without such permission to assign, transfer, delegate or sublicense any rights, duties or obligations that arise under this Agreement shall be void. Subject to the foregoing, the provisions of this Agreement shall inure to the benefit of, and be binding upon, the successors and permitted assigns of the Parties. Notwithstanding the foregoing or anything to the contrary in this Agreement, an Investor may assign any and all rights, duties and obligations hereunder to any wholly owned subsidiary, but no such assignment shall relieve such Investor of its duties or obligations hereunder.

7.7 Entire Agreement. This Agreement, including the exhibits attached hereto, and the other Transaction Agreements constitute the full and entire understanding and agreement between the Parties with regard to the subjects hereof and thereof. Neither Party shall be liable or bound to the other Party in any manner with regard to the subjects hereof or thereof by any warranties, representations or covenants except as specifically set forth herein or therein.

7.8 Severability. If any provision of this Agreement becomes or is declared by a court of competent jurisdiction to be illegal, unenforceable or void, portions of such provision, or such provision in its entirety, to the extent necessary, shall be severed from this Agreement, and such court will replace such illegal, void or unenforceable provision of this Agreement with a valid and enforceable provision that will achieve, to the extent possible, the same economic, business and other purposes of the illegal, void or unenforceable provision. The balance of this Agreement shall be enforceable in accordance with its terms.

7.9 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be enforceable against the Parties actually executing such counterparts, and all of which together shall constitute one instrument.

7.10 Delays or Omissions. No delay or omission to exercise any right, power or remedy accruing to either Party, upon any breach or default of the other Party under this Agreement, shall impair any such right, power or remedy, nor shall it be construed to be a waiver of any such breach or default, or any acquiescence therein, or of or in any similar breach or default thereafter occurring; nor shall any waiver of any single breach or default be deemed a waiver of any other breach or default theretofore or thereafter occurring. It is further agreed that any waiver, permit, consent or approval of any kind or character on one Party's part of any breach or default under this Agreement by the other Party, or any waiver on either Party's part of any provisions or conditions of this Agreement must be in writing and shall be effective only to the extent specifically set forth in such writing and that all remedies, either under this Agreement, or by Law or otherwise afforded to a Party, shall be cumulative and not alternative.

7.11 Electronic Execution and Delivery. A facsimile, PDF or other electronic reproduction of this Agreement may be executed by each Party and delivered by such Party by facsimile or any similar electronic transmission device pursuant to which the signature of or on behalf of such Party can be seen. Such execution and delivery shall be considered valid, binding and effective for all purposes.

7.12 Specific Performance. In addition to any and all other remedies that may be available at Law in the event of any breach of this Agreement, each Party shall be entitled to specific performance of the agreements and obligations of the other Party and to such other injunction or other equitable relief as may be granted by a court of competent jurisdiction.

7.13 Dispute Resolution. All disputes or claims relating to this Agreement shall be resolved in accordance with the dispute resolutions provisions set forth in Relationship Agreement.

7.14 Further Assurances. Each Party agrees to execute and deliver, by the proper exercise of its corporate powers, all such other and additional instruments and documents and do all such other acts and things as may be necessary to more fully effectuate this Agreement.

7.15 California Corporate Securities Law. THE SALE OF THE SECURITIES WHICH ARE THE SUBJECT OF THIS AGREEMENT HAS NOT BEEN QUALIFIED WITH THE COMMISSIONER OF CORPORATIONS OF THE STATE OF CALIFORNIA AND THE ISSUANCE OF SUCH SECURITIES OR THE PAYMENT OR RECEIPT OF ANY PART OF THE CONSIDERATION FOR SUCH SECURITIES PRIOR TO SUCH QUALIFICATION IS UNLAWFUL, UNLESS THE SALE OF SECURITIES IS EXEMPT FROM QUALIFICATION BY SECTION 25100, 25102 OR 25105 OF THE CALIFORNIA CORPORATIONS CODE. THE RIGHTS OF ALL PARTIES TO THIS AGREEMENT ARE EXPRESSLY CONDITIONED UPON SUCH QUALIFICATION BEING OBTAINED, UNLESS THE SALE IS SO EXEMPT.

7.16 Non-Recourse. This Agreement may only be enforced against, and any dispute or claim based upon, arising out of or related to this Agreement may only be brought against, the Parties. No past, present or future director, officer, employee, Affiliate, stockholder, equityholder, limited or general partner, member, manager, accountant, legal counsel, agent, advisor or other representative of either Party or any subsidiary of the Company ("**Representative**") will have any liability (whether in contract, tort, equity or otherwise) for any of the representations, warranties, covenants, agreements or other obligations or liabilities of either Party, or for any action, suit, claim, investigation, or proceeding based upon, arising out of or related to this Agreement. The Investors fully and unconditionally releases, acquits and forever discharges the Representatives of the Company, and each of their respective past, present and future successors, predecessors, assigns, from any and all claims, actions, causes of action, suits, damages, judgments, expenses, demands and other obligations or liabilities, of any nature whatsoever, in law or in equity, in each case, whether absolute or contingent, liquidated or unliquidated, known or unknown, arising under any agreement or understanding relating to, or arising in connection with, the Company or any of its subsidiaries and from acts, omissions, events or circumstances occurring on or prior to the Closing, including without limitation all rights, claims and causes of action released pursuant to Section 7.5(b). The Representatives of the Company are intended third party beneficiaries of this Section 7.16.

7.17 Interpretation. References to "Affiliates," "Subsidiaries," "Representatives," "Parties," "Company Covered Persons," "Related Parties," or to other Persons referred to herein include other Persons which from time to time constitute "Affiliates," "Subsidiaries," "Representatives," "Parties," "Company Covered Persons," "Related Parties," or such other Persons referred to herein of such specified Person, as the case may be, and do not include, at any particular time, other Persons that may have been, but at such time have ceased to be, "Affiliates," "Subsidiaries," "Representatives," "Parties," "Company Covered Persons," "Related Parties," or such other Persons referred to herein as the case may be, of such specified Person, except to the extent that any such reference specifically provides otherwise.

[Signature page follows]

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

COMPANY:

JUUL LABS, INC.

By: /s/ Kevin Burns
Name: Kevin Burns
Title: Chief Executive Officer

INVESTOR:

Altria Group, Inc.

By: /s/ William F. Gifford, Jr.
Name: William F. Gifford, Jr.
Title: Vice Chairman and Chief Financial Officer

INVESTOR SUB:

Altria Enterprises LLC

By: /s/ David A. Wise
Name: David A. Wise
Title: Vice President and Treasurer

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Section 3: EX-2.2 (EX-2.2)

Exhibit 2.2

Execution Version

RELATIONSHIP AGREEMENT

BY AND AMONG

JUUL LABS, INC.,

ALTRIA GROUP, INC.

AND

ALTRIA ENTERPRISES LLC

dated as of December 20, 2018

RELATIONSHIP AGREEMENT

This **RELATIONSHIP AGREEMENT** (this "**Agreement**"), is made as of December 20, 2018, by and among JUUL Labs, Inc., a Delaware corporation (the "**Company**"), Altria Group, Inc., a Virginia corporation (the "**Investor**") and Altria Enterprises LLC, a Virginia limited liability company and wholly owned subsidiary of the Investor ("**Investor Sub**", and together with the Company and Richard, the "**Parties**" and, each, a "**Party**").

RECITALS

WHEREAS, on the date hereof, concurrently with the execution and delivery of this Agreement, the Parties entered into that certain Class C-1 Common Stock Purchase Agreement (the "**Purchase Agreement**") providing for, among other things, the purchase by the Investor, through Investor Sub, of non-voting shares of the Company's Class C-1 Common Stock (the "**Purchase**", and such shares of Class C-1 Common Stock, the "**Purchased Shares**"), which, subject to the terms and conditions set forth in the Purchase Agreement, shall be automatically converted into an equal number of voting shares of the Company's Class C Common Stock (the "**Conversion Shares**" and, collectively, with the Purchased Shares, the "**Investor Initial Shares**"); and

WHEREAS, the Parties desire to enter into this Agreement to set out their respective rights, obligations and duties with respect to certain aspects of the Company and its business, management and operations and the Investor's ownership of the Investor Shares.

NOW, THEREFORE, in consideration of the premises and the mutual promises set forth herein, the receipt and sufficiency of which are hereby acknowledged, each of the Parties agrees as follows:

ARTICLE 1
DEFINITIONS AND INTERPRETATION

Section 1.1. Certain Defined Terms. For purposes of this Agreement the following terms shall have the following meanings:

"**409A Valuation**" has the meaning set forth in Section 5.1(c).

"**Action**" means any civil, criminal or administrative claim, demand, litigation, action, suit, investigation, prosecution, arbitration, mediation or proceeding.

"**Affiliate**" means, with respect to any Person, any other Person that directly or indirectly actually Controls, is Controlled by or is under common Control with such Person. For the avoidance of doubt, for purposes of this Agreement, neither the Investor nor any of its Subsidiaries shall be deemed to be an Affiliate of the Company or any of its Subsidiaries, and neither the Company nor any of its Subsidiaries shall be deemed to be an Affiliate of the Investor or any of its Subsidiaries.

"**Agreement**" has the meaning set forth in the Preamble.

"**Antitrust Clearance**" has the meaning set forth in the Purchase Agreement.

"**Antitrust Laws**" has the meaning set forth in the Purchase Agreement.

"**Applicable Percentage**" means, as of any given time, the lesser of (i) thirty-five percent (35%) and (ii) the lowest percentage calculated as of any Measurement Time by dividing (A) the sum, without duplication, of (1) the aggregate number of Investor Shares then Beneficially Owned by the Investor, (2) the aggregate number of Shares then Beneficially Owned by any Upstream Affiliate and (3) the aggregate number of Shares that the Investor is then entitled to acquire pursuant to any provision of the Purchase Agreement, the True-Up Security or this Agreement as a result of any issuance that occurred prior to such Measurement Time, by (B) the aggregate number of Shares outstanding at such Measurement Time; *provided*, that for purposes of the foregoing calculation, (1) "Beneficial Ownership" shall not include any Shares deemed to be beneficially owned by a Person pursuant to Rule 13d-3(d)(1)(i) as a result of any preemptive rights prior to the closing of the issuance of New Securities that gave rise to such preemptive rights and (2) in no event shall the aggregate number of outstanding Shares be deemed to include any Shares issued following execution of this Agreement with respect to which the Company failed to afford the Investor preemptive rights in breach of Article 4 or the Equity Award True-Up rights pursuant to Section 5.1 (it being agreed that the Company shall have the right to cure such breach prior to effecting this clause (2)). For the avoidance of doubt, the Applicable Percentage shall only decrease and shall never increase; *provided*, that notwithstanding the foregoing or anything in this Agreement or any other Constituent Document to the contrary, the Parties hereby confirm their mutual understanding, intention and agreement that (i) the initial Applicable Percentage is thirty-five percent (35%) (with any deviation therefrom unintentional and subject to the make-whole provisions set forth in Section 1.3(c) of the Purchase Agreement) and (ii) the Applicable Percentage referred to in the preceding clause (i) is only capable of being, and shall only be, decreased as a result of the Investor's election not to exercise preemptive rights provided by Article 4 or Equity Award True-Up rights pursuant to Section 5.1 or, if applicable, any Transfer of Capital Securities by the Investor or any Upstream Affiliate.

"**Beneficially Own**", "**Beneficial Owner**" and "**Beneficial Ownership**" and words of similar import, with respect to a Person, have the meaning that such term is given pursuant to Rule 13d-3 as promulgated under the Exchange Act; *provided*, that the entry of a Person into, and compliance with the terms of, the Investors' Rights Agreement, the ROFR and Co-Sale Agreement or the Voting Agreement, without further action, shall not be deemed to constitute, or be evidence of, the parties' to those agreements being a group (as that term is used in Rule 13d-5 as promulgated under the Exchange Act) hereunder.

"**Big Four Accounting Firm**" means any of Ernst & Young, Deloitte & Touche, KPMG and PricewaterhouseCoopers or any of their respective Affiliates and their respective successors.

"**Binding Price Range**" has the meaning set forth in Section 4.1(b).

"**Board**" means the Company's board of directors.

"**Business Day**" means a day other than a Saturday, Sunday or other day on which commercial banks in New York, New York or San Francisco, California are required or authorized by applicable Law to be closed for business.

"**By-Laws**" means the Company's amended and restated by-laws, as amended from time to time.

"**Capital Securities**" means all shares, interests, participations or other equivalents (however designated, whether voting or non-voting) of the Company's capital, including common shares, preferred shares or other equity or voting interest or any security or evidence of indebtedness convertible into or exchangeable for any share capital, capital stock or other equity interest of the Company, or any right, agreement, option or warrant to acquire any of the foregoing.

"**Cash Distribution**" has the meaning set forth in the Purchase Agreement.

"**Certificate of Incorporation**" means the Company's certificate of incorporation, as amended from time to time.

"**Class A Common Stock**" has the meaning set forth in the Certificate of Incorporation.

"**Class B Common Stock**" has the meaning set forth in the Certificate of Incorporation.

"**Class C Common Stock**" has the meaning set forth in the Certificate of Incorporation.

"**Class C-1 Common Stock**" has the meaning set forth in the Certificate of Incorporation.

"**Closing**" has the meaning set forth in the Purchase Agreement.

"**Code**" means the Internal Revenue Code of 1986.

"**Common Stock**" means shares of any class of the Company's common stock, as designated in the Certificate of Incorporation.

"**Common Stock Equivalents**" means (i) Capital Securities convertible into, exchangeable for or entitling the holder thereof to receive, directly or indirectly, shares of Common Stock or (ii) any Capital Securities that have risk or reward characteristics substantially similar to Common Stock.

"**Company**" has the meaning set forth in the Preamble.

"**Company Financial Statements**" means the (i) audited consolidated balance sheets and related audited consolidated statements of income, comprehensive income (loss), stockholders' equity and cash flows of the Company for the most recently completed fiscal year that has ended at least sixty (60) days prior to the date of this Agreement prepared in conformity with accounting principles generally accepted in the United States ("**GAAP**") (accompanied by an unqualified audit opinion from the Company's independent certified public accountants (the "**Company's Auditors**") in accordance with auditing standards generally accepted in the United States ("**GAAS**")) and (ii) unaudited consolidated balance sheets and related unaudited statements of income, comprehensive income (loss), stockholders' equity and cash flows of the Company (including notes to the financial statements) for the interim period from the date of the most recent such audited consolidated balance sheet through the end of the most recent quarterly period that has ended at least forty (40) days prior to the date of this Agreement, and for the corresponding period of the prior fiscal year, in each case meeting the requirements of Regulation S-X under the Exchange Act, and all other accounting rules and regulations of the SEC promulgated thereunder, applicable to a Current Report on Form 8-K filed by the Investor under the Exchange Act relating to the transactions contemplated by the Purchase Agreement.

"**Compete**" or "**Competition**" and words of similar import have the meaning set forth in Section 3.1(a).

"**Confidential Information**" has the meaning set forth in Section 8.1.

"**Constituent Documents**" means the Certificate of Incorporation, the By-Laws, this Agreement, the Purchase Agreement, the Investors' Rights Agreement, the ROFR and Co-Sale Agreement, the Voting Agreement, the True-Up Convertible Security, the Services Agreement and the License Agreement.

"**Contract**" means, with respect to any Person, any oral or written agreement, contract, lease, obligation, commitment, promise or undertaking, including any indenture, mortgage, deed of trust or note.

"**Control**", "**Controlling**" and "**Controlled**" and words of similar import means the direct or indirect possession of the power to direct or cause the direction of the management or policies of a Person or the disposition of its assets or properties, whether through ownership, by Contract or otherwise.

"**Conversion Shares**" has the meaning set forth in the Recitals.

"**Covered Person**" has the meaning set forth in Section 8.1.

"**Covered TO**" has the meaning set forth in Section 5.2(a).

"**Deemed Liquidation Event**" has the meaning set forth in the Certificate of Incorporation.

"**Discretionary Termination Date**" has the meaning set forth in the Services Agreement.

"**Disinterested Directors**" means the members of the Board who do not have a direct or indirect material interest, as interpreted in accordance with Item 404 of Regulation S-K under the Exchange Act.

"**Dispute**" has the meaning set forth in Section 9.7(a).

"**Dispute Notice**" has the meaning set forth in Section 9.7(a).

"**Dispute Representative**" has the meaning set forth in Section 9.7(a).

"**e-Vapor Business**" means business activities and operations relating to vapor-based electronic nicotine delivery systems (including vaporizers and e-cigarettes that create an aerosol, vapor or other gaseous form that the user inhales) other than Heat-not-Burn Nicotine Delivery Systems, including designing, engineering, researching, developing, programming, producing, assembling, integrating, manufacturing, making (and having made), using, selling, offering for sale, marketing, promoting, distributing, supplying, importing and otherwise exploiting related products, devices, services, technologies and components related thereto.

"**Equity Award Shares**" has the meaning set forth in Section 5.1(a).

"**Equity Award True-Up**" has the meaning set forth in Section 5.1(a).

"**Equity Award True-Up Shares**" has the meaning set forth in Section 5.1(a).

"**Exchange Act**" means the Securities Exchange Act of 1934, as amended, together with the rules and regulations promulgated thereunder.

"**Excess Redeemed Shares**" has the meaning set forth in Section 5.3.

"**FINRA**" means the Financial Industry Regulatory Authority.

"**Fiscal Quarter**" means the applicable fiscal quarter of the Company.

"**Fixed Vote Percentage**" means, as of any given time after the issuance of shares of Class C Common Stock and prior to the Investor Rights Termination Date, the aggregate voting power of the Class C Common Stock then held by the Investor when voting together with the holders of Preferred Stock and other holders of Common Stock (and not as a separate class), which shall be equal to the lesser of (i) the Applicable Percentage and (ii) on and following the Indirect Non-Compete Termination Date, if any, twenty percent (20%); *provided*, that, for purposes of the preceding clause (ii), the Indirect Non-Compete Termination Date shall not be deemed to have occurred unless and until the expiration of the thirty (30)-day period in which an Upstream Affiliate may provide written notice to the Company that it shall take all actions necessary to cause such material Competition to cease as provided in Section 3.2(c) and, if such notice is provided within such period, the Indirect Non-Compete Termination Date shall not be deemed to have occurred to the extent it is tolled in accordance with Section 3.2(c). Following the Investor Rights Termination Date, references to the Fixed Vote Percentage within the Constituent Documents shall be disregarded therein in accordance with Section 3.1(c)(ii). For the avoidance of doubt, Shares that have no voting power pursuant to Article IV, Section G of the Certificate of Incorporation shall be disregarded in computing the Fixed Vote Percentage.

"**Foreign or State Act**" has the meaning set forth in Section 7.8.

"**Governmental Body**" means any foreign, federal, state, provincial, local or other court, arbitral body, administrative agency, commission or other governmental or regulatory authority or instrumentality.

"**Heat-not-Burn Nicotine Delivery Systems**" means nicotine delivery systems that electronically heat solid tobacco, including loose leaf tobacco or processed tobacco particles (e.g. in a suspension), without combustion of the solid tobacco to create an aerosol or vapor that the user inhales. For the avoidance of doubt, "Heat-not-Burn Nicotine Delivery Systems" include products such as IQOS, 3T, Glo, iSmoke OneHitter, Pax 2, Ploom Tech, V2 Pro (when such products are used with solid tobacco as described above) and excludes products such as the Juul, MarkTen Elite, Phix, Bo, MyBlu, Eon Smoke, and other comparable products that create vapor and/or aerosol for inhalation by vaporizing material that does not include solid tobacco, which excluded products are considered vapor-based electronic nicotine delivery systems and therefore in the field of the e-Vapor Business. For the avoidance of doubt, "Heat-not-Burn Nicotine Delivery Systems" are not in the field of the e-Vapor Business.

"**HSR Act**" means the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended.

"**Independent Voting Power**" means the voting power represented by all Voting Shares, except such Voting Shares then Beneficially Owned by the Investor and its Affiliates.

"**Indirect Non-Compete Termination Date**" has the meaning set forth in Section 3.2(a).

"**Investment Company Act**" means the Investment Company Act of 1940.

"**Investor**" has the meaning set forth in the Preamble.

"**Investor Change in Control**" means the consummation of any transaction (including mergers, consolidations and other transactions, and whether or not the Investor is the surviving entity of any such transaction(s)) the result of which is that any Person or group (as that term is used in Rule 13d-5 as promulgated under the Exchange Act), other than any holding company which owns one hundred percent (100%) of the outstanding voting power of the Investor (so long as no Person or group owns more than fifty percent (50%) of the outstanding voting power of such holding company), becomes the Beneficial Owner, directly or indirectly, of more than fifty percent (50%) of the outstanding voting power of the Investor.

"**Investor Change in Ownership**" means the occurrence of any or all of the following:

(i) any transaction (including mergers, consolidations and other transactions, and whether or not the Investor is the surviving entity of any such transaction(s)) the result of which is that any Person becomes the Beneficial Owner, directly or indirectly, of all or any portion of the Investor's securities and/or voting power; and/or

(ii) the direct or indirect sale, transfer, conveyance or other disposition (including by way of merger or consolidation or otherwise, and whether or not the Investor is the surviving entity of any such transaction(s)), of all or any portion of the properties or assets of the Investor or its Subsidiaries (other than the Investor Shares) to any other Person.

"**Investor Competitor**" means each Person listed in Schedule 1 hereto and any Subsidiary and controlled Affiliate thereof and any successor thereto.

"**Investor Director**" means any Person designated by the Investor to serve as a director pursuant to Section 2 of the Voting Agreement.

"**Investor Initial Shares**" has the meaning set forth in the Recitals.

"**Investor Observer**" means any Person designated by the Investor to attend meetings of the Board in a nonvoting observer capacity pursuant to Section 2 of the Voting Agreement.

"**Investor Percentage**" means, as of any given time, a percentage equal to (i) the sum of (A) the aggregate number of Investor Shares then Beneficially Owned by the Investor and (B) the aggregate number of Shares then Beneficially Owned by any Upstream Affiliate divided by (ii) the aggregate number of Shares then outstanding; *provided*, that for purposes of the foregoing calculation, "Beneficial Ownership" shall not include any Shares deemed to be beneficially owned by a Person pursuant to Rule 13d-3(d)(1)(i) as a result of any preemptive rights prior to the closing of the issuance of New Securities that gave rise to such preemptive rights.

"**Investor Pro Rata Share**" means a number of shares of Class C Common Stock or Class C-1 Common Stock, as applicable, rounded up to the nearest whole Share, determined by multiplying (i) the number of New Securities that the Company issued or proposes to issue on the relevant issuance date by (ii) a fraction, the numerator of which is the Applicable Percentage and the denominator of which is one (1) minus the Applicable Percentage as of such date (in each case, with Applicable Percentage calculated without taking into account the New Securities referenced in the foregoing clause (i)). For the avoidance of doubt, (1) any Investor Pro Rata Share shall be calculated as of immediately prior to the time of the applicable issuance of New Securities and (2) the number of New Securities proposed to be issued shall not include any shares of Class C Common or Class C-1 Common Stock to be issued to the Investor.

"**Investor Rights Termination Date**" has the meaning set forth in Section 3.1(c).

"**Investor Shares**" means, collectively and without duplication, (i) any Investor Initial Shares, (ii) any shares of Class C Common Stock or Class C-1 Common Stock received by the Investor or any Permitted Transferee in connection with any stock split, subdivision, stock dividend, distribution, recapitalization or similar transaction and (iii) any other shares of Class C Common Stock or Class C-1 Common Stock then Beneficially Owned by the Investor or any Permitted Transferee that were not acquired by the Investor or such Permitted Transferee in violation of the Investor's obligations under this Agreement.

"**Investor Sub**" has the meaning set forth in the Preamble.

"**Investor WAP**" has the meaning set forth in Section 5.1(c).

"**Investors' Rights Agreement**" means the Ninth Amended and Restated Investors' Rights Agreement, dated as of the date hereof, by and among the Company, the Persons listed on Exhibit A thereto, any "Additional Investors" (as defined therein) and, solely for the purposes set forth therein, the Investor and Investor Sub, as such agreement may be amended from time to time.

"**IPO**" means a "Qualified IPO" as defined in the Certificate of Incorporation.

"**IPO Election Deadline**" has the meaning set forth in Section 4.1(b).

"**IPO Election Notice**" has the meaning set forth in Section 4.1(b).

"**IPO Lock-Up Period**" means one hundred and eighty (180) days from the effective date of the filing of the registration statement in an initial IPO plus any additional period to the extent required by FINRA rules or, if earlier, March 15 of the calendar year following the calendar year in which the IPO occurs.

"**IPO Preemptive Rights Notice**" has the meaning set forth in Section 4.1(b).

"**IPO Price**" has the meaning set forth in Section 4.1(b).

"**IPO RSU Shares**" has the meaning set forth in Section 5.1(f)(ii).

"**Issue Price**" means the price per share equal to (i) in connection with any sales of Common Stock or Common Stock Equivalents for cash (whether in connection with an Underwritten Offering or otherwise), the cash price paid for such stock or Common Stock Equivalents by investors, (ii) in connection with the issuance of shares of Common Stock or Common Stock Equivalents as consideration in an acquisition by the Company following an IPO or a Qualified Direct Listing if the Company's Shares are then publicly listed on a trading market, the average of the VWAP of the shares of stock for the ten (10) consecutive complete Trading Days ending on (and including) the third (3rd) Trading Day immediately preceding (a) the date upon which definitive agreements with respect to such acquisition were entered into (to the extent the exchange ratio is known on that date or any fixed number of Shares to be issued in such transaction is known on that date), or (b) such later date or dates on which the consideration, or any applicable portion thereof (excluding any post-closing "earn-outs", indemnification or similar contingent payout or reduction), issuable in such transaction becomes fixed, and (iii) in all other cases, the lower of (A) the fair market value of the applicable New Securities on the date of issuance as determined by the Board reasonably and in good faith and (B) if a Material Issuance was consummated within the previous ninety (90) days, the Material Issuance Valuation of such Material Issuance.

"**Law**" means any foreign or domestic federal, state or local law, statute, consent agreement, constitution, treaty, ordinance, regulation, rule, code, official interpretation or other interpretative material, or other requirement or rule enacted or promulgated by any Governmental Body, including any Order and any listing agreement with or the listing rules of a national securities exchange.

"**License Agreement**" means that Intellectual Property License Agreement, dated as of the date hereof, by and between the Company and the Investor.

"**Lock-Up Expiration Date**" has the meaning set forth in Section 7.2(a).

"**Lock-Up Period**" has the meaning set forth in Section 7.1(b).

"**M&A Convertible Securities**" has the meaning set forth in Section 5.1(f).

"**Majority Board Approval**" has the meaning set forth in Section 2.1(d).

"**Material Issuance**" has the meaning set forth in Section 5.1(c).

"**Material Issuance Valuation**" has the meaning set forth in Section 5.1(b).

"**Material Uncured Non-Compete Breach**" means the occurrence of a material breach by the Investor of Section 3.1(a) which the Investor has not cured within thirty (30) days after receiving written notice from the Company describing such breach in reasonable detail.

"**Measurement Time**" means each of (i) the time immediately following the consummation of (A) any issuance of New Securities after the exercise or expiration of any and all rights of first offer of the Major Holders and Series E Major Holders (each as defined in the Investors' Rights Agreement) pursuant to Section 4.1 of the Investors' Rights Agreement (or any relevant successor provision), (B) any exercise by the Company of its option to purchase Redemption True-Up Shares or TO True-Up Shares in accordance with Section 5.1 and Section 5.2, respectively, and (C) any Transfer by the Investor or any Upstream Affiliate of any of its Capital Securities other than to a Permitted Transferee (including to the Company pursuant to Section 7.4) and (ii) 11:59 PM, Pacific Time, on each True-Up Date and TO True-Up Date.

"**Negotiation Period**" has the meaning set forth in Section 9.7(a).

"**New Securities**" means, without duplication, any shares of Common Stock or Common Stock Equivalents, whether now authorized or not (but, for the avoidance of doubt, excluding any Common Stock Equivalents that are rights, agreements, options or warrants to acquire, directly or indirectly, such shares of Common Stock or Common Stock Equivalents (i) provided that such rights, agreements, options and/or warrants do not afford the holder(s) thereof any rights of, or rights that are substantially similar to the rights of, a holder of capital stock (including rights to receive dividends other than Permitted Adjustments) and (ii) to the extent and for so long as any such rights, agreements, options and/or warrants have not been exercised or otherwise converted into Common Stock or Common Stock Equivalents that satisfy the criteria set forth in the foregoing clause (i)), excluding:

(i) any Shares issued to the Investor;

(ii) any Equity Award Shares and Special Equity Awards;

(iii) shares of Common Stock issued or to be issued upon conversion of Preferred Stock outstanding as of immediately prior to the execution of this Agreement and disclosed to the Investor in the Purchase Agreement or that would give rise to a right to an issuance pursuant to Sections 1.3(c) or 1.3(d) of the Purchase Agreement;

(iv) any shares of Common Stock or Common Stock Equivalents issued or to be issued in connection with any stock split, dividend or recapitalization which stock split, dividend or recapitalization does not reduce the Investor Percentage or Applicable Percentage;

(v) any shares of Common Stock or Common Stock Equivalents issued or to be issued pursuant to Section 4.1 of the Investors' Rights Agreement (or any relevant successor provision) which issuance of shares of Common Stock or Common Stock Equivalents does not reduce the Investor Percentage; and

(vi) any right, agreement, option or warrant to acquire any security convertible into the securities excluded from the definition of New Securities pursuant to clauses (i) through (v) above.

"**Non-Compete Termination Notice Date**" has the meaning set forth in Section 3.1(b).

"**Non-Investor Director**" means any member of the Board that is not an Investor Director.

"**Offered Securities**" has the meaning set forth in Section 7.4(a).

"**Offer Notice**" has the meaning set forth in Section 7.4(a).

"**Order**" means, with respect to any Person, any award, decision, injunction, judgment, order, ruling, subpoena or verdict entered, issued, made or rendered by any court, administrative agency, other Governmental Body or arbitrator binding upon such Person.

"**Oversubscribed Shares**" has the meaning set forth in Section 4.1(h).

"**Party**" or "**Parties**" has the meaning set forth in the Preamble.

"**Permitted Adjustment**" means a distribution or dividend made, paid or set aside to or in respect the vested portion of the Company's options or restricted stock units in connection with an equitable adjustment in accordance with the terms of the incentive plan associated therewith in an amount, determined in good faith by the Board (after consultation with legal and financial advisors), substantially equivalent to what the holder thereof would have received had such other options or restricted stock units been exercised or settled for Shares on the record date of the distribution or dividend.

"**Permitted Buyout Offer**" has the meaning set forth in Section 6.2(b).

"**Permitted Transfer**" means any Transfer to a Permitted Transferee or any Transfer in accordance with and as expressly permitted by Article 5 and Sections 7.2, 7.3 and 7.4.

"**Permitted Transferee**" means, with respect to any Person, a direct or indirect wholly owned Subsidiary of such Person; *provided*, that if such Subsidiary ceases to be wholly owned, such Subsidiary shall thereupon without any action by any other Person cease to be a Permitted Transferee.

"**Permitted Use**" has the meaning set forth in Section 8.1.

"**Person**" means any corporation, association, joint venture, partnership, limited liability company, organization, business, individual, trust, Governmental Body, other legal entity or natural person.

"**Preferred Stock**" means any shares designated as such in the Certificate of Incorporation.

"**Preemptive Rights Notice**" has the meaning set forth in Section 4.1.

"**Preliminary Price Range**" has the meaning set forth in Section 4.1(b).

"**Preliminary Prospectus**" has the meaning set forth in Section 4.1(b).

"**Public Offering**" means any public offering and sale of shares of Common Stock or Common Stock Equivalents of the Company, one of its Subsidiaries, or their respective successors for cash pursuant to an effective registration statement (other than on Form S-4, S-8 or a comparable form) under the Securities Act.

"**Purchase**" has the meaning set forth in the Recitals.

"**Purchase Agreement**" has the meaning set forth in the Recitals.

"**Purchased Shares**" has the meaning set forth in the Recitals.

"**Qualified Direct Listing**" has the meaning set forth in the Investors' Rights Agreement.

"**Qualified Sale**" means a Sale of the Company to a Third Party Buyer in which (i) such Third Party Buyer is not an Investor Competitor (or is an Investor Competitor, if both (x) the Company has complied in all material respects with its obligations then in effect under Section 7.3 and (y) the Investor has delivered a Qualified Sale Participation Notice in connection with such Sale of the Company, even if the Investor or its Affiliates subsequently withdrew therefrom) and (ii) immediately following such Sale of the Company, (A) the Investor is afforded the right to retain all rights, title and interest in or to the Investor Shares owned by the Investor immediately prior to such Sale of the Company (or is granted the right to own equivalent economic and voting interests in such Third Party Buyer or its successor resulting from the transaction), (B) there shall not be any change to the rights and privileges of the Investor set forth in the Constituent Documents which are adverse to the Investor in any material respect and (C) the relative rights, preferences and privileges of all Investor Shares owned by the Investor immediately prior to such Sale of the Company remain the same in all material respects.

"**Qualified Sale Notice**" has the meaning set forth in Section 7.3(a).

"**Qualified Sale Participation Notice**" has the meaning set forth in Section 7.3(a).

"**Qualified Sale Pendency Period**" means the period commencing with the delivery of a Qualified Sale Notice to the Investor and expiring upon the earliest to occur of (A) the Investor's failure to deliver a Qualified Sale Participation Notice within ten (10) Business Days of delivery of a Qualified Sale Notice, (B) the Investor's written notice to the Company that it does not wish or no longer wishes to participate in the process of which it was notified, C) execution and delivery of definitive agreements with respect to a Qualified Sale following compliance by the Company with the obligations set forth in Section 7.3(a) and (D) the Company terminating all negotiations with respect to a Qualified Sale.

"**Redemption True-Up**" has the meaning set forth in Section 5.1(b).

"**Redemption True-Up Shares**" has the meaning set forth in Section 5.1(b).

"**Related Party Transaction**" means, with respect to any natural person, any transaction in an amount exceeding $120,000, and, with respect to any Person which is not natural person, any material transaction, between the Company or any of its Subsidiaries, on the one hand, and (i) any member of the Board, (ii) any individual appointed by the Board as an executive officer of the Company, (iii) Ploom Investment, LLC, (iv) JL Special LLC, (v) the Investor or (vi) any Affiliate of any such Person described in any of clauses (i) through (v) that is at least thirty percent (30%) Beneficially Owned by such Person (each such Person, a "**Related Party**"), on the other hand, excluding (A) any such transaction entered into in the ordinary course of business, including for the avoidance of doubt, reimbursement of ordinary course expenses; (B) employee compensation that has been approved by the Compensation Committee of the Board; (C) the sale by a Related Party to the Company of equity securities in connection with a "secondary" repurchase or similar liquidity program sponsored by the Company and offered to the Company's Stockholders in general; (D) the indemnification, defense and holding harmless of any officer or director of the Company or its Subsidiaries in their capacity as such pursuant to (x) contractual rights in effect as of the date hereof, rights under the Constituent Documents or rights under applicable Law (including, in each case, the advancement of expenses to the extent provided thereby and the settlement of any claims with respect thereto) or (y) any grant or amendment of any such rights after the date hereof that generally apply to all executive officers or directors, as applicable; (E) dividends payable in accordance with the Certificate of Incorporation; *provided, however*, that any dividends except the Cash Distribution which are not payable pro rata in respect of each class or series of Shares outstanding on the date hereof shall be deemed to be Related Party Transactions; (F) customary transactions to effect an IPO or a Qualified Direct Listing, to the extent such transactions are authorized pursuant to Section 5 of the Voting Agreement; (G) purchases of Capital Securities (including for the avoidance of doubt any convertible indebtedness of the Company) pursuant to the exercise of any preemptive rights, rights of first offer, rights of first refusal or similar rights under the Constituent Documents or Contracts of the Company in effect as of the date hereof; (H) expressly contemplated by any Constituent Document and in compliance with the applicable terms and conditions thereof; or (I) otherwise authorized by the Board which transaction applies generally to the Stockholders and does not materially disproportionately benefit a Related Party relative to the other Stockholders (it being acknowledged and agreed that transactions in which a Related Party receives a benefit that is larger on an absolute basis but in proportion to such Person's relative economic ownership is not a materially disproportionate benefit hereunder).

"**Representative**" of a Person shall mean such Person's directors, managers, officers, employees, agents and other authorized representatives (including attorneys, accountants, consultants, financing sources, bankers and financial and other professional advisors).

"**ROFO Assignee**" has the meaning set forth in Section 7.4(b).

"**ROFR and Co-Sale Agreement**" means the Ninth Amended and Restated Right of First Refusal and Co-Sale Agreement, dated as of the date hereof, by and among the Company, the Investor, Investor Sub, Adam Bowen and James Monsees, the Persons listed on Exhibit A thereto and any Person who becomes a party thereto pursuant to Section 23 thereof, as such agreement may be amended from time to time.

"**Rule 144**" means Rule 144 (or any successor provisions) under the Securities Act.

"**Sale of the Company**" means either: (i) a Stock Sale or (ii) or a transaction that qualifies as a Deemed Liquidation Event.

"**SEC**" means the U.S. Securities and Exchange Commission.

"**Securities Act**" means the Securities Act of 1933, as amended, together with the rules and regulations promulgated thereunder.

"**Services Agreement**" means the Services Agreement, dated as of the date hereof, by and between the Company and the Investor.

"**Shares**" means, collectively, the Common Stock and the Preferred Stock.

"**Shortfall TO**" has the meaning set forth in Section 5.2(b).

"**Special Equity Awards**" means, without duplication, (i) Shares issued pursuant to Vested Convertible Securities (as defined in the True-Up Convertible Security), (ii) Shares issued pursuant to the True-Up Convertible Security, (iii) seventy-six percent (76%) of any Unvested Securities Adjusted Issuance Amount (as defined in the True-Up Convertible Security), (iv) Unvested Shares outstanding as of the Closing (and any Shares issued upon conversion or settlement thereof), (v) M&A Convertible Securities (and other such issuances upon Sale of the Company in which an acquirer acquires one hundred percent (100%) of the then outstanding Shares) and (vi) IPO RSU Shares.

"**Stockholder**" means any holder of any Shares or rights, agreements, options or warrants to purchase or acquire Shares or any Person who is otherwise obligated to purchase or acquire Shares.

"**Stock Sale**" means a transaction or series of related transactions in which a Person or group (as that term is used in Rule 13d-5 as promulgated under the Exchange Act) acquires Beneficial Ownership of shares which, when aggregated with any shares already Beneficially Owned by such Person or group, represent more than fifty percent (50%) of (i) the outstanding voting power of the Company's then outstanding Voting Shares or (ii) the then outstanding Shares.

"**Subsidiary**" means, with respect to any Person, any other Person, whether incorporated or unincorporated, of which more than fifty percent (50%) of either the equity interests in, or the voting control of, such other Person is, directly or indirectly through Subsidiaries or otherwise, Beneficially Owned by such first Person.

"**Third Party Buyer**" means any Person other than a Party hereto.

"**TO Investor WAP**" has the meaning set forth in Section 5.2(b).

"**TO Option Period**" means any period during which TO Option Shares are outstanding.

"**TO Option Shares**" has the meaning set forth in Section 5.2(b).

"**TO Option Shares Calculation**" has the meaning set forth in Section 5.2(c).

"**TO Price Shortfall**" has the meaning set forth in Section 5.2(b).

"**TO True-Up**" has the meaning set forth in Section 5.2(a).

"**TO True-Up Date**" has the meaning set forth in Section 5.2(a).

"**TO True-Up Shares**" has the meaning set forth in Section 5.2(a).

"**Trading Day**" means a day on which any listed class of shares of Common Stock (i) are not suspended from trading on the exchange which serves as the primary trading market for the shares of Common Stock at 5:00 PM in the location in which such exchange is located and (ii) have traded at least once on such exchange.

"**Transfer**" means, with respect to any Capital Securities, any sale, distribution, exchange, assignment, transfer, conveyance, pledge, hypothecation or other encumbrance or disposition of such Capital Securities or any legal, economic or beneficial interest in such Capital Securities, whether or not for value, whether directly or indirectly or whether voluntarily or involuntarily, or by operation of law, including (x) a transfer of any Capital Securities to a broker or other nominee (regardless of whether there is a corresponding change in Beneficial Ownership), (y) the transfer of, or entering into any agreement, arrangement or understanding, whether or not in writing, with respect to, Voting Control (as defined below) over such Capital Securities by proxy or otherwise or (z) the entry into any swap or other agreement, arrangement or understanding, whether or not in writing, that, directly or indirectly, transfers, conveys or otherwise disposes of, the economic benefits or risks that correspond substantially to the ownership of such Capital Securities, including option transactions or the use of equity or other derivative financial instruments and other hedging arrangements; *provided*, *however*, that the following shall not be considered a "Transfer":

(i) any Investor Change in Ownership (including any Investor Change in Control);

(ii) the granting of a revocable proxy to a natural person designated or approved by (a) both the holder of such Capital Securities and the Board to act as such holder's proxy or (b) the holder of such Capital Securities with specific direction to vote the Capital Securities as directed by such holder, and without discretion, as such holder's proxy;

(iii) the pledge of Capital Securities by a stockholder that creates a security interest in such Capital Securities pursuant to a bona fide loan or indebtedness transaction for so long as such stockholder continues to have full Voting Control over such pledged Capital Securities; *provided, however*, that the foreclosure on such Capital Securities or other similar action by the pledgee shall constitute a "Transfer"; or

(iv) entering into any Constituent Document and taking any action permitted thereby or required therein.

"**Transferred**" and "**Transferee**" and words of similar import shall each have a correlative meaning to the term "Transfer."

"**True-Up Convertible Security**" has the meaning set forth in the Purchase Agreement.

"**True-Up Date**" means the date that is twenty (20) Business Days following the beginning of each Fiscal Quarter (unless a tender offer for Capital Securities, launched by the Company, is ongoing or was closed less than fifteen (15) days prior to such twentieth (20th) Business Day of such Fiscal Quarter, in which case fifteen (15) days following the close of such tender offer, if later than such twentieth (20th) Business Day).

"**Underwritten Offering**" means a registration with the SEC of New Securities in which such securities are sold to an underwriter or underwriters on a firm commitment basis for reoffering to the public.

"**Unvested Shares**" has the meaning set forth in the Purchase Agreement.

"**Unvested Shares Forfeiture Amount**" has the meaning set forth in Section 5.1(e).

"**Upstream Affiliate**" means any Person or a group (as that term is used in Rule 13d-5 as promulgated under the Exchange Act) that Beneficially Owns:

(i) forty percent (40%) or more of the voting power of all then outstanding voting equity securities of the Investor; *provided*, that, as used in Section 6.1 and Section 7.11, the prior reference to "forty percent (40%) or more" shall be deemed to be a reference to "more than fifty percent (50%)"; or

(ii) as used in Section 3.2, Section 6.1 and Section 7.11, if such Person or group has entered into a written Contract with the Investor pursuant to which such Person or group is entitled to designate, and has actually designated, in its sole discretion, a majority of the then-serving members of the Investor's board of directors without any restriction or requirement that any such designees must not be affiliated with such Person, or must satisfy independence criteria in relation to the Investor, then the prior reference to "forty percent (40%) or more" shall be deemed to be a reference to "thirty percent (30%) or more".

"**U.S. GAAP**" means, as of any given time, generally accepted accounting principles in the United States in effect as of such time.

"**UW Shortfall Shares**" has the meaning set forth in Section 4.1(b).

"**Voting Agreement**" means the Eighth Amended and Restated Voting Agreement, dated as of the date hereof, by and among the Company, the Investor, Investor Sub, the Persons listed on Exhibit A thereto, Adam Bowen and James Monsees and any Person who becomes a party thereto pursuant to Section 10(j) thereof, as such agreement may be amended from time to time.

"**Voting Control**" has the meaning set forth in the Certificate of Incorporation.

"**Voting Shares**" means securities of the Company that are entitled to vote in the election of the Board.

"**VWAP**" means a price per share of shares of Common Stock that are publicly traded equal to the volume-weighted average price of trades in such shares of Common Stock on the primary trading market for such shares for a period of consecutive Trading Days as reported by Bloomberg L.P. ("**Bloomberg**") (or, if Bloomberg is not available for any reason, any successor to, or substitute for, Bloomberg providing trading reports for such shares).

"**Withheld Distributions**" has the meaning set forth in Section 7.1(d).

Section 1.2. Interpretation.

(a) The table of contents and headings contained in this Agreement are for reference purposes only and are not part of this Agreement. No rule of construction against the draftsperson shall be applied in connection with the interpretation or enforcement of this Agreement, as this Agreement is the product of negotiation between sophisticated parties advised by counsel. Whenever this Agreement shall require a Party to take an action, such requirement shall be deemed an additional undertaking by such Party to, as necessary or appropriate, cause it and its Subsidiaries and Affiliates, to effect such action or take appropriate measure to permit the implementation of such action. Whenever any action must be taken under this Agreement on or by a day that is not a Business Day, then that action may be validly taken on or by the next day that is a Business Day.

(b) Except as expressly stated in this Agreement, (i) when a reference is made in this Agreement to "Preamble", "Recital," "Section," "Exhibit" or "Schedule," such reference shall be to a Preamble, Recital or Section of, or Schedule or Exhibit to, this Agreement; (ii) the words "include," "includes," "including" or words of similar import that are used in this Agreement shall be deemed followed by the words "without limitation"; (iii) references to any Person shall include such Person and its successors, permitted assigns and transferees; (iv) references to "$" or "dollars" mean the lawful currency of the United States of America; (v) all references to any agreement (including this Agreement), document, statute, rule or regulation are to such agreement, statute, rule or regulation as amended, varied, novated, modified, supplemented or replaced from time to time (and, in the case of statutes, include any rules and regulations promulgated under the statute) and all references to any section of any statute, rule or regulation include any successor to the section; (vi) references to "the date hereof" shall mean the date of this Agreement; (vii) financial terms shall have the meanings given to such terms under U.S. GAAP; (viii) references to a Person's consent, approval and similar terms shall be deemed to be in such Person's sole discretion unless another standard is expressly specified; and (ix) references to "Affiliates," "Subsidiaries," "Representatives," "Stockholders," "Covered Person," or to other Persons referred to herein include other Persons which from time to time constitute "Affiliates," "Subsidiaries," "Representatives," "Stockholders," "Covered Person," or such other Persons referred to herein of such specified Person, as the case may be, and do not include, at any particular time, other Persons that may have been, but at such time have ceased to be, "Affiliates," "Subsidiaries," "Representatives," "Stockholders," "Covered Person," or such other Persons referred to herein as the case may be, of such specified Person, except to the extent that any such reference specifically provides otherwise.

(c) Unless otherwise indicated to the contrary by the context or use thereof: (i) references in this Agreement to "writing" or comparable expressions include references to facsimile transmission or comparable means of communication (including electronic mail); *provided*, that the sender complies with Section 9.9; (ii) words in the singular shall include the plural and vice versa, and words of one gender shall include the other genders, in each case, as the context requires; (iii) the words "hereof", "herein", "hereto", and "hereunder", and words of similar import, when used in this Agreement, shall refer to this Agreement as a whole and not to any provision of this Agreement; (iv) "extent" in the phrase "to the extent" is deemed to refer to the degree to which a subject or other items extends and shall not simply mean "if"; and (v) "or" is used in the inclusive sense of "and/or".

ARTICLE 2
GOVERNANCE AND PROTECTIVE PROVISIONS

Section 2.1. Governance Provisions.

(a) Conditional Resignation Letters. Prior to the time that any Person designated to the Board pursuant to Section 2 of the Voting Agreement becomes a member of the Board, such Person shall tender (and the Investor shall take all action to cause each such Person who is an Investor Director to tender) a conditional resignation letter to the Board to the effect

that such Person will in accordance with the procedures set forth in the Voting Agreement resign as a member of the Board effective as and conditioned upon the occurrence of the date such Person ceases to be entitled to be designated to serve as a director to the Board. In the event the Investor ceases to be entitled to designate a portion of the then-sitting Investor Directors, the Investor shall be entitled to select which of such conditional resignation letters shall thereupon become effective and be accepted by the Board in accordance with the procedures set forth in Section 2 of the Voting Agreement.

(b) Compliance with Policies. During each such period in which any Investor Director is a member of the Board or the Investor has designated an Investor Observer, the Investor shall use its reasonable best efforts to cause each such designee to comply with the same director qualification requirements set forth in the Certificate of Incorporation, the By-Laws, and all policies, procedures, processes, codes, rules, standards and guidelines that are applicable to members of the Board generally, including the Company's code of business conduct and ethics, related person transactions approval policy, any securities trading policies, Board confidentiality policy and corporate governance guidelines, and recusal and conflict of interest policy, and to preserve the confidentiality of the Company's business information, including the discussions of matters considered in meetings of the Board; *provided*, that, subject to his or her fiduciary duties to the Company and to applicable Law and the terms of Section 8.1, any Investor Director may disclose information he or she obtains while serving as a member of the Board to the Investor; *provided, further*, that each Investor Director shall have the same rights, benefits and obligations, including with respect to insurance, indemnification and exculpation, as are applicable to all independent directors of the Company.

(c) Recusal. Notwithstanding anything to the contrary herein, (x) the Investor shall cause each Investor Director and Investor Observer to recuse himself or herself from all deliberations of the Board and any committee thereof with respect to which the Company has provided an advance written notice in accordance with this Section 2.1(c), (y) the Board may exclude any such Investor Director and Investor Observer from portions of any Board or committee meeting (including through the appointment of a committee which does not include any Investor Directors or Investor Observer) and (z) the Company shall have no obligation to provide any such Investor Director or Investor Observer with any information, regarding any of the following (and in each case, as determined by the Board (excluding any Investor Directors and Investor Observer) in its reasonable judgment):

(i) any matter arising from or relating to the relationship or any Contract or other agreement or arrangement, or any other matter in which there is a material conflict of interest, including any matter set forth in Section 6.1, between the Company (or its Affiliates), on the one hand, and Investor (or its Affiliates), on the other hand; or

(ii) (x) any matter arising from or relating to Sections 6.1, 6.2(b) or 7.3 or (y) any Sale of the Company or similar extraordinary transaction with respect to the Company or its Affiliates in which the Investor or its Affiliates is or may become a party (unless the Investor, pursuant to an irrevocable written notice, confirmed to the Company that it will not participate in, or make a proposal during the pendency of, any process relating to such Sale of the Company or similar extraordinary transaction).

Notwithstanding the foregoing, the Company shall provide the Investor with advance written notice of any circumstances in which the Board proposes to exclude the Investor Directors or Investor Observer from any portion of any Board or committee meeting or form a committee that does not include any Investor Directors or Investor Observer, which notice shall include the general nature of the matter(s) forming the basis of such proposed action. The Company shall ensure that the Investor Directors or Investor Observer are given reasonable notice of and opportunity to participate in any portion of a meeting of the Board or a committee thereof as to which their recusal was not required.

(d) Voting. Subject to Section 2.1(e), (x) any action taken by the affirmative vote of a majority of the directors present at a meeting at which a quorum is present shall be deemed the valid action of the Board and (y) any action required or permitted to be taken at any meeting of the Board may be taken without a meeting, if all directors consent thereto in writing, and such writing or writings are filed with the minutes of proceedings of the Board (subject to Section 2.1(e), any action taken pursuant to the preceding clauses (x) or (y) constituting "**Majority Board Approval**").

(e) Additional Approval Rights.

(i) Until the earlier of (x) the IPO or (y) a Qualified Direct Listing, (A) Majority Board Approval of a Related Party Transaction that involves the Investor or any of its Affiliates, shall also require the affirmative vote of a majority of the Disinterested Directors then in office and (B) Majority Board Approval of a Related Party Transaction that does not involve the Investor or any of its Affiliates, shall also require either (1) the affirmative vote of a majority of the Disinterested Directors then in office or (2) a majority of the Investor Directors then in office;

(ii) Until the first date on which the Applicable Percentage is less than thirty percent (30%), advance written approval of the Investor shall be required with respect to any of the following actions, in addition to Majority Board Approval and any other approvals required by applicable Law and the Constituent Documents:

(A) Other than in a Qualified Sale, (i) issuing to an Investor Competitor a number of Capital Securities that is, or upon exercise or conversion thereof would be, in excess of four and nine-tenths percent (4.9%) of either the aggregate (a) number of Shares then outstanding or (b) outstanding voting power of the Voting Shares then outstanding; (ii) granting an Investor Competitor any right to designate a Person to serve on the Board; or (iii) granting an Investor Competitor any special governance or consent rights;

(B) entering into the business of selling, marketing, distributing, supplying or offering for sale cannabis products in any geographic region wherein such action would violate applicable Law;

(C) (i) changing the Company's independent auditors other than to one of the Big Four Accounting Firms or (ii) making material discretionary changes to the Company's material accounting policies, except (x) as required by GAAP or in response to SEC guidance or (y) as is recommended by any Big Four Accounting Firm that is serving as the independent auditor of the Company;

(D) becoming voluntarily subject to any proceeding under any domestic or foreign bankruptcy law; and

(E) dissolving or liquidating, or taking any corporate action to effectuate a dissolution or liquidation; and

(iii) Majority Board Approval of any Related Party Transaction between the Company or its Subsidiaries, on the one hand, and the Investor or any of its Affiliates, on the other hand, other than pursuant to any Contract previously approved pursuant to this Section 2.1(e)(iii) or entered into in connection with the transactions contemplated by the Purchase Agreement and this Agreement shall also require the affirmative vote of a majority of the Non-Investor Directors then in office.

Section 2.2. Protective Provisions.

(a) Until the first date on which the Applicable Percentage is less than thirty percent (30%), the Company shall not, without first obtaining the advance written approval of the Investor, authorize, approve or otherwise engage in any transaction, or take any action (including consenting to, registering or otherwise recognizing the validity of any Transfer of Shares by any Stockholder (as defined in the ROFR and Co-Sale Agreement)), which would, other than in connection with a Qualified Sale:

(i) effect (i) a Sale of the Company or (ii) a sale of all or substantially all of the Company's operations outside of the United States; or

(ii) result in any Investor Competitor Beneficially Owning more than four and nine-tenths percent (4.9%) of either the aggregate (i) number of Shares then outstanding or (ii) outstanding voting power of the Voting Shares.

Following the issuance of Class C Common Stock to the Investor until the first date on which the Applicable Percentage is less than ten percent (10%), the Company shall not, without first obtaining the advance written approval of the Investor, (A) (i) increase the authorized size of the Board without proportionally increasing the number of seats the Investor has the right to designate or (ii) decrease the authorized size of the Board in a manner which would reduce the number of seats the Investor has the right to designate, in each case, except consistent with the terms of this Agreement and as provided in the Certificate of Incorporation and the Voting Agreement or (B) increase the authorized size of the Board to more than fifteen (15) directors.

Section 2.3. Termination of Governance and Protective Provisions. All rights and obligations under (a) Section 2.1 shall automatically terminate and be of no further force and effect in accordance with the terms of Section 3.1(b) and Section 3.2(a)(i) and (b) Section 2.2 shall automatically terminate and be of no further force and effect in accordance with the terms of Section 3.1(c)(i), Section 3.2(a)(ii) and Section 3.2(c).

ARTICLE 3
NON-COMPETE

Section 3.1. Direct Non-Compete.

(a) (i) As of and following the date hereof, with respect to such activities anywhere in the world (other than in the U.S. and in its territories) and (ii) as of and following the earlier of (x) the date on which the Investor actually commences providing any Extended Services (as defined in the Services Agreement) and (y) December 20, 2019, with respect to such activities anywhere in the U.S. and in its territories and, in each case, until the later of (A) the six (6) month anniversary of the Non-Compete Termination Notice Date or (B) the termination or expiration of the Term (as set forth in the Services Agreement), the Investor shall not, and shall cause its Subsidiaries and controlled Affiliates not to, directly or indirectly: (1) own, manage, operate, control, engage in or assist others in engaging in, the e-Vapor Business; (2) take actions with the purpose of preparing to engage in the e-Vapor Business, including through engaging in or sponsoring research and development activities; or (3) Beneficially Own any equity interest in any Person, other than an aggregate of not more than four and nine-tenths percent (4.9%) of the equity interests of any Person which is publicly listed on a national stock exchange, that engages directly or indirectly in the e-Vapor Business (other than (x) as a result of the Investor's Beneficial Ownership of Shares or (y) engagement in, or sponsorship of, research and development activities not directed toward the e-Vapor Business and not undertaken with the purpose of developing or commercializing technology or products in the e-Vapor Business) (all such actions set forth in clauses (1) through (3), to "**Compete**" or "**Competition**"). Notwithstanding the foregoing, (x) the Investor and its Subsidiaries and controlled Affiliates may engage in the business relating to (I) its Green Smoke, MarkTen (or Solaris, which is the non-U.S. equivalent brand of MarkTen) and MarkTen Elite brands, in each case, as such business is presently conducted, subject to Section 4.1 of the Purchase Agreement, and (II) for a period of sixty (60) days commencing on the date of this Agreement, certain research and development activities pursuant to existing agreements with third parties that are in the process of being discontinued, (y) holding, managing and monitoring the Investor's and its Subsidiaries' investments in the Persons listed in Schedule 2 hereto (including nominating, designating and/or electing members of the boards of directors or similar governing bodies thereof (who may include current and former officers and directors of the Investor and its subsidiaries, provided that any current officer or director of the Investor serving in such capacity shall recuse himself or herself with respect to matters coming before such board of directors or governing body that involve Competition with the Company, so long as the Investor is subject to the non-competition obligations of this Section 3.1(a)) in which the Investor and/or its Subsidiaries have an existing investment as of the date of this Agreement shall not be deemed to breach the Investor's

obligations under this Agreement (*provided*, that if and for so long as such Person materially Competes, the Investor and/or such Subsidiaries shall not authorize, approve or otherwise engage in any transaction which would result in any increase in the amount of shares of capital stock or outstanding voting power Beneficially Owned by the Investor and/or such Subsidiaries relative to immediately prior to such Person materially Competing; *provided, further*, that notwithstanding the foregoing proviso, the Investor shall be permitted in any event to increase its ownership to the extent necessary to maintain equity accounting with respect to any such investment with respect to which the Investor uses equity accounting as of the date hereof) and (z) for the avoidance of doubt, discussions among the Investor's board of directors, officers and advisors relating broadly to the tobacco industry and the Investor's overall corporate strategy, competitive landscape and the impact of companies engaged in the e-Vapor Business thereon shall not be deemed to breach the Investor's obligations under this Agreement so long as such Persons do not take actions in violation of the preceding provisions of this Section 3.1(a).

(b) From and after the later of (i) the six (6) month anniversary of receipt by the Company of irrevocable written notice by the Investor of its intent to terminate all obligations under Section 3.1(a), which notice (x) while the Services Agreement remains in effect, may not be delivered earlier than six (6) months prior to the then applicable Discretionary Termination Date and (y) may be delivered at any time following the expiration or termination of the Term (as set forth in the Services Agreement) (the date of receipt of such written notice, the "**Non-Compete Termination Notice Date**") and (ii) the expiration or termination of the Term (as set forth in the Services Agreement), such obligations shall automatically terminate and be of no further force and effect. From and after the Non-Compete Termination Notice Date, all rights and obligations of the Parties set forth under Section 2.1 and the rights of the Investor to designate the Investor Directors and the Investor Observer pursuant to the Voting Agreement or the Certificate of Incorporation shall automatically terminate and be of no further force and effect, and the Investor's rights with respect to Section 8.3 shall apply solely pursuant to Section 8.3(a) and Section 8.3(b) to the extent necessary (x) to prepare requisite filings with the SEC under applicable securities Laws and (y) to respond to audit requirements under applicable Law or other regulatory or tax requirements. Notwithstanding anything to the contrary in this Article 3, upon the Non-Compete Termination Notice Date, the Investor may prepare to engage in the e-Vapor Business, including through research and development activities, but shall otherwise remain subject to Section 3.1(a) until the six (6) month anniversary of the Non-Compete Termination Notice Date.

(c) From and after the earlier of (i) the six (6) month anniversary of the Non-Compete Termination Notice Date and (ii) the occurrence of a Material Uncured Non-Compete Breach (the earlier of the preceding clauses (i) and (ii), the "**Investor Rights Termination Date**"):

(i) all rights and obligations of the Parties set forth under Article 4, Sections 2.2, 5.1 (solely with respect to those obligations and rights relating to the Equity Award True-Up set forth therein), 6.2 (other than as set forth in the last sentence of Section 6.2(a)) and 7.3(a), and, to the extent not earlier terminated pursuant to Section 3.1(b), all rights of the Investor to designate the Investor Directors and the Investor Observer pursuant to the Voting Agreement and the Certificate of Incorporation shall automatically terminate and be of no further force and effect; and

(ii) references to the Fixed Vote Percentage in each Constituent Document shall thereafter be disregarded and shall have no further force and effect and each share of Class C Common Stock Beneficially Owned by the Investor shall only be entitled to one vote per share, in accordance with the Certificate of Incorporation.

(d) From and after the Investor Rights Termination Date, the Investor shall, and shall cause its Permitted Transferees to, take all actions set forth in Section 4(b) (other than clause (F) thereof) (but, for the avoidance of doubt, subject to Section 4(c)) of the Voting Agreement with respect to any Sale of the Company approved by (x) Majority Board Approval and (y) a majority of the outstanding voting power of the Company held by Stockholders other than the Investor and its Affiliates. For the avoidance of doubt, the obligation to take such actions shall survive any termination of the Voting Agreement.

Section 3.2. Indirect Non-Compete.

(a) If at any time prior to the Investor Rights Termination Date, any Upstream Affiliate materially Competes (the date such Competition begins at or following such Person becoming an Upstream Affiliate, the "**Indirect Non-Compete Termination Date**"), then:

(i) all rights and obligations of the Parties set forth in Section 2.1 and all rights of the Investor to designate the Investor Directors and the Investor Observer pursuant to the Voting Agreement and the Certificate of Incorporation shall automatically terminate and be of no further force and effect and the Investor's rights with respect to Section 8.3 shall apply solely pursuant to Section 8.3(a) and Section 8.3(b) to the extent necessary (x) to prepare requisite filings with the SEC under applicable securities Laws and (y) to respond to audit requirements under applicable Law or other regulatory or tax requirements; and

(ii) all rights and obligations of the Parties set forth in Section 2.2, Section 6.2 (other than as set forth in the last sentence of Section 6.2 (a)), and Section 7.3(a) shall automatically terminate and be of no further force and effect.

(b) From and after the Indirect Non-Compete Termination Date, the Investor shall, and shall cause its Permitted Transferees to, take all actions set forth in Section 4(b) (other than clause (F) thereof) (but, for the avoidance of doubt, subject to Section 4(c)) of the Voting Agreement with respect to any Sale of the Company approved by (x) Majority Board Approval and (y) a majority of the outstanding voting power of the Company held by Stockholders other than the Investor and its Affiliates. For the avoidance of doubt, the obligation to take such actions shall survive any termination of the Voting Agreement.

(c) Notwithstanding anything to the contrary in Section 3.2(a), if and for so long as an Upstream Affiliate materially Competes, then such Upstream Affiliate, within thirty (30) days of beginning to materially Compete (or within thirty (30) days of it becoming an Upstream Affiliate, if at the time it entered into a definitive agreement with the Investor, or

commenced a tender offer, that would result in it becoming an Upstream Affiliate, it was engaged in material Competition), may provide written notice to the Company agreeing that it will take all actions necessary to cause such material Competition to cease as promptly as reasonably practicable and, in any event, no later than one (1) year following the beginning of such Competition (or, if applicable, the date it became an Upstream Affiliate). If such an Upstream Affiliate delivers such written notice to the Company, then Sections 3.2(a)(ii) and 3.2(b) shall be tolled (and the rights and obligations of the Parties referenced thereunder shall not be modified) during such one (1) year period and such Sections shall not be given effect unless and until such Upstream Affiliate (i) fails to cease such material Competition by the end of such one (1) year period or (ii) earlier abandons its efforts to take all actions necessary to cease such material Competition as promptly as reasonably practicable. If all material Competition by such Non-Controlled Affiliate is terminated within such one (1) year period, all rights and obligations of the Parties which would otherwise have been terminated pursuant to Section 3.2 (a)(i) shall continue in full force and effect unless previously terminated pursuant to Section 3.1(c) or until such Upstream Affiliate thereafter materially Competes and causes the occurrence of another Indirect Non-Compete Termination Date (it being understood that the Upstream Affiliate shall not then be permitted to deliver another written notice pursuant to this Section 3.2(c) but shall be entitled to a thirty (30) day cure period to cease materially Competing prior any such Indirect Non-Compete Termination Date occurring). For the avoidance of doubt, nothing in this Article 3 shall in any way modify or limit the Investor's obligations under the Services Agreement.

(d) Notwithstanding anything to the contrary herein, if and for so long as an Upstream Affiliate materially Competes and has nominated or designated one or more directors who are then serving on the board of directors of the Investor, then the Investor shall cause such directors to be excluded from all deliberations of the Investor's board of directors and any committee thereof and shall not provide the Upstream Affiliate, any of its Representatives (including such directors) with any information, in each case, regarding any matter arising from or relating to the relationship or any Contract or other agreement or arrangement, or any other matter in which there is a material conflict of interest, including any matter set forth in Section 6.1, between the Company (or its Affiliates), on the one hand, and Investor (or its Affiliates, including Upstream Affiliates), on the other hand.

Section 3.3. Acknowledgements. The Investor acknowledges, and agrees, that (a) it is the legitimate interest of the Company and its Subsidiaries and it is reasonable and necessary for the goodwill and business of the Company and its Subsidiaries that the Investor make the covenants contained in this Article 3 and (b) the Company would not have entered into the Purchase Agreement or this Agreement without the covenants contained in this Article 3. The Investor acknowledges, and agrees, that (i) the type and periods of restriction imposed in this Article 3 are fair and reasonable and are reasonably required in order to protect and maintain the proprietary interests of the Company and its Subsidiaries described above, other legitimate business interests of, and the goodwill associated with, the business of the Company and its Subsidiaries and (ii) the time, scope, geographic area and other provisions of this Article 3 have been specifically negotiated by qualified investors, represented by legal counsel and are given as an integral part of the transactions contemplated by the Purchase Agreement and this Agreement. In the event that any covenant contained in this Article 3 should ever be adjudicated to exceed the time, scope, geographic area, product or service or other limitations permitted by applicable Law in any jurisdiction, then any court is expressly empowered to reform such covenant, and

such covenant shall be deemed reformed, in such jurisdiction to the maximum time, geographic, product or service or other limitations permitted by applicable Law. The covenants contained in this Article 3 and each provision hereof are severable and distinct covenants and provisions. The invalidity or unenforceability of any such covenant or provision as written shall not invalidate or render unenforceable the remaining covenants or provisions hereof, and any such invalidity or unenforceability in any jurisdiction shall not invalidate or render unenforceable such covenant or provision in any other jurisdiction.

ARTICLE 4
PREEMPTIVE RIGHTS

Section 4.1. Preemptive Rights.

(a) In the event that after the date hereof the Company issues, or proposes to undertake an issuance of, New Securities (other than pursuant to an IPO or other underwritten Public Offering in which the Company requests the Investor follow the process described in Section 4.1(b) below), it shall give the Investor written notice not later than ten (10) Business Days following the issuance of the New Securities (the "**Preemptive Rights Notice**"), describing the number and type of the New Securities, the Issue Price (if known) and the general terms upon which the Company issued or proposes to issue the same. The Investor shall have the right (but not the obligation) to elect to purchase all or any portion of the Investor Pro Rata Share for the Issue Price and upon the other terms specified in the Preemptive Rights Notice (which other terms shall, with respect to representations and warranties, closing conditions, indemnification and registration rights, be no less favorable than those granted to any other Person in connection with the applicable issuance) by giving irrevocable written notice to the Company not later than twenty-five (25) Business Days after the Preemptive Rights Notice is given (or, if later, five (5) Business Days following the determination of the Issue Price and other final terms as set forth in a supplement to the Preemptive Rights Notice). Subject to the last sentence of Section 6.2(a), the closing of the purchase by the Investor of all or any portion of the Investor Pro Rata Share pursuant to this Section 4.1(a) shall be the latest of (i) the closing of such issuance of New Securities, (ii) ten (10) Business Days after the delivery of the notice of election by the Investor, (iii) ten (10) Business Days after receipt of any necessary regulatory approvals, or (iv) such other date as the Company and the Investor agree.

(b) In connection with an IPO, if requested by the Company, the Investor will (i) use commercially reasonable efforts to indicate to the Company its non-binding intention a reasonable period of time prior to the Company's anticipated filing date of its initial Form S-1 with the SEC, and (ii) provide a binding (subject to the other provisions of this Section 4.1(b)) notice of election (the "**IPO Election Notice**") as to its preemptive rights in connection with such IPO no later than three (3) days prior (the "**IPO Election Deadline**") to when the preliminary prospectus used in connection with the IPO "roadshow" (the "**Preliminary Prospectus**") is printed, *provided* that the Company has delivered a written notice to the Investor specifying the price range that shall be reflected in the Preliminary Prospectus (the "**Preliminary Price Range**") and number of Capital Securities anticipated to be reflected in such Preliminary Prospectus (the "**IPO Preemptive Rights Notice**") as early as is reasonably practicable and at least three (3) Business Days prior to the IPO Election Deadline. The IPO Election Notice shall

(i) indicate the Investor's election as to the number of Shares it wishes to acquire (which may vary based on the price at which such Shares would be acquired within the Binding Price Range; *provided*, that the amount of Shares being acquired shall not exceed the Investor Pro Rata Share; and *provided, further*, that the Shares shall be acquired at the IPO Price), including in respect of any "green shoe" or similar supplemental offering being disclosed in the Preliminary Prospectus and the IPO Preemptive Rights Notice and (ii) be binding so long as (x) the final offering price (the "**IPO Price**") is no higher than twenty percent (20%) above the high end of the Preliminary Price Range nor lower than ten percent (10%) below the low end of the Preliminary Price Range (the "**Binding Price Range**"), (y) the aggregate amount of proceeds of the IPO (based on the IPO Price multiplied by the number of Capital Securities sold by the Company and/or the selling securityholders) is no higher than twenty percent (20%) above the proceeds that would have been obtained by selling the number of Capital Securities reflected in the Preliminary Prospectus at the high end of the Preliminary Price Range and (z) the IPO Price has been definitively determined within twenty (20) Business Days after the IPO Election Deadline; *provided*, that in the event any of the conditions set forth in the foregoing clauses (x), (y) or (z) is not satisfied, the Investor shall be entitled to revoke or revise its IPO Election Notice by no later than 48 hours or one Business Day (whichever is sooner) after the Company provides written notice to the Investor that one or more of the foregoing conditions will not be satisfied.

(c) In the event the equity valuation of the Company implied by the IPO Price increases by more than 20% above the implied valuation at the high end of the Preliminary Price Range or decreases by more than 10% below the implied valuation at the low end of the Preliminary Price Range (regardless of whether the other parameters set forth in Section 4.1(b) are satisfied), the Company shall provide prompt written notice of such change to the Investor, and the Investor shall have forty-eight (48) hours (and at least one (1) Business Day) from receipt of such notice to revoke or revise its IPO Election Notice.

(d) For the avoidance of doubt, (A) upon the Investor's revocation of its IPO Election Notice pursuant to clause (x) or (y) of Section 4.1(b) or pursuant to Section 4.1(c), the Investor shall be deemed to have declined to exercise in full its right to purchase the Investor Pro Rata Share in the IPO based on the change in terms described therein, but if the Company subsequently materially changes the economic terms of the offering, the Investor shall be entitled to exercise its preemptive right within forty-eight (48) hours of written notice from the Company (which shall include at least one (1) Business Day) of the revised terms of the offering, and (B) the Investor's purchase of all or a portion of its Investor Pro Rata Share hereunder shall instead be purchased at the IPO Price in a private placement pursuant to Section 4(a)(2) of or Regulation D under the Securities Act and subject to customary terms and conditions for such a private placement with a preexisting investor. The closing of the purchase of all or any portion of the Investor Pro Rata Share pursuant to this Section 4.1(b) shall be (1) the later of (x) the closing of such IPO and (y) two (2) Business Days after receipt of any necessary antitrust or regulatory approvals or (2) on such other date as the Company and the Investor agree. For the avoidance of doubt, any Shares to be acquired by the Investor pursuant to paragraphs (b), (c), (d) and (e) of this Section 4.1 shall be purchased at the IPO Price.

(e) If the Company does not definitively price the IPO with the underwriters prior to expiration of the time period contemplated in clause (z) of Section 4.1(b), the terms of Sections 4.1(b)-(e) shall apply to any subsequent IPO.

(f) The Investor shall be entitled to designate one of its director designees to serve on any pricing or similar committee established in connection with any Public Offering (which, for the avoidance of doubt, shall count toward satisfaction of its right to designate one or more Investor Directors thereto as set forth in the Voting Agreement), and the Company shall keep the Investor reasonably informed of all material developments with respect to the pricing, sizing, structure and other relevant matters with respect to any Public Offering. The Investor shall be provided with copies of any valuation materials or analyses prepared for the Board and senior management of the Company in connection with a Public Offering.

(g) For underwritten Public Offerings other than an IPO, the Investor and the Company shall use commercially reasonable efforts to adhere to the procedures set forth in Section 4.1(b), with appropriate modifications depending on the timeline for such offering, and otherwise cooperate in order to permit disclosure of the Investor's intentions with respect to its preemptive rights in connection therewith reasonably in advance of such underwritten Public Offering; provided, that no breach of this Section 4.1(g) by the Investor shall give rise to, or operate as, a waiver of diminution of the Investor's preemptive rights under this Section 4.1 except to the extent set forth in a binding notice delivered by the Investor in its sole discretion.

(h) Oversubscription. To the extent that any purchase pursuant to this Article 4 results in the Investor Percentage exceeding the Applicable Percentage (the number of Investor Shares, rounded down to the next whole share, necessary to cause the Investor Percentage to be equal to the Applicable Percentage, the "**Oversubscribed Shares**"), (i) the purchase of such Oversubscribed Shares shall be null and void ab initio, (ii) the Company shall refuse to recognize any Transfer of such Oversubscribed Shares for any purpose and shall not reflect in its records any change in record ownership of its Capital Securities reflecting such Oversubscribed Shares and (iii) the Company shall promptly (and, in any event, within ten (10) Business Days) reimburse the Investor the consideration paid in respect of such Oversubscribed Shares. The Investor irrevocably waives (A) all right, title and interest in or to such Oversubscribed Shares, (B) all rights to vote such Oversubscribed Shares and (C) any distributions or dividends in respect thereof.

(i) Permitted Transferees. At the Investor's direction, the Company shall issue and/or sell any Shares to be acquired pursuant to the exercise of preemptive rights provided by this Article 4 or Equity Award True-Up rights pursuant to Section 5.1 to Investor Sub or another Permitted Transferee. To the extent the Investor is subject to redemption rights of the Company pursuant to Article 5, it shall cause Investor Sub or any other Permitted Transferee holding Investor Shares to comply with the Investor's obligations (or the applicable portion thereof, as necessary) in respect of any such redemption in accordance therewith.

(j) Equitable Adjustments to Preemptive Rights. In the event the Company issues or redeems Shares and thereafter, but prior to the issuance or redemption of Shares to or from the Investor pursuant to this Article 4 or Article 5, there occurs any stock split, stock combination, dividend (whether in stock, cash, or other assets), reorganization, recapitalization, or other event, the amount of Shares to be so issued or redeemed to or from the Investor shall be equitably adjusted to put the Investor in the same position as it would have been had such Shares been issued or redeemed to or from the Investor prior to such event.

Section 4.2. Termination of Preemptive Rights. All rights and obligations under this Article 4 shall automatically terminate and be of no further force and effect upon the earlier of: (a) such time upon which the Applicable Percentage is less than twenty-five percent (25%) and (b) such time that this Article 4 terminates in accordance with the terms of Section 3.1(c).

ARTICLE 5
TRUE-UP AND TENDER OFFER

Section 5.1. Equity Award and Redemption True-Ups.

(a) If, (i) during the period from the first day of the prior Fiscal Quarter to the first day of the then-current Fiscal Quarter (or, with respect to the Fiscal Quarter ending December 31, 2018, during the period starting on the date of this Agreement until January 1, 2019), Shares are issued to employees, officers or directors of, or consultants or advisors to, the Company or any of its Subsidiaries in connection with services provided to the Company or its Subsidiaries pursuant to stock purchase or stock option plans or other similar arrangements (other than with respect to Special Equity Awards) (such Shares so issued, net of any shares repurchased by the Company during such prior Fiscal Quarter (other than pursuant to a tender offer) being the "**Equity Award Shares**"), and (ii) on the first day of the then-current Fiscal Quarter the Investor Percentage is not equal to or greater than the Applicable Percentage as of such date, then the Investor shall have the right to purchase from the Company a number of shares of Class C Common Stock or Class C-1 Common Stock (the "**Equity Award True-Up**"), as applicable, determined by multiplying (x) the number of Equity Award Shares that the Company issued during such prior Fiscal Quarter (or, with respect to the Fiscal Quarter ending December 31, 2018, during such prior partial Fiscal Quarter) by (y) a fraction, the numerator of which is the Applicable Percentage as of such date and the denominator of which is one (1) minus the Applicable Percentage as of such date (in each case, with Applicable Percentage calculated without taking into account the Equity Award Shares referenced in the foregoing clause (x)) (such securities subject to the Equity Award True-Up, rounded down to the next whole share, the "**Equity Award True-Up Shares**").

(b) If the Investor Percentage as of the first day of such Fiscal Quarter is greater than the Applicable Percentage as of such date (other than to the extent attributable to a tender offer by the Company, with respect to which a TO True-Up (as defined below) shall be the Company's exclusive redemption right from the Investor except during a TO Option Period), then the Company may elect to acquire from the Investor a number of shares of Class C Common Stock or Class C-1 Common Stock (the "**Redemption True-Up**"), as applicable, such that, immediately following the Redemption True-Up, the Investor Percentage shall equal the Applicable Percentage (as of such date) (such shares of Class C Common Stock or Class C-1 Common Stock subject to the Redemption True-Up, rounded up to the next whole share, the "**Redemption True-Up Shares**").

(c) At least ten (10) Business Days prior to the applicable True-Up Date, the Company shall deliver to the Investor written notice, describing (i) whether the Investor is eligible for an Equity Award True-Up or will be subject to a Redemption True-Up and the number of Equity Award True-Up Shares or Redemption True-Up Shares, respectively, (ii) the number of Equity Award Shares issued from the first day of the prior Fiscal Quarter to the first

day of the current Fiscal Quarter (or, with respect to the Fiscal Quarter ending December 31, 2018, the number of Equity Award Shares issued from the date of this Agreement to January 1, 2019), (iii) prior to an IPO or a Qualified Direct Listing or during such time as the Company's Shares are not publicly listed on a trading market, (A) the most recent valuation of stock provided pursuant to Section 409A of the Code (the "**409A Valuation**") and the date such 409A Valuation was delivered and (B) whether any issuance of Common Stock or Common Stock Equivalents (excluding any issuance of Shares pursuant to restricted stock units or the exercise of options) involving at least two percent (2.0%) of the Company's then outstanding Capital Securities (a "**Material Issuance**") has been consummated following the date of such 409A Valuation and, if such an issuance was consummated, the price paid per share of such Common Stock or Common Stock Equivalents in such issuance (such price per share, the "**Material Issuance Valuation**") and the date thereof, (iv) the weighted average price at which the Investor has purchased shares of Common Stock from the Company (the "**Investor WAP**") and (v) if the Investor is subject to a Redemption True-Up, whether the Company elects to exercise its right thereto.

(d) If eligible for an Equity Award True-Up, the Investor shall have until fifteen (15) Business Days following the applicable True-Up Date to elect to purchase all or any portion of the Equity Award True-Up Shares by giving irrevocable written notice to the Company. The price per share of such Equity Award True-Up Shares shall be equal to (i) prior to an IPO or a Qualified Direct Listing or during such time as the Company's Shares are not publicly listed on a trading market, the price per share of stock in the more recent of (A) the 409A Valuation or (B) if a Material Issuance has been consummated following the date of such 409A valuation, the applicable Material Issuance Valuation and (ii) following an IPO or a Qualified Direct Listing if the Company's Shares are publicly listed on a trading market, the VWAP for publicly-traded shares of stock (or other securities listed) for the ten (10) consecutive complete Trading Days ending on (and including) the day that is the Trading Day immediately prior to the applicable True-Up Date. Any purchase of Class C Common Stock or Class C-1 Common Stock, as applicable, pursuant to the Equity Award True-Up shall occur on the date that is five (5) Business Days following the date on which the Investor provides its irrevocable written notice pursuant to the first sentence of this Section 5.1(d).

(e) If the Investor is subject to a Redemption True-Up and the Company elected to exercise its right thereto, on the True-Up Date the Investor shall deliver the Redemption True-up Shares to the Company, free and clear of any liens, and the Company shall pay to the Investor a price per share for each Redemption True-Up Share equal to: the greater of (i) if, during the ninety (90) days preceding such Redemption Share True-Up, the Company has acquired Shares from any Related Party (other than in a tender offer available to all Stockholders) in an amount which exceeded one hundred million dollars ($100,000,000) in aggregate purchase price (excluding any such acquisitions in connection with the termination of employment of any executive officers of the Company), the weighted average price at which the Company has acquired such Shares and (ii) (A) prior to an IPO or a Qualified Direct Listing or following such time as the Company's Shares cease to be publicly listed on a trading market, the price per share of stock in the more recent of (1) the 409A Valuation or (2) if a Material Issuance has been consummated following the date of such 409A valuation, the applicable Material Issuance Valuation and (B) following an IPO or a Qualified Direct Listing if the Company's Shares are publicly listed on a trading market, the VWAP for publicly-traded shares of stock (or other

securities listed) for the ten (10) consecutive Trading Days ending on (and including) the day that is the Trading Day immediately prior to the applicable True-Up Date (the "**Redemption True-Up Price**"); *provided*, that, notwithstanding anything to the contrary in this Section 5.1, if the Redemption True-Up Price for any applicable Redemption True-Up is less than the Investor WAP on the applicable True-Up Date, the Company shall not be entitled to purchase, and the Investor shall have no obligation to sell, the applicable Redemption True-Up Shares on such True-Up Date (it being understood that this proviso shall not in any manner limit any future right of the Company to consummate any other Redemption True-Up in which the price per share of the Redemption True-Up Shares is equal to or greater than the applicable Investor WAP at such time); *provided, further*, that notwithstanding the foregoing proviso and regardless of whether the Redemption True-Up Price for such Redemption True-Up is less than the Investor WAP on the applicable True-Up Date, in connection with any Redemption True-Up that occurs during a TO Option Period, the Company may elect to redeem TO Option Shares (to the extent any then exist) in lieu of (and not, for the avoidance of doubt, in addition to or in duplication of) any number of Redemption True Up Shares up to the total number of then outstanding TO Option Shares at a price per share for each TO Option Share equal to the applicable TO Investor WAP (it being understood that in the event that TO Option Shares with respect to two or more Covered TOs are outstanding at any time, the highest priced TO Option Shares must be redeemed before any lower priced TO Option Shares may be redeemed). Notwithstanding anything to the contrary herein, if any Unvested Shares outstanding as of the Closing are forfeited or repurchased upon exercise of the Company's repurchase right (such number of shares, the "**Unvested Shares Forfeiture Amount**"), the Company may, upon written notice to the Investor prior to any applicable True-Up Date, elect to pay in lieu of any applicable Redemption True-Up Price a price per share equal to the Additional Share Purchase Price (as defined in the Purchase Agreement) for a number of Redemption True-Up Shares equal to the Unvested Shares Forfeiture Amount (for the avoidance of doubt any additional Redemption True-Up Shares in excess of the Unvested Shares Forfeiture Amount shall be purchased at the then applicable Redemption True-Up Price). Subject to the last sentence of Section 6.2(a), any purchase of Class C Common Stock or Class C-1 Common Stock pursuant to the Redemption True-Up shall occur on the True-Up Date or on such other date as the Company and the Investor agree.

(f) Special Circumstances for Liquidity Events.

(i) The Company shall ensure that, in connection with any Sale of the Company (other than a Sale of the Company in which an acquirer acquires one hundred percent (100%) of the then outstanding Shares) where as a result of, or immediately prior to, or concurrent with, the consummation of the transaction, Shares are to be issued pursuant to the settlement of the Company's liquidity-contingent restricted stock units (including, if accelerated) or the exercise and sale of options (other than with respect to Shares issued pursuant to the True-Up Convertible Security) (such issuances upon the consummation of such a transaction, the "**M&A Convertible Securities**"), the Investor is provided with at least twenty (20) Business Days' written notice of the anticipated closing date of such Sale of the Company and the right to give irrevocable written notice to the Company not later than ten (10) Business Days prior to the consummation of such Sale of the Company, electing to purchase from the Company a number of shares of Class C Common Stock or Class C-1 Common Stock, as applicable,

determined by multiplying (A) the number of M&A Convertible Securities that the Company issued in connection with such Sale of the Company by (B) a fraction, the numerator of which is the Applicable Percentage (as of immediately prior to such Sale of the Company) and the denominator of which is one (1) minus the Applicable Percentage as of such time for a purchase price per share in cash equal to the purchase price paid on a per share basis in such Sale of the Company (or the cash equivalent if the purchase price does not consist solely of cash in such Sale of the Company) (excluding any post-closing "earn-outs", indemnification or similar contingent payout or reduction). Any purchase of Class C Common Stock or Class C-1 Common Stock, as applicable, pursuant to this Section 5.1(f)(i) shall occur immediately prior to the consummation of the applicable Sale of the Company or such other date as the Investor and the Company may agree. The Company shall not enter into any definitive agreement with respect to, recommend or permit a Sale of the Company that does not comply this Section 5.1(f)(i).

(ii) Following the expiration of the IPO Lock-Up Period in which Shares are issued pursuant to the settlement of the Company's liquidity-continent restricted stock units that vest upon the IPO or during the IPO Lock-Up Period (the "**IPO RSU Shares**"), the Investor shall be provided by the Company with at least ten (10) Business Days' notice in advance of such issuance of IPO RSU Shares and may give irrevocable written notice to the Company not later than fifteen (15) Business Days following such issuance of IPO RSU Shares, electing to purchase from the Company a number of shares of Class C Common Stock or Class C-1 Common Stock, as applicable, determined by multiplying (A) the number of IPO RSU Shares that the Company issued by (B) a fraction, the numerator of which is the Applicable Percentage (as of immediately prior to such issuance of IPO RSU Shares) and the denominator of which is one (1) minus the Applicable Percentage as of such time for an amount in cash equal to the VWAP for publicly-traded shares of the Company's stock (or other securities listed) for the ten (10) consecutive Trading Days ending on (and including) the day that is the Trading Day immediately prior to the applicable date of issuance of such IPO RSU Shares. Any purchase of Class C Common Stock or Class C-1 Common Stock, as applicable, pursuant to this Section 5.1(f)(ii) shall occur on the date that is five (5) Business Days following the date on which the Investor provides its irrevocable written notice pursuant to the first sentence of this Section 5.1(f)(ii) or such other date as the Investor and the Company may agree.

Section 5.2. Tender Offer True-Up.

(a) In the event that a tender offer for Capital Securities, launched by the Company, has been consummated and as a result of such consummation the Investor Percentage exceeds the Applicable Percentage (a "**Covered TO**"), then fifteen (15) days following the close of such tender offer (the "**TO True-Up Date**"), the Company may elect to redeem from the Investor a number of shares of Class C Common Stock or Class C-1 Common Stock (the "**TO True-Up**"), as applicable, such that the Investor Percentage immediately following such TO True-Up shall equal the Applicable Percentage as of immediately prior to consummation of such tender offer (such shares of Common Stock or Class C-1 Common Stock subject to the TO True-Up, rounded down to the next whole share, the "**TO True-Up Shares**").

(b) At least five (5) Business Days prior to the applicable TO True-Up Date, the Company shall deliver to the Investor written notice, describing (i) the number of Capital Securities purchased in such tender offer, (ii) the number of TO True-Up Shares, (iii) the price paid for Capital Securities in such tender offer, (iv) the Investor WAP and (v) whether the Company elects to exercise its TO True-Up. If the Company elects to exercise its TO True-Up, on the TO True-Up Date, the Investor shall deliver the TO True-Up Shares to the Company, free and clear of any liens, and the Company shall pay to the Investor a price per TO True-Up Share equal to the price per share paid for the Class A Common Stock to the extent tendered for or, if Class A Common Stock was not included in such tender offer, the weighted average price paid for Capital Securities (on an as-converted basis) in such tender offer. Subject to the last sentence of Section 6.2(a), any purchase of TO True-Up Shares pursuant to the TO True-Up shall occur on the TO True-Up Date or on such other date as the Company and the Investor agree; *provided*, that, notwithstanding anything to the contrary in this Section 5.2(b), if the price per share of the TO True-Up Shares for any applicable TO True-Up is less than the Investor WAP (the "**TO Investor WAP**") at the time of the consummation of such TO True-Up (a "**TO Price Shortfall**," and any Covered TO in which there has been a TO Price Shortfall, a "**Shortfall TO**"), the Company shall not be entitled to purchase, and the Investor shall have no obligation to sell, the applicable TO True-Up Shares on such True-Up Date and instead the TO True-Up Shares which the Company otherwise would have been permitted to purchase pursuant to such TO True-Up ("**TO Option Shares**") may be redeemed, subject to Section 5.2(c), by the Company in lieu of Redemption True-Up Shares as and to the extent provided in Section 5.1(e) (it being understood that this proviso shall not in any manner limit any future right of the Company to consummate any other TO True-Up in which there is not a TO Price Shortfall).

(c) It is understood and agreed that the number of TO Option Shares outstanding as a result of the consummation of any Shortfall TO shall thereafter be reduced ratably (to a number not less than zero) to the extent the Investor Percentage at any time following such Shortfall TO decreases to the Applicable Percentage for any reason. For purposes of determining whether any such reduction is applicable, the Company shall, at the end of any calendar month when TO Option Shares are purportedly outstanding, and in any event prior to any and each redemption by the Company of TO Option Shares, provide the Investor with a calculation (a "**TO Option Shares Calculation**") of (i) the Investor Percentage immediately following the consummation of such Shortfall TO, (ii) the number of TO Option Shares created as a result of such Shortfall TO, (iii) the then-current Investor Percentage, and (iv) a certificate confirming any applicable reduction in the number of TO Option Shares based on the results of the preceding clauses (i)-(iii). For illustrative purposes, if the Investor Percentage immediately following consummation of a Shortfall TO is thirty-six percent (36%) and results in 1,000 Investor Shares being deemed TO Option Shares, and at any time thereafter the Investor Percentage at the time of a TO Option Shares Calculation has fallen to (A) 35.5%, then 500 of such TO Option Shares (or, if there are fewer than 500 of such TO Option Shares then remaining outstanding, all such remaining TO Option Shares) shall be irrevocably deemed no longer to be TO Option Shares or (B) 35% or less, all 1,000 such TO Option Shares (or any remaining amount of TO Option Shares, if less than 1,000) shall be irrevocably deemed no longer to be TO Option Shares and any TO Option Period that is running as a result of the existence of such TO Option Shares shall immediately terminate.

Section 5.3. Excess Redemption. To the extent that any redemption of Capital Securities from the Investor pursuant to this Article 5 results in the Investor Percentage being less than the Applicable Percentage (the number of Investor Shares, rounded down to the next whole share, necessary to cause the Investor Percentage to be equal to the Applicable Percentage, the "**Excess Redeemed Shares**"), (i) the redemption of such Excess Redeemed Shares shall be null and void ab initio, and the Company shall return to the Investor such shares, (ii) the Company shall not recognize any Transfer of such Excess Redeemed Shares for any purpose and shall not reflect in its records any change in record ownership of its Capital Securities reflecting the redemption of such Excess Redeemed Shares and (iii) the Investor shall promptly (and, in any event, within ten (10) Business Days) reimburse the Company the consideration paid in respect of such Excess Redeemed Shares. The Company irrevocably waives all right, title and interest in or to such Excess Redeemed Shares and the Investor shall be entitled to all rights, privileges and benefits of having owned such Excess Redeemed Shares (including voting rights, rights to dividends and distributions and rights under the Constituent Documents) as if such Excess Redeemed Shares had never been redeemed.

Section 5.4. Termination of Equity Award True-Up. All rights and obligations under Section 5.1 (solely with respect to the Equity Award True-Up) shall automatically terminate and be of no further force and effect upon the earlier of: (i) such time upon which the Applicable Percentage is less than twenty-five percent (25%) and (ii) such time that this Article 5 terminates in accordance with the terms of Section 3.1(c). For the avoidance of doubt, all rights and obligations pursuant, and related, to the Redemption True-Up and the TO True-Up shall remain effective until the termination of this Agreement.

ARTICLE 6
STANDSTILL AND PERMITTED PURCHASES

Section 6.1. Standstill.

(a) Without the Company's prior written consent, the Investor shall not, and, the Investor shall cause its Subsidiaries, controlled Affiliates and Upstream Affiliates and, its and their respective Representatives to the extent acting on its or their behalf or with its or their consent not to, directly or indirectly:

(i) effect or seek, offer or propose (whether publicly or otherwise) to effect, or cause or participate in, or in any way knowingly assist (including, without limitation, through the provision of financing), or act in concert with, any other Person to effect or seek, offer or propose (whether publicly or otherwise) to effect, or cause or participate in, (i) any acquisition of Beneficial Ownership of any securities or indebtedness of the Company or its Subsidiaries (*provided*, that for purposes of this clause (i), the sixty (60) day limitation of Rule 13d-3(d)(1)(i) shall be disregarded), (ii) any acquisition of material assets of the Company or its Subsidiaries, (iii) any tender or exchange offer involving the securities of the Company or its Subsidiaries or (iv) any merger, other business combination, recapitalization, restructuring, liquidation, dissolution or other extraordinary transaction with respect to the Company or its Subsidiaries (except, in each case, by way of stock dividends or other distributions made to holders of any class or series of Capital Securities then held by the Investor or its Affiliates);

(ii) engage, or in any way knowingly participate, in any "solicitation" (as such term is defined in Rule 14a-1(1) under the Exchange Act) of proxies or consents (whether or not relating to the election or removal of members of the Board); seek to advise, encourage, influence or act in concert with any Person with respect to the voting of any Voting Shares; initiate, propose or make any stockholder proposals, whether made pursuant to Rule 14a-8 or Rule 14a-4 under the Exchange Act or otherwise, or to call a meeting of the stockholders; knowingly induce or attempt to induce any other Person to initiate any such stockholder proposal or to call a meeting of the stockholders; or otherwise seek to remove any member of the Board;

(iii) form, join or in any way participate in a "group" (as such term is used under the Exchange Act), or act in concert with any other Person, with respect to any securities of the Company or any of its Subsidiaries;

(iv) except through the actions of the Investor Directors (once the Investor becomes entitled to designate such Investor Directors pursuant to the Voting Agreement) and any confidential communications between the Parties or their Representatives, take any action to, or act in concert with any other Person to, or seek to direct or control the management, policies or strategy of the Company or any of its Subsidiaries or the Board in any manner or to amend the Certificate of Incorporation or By-Laws;

(v) publicly disclose or take any action that would reasonably be expected to require the Company or any of its Subsidiaries to publicly disclose any intention, plan or arrangement inconsistent with the foregoing;

(vi) enter into discussions, arrangements or understandings with any third party with the purpose and effect of circumventing any of the foregoing restrictions; or

(vii) request, directly or indirectly, that the Company amend, modify or waive any provision of this Section 6.1 in a manner that would reasonably be expected to require public disclosure by the Investor or the Company.

(b) Notwithstanding the foregoing, (i) the Investor shall be permitted to (x) make public disclosures, including filings with the SEC (other than a Schedule 13D unless required by Law as determined by the Investor based on the advice of outside counsel), regarding the Company and its investment in the Company, consistent with customary practices of public companies regarding disclosure relating to material investments, and (y) engage in ordinary course communications with its investors and analysts, (ii) nothing in this Section 6.1 shall in any way restrict the Investor or its Affiliates from (x) selecting, removing, replacing or taking

any other action with respect to any and all of the Investor Directors or the Investor Observer and their service on the Board or (y) taking or causing to be taken any action set forth in the proviso to the definition of "Transfer" in Article I and (iii) the Investor's entry into the Constituent Documents and the taking of any actions permitted thereby by the Investor or its Affiliates or its or their Representatives (including any Investor Directors or the Investor Observer) shall not be deemed to breach any provision of this Agreement.

(c) Any breach of this Section 6.1 by any Subsidiary, controlled Affiliate or Upstream Affiliate shall be deemed to be a breach by the Company.

Section 6.2. Purchase Right and Permitted Buyout Offer.

(a) Public-Market Purchases. Notwithstanding anything to the contrary set forth in Section 6.1, following the IPO or a Qualified Direct Listing if the Company's Shares are publicly listed on a trading market, the Investor may purchase Class A Common Stock in the open market; *provided*, that (i) the Investor shall not purchase Class A Common Stock if such purchase would cause the Investor Percentage immediately following any such purchase to exceed the Applicable Percentage and (ii) prior to, or concurrent with, such purchase, the Investor delivers to the Company an executed irrevocable election to exchange (together with such other documents and materials as may be required by the Company's Certificate of Incorporation) all shares purchased for an equal number of shares of Class C Common Stock or Class C-1 Common Stock, as applicable, pursuant to the Company's Certificate of Incorporation. The Company and the Investor shall reasonably cooperate with respect to the timing of the consummation and structuring of any transactions contemplated by Sections 4.1, 5.1 or 5.2, in each case, to attempt to avoid any such transaction resulting in any liability or potential liability under applicable Laws (including to the extent such transaction would be materially detrimental to the Company as a result of any requirement with respect to the public disclosure of information or as is required by Section 16 of the Exchange Act) upon the reasonable written request of the Investor or the Company, respectively.

(b) Permitted Buyout Offer. Notwithstanding anything to the contrary set forth in Section 6.1, following the four (4) year anniversary of the date hereof, the Investor may deliver to the Board a proposal to acquire all outstanding Shares not Beneficially Owned by the Investor; *provided*, that such proposal must (i) be made only on a confidential basis and (ii) be subject to a non-waivable condition that such offer be approved by (A) the affirmative vote of a majority of the Non-Investor Directors then in office or an independent special committee of the Board, as interpreted in accordance with the Laws of the State of Delaware, that contains no Investor Directors or the Investor Observer and (B) Stockholders representing more than fifty percent (50%) of the Independent Voting Power of the Company voting at a meeting duly called for such purposes (or, if by written consent, of the outstanding Independent Voting Power) (such offer, a "**Permitted Buyout Offer**"); *provided*, *further*, that the Investor shall not make more than one (1) Permitted Buyout Offer during any consecutive twelve (12) month period (it being understood solely with respect to this proviso that (x) ongoing discussions regarding a previously made Permitted Buyout Offer, including any revisions thereto, shall not constitute multiple Permitted Buyout Offers and (y) such discussions shall be deemed to be terminated if such Permitted Buyout Offer is rejected by the aforementioned special committee or the affirmative vote of a majority of the Non-Investor Directors then in office (whether or not such an independent special committee shall have been formed) which rejection is set forth in a written notice to the Investor specifying that such discussions are terminated and that the Board or committee, as the case may be, does not wish to receive any further proposals from the Investor pursuant to this Section 6.2(b)).

Section 6.3. Termination of Purchase Right and Permitted Buyout Offer. All rights and obligations of the Parties under Section 6.2 (other than as set forth in the last sentence of Section 6.2(a)) shall automatically terminate and be of no further force and effect upon such time that Section 6.2 (other than as set forth in the last sentence of Section 6.2(a)) terminates in accordance with the terms of Sections 3.1(c), 3.2(a)(ii) and 3.2(c).

Section 6.4. No Investor Control of the Company. Notwithstanding anything in this Agreement or any other agreement, oral or written, between the Parties, the Investor shall have no right, directly or indirectly, as a result of its investment in the Company or otherwise, to direct or control the Company, is not under common control with the Company and shall have no power to direct the management or policies of the Company (including any matters respecting the intellectual property of the Company), whether through ownership of Shares, by contract or otherwise.

ARTICLE 7
TRANSFER OF CAPITAL SECURITIES AND QUALIFIED SALE

Section 7.1. Limitations on Transfer.

(a) The Investor may Transfer its Capital Securities only in accordance with, and subject to the applicable provisions of, this Article 7. The limitations on Transfers of Capital Securities set forth in this Article 7 are in addition to any restrictions imposed by applicable Law (including the satisfaction of any pre-filing or pre-approval requirements under any license, permit, authorization or rules or regulations applicable to the Company or the Beneficial Ownership of its Capital Securities).

(b) During the period beginning on the date hereof and ending on the six (6) year anniversary thereof (the "**Lock-Up Period**"), the Investor shall not Transfer any Capital Securities without the prior approval of the Board, including the approval of a majority of Non-Investor Directors then in office, except to a Permitted Transferee or as expressly permitted by Article 5; *provided*, that prior to a Transfer to a Permitted Transferee, (i) the Investor shall give the Company five (5) Business Days' prior written notice that such Transfer is being made and (ii) the Investor and any transferee of such Capital Securities shall comply with all applicable Laws, including as to registration or exemptions under applicable Laws, with respect to such Transfer.

(c) The Investor shall not be entitled to Transfer any Capital Securities or any other rights under this Agreement (including pursuant to a Permitted Transfer) at any time if such Transfer would:

(i) violate applicable Laws, including the Securities Act or any state (or other jurisdiction) securities or "Blue Sky" Laws applicable to the Company or Capital Securities or any applicable Foreign or State Act;

(ii) cause the Company to become subject to the registration or reporting requirements of the Investment Company Act;

(iii) at any time prior to consummation of an IPO or a Qualified Direct Listing, cause the Company to become subject to the registration requirements of Section 12(g) of the Exchange Act;

(iv) result in any entity which, in the good faith reasonable determination of the Board, directly or indirectly Competes with the Company, Beneficially Owning such Capital Securities; and

(v) require any adverse filing, notice or disclosure to be made by the Company under the applicable requirements of Antitrust Laws and the Exon-Florio Amendment to the Defense Production Act of 1950, 50 U.S.C. app. § 2170, as amended, including the implementing regulations thereof codified at 31 C.F.R. Part 800.

(d) Any purported Transfer of Capital Securities by the Investor other than in accordance with this Agreement shall be null and void ab initio, and the Company shall refuse to recognize any such Transfer for any purpose and shall not reflect in its records any change in record ownership of its Capital Securities pursuant to any such Transfer. Until such purported Transfer shall be rescinded, any Capital Securities Transferred in violation of this Agreement, shall not be entitled to, and the Investor shall irrevocably waive, (i) all right, title and interest in or to such Capital Securities, (ii) all rights to vote such Capital Securities and (iii) any distributions or dividends in respect thereof, from and after the date of such purported Transfer. The Transferee of any Capital Securities Transferred in violation of this Agreement shall not be entitled to, and shall irrevocably waive, (i) all right, title and interest in or to such Capital Securities, (ii) all rights to vote such Capital Securities and (iii) any distributions or dividends in respect thereof. Notwithstanding the foregoing, if the Investor would have been entitled to distributions or dividends in respect of such purportedly Transferred Capital Securities but for the immediately preceding sentence ("**Withheld Distributions**"), if and when such purported Transfer shall be rescinded, the Investor shall be entitled to receive all such Withheld Distributions (without interest or penalty of any kind for the period withheld). If the Investor Beneficially Owns any Capital Securities other than shares of Class C Common Stock or Class C-1 Common Stock, other than pursuant to the consummation of a Permitted Buyout Offer in compliance with the terms of this Agreement, the Investor shall promptly thereafter exchange all such Capital Securities for an equal number of shares of Class C Common Stock or Class C-1 Common Stock, as applicable, and execute other documents and materials and materials as may be reasonably requested by the Company to consummate such exchange.

Section 7.2. Exit Right.

(a) Following the expiration of the Lock-Up Period (the "**Lock-Up Expiration Date**"), during each calendar quarter, subject to and after complying with the procedures set forth in Section 7.4, the Investor and/or its Permitted Transferee(s) may Transfer in the aggregate a number of Capital Securities equal to the sum of (i) one-sixth ($1/6^{th}$) of the aggregate number of all Capital Securities Beneficially Owned by the Investor and/or its

Permitted Transferee(s) on the Lock-Up Expiration Date and (ii) any Capital Securities that were permitted to be, but were not, Transferred in a prior calendar quarter pursuant to this Section 7.2(a) (such that, for the avoidance of doubt, in and after the sixth calendar quarter following the Lock-Up Expiration Date, the Investor and/or its Permitted Transferee(s) shall be entitled to Transfer any and all of the Capital Securities they may continue to Beneficially Own at such time).

(b) Notwithstanding anything to the contrary set forth in Section 7.2(a), in no event shall the Investor Transfer to any Person a number of shares of Class C Common Stock or Class C-1 Common Stock that would result in such Transferee and such Transferee's Affiliates acquiring Beneficial Ownership in the aggregate of more than seven and one-half percent (7.5%) of the aggregate number of Shares then outstanding or more than seven and one half percent (7.5%) of the aggregate voting power of the Voting Shares then outstanding and, for the avoidance of doubt, any such shares of Class C Common Stock or Class C-1 Common Stock purported to be Transferred shall be subject to Section 7.1(d).

(c) At the Investor's expense, the Company shall use commercially reasonable efforts to cooperate as reasonably requested by the Investor in connection with a Transfer contemplated by this Section 7.2, including using commercially reasonable efforts to cooperate with and assist the Investor in promptly removing or rendering inapplicable any actual or potential restrictions on a proposed Transfer under applicable Law.

(d) References to the Investor in this Section 7.2 and in Section 7.4 shall be deemed to include Investor Sub and any other Permitted Transferee, in each case, to the extent such Person holds Investor Shares.

Section 7.3. Qualified Sale.

(a) If, as of any given time, the Board either (i) engages in a formal auction process or (ii) authorizes the Company or any other Person acting on its behalf to negotiate (either directly or with its Representatives) with a Third Party Buyer, in each case, with respect to a potential Qualified Sale, the Company shall promptly thereafter deliver a written notice thereof to the Investor (the "**Qualified Sale Notice**"), and the Investor shall then have ten (10) Business Days from the date such Qualified Sale Notice is delivered to provide the Company with a written notice confirming that the Investor elects to participate in the process in connection with such potential Qualified Sale (a "**Qualified Sale Participation Notice**"). Subject to the terms of this Section 7.3 and its fiduciary duties, the Board may conduct and change the process with respect to any potential Qualified Sale as it (or applicable committee thereof), shall determine, including rejecting any and all offers without stating reasons, negotiating with one or more other parties and entering into a definitive agreement for a transaction without prior notice to the Investor or any other Person; *provided*, that:

(i) unless the Investor has delivered a Qualified Sale Participation Notice affirmatively confirming its election to participate in a Qualified Sale process, the Company shall not, and shall cause its Affiliates and Representatives not to, negotiate with or provide due diligence to any Investor Competitor in connection with the potential Qualified Sale;

(ii) the Company shall not intentionally or materially disadvantage the Investor during such process relative to other Persons participating therein;

(iii) during the Qualified Sale Pendency Period, the Company shall furnish or make available to the Investor any nonpublic information with respect to the Company that is furnished or made available to other potential participants in the Qualified Sale process if such nonpublic information has not been previously furnished or made available to the Investor;

(iv) any such Third Party Buyers shall be subject to confidentiality and use restrictions that are no less restrictive than any such restrictions imposed upon the Investor with respect to such information;

(v) if the Board has initiated a formal auction process, the Investor shall be furnished, during the Qualified Sale Pendency Period, such information regarding the process as is provided generally to other participants regarding the process;

(vi) if the Company enters into definitive agreements with respect to, or the Board otherwise authorizes, approves or recommends, a Qualified Sale, no fewer than twenty (20) Business Days shall have elapsed from the date of delivery of the applicable Qualified Sale Notice; and

(vii) prior to the execution and delivery of definitive agreements with respect to a Qualified Sale, the Company shall permit the Investor to make a Permitted Buyout Offer and consider in good faith any revisions thereto.

(b) If following receipt of a Qualified Sale Notice and completion of a Qualified Sale Pendency Period in compliance with Section 7.3(a), the Board approves a Qualified Sale in compliance with the terms of this Agreement, the Investor shall take all actions set forth in Sections 4(b)(ii)(A), (C), (D) and (E) of the Voting Agreement (for the avoidance of doubt subject to Section 4(c) thereof) with respect to such Qualified Sale; *provided*, that if the rights of the Investor under Section 7.3(a) have terminated as provided herein, then the Investor shall take all such actions without receipt of such a Qualified Sale Notice or the completion of such a Qualified Sale Pendency Period. For the avoidance of doubt, the obligation to take such actions shall survive any termination of the Voting Agreement.

(c) (i) The Company's obligation to deliver a Qualified Sale Notice to the Investor under Section 7.3(a) shall automatically terminate and be of no further force and effect upon such time that such obligation terminates in accordance with the terms of Sections 3.1(c) and (ii) all rights and obligations of the Parties set forth under Section 7.3(a) shall automatically terminate and be of no further force and effect upon such time that Section 7.3 (a) terminates in accordance with the terms of Sections 3.2(a)(ii) and 3.2(c).

Section 7.4. Right of First Offer.

(a) Subject to the limitations set forth in Section 7.4(e), if, following the Lock-Up Expiration Date, the Investor proposes to Transfer Capital Securities, other than in a broadly distributed Public Offering, to a third-party Transferee that is not a Permitted Transferee, then the Investor shall (i) give the Company written notice of the Investor's intention to make the Transfer (the "**Offer Notice**") and (ii) not Transfer such Capital Securities other than in accordance with, and subject to the applicable provisions of, this Section 7.4. The Offer Notice shall include (A) a description of the number of Capital Securities proposed to be Transferred ("**Offered Securities**"), (B) the price (and, if applicable, the Investor's reasonable determination in good faith of the fair market value of any non-cash consideration) for which the Investor proposes to Transfer the applicable Capital Securities and (C) if applicable, any material terms and conditions upon which the proposed Transfer would be made.

(b) The Company shall have an option for a period of thirty (30) days from delivery of the Offer Notice to elect to purchase all of the Offered Securities at the same price (or, if applicable, a cash purchase price equal to the fair market value of non-cash consideration as determined pursuant to Section 7.4(a)) as described in the Offer Notice. The Company may exercise such purchase option and, thereby, purchase all of the Offered Securities by notifying the Investor in writing before expiration of such thirty (30)-day period that it wishes to purchase the Offered Securities. The Company may assign such purchase option in whole or in part to any Person; *provided*, that the Company may not assign such purchase option to an Investor Competitor until any rights of the Investor have terminated in accordance with the terms of Section 3.1(c) or Sections 3.2(a)(ii) and 3.2(c) (any permitted assignee of such right, a "**ROFO Assignee**").

(c) The Company shall effect any purchase of the Offered Securities pursuant to Section 7.4(a) with payment to be paid up front in cash against delivery of the Capital Securities to be purchased at a place agreed upon between the Parties and at the time of the scheduled closing therefor, which shall be no later than forty-five (45) days after delivery of the Offer Notice (which may be extended by ninety (90) days to the extent necessary to obtain any required approvals or consents under applicable Law); *provided*, that if the aggregate price of the Offered Securities is in excess of one billion dollars ($1,000,000,000), the Company shall have ninety (90) days after delivery of the Offer Notice to consummate the closing of such purchase to the extent necessary to obtain financing with respect thereto.

(d) To the extent that the Company (or any ROFO Assignee) has not exercised the right to purchase the Offered Securities within the time period specified in this Section 7.4, the Investor shall have a period of ninety (90) days from the expiration of such right in which to sell, or enter into an agreement to sell, all but not less than all of the Offered Securities, at a price or for consideration at least equal to, and upon other terms and conditions not materially more favorable, in the aggregate, to the Transferee than those specified in the Offer Notice. In the event the Investor does not consummate such sale of the Offered Securities within ninety (90) days from the date of entry into the applicable agreement (which may be extended by up to an additional ninety (90) days to the extent necessary to obtain any required approvals or consents under applicable Law), the right of first offer under this Section 7.4 shall continue to be applicable to any subsequent sale of the Offered Securities by the Investor. Furthermore, the exercise or non-exercise of any rights of the Company (or any ROFO Assignee) under this Section 7.4 to purchase Capital Securities from the Investor shall not adversely affect the Company's (or any ROFO Assignee's) rights to make subsequent purchases from the Investor.

(e) This Section 7.4 shall not apply to (i) the Transfer of Capital Securities pursuant to a Sale of the Company or (ii) the Transfer of Capital Securities to a Permitted Transferee.

Section 7.5. Prohibited Issuances. Until the first date on which the Applicable Percentage is less than twenty percent (20%), without the Investor's prior written consent, the Company shall not issue Capital Securities in one or more series to any Person which issuance(s) would (whether by the terms of such Capital Securities, by any agreement entered into with the holder(s) thereof or otherwise):

(a) provide the holder(s) of such Capital Securities with covenants, termination events or other protections that are broader in type or more restrictive to the Company and its Subsidiaries than those granted to any series of Existing Preferred Stock (as defined in the Certificate of Incorporation) pursuant to the terms set forth in the Certificate of Incorporation as of immediately prior to the execution of this Agreement (it being agreed that (x) the terms of such Capital Securities shall not restrict the ability of the Company and its Subsidiaries to pay dividends in respect of the Common Stock, and (y) the provision of the following rights, preferences and privileges to such holder(s) shall be considered to comply with this Section 7.5 and shall not require the Investor's prior written consent: (i) liquidation preferences (whether participating or non-participating), (ii) dividend preferences, (iii) broad-based, weighted average anti-dilution protection, (iv) customary redemption/put rights, (v) consent rights relating to (A) the liquidation or dissolution of the Company, (B) the creation or authorization of a senior or pari passu Capital Security, (C) purchases or redemptions of Capital Securities (other than pursuant to this Agreement), (D) increases or decreases to the size of the Board, (E) incurrence of material indebtedness, (F) making of material loans outside the ordinary course of business and (G) material acquisitions of or material investments in third parties, (vi) information and inspection rights, (vii) registration rights on a pari passu (or less favorable to the holder(s) of such Capital Securities) basis relative to those provided to the Investor pursuant to the Investors' Rights Agreement, and (viii) pre-emptive rights to participate pro rata in subsequent issuances of Capital Securities (which shall not impair the Investor's preemptive rights));

(b) provide the holder(s) of such Capital Securities with the right to designate, consent to the appointment of or cause the removal of members of management;

(c) provide the holder(s) of such Capital Securities with director designation or nomination rights with respect to the Board in excess of the percentage of Shares they Beneficially Own (subject to rounding);

(d) provide the holder(s) of such Capital Securities with special consent rights, or right of first refusal, matching or similar rights, in each case with respect to a Sale of the Company (whether to the Investor or otherwise), a Qualified Sale or similar extraordinary transactions;

(e) the proceeds of which, if such Capital Securities are Preferred Stock or otherwise have dividend or liquidation rights senior to any class of Common Stock, would be used for purposes other than financing the Company's business, operations, acquisitions or capital expenditures or refinancing the Company's indebtedness (which non-permitted purposes include, for avoidance of doubt, any return of capital transaction such as a tender offer, repurchase of Capital Securities or dividend);

(f) materially alter the governance structure of the Company in a manner adverse to the Investor, including the structure and governance of the Board (such as, for example, by providing such holder(s) with the right to designate the majority of a committee of the Board or requiring such holder (s)'s board designees for purposes of constituting a quorum);

(g) assuming the exercise in full by the Investor of any of its preemptive rights under Article 4 or Equity Award True-Up rights under Section 5.1, result in any decrease in the Investor's voting or economic ownership percentage in the Company (other than any liquidation preference or right or dividend preference or right given to the holder(s)); or

(h) otherwise disproportionately disadvantage in any significant respect the rights of (A) the Investor or (B) the Class C Common Stock or Class C-1 Common Stock or the holders thereof relative to the other classes and series of Shares existing as of the date of this Agreement or the holders thereof.

In connection with any proposed issuance of New Securities that has been (1) approved by the Board, (2) complies with this Section 7.5 and (3) as applicable, approved in accordance with Section 2.1(e)(i), if such issuance requires stockholder approval, the Investor shall (a) vote (in person, by proxy or by action by written consent, as applicable) all Shares then Beneficially Owned by it in favor of, and adopt, such issuance (together with any related amendment to the Certificate of Incorporation required in order to implement such issuance), and (b) the Investor shall consent to any amendments to the Constituent Documents (which for the avoidance of doubt shall not "adversely affect" the rights or obligations of the Investor, its Subsidiaries or its Affiliates for any purposes under the Constituent Documents) and execute related documentation reasonably requested by the Company to effectuate such issuance which are consistent with the foregoing terms and conditions and do not alter the rights or obligations of the Investor or the terms of the Class C Common Stock or Class C-1 Common Stock or the holders thereof.

Section 7.6. Rights and Obligations of Permitted Transferees. Any Permitted Transferee other than Investor Sub shall be required, at the time of and as a condition to such Transfer, to become a party to any other Constituent Documents requested by the affirmative vote of a majority of the Non-Investor Directors then in office by executing and delivering such documents as may be necessary, in the reasonable opinion of such Non-Investor Directors, to make such Person a party hereto and thereto and to assume the obligations of the Investor hereunder and thereunder, in each case, to the extent the Investor is such a party and has assumed such obligations (which shall include an agreement to which the Company is a third party beneficiary to comply with the final sentence of this Section 7.6). Notwithstanding anything to the contrary in any Constituent Document, Investor Sub shall be subject to all obligations of the Investor set forth in the Constituent Documents and Investor Sub shall not, and the Investor shall not permit Investor Sub to, take, or fail to take, any action that would breach the Investor's obligations thereunder. Notwithstanding the preceding sentence, no Transfer to any Permitted Transferee shall relieve the Investor of any of its obligations set forth herein (and the Investor shall cause each such Permitted Transferee to take all actions required by the Investor

hereunder), and no Transferee (other than a Permitted Transferee solely as provided in the following proviso) shall acquire any rights under any applicable Constituent Documents, unless otherwise determined by the Company in its sole discretion, by reason of the purported Transfer; *provided*, that, for purposes of any Transfers of shares of Class C Common Stock or Class C-1 Common Stock from the Company contemplated by this Agreement, the Investor and Investor Sub shall be permitted to allocate their rights with respect thereto among themselves and any other applicable Permitted Transferees and the Capital Securities held by each Permitted Transferee shall be deemed to be Capital Securities of the Investor for all purposes hereunder. For the avoidance of doubt, at such time as the Investor or a Permitted Transferee no longer holds any shares of Class C Common Stock or Class C-1 Common Stock, the Investor or such Permitted Transferee, as applicable, shall cease to have any rights or obligations hereunder. The Investor shall not permit any Permitted Transferee Beneficially Owning shares of Class C Common Stock or Class C-1 Common Stock to cease to be a Permitted Transferee, unless at or prior thereto the shares of Class C Common Stock or Class C-1 Common Stock are Transferred to the Investor or to another Permitted Transferee.

Section 7.7. Rights and Obligations of Purchasers of Shares. At any time prior to an IPO or a Qualified Direct Listing, any purchaser or transferee (other than Investor Sub or any other Permitted Transferee) of shares of Class C Common Stock or Class C-1 Common Stock from the Investor pursuant to this Article 7 shall be required, at the time of and as a condition to such purchase or Transfer, to become a party to the Voting Agreement and Investors' Rights Agreement and to assume those obligations generally applicable to Stockholders thereunder. No such purchaser or transferee shall acquire any rights or assume any obligations specific to the Investor or any of its Affiliates under any applicable Constituent Documents, unless otherwise agreed by the Company, by reason of such sale or Transfer.

Section 7.8. Legends. Any certificates for Investor Shares shall bear a legend or legends (and appropriate comparable notations or other arrangements will be made with respect to any uncertificated shares) referencing restrictions on Transfer of such Investor Shares under the Securities Act and under this Agreement, which legend shall state in substance:

> "THE SECURITIES EVIDENCED BY THIS CERTIFICATE MAY NOT BE OFFERED OR SOLD, TRANSFERRED, PLEDGED, HYPOTHECATED OR OTHERWISE DISPOSED OF, EXCEPT (I) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), (II) TO THE EXTENT APPLICABLE, PURSUANT TO RULE 144 UNDER THE SECURITIES ACT (OR ANY SIMILAR RULE UNDER THE SECURITIES ACT RELATING TO THE DISPOSITION OF SECURITIES), OR (III) PURSUANT TO AN AVAILABLE EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT.
>
> THE SECURITIES EVIDENCED BY THIS CERTIFICATE ARE SUBJECT TO RESTRICTIONS ON TRANSFER SET FORTH IN THE RELATIONSHIP AGREEMENT DATED AS OF DECEMBER 20, 2018, BY AND AMONG THE COMPANY, ALTRIA GROUP, INC. AND ALTRIA ENTERPRISES LLC, (A COPY OF WHICH IS ON FILE WITH THE SECRETARY OF THE COMPANY)."

Notwithstanding the foregoing, the holder of any certificate(s) for Investor Shares shall be entitled to receive from the Company new certificates for a like number of Investor Shares not bearing such legend (or the elimination or termination of such notations or arrangements) upon the request of such holder (a) at such time as such restrictions are no longer applicable and (b) with respect to the restriction on Transfer of such Investor Shares under the Securities Act or any other applicable securities Laws of any other foreign, federal, state, local or other jurisdiction (a "**Foreign or State Act**"), unless such Investor Shares are sold pursuant to a registration statement, subject to delivery of an opinion of counsel to the Company (which the Investor and the Company agree to use commercially reasonable efforts to cooperate to promptly obtain in order to permit any Transfer permitted by this Agreement), that the restriction referenced in such legend (or such notations or arrangements) is no longer required in order to ensure compliance with the Securities Act or any such other applicable Foreign or State Act.

Section 7.9. Delay of Transfer. The Company shall not incur any liability to the Investor or any other Person for any delay in recognizing any Transfer of Capital Securities Beneficially Owned by the Investor if (a) the Company in good faith reasonably determines that such Transfer was or would be in violation in any material respect of the provisions of applicable Law (including the Securities Act and any Foreign or State Act) or the Constituent Documents and (b) has provided written notice of such determination, including an explanation of the basis therefor, to the Investor.

Section 7.10. Certain Corporate Transactions. If the Investor shall sell, transfer, convey or otherwise dispose of (including by way of merger or consolidation or otherwise, and whether or not the Investor is the surviving entity of any such transaction(s)) all or substantially all of the properties or assets of the Investor and its Subsidiaries, taken as a whole (other than the Investor Shares) to any other Person, the Investor shall also transfer the Investor Shares to such other Person in connection with such transaction and cause such other Person to assume the Investor's obligations under the Services Agreement and the License Agreement; *provided*, that the Company shall reasonably cooperate with the Investor to effect such transfer of the Investor Shares and assumption of obligations, including waiving any applicable restrictions on Transfer or assignment, and the Investor shall cause the transferee shall comply with Section 9.11.

Section 7.11. Upstream Affiliate Divestiture. If immediately following a Person becoming an Upstream Affiliate, the Investor Percentage exceeds the Applicable Percentage, the Investor shall use commercially reasonable efforts to cause such Upstream Affiliate to dispose as promptly as reasonably practicable of a number of Capital Securities such that immediately following such disposition, the Investor Percentage shall not exceed the Applicable Percentage; *provided*, that in the case of a Person that is an Upstream Affiliate pursuant only to clause (ii) of the definition thereof, the foregoing requirements shall only apply to any Capital Securities acquired by such Person or its Affiliates (excluding the Investor and its Subsidiaries) following the time when such Person became an Upstream Affiliate; *provided, further*, that the Investor and its Subsidiaries, and any Affiliates of the Investor not controlled by such Upstream Affiliate, shall have no obligation under this Section 7.11 to dispose of any Investor Shares or other Capital Securities Beneficially Owned by them; *provided, further*, that the Company shall reasonably cooperate with the Investor and its Affiliates to the extent necessary to enable them to comply with the requirements of this sentence.

Section 7.12. Certain Capital Matters.

(a) If the Company shall fix a record date in respect of any dividend or distribution to holders of Capital Securities at a time when there exist any Equity Award True-Up Shares with respect to the prior Fiscal Quarter, or the Investor is otherwise then entitled to acquire shares of Class C Common Stock or Class C-1 Common Stock with respect to any New Securities that have been issued and were entitled to such dividend or distribution, the Investor shall be entitled to receive an additional payment from the Company in respect of any such shares actually acquired by the Investor, payable at the time such acquisition (or, if later, the date such dividend or distribution is paid), in the same amount as if such shares had been outstanding on such record date.

(b) Until the first date on which the Applicable Percentage is less than twenty-five percent (25%), in the event that the Company makes, pays or sets aside a dividend or distribution payable to or in respect of Shares (including a "Non-Stock Dividend," as defined in the Certificate of Incorporation), the Company shall not in connection therewith, without the prior written consent of the Investor, make, pay or set aside any distribution (as part of an equitable adjustment or otherwise) to or in respect of any of the Company's options or restricted stock units other than a Permitted Adjustment or in connection with the Cash Distribution.

(c) Until the first date on which the Applicable Percentage is less than twenty-five percent (25%), without the prior written consent of the Investor, the Company shall not issue to its employees, officers or directors of, or consultants or advisors to, the Company or any of its Subsidiaries shares of capital stock that are subject to repurchase rights or forfeiture or stock options that are "early exercisable" for shares of capital stock that are subject to repurchase rights or forfeiture.

(d) If the Company engages in any broad-based buyback, repurchase or redemption of or tender offer for any Shares in lieu of, or as a substantial economic equivalent of, an extraordinary dividend or distribution other than in connection with the Cash Distribution, the Company shall afford the Investor the opportunity to participate on the same basis as other holders of Shares.

ARTICLE 8
CONFIDENTIALITY

Section 8.1. Confidentiality. Subject to Sections 3.2(d), 8.2 and 8.4, the Investor hereby agrees that it shall keep confidential, and shall not use for its own benefit (except for purposes of monitoring, evaluating, reviewing or otherwise with respect to its investment in the Company (including financial reporting, legal and regulatory compliance and investor communications), the exercise of its rights or performance of its obligations under any Constituent Documents or for the Investor's financing activities (each, a "**Permitted Use**")) or disclose to any third Person, without prior approval of the Board (including a majority of the Non-Investor Directors then in office), any non-public information with respect to the Company

or any of its Subsidiaries or Affiliates (including any Person in which the Company holds, or (to the Investor's knowledge) contemplates acquiring, an investment) ("**Confidential Information**") that is in the possession on the date hereof of the Investor or any of its direct or indirect Subsidiaries, controlled Affiliates, or its or their respective Representatives (each, a "**Covered Person**") or disclosed after the date of this Agreement to the Investor or any Covered Person by or on behalf of the Company or its Subsidiaries or Affiliates (including any director of the Company), *provided*, that (a) Confidential Information shall not include information that has become generally available to the public, was or has come into the Investor's or such Covered Person's possession on a non-confidential basis, without a breach of any direct or indirect confidentiality obligations to the Company by the Person disclosing such information, or has been independently developed by the Investor or any Covered Person, without use of the Confidential Information, (b) Confidential Information may be disclosed to and among the Covered Persons (other than any Person set forth on Schedule 2 hereof), to the extent the Investor believes in good faith that such Covered Person needs to know such Confidential Information in connection with a Permitted Use and *provided* (i) such Covered Person agrees to keep it confidential on terms consistent with this Section 8.1 and (ii) the Investor shall be responsible for any breach of this Section 8.1 by such Covered Person, (c) after the Investor obtains the Company's prior written consent (which shall not be unreasonably withheld, conditioned or delayed), Confidential Information may be disclosed to bona fide potential Transferees of the Investor's Investor Shares (only to the extent such a Transfer is permitted under Article 7) who are subject to an obligation reasonably acceptable to the Company to keep such Confidential Information confidential and provided the Investor shall be responsible for any breach of this Section 8.1 by such Transferees and (d) if disclosure is required by applicable Law or required or requested by any Governmental Body (whether by informal request, summons, subpoena or otherwise and whether or not in connection with any Action), it being agreed that, unless such Confidential Information has been generally available to the public, if such Confidential Information is being requested pursuant to a summons or subpoena or a discovery request in connection with an Action, then, prior to making such disclosure, (x) the Investor or such Covered Person shall give the Company notice of such request and shall cooperate with the Company at the Company's request and expense so that the Company may, in its discretion, seek a protective order or other appropriate remedy, if available, and (y) in the event that such protective order is not obtained (or sought by the Company after notice), the Investor or such Covered Person (A) shall furnish only that portion of the Confidential Information which, based upon the advice of counsel, is legally required or was requested to be furnished and (B) will exercise its reasonable efforts to obtain adequate assurances that confidential treatment will be accorded such Confidential Information by its recipients.

Section 8.2. Publicity. Subject to Section 8.4, so long as this Agreement is in effect, neither the Company nor the Investor, nor any of their respective Covered Persons, shall issue or cause the publication of any press release or other public announcement other than as set forth in the Purchase Agreement with respect to the Purchase, this Agreement or the other transactions contemplated hereby without the prior consent of the other Party (which consent shall not be unreasonably withheld, conditioned or delayed), unless such Party determines, after consultation with outside counsel, that it is required by applicable Law or Order or by the listing rules of a national securities exchange (including Regulation FD) to issue or cause the publication of any press release or other public announcement with respect to the Purchase, this Agreement or the other transactions contemplated hereby or otherwise with respect to the relationship between the

Parties, in which event such Party shall endeavor, on a basis reasonable under the circumstances, to provide a meaningful opportunity to the other Party to review and comment upon such press release or other announcement as far in advance as practicable and shall give due consideration to all reasonable additions, deletions or changes suggested thereto; *provided*, *however*, that the Company shall not be required by this Section 8.2 to provide any such review or comment to the Investor in connection with a Qualified Sale Process and matters related thereto; *provided*, *further*, that each Party and their respective Covered Persons may make statements that substantially reiterate (and are not inconsistent with) previous press releases, public disclosures or public statements made by the Company and the Investor in compliance with this Section 8.2.

Section 8.3. Information and Inspection Rights.

(a) During the term of this Agreement and subject to Section 3.2(d), Section 8.1 and the last sentence of Section 8.4, the Company shall use its reasonable best efforts to provide to the Investor (i) at the Investor's expense, in a timely manner such information regarding the Company and its Subsidiaries as is reasonably necessary in order for the Investor and its Affiliates to prepare (A) the reports and accounts of the Investor or its Affiliates required under applicable listing rules of a national securities exchange, (B) the reports, accounts, registration statements, prospectuses and other filings of the Investor or its Affiliates filed or otherwise disclosed under any applicable securities Laws and (C) public earnings releases, investor presentations or other similar disclosures related to their financial reporting as determined by the Investor or its Affiliates to be consistent with best practices of public company financial reporting, disclosure or investor communications; and (ii) upon reasonable advance notice by the Investor, information requested by the Investor as is reasonably necessary in order for the Investor or its Affiliates to respond on a timely basis to regulatory or audit requirements under applicable Law or other regulatory or tax requirements.

(b) In furtherance and not in limitation of the Company's obligations set forth in Section 8.3(a), and until the first date on which the Applicable Percentage is less than ten percent (10%), the Company shall provide the following information to the Investor within the timeframes indicated:

(i) as promptly as practicable and in any event by January 15, 2019, the Company Financial Statements, with respect to which the Company shall provide the Investor with a reasonable opportunity to consult with the Company and its representatives, including its independent accountants, from time to time during the preparation thereof, with respect to the progress of the preparation of such Company Financial Statements.

(ii) monthly, unaudited, internal income reports for the Company prepared in accordance with GAAP as and to the extent prepared for distribution to the Board, within fifteen (15) Business Days of the end of each calendar month (such internal reports shall be in the form presented to the Board from time to time);

(iii) as soon as practicable and in any event within sixty (60) calendar days of the end of each calendar quarter, an analysis of Capital Securities outstanding (economic and voting interest) at the end of the quarter, including a roll forward (total dollars and shares) of all share-related activity, such as issuances, repurchases and share-based payments, and the weighted average number of shares outstanding used in the calculation of basic and diluted earnings per share for the quarterly and year-to-date periods then ended, in each case prepared in accordance with GAAP;

(iv) quarterly, final income statement, balance sheet and statement of cash flows prepared in accordance with GAAP, including a detail of all non-recurring items on a pre-tax and after-tax basis (as determined by the Company) recorded for the period within sixty (60) calendar days of the end of each calendar quarter, including a roll forward of components of equity attributable to equity holders, as well as components of other comprehensive earnings attributable to equity holders, prepared in accordance with GAAP;

(v) annual audited (in accordance with GAAS) financial statements prepared in accordance with GAAP, as soon as practicable and in any event within seventy-five (75) days following the end of each calendar year (other than such annual audited financial statements for calendar year 2018 which shall be provided by March 25, 2019), for any year in which the Investor is required to present such annual audited financial statements pursuant to Rule 3-09 of Regulation S-X under the Exchange Act;

(vi) prior to the beginning of each fiscal year, the financial plan for such year, any other financial budgets and plans prepared for approval by the Board from time to time (other than such financial plan and other financial budgets and plan prepared for fiscal year 2019 which shall be provided within thirty-five (35) days of the beginning of such fiscal year), and any revisions to such financial budgets and plans, in each case within five (5) Business Days of their approval by the Board with monthly phasing to the extent available;

(vii) notice and a description of any business arrangements between the Company and any of its Subsidiaries on the one hand and the Investor or any of its Affiliates on the other hand, at such times as may reasonably be requested by the Investor in order to comply with any applicable related-party disclosure requirement;

(viii) within twenty-five (25) calendar days of the end of each calendar quarter, a discussion with the Company's chief financial officer and chief accounting officer (or other persons with similar responsibilities reasonably acceptable to the Investor) regarding updates to the Company's business and results;

(ix) by January 15, 2019, an opening balance sheet as of the date of this Agreement; and

(x) such other information as is reasonably requested from time to time by the Investor (it being understood that such other information shall be in the form reasonably determined by Company management to be appropriate in the circumstances taking into account the purpose for which the Investor requires the information) including, without limitation, the information required under Rule 3-05 (financial statements of businesses acquired or to be acquired) and Article 11 (pro forma financial information) of Regulation S-X under the Exchange Act.

(c) Following such time as Antitrust Clearance is obtained and subject to Section 3.2(d), Section 8.1 and the last sentence of Section 8.4, the Company shall permit the Investor, at the Investor's expense, to visit and inspect the Company's properties, to examine its books of account and records and to discuss the Company's affairs, finances and accounts with its officers, all at such reasonable times as may be requested by the Investor; *provided*, *however*, that the Company shall not be obligated pursuant to this Section 8.3(c) to provide access to any information the Board determines in good faith to be a trade secret or the disclosure of which would adversely affect the attorney-client privilege between the Company and its counsel; *provided*, *further*, that the Company shall use its commercially reasonable efforts to cooperate with the Investor to obviate or remove the need to withhold any information to the extent arising from such attorney-client privilege pursuant to the foregoing proviso.

(d) To the extent necessary to permit the Investor to prepare those reports described in Section 8.3(a)(i)(A) and (B) and until the first date on which the Applicable Percentage is less than ten percent (10%), the Company shall (i) cooperate, and use its reasonable best efforts to cause the Company's Auditors to cooperate, at the Investor's expense, with the Investor to the extent reasonably requested by the Investor or its Representatives in the preparation by the Investor or its Affiliates of public earnings releases or other press releases and any filings with the SEC or any other Governmental Body that include Company financial information and (ii) use its reasonable best efforts to cause the Company's Auditors to consent, at the Investor's expense, to any reference to them as experts in any filings made by the Investor or its Affiliates where such consent is required under applicable Law.

(e) The Company's obligations pursuant to this Section 8.3 are subject to automatic modification in accordance with the terms of Section 3.1(b) and Section 3.2(a)(i).

Section 8.4. Public Company Reporting and Disclosure Matters. Notwithstanding anything in this Agreement to the contrary, so long as the Investor or its Affiliates is subject to requirements of any of Section 12(b), Section 12(g) or Section 15(d) of the Exchange Act or any similar disclosure or reporting obligations to its security holders, the Investor or such Affiliate(s) shall be permitted, without complying with the restrictions or procedures set forth in Sections 8.1 or 8.2, to make filings with the SEC (including exhibits thereto) and issue customary public earnings releases, investor presentations and similar publications and announcements that include, refer to or incorporate by reference the information provided to the Investor pursuant to Section 8.3(a) or Section 8.3(b) (as modified in accordance with the terms of Section 3.1(b) and Section 3.2(a)(i)), in each case, to the extent the Investor determines in its good faith judgment that such disclosure is required by applicable Law or that failure to make such disclosure would be inconsistent with best practices of public company financial reporting, disclosure or investor

communications. Notwithstanding the foregoing, during the period two (2) Business Days (or such shorter period during which the Investor becomes aware that a filing or other communication is required in circumstances where such requirement was not reasonably foreseeable at least two (2) Business Days in advance) prior to the filing, furnishing or otherwise making public such information, the Investor shall, to the extent such filings or other communications include Confidential Information regarding the Company, the Investor's investment in the Company or the e-Vapor Business, provide the Company a meaningful opportunity to review and comment upon such disclosure in the Investor's filings with the SEC (including exhibits thereto) and customary public earnings releases and similar publications, announcements and investor communications and shall give due consideration to all reasonable additions, deletions or changes suggested thereto.

ARTICLE 9
MISCELLANEOUS

Section 9.1. Term. This Agreement shall terminate at such time as the Investor does not Beneficially Own any Investor Shares. Notwithstanding the foregoing, the provisions of Article 3, Section 8.1 and all of this Article 9, respectively, shall survive any such termination in accordance with their terms.

Section 9.2. Further Action. Each of the Parties shall execute and deliver such documents and other papers and take such further actions as may reasonably be required to carry out the provisions of this Agreement and give effect to the transactions contemplated hereby.

Section 9.3. Manner of Payment. All amounts to be paid hereunder shall be paid in U.S. dollars, by wire transfer of immediately available funds, to an account specified by the payee in writing, and the payee shall promptly send a payment confirmation to the payor by fax or e-mail.

Section 9.4. Expenses. Each of the Parties hereto shall pay the fees and expenses incurred by it in connection with the negotiation, preparation, execution and performance of this Agreement, including brokers' fees, attorneys' fees and accountants' fees.

Section 9.5. Third Party Beneficiaries. Nothing in this Agreement, express or implied, is intended or shall be construed to confer upon any Person not a party hereto any right, remedy or claim under or by virtue of this Agreement.

Section 9.6. Governing Law. This Agreement shall be governed in all respects by the internal laws of the State of Delaware, without regard to principles of conflicts of law.

Section 9.7. Dispute Resolution; Jurisdiction; Specific Performance.

(a) Except for any action for specific performance pursuant to Section 9.7(b), in the event that a Party believes in good faith that a dispute or claim exists pursuant to this Agreement, or with respect to the subject matter hereof (in each case, a "**Dispute**"), such Party will notify the other Party in writing in a timely manner of such Dispute (a "**Dispute Notice**"), which Dispute Notice shall specify in reasonable detail the nature of the Dispute and the name and contact information of a representative of such Party authorized to negotiate and resolve

such Dispute, and promptly following a Dispute Notice the other Parties to such Dispute shall appoint a representative authorized to negotiate and resolve such Dispute (each of the foregoing persons is referred to herein as a "**Dispute Representative**"). The Parties to such Dispute shall cause their respective Dispute Representatives to negotiate in good faith and use their reasonable best efforts to resolve the Dispute for a period of no less than thirty (30) days (the "**Negotiation Period**"), which shall include at least one in-person meeting. For the avoidance of doubt, during the Negotiation Period, this Section 9.7(a) is the exclusive means for resolving any Disputes, other than any action for specific performance pursuant to Section 9.7(b).

(b) Each Party agrees that irreparable damage would occur (for which monetary damages, even if available, would not be an adequate remedy) in the event that any of the provisions of this Agreement were not performed (including failing to take such actions as are required of it hereunder to perform the actions and consummate the transactions contemplated by this Agreement subject to the conditions specified therein), or were threatened to be not performed, in accordance with their specific terms or were otherwise breached. It is accordingly agreed that, in addition to any other remedy that may be available to it, including monetary damages, each of the Parties shall be entitled to an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions of this Agreement and all such rights and remedies at law or in equity shall be cumulative. Each of the Parties agrees that it will not oppose the granting of an injunction, specific performance and other equitable relief on the basis that the other Party has an adequate remedy at law or that any award of specific performance is not an appropriate remedy for any reason at law or in equity. The Parties further agree that neither Party shall be required to obtain, secure, furnish or post any bond, security or similar instrument in connection with or as a condition to obtaining any remedy referred to in this Section 9.7 and each Party waives any objection to the imposition of such relief or any right it may have to require the obtaining, securing, furnishing or posting of any such bond, security or similar instrument. In addition, each of the Parties hereto irrevocably agrees that any legal action or proceeding with respect to this Agreement and the rights and obligations arising hereunder, or for recognition and enforcement of any judgment in respect of this Agreement and the rights and obligations arising hereunder brought by the other Party, shall be brought and determined exclusively in the Delaware Court of Chancery and any state appellate court therefrom within the State of Delaware (or, if the Delaware Court of Chancery declines to accept jurisdiction over a particular matter, any state or federal court within the State of Delaware). Each of the Parties hereto hereby irrevocably submits with regard to any such action or proceeding for itself and in respect of its property, generally and unconditionally, to the personal jurisdiction of the aforesaid courts and agrees that it will not bring any action relating to this Agreement or any of the transactions contemplated by this Agreement in any court other than the aforesaid courts. Each of the Parties hereto hereby irrevocably waives, and agrees not to assert, by way of motion, as a defense, counterclaim or otherwise, in any action or proceeding with respect to this Agreement, (i) any claim that it is not personally subject to the jurisdiction of the above named courts, (ii) any claim that it or its property is exempt or immune from jurisdiction of any such court or from any legal process commenced in such courts (whether through service of notice, attachment prior to judgment, attachment in aid of execution of judgment, execution of judgment or otherwise) and (iii) to the fullest extent permitted by applicable Law, any claim that (A) the suit, action or proceeding in such court is brought in an inconvenient forum, (B) the venue of such suit, action or proceeding is improper or (C) this Agreement, or the subject matter hereof, may not be enforced in or by such courts. Each Party

agrees that a final judgment in any action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by Law. To the fullest extent permitted by applicable Law, each Party hereby consents to the service of process in accordance with Section 9.9; *provided*, *however*, that nothing herein shall affect the right of either Party to serve legal process in any other manner permitted by Law. The Parties will cooperate to seek confidential treatment to the maximum extent permitted by Law and the applicable court with respect to any dispute or discovery relating to any dispute.

Section 9.8. WAIVER OF JURY TRIAL. EACH PARTY HEREBY WAIVES ITS RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS AGREEMENT, THE OTHER TRANSACTION AGREEMENTS, THE SECURITIES OR THE SUBJECT MATTER HEREOF OR THEREOF. THE SCOPE OF THIS WAIVER IS INTENDED TO BE ALL-ENCOMPASSING OF ANY AND ALL DISPUTES THAT MAY BE FILED IN ANY COURT AND THAT RELATE TO THE SUBJECT MATTER OF THIS TRANSACTION, INCLUDING, WITHOUT LIMITATION, CONTRACT CLAIMS, TORT CLAIMS (INCLUDING NEGLIGENCE), BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW AND STATUTORY CLAIMS. THIS SECTION HAS BEEN FULLY DISCUSSED BY EACH OF THE PARTIES AND THESE PROVISIONS WILL NOT BE SUBJECT TO ANY EXCEPTIONS. EACH PARTY HEREBY FURTHER WARRANTS AND REPRESENTS THAT SUCH PARTY HAS REVIEWED THIS WAIVER WITH ITS LEGAL COUNSEL, AND THAT SUCH PARTY KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL.

Section 9.9. Notices. All notices and other communications given or made pursuant to this Agreement shall be in writing and shall be deemed effectively given upon the earlier of actual receipt or: (a) personal delivery to the Party to be notified, (b) upon confirmation of receipt, if sent by electronic mail or facsimile, (c) five (5) days after having been sent by registered or certified mail, return receipt requested, postage prepaid, or (d) on the date received, if sent by a nationally recognized delivery or courier service; *provided*, that any notice sent by electronic mail shall expressly provide that it is being given pursuant to this Agreement or the Purchase Agreement, as applicable, to be deemed effectively given hereunder or thereunder. All communications shall be sent to the Parties at the addresses set forth below (or at such other address for a Party as shall be specified by like notice; *provided* that notices of a change of address shall be effective only upon delivery of notice in respect thereof). Any notice received after 5:30 pm local time on a Business Day, or at any time on a day that is not a Business Day, shall be deemed received on the next Business Day.

(a) If to the Company:

JUUL Labs, Inc.
560 20th Street
San Francisco, CA 94107
Attn: Chief Executive Officer

with a copy of any such notice sent to (which shall not constitute notice):

Cleary Gottlieb Steen & Hamilton LLP
One Liberty Plaza
New York, NY 10006
Attention: Victor I. Lewkow
Benet J. O'Reilly
Fax: (212) 225-3999
Email: vlewkow@cgsh.com
boreilly@cgsh.com
and:

Pillsbury Winthrop Shaw Pittman LLP
2550 Hanover Street
Palo Alto, CA 94304-1115
Attention: Jorge A. del Calvo
Justin D. Hovey
Fax: (650) 233-4545
Email: jorge@pillsburylaw.com
justin.hovey@pillsburylaw.com

(b) If to the Investor or Investor Sub:

Altria Group, Inc.
6601 West Broad Street
Richmond, Virginia 23230
Attn: General Counsel

with a copy of any such notice sent to (which shall not constitute notice):

Wachtell, Lipton, Rosen & Katz
51 West 52nd St.
New York, NY 10019
Attention: Andrew J. Nussbaum
Karessa L. Cain
Fax: (212) 403-2000
Email: AJNussbaum@wlrk.com
KLCain@wlrk.com

Section 9.10. Amendment. The terms and provisions of this Agreement may only be amended or modified at any time and from time to time by a writing executed by the Investor and the Company and after obtaining the affirmative vote of at least two-thirds (2/3rd) or more of the Non-Investor Directors then in office approving such amendment or modification. Any provision hereof may be waived by the waiving Party on such Party's own behalf, without the consent of any other Party.

Section 9.11. Successors and Assigns; Investor Change in Ownership. The terms and conditions of this Agreement shall inure to the benefit of and be binding upon the Parties hereto, their respective successors and permitted assigns. Neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned by any Party hereto in whole or in part (whether by operation of Law or otherwise) without the prior written consent of the Company, with respect to the Investor or Investor Sub, or the Investor, with respect to the Company, except (i) in connection with a Transfer made in accordance with Section 7.1 where the applicable Transferee executes and delivers a joinder to this Agreement and under any Constituent Documents requested by the Non-Investor Directors to make such Person a party hereto and thereto and to assume the obligations of the Investor hereunder and thereunder in accordance with Section 7.6 and (ii) as necessary in connection with an assignment by the Company of its purchase option in whole or in part pursuant to Section 7.4(b). Any purported assignment in contravention hereof shall be null and void. Notwithstanding the foregoing or anything to contrary in this Agreement, in no event shall any Investor Change in Ownership (including any Investor Change in Control) (i) be deemed to be an assignment or a Transfer or (ii) otherwise affect any Party's rights or obligations under any Constituent Document in any respect, except, in the case of this clause (ii), to the extent expressly set forth therein. Notwithstanding anything to the contrary in any Constituent Document, no assignment of any Constituent Document shall relieve the Investor, Investor Sub or the Company of any of its obligations set forth therein.

Section 9.12. Binding Effect. Except as otherwise provided in this Agreement, the terms and provisions of this Agreement shall be binding on and inure to the benefit of each of the parties hereto and their respective successors.

Section 9.13. No Waiver. No failure or delay by any party in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies herein provided shall be cumulative and not exclusive of any rights or remedies provided by law.

Section 9.14. Severability. If any provision of this Agreement shall be held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 9.15. Headings. The heading references herein and in the table of contents hereto are for convenience purposes only, do not constitute a part of this Agreement and shall not be deemed to limit or affect any of the provisions hereof.

Section 9.16. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, and all of which shall constitute one and the same agreement.

Section 9.17. Entire Agreement. This Agreement (including the Schedules and Exhibits hereto), any joinders, and the documents delivered pursuant to this Agreement and the Purchase Agreement constitute the full and entire understanding and agreement of the Parties with respect to the subject matter hereof, and any other written or oral agreement relating to the subject matter hereof existing between the Parties is expressly canceled.

Section 9.18. Investor Guarantee. The Investor hereby unconditionally guarantees the performance of all obligations and agreements (including any payment obligations) of Investor Sub and any other Permitted Transferee to whom the Investor Transfers any of its rights under this Agreement and the other Constituent Documents, and the Investor shall cause Investor Sub and any other such Person to perform all of its obligations and agreements (including any payment obligations) under this Agreement and the other Constituent Documents.

[SIGNATURE PAGES FOLLOW]

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

THE COMPANY:

JUUL LABS, INC.

By: /s/ Kevin Burns
Name: Kevin Burns
Title: Chief Executive Officer

ALTRIA GROUP, INC.

By: /s/ William F. Gifford, Jr.
Name: William F. Gifford, Jr.
Title: Vice Chairman and Chief Financial Officer

ALTRIA ENTERPRISES LLC

By: /s/ David A. Wise
Name: David A. Wise
Title: Vice President and Treasurer

(Back To Top)

Section 4: EX-10.1 (EX-10.1)

Exhibit 10.1

EXECUTION VERSION

U.S.$ 14,600,000,000

TERM LOAN AGREEMENT

Dated as of December 20, 2018

Among

ALTRIA GROUP, INC.

and

THE LENDERS PARTY HERETO

and

JPMORGAN CHASE BANK, N.A.

as Administrative Agent

* * * * * * * * * *

JPMORGAN CHASE BANK, N.A.
as Sole Lead Arranger and Sole Bookrunner

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EXHIBITS

TERM LOAN AGREEMENT

This TERM LOAN AGREEMENT (this "Agreement"), dated as of December 20, 2018, is entered into by and among ALTRIA GROUP, INC., a Virginia corporation ("Altria"), the banks, financial institutions and other institutional lenders listed on the signature pages hereof (the "Initial Lenders") and other Lenders from time to time party hereto, and JPMORGAN CHASE BANK, N.A. ("JPMCB"), as administrative agent (in such capacity, the "Administrative Agent").

W I T N E S S E T H :

WHEREAS, Altria has requested that the Lenders provide a senior unsecured term loan facility, and the Lenders have indicated their willingness to lend on the terms and subject to the conditions set forth herein;

NOW THEREFORE, in consideration of the mutual covenants and agreements herein contained, the parties hereto covenant and agree as follows:

ARTICLE I

DEFINITIONS AND ACCOUNTING TERMS

Section 1.01 Certain Defined Terms. As used in this Agreement, the following terms shall have the following meanings (such meanings to be equally applicable to both the singular and plural forms of the terms defined):

"Administrative Agent's Account" means the account of the Administrative Agent (a) maintained by the Administrative Agent, at JPMorgan Chase Bank, N.A., Loan and Agency, 1111 Fannin Street, Houston, Texas 77002, Account No. 9008113381H0301, Reference: Altria Group, Inc., Attention: Account Manager, or (b) as is designated in writing from time to time by the Administrative Agent, to Altria and the Lenders for such purpose.

"Advance" means an advance by a Lender to Altria as part of a Borrowing and refers to a Base Rate Advance or a LIBO Rate Advance (each of which shall be a "Type" of Advance).

"Agreement" means this Term Loan Agreement, as amended, supplemented, waived or otherwise modified, from time to time.

"Anti-Corruption Laws" means all laws, rules, and regulations of any jurisdiction applicable to Altria or any of its Subsidiaries from time to time concerning or relating to bribery or corruption.

"Applicable Commitment Fee Rate" means, for any period, a percentage per annum equal to the percentage set forth below determined by reference to the higher of the ratings of Altria's long-term senior unsecured debt from (i) Standard & Poor's and (ii) Moody's, in each case in effect from time to time during such period:

Long-Term Senior Unsecured Debt Rating	Applicable Commitment Fee Rate
A- and A3 or higher	0.090%
BBB+ and Baa1	0.100%
Lower than BBB+ and Baa1	0.150%

provided that if no rating is available on any date of determination from Moody's and Standard & Poor's or any other nationally recognized statistical rating organization designated by Altria and reasonably satisfactory to the Administrative Agent, the Applicable Commitment Fee Rate shall be 0.150%.

"Applicable Interest Rate Margin" means for any Interest Period a percentage per annum equal to the percentage set forth below as determined by reference to the higher of the ratings of Altria's long-term senior unsecured debt from (i) Standard & Poor's and (ii) Moody's, in each case in effect from time to time during such Interest Period:

Rating	Pricing Grid	
	Applicable Margin – LIBO Rate Advance (percent per annum)	Applicable Margin – Base Rate Advance (percent per annum)
A- and A3 or higher	1.000%	0.000%
BBB+ and Baa1	1.125%	0.125%
Lower than BBB+ and Baa1	1.250%	0.250%

provided that if no rating is available on any date of determination from Moody's and Standard & Poor's or any other nationally recognized statistical rating organization designated by Altria and reasonably satisfactory to the Administrative Agent, the Applicable Interest Rate Margin shall be determined as if Altria's long-term senior unsecured debt rating were lower than BBB+ and Baa1.

"Applicable Lending Office" means, with respect to each Lender, such Lender's Domestic Lending Office in the case of an Advance.

"Asset Sale" means the sale, transfer, license, lease or other disposition of any property by any Person, including any sale and leaseback transaction and any sale of capital stock (other than any issuance by such Person of its own capital stock, but including an issuance of capital stock by a Subsidiary of such Person), but excluding:

(a) the sale, transfer, license, lease or other disposition (collectively, "Transfers") of inventory, plants, equipment and other property (including cash and cash equivalents) in the ordinary course of business or specifically disclosed prior to the Effective Date in Altria's or any of its Subsidiaries' publicly-available filings with the Securities and Exchange Commission, and

(b) any Transfer that results in Net Cash Proceeds of less than $100,000,000 per Transfer or related or series of Transfers and that, together with all other Transfers during the same fiscal year excluded under this clause (b) results in Net Cash Proceeds of not greater than $250,000,000.

"Assignment and Acceptance" means an assignment and acceptance entered into by a Lender and an Eligible Assignee, and accepted by the Administrative Agent, in substantially the form of Exhibit C hereto.

"Bail-In Action" means the exercise of any Write-Down and Conversion Powers by the applicable EEA Resolution Authority in respect of any liability of an EEA Financial Institution.

"Bail-In Legislation" means, with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law for such EEA Member Country from time to time that is described in the EU Bail-In Legislation Schedule.

"Base Rate" means a fluctuating interest rate per annum in effect from time to time, which rate per annum shall at all times be equal to the highest of:

(i) the Prime Rate; and

(ii) 1/2 of one percent per annum above the NYFRB Rate; and

(iii) the LIBO Screen Rate for a one-month Interest Period.

"Base Rate Advance" means an Advance that bears interest as provided in Section 2.04(a)(i).

"Base Rate Interest" has the meaning specified in Section 2.04(a)(i).

"Beneficial Ownership Certification" means a certification regarding beneficial ownership as required by 31 C.F.R. § 1010.230.

"Board" means the Board of Governors of the Federal Reserve System of the United States (or any successor).

"Borrowing" means a borrowing consisting of simultaneous Advances of the same Class and Type made pursuant to Section 2.01.

"Business Day" means a day of the year on which banks are not required or authorized by law to close in New York City and, if the applicable Business Day relates to any LIBO Rate Advances, on which dealings are carried on in the London interbank market and banks are open for business in London.

"Capital Lease Obligations" has the meaning specified in clause (b) of the definition of the term "Debt" below.

"Capital Markets Financing Transaction" means the sale for cash or cash equivalents, in a public offering registered under the Securities Act of 1933, as amended, or an offering exempt from registration pursuant to Section 4(a)(2), Rule 144A or Regulation S thereunder, of capital stock issued by Altria or notes, debentures or other debt securities issued by or guaranteed by Altria having a maturity in excess of one year, offered in the domestic or foreign capital markets.

"Civil Asset Forfeiture Reform Act" means the Civil Asset Forfeiture Reform Act of 2000 (18 U.S.C. Sections 983 et seq.), as amended from time to time, and any successor statute.

"Class" (x) when used in connection with any Advance or Borrowing, refers to whether such Advance, or the Advances comprising such Borrowing, are Tranche I Advances or Tranche II Advances or (y) when used with respect to any Commitment, refers to whether such Commitment is a Tranche I Commitment or a Tranche II Commitment.

"Commitment" means, for each Lender, the sum of its Tranche I Commitment and its Tranche II Commitment.

"Consolidated EBITDA" means, for any accounting period, the consolidated net earnings (or loss) of Altria and its Subsidiaries plus, without duplication and to the extent included as a separate item on Altria's consolidated statements of earnings or consolidated statements of cash flows in the case of clauses (a) through (e) for such period, the sum of (a) provision for income taxes, (b) interest and other debt expense, net, (c) depreciation expense, (d) amortization of intangibles, (e) any extraordinary, unusual or non-recurring expenses or losses or any similar expense or loss subtracted from "Gross profit" in the calculation of "Net earnings" and (f) the portion of loss included on Altria's consolidated statements of earnings of any Person (other than a Subsidiary of Altria) in which Altria or any of its Subsidiaries has an ownership interest and any cash that is actually received by Altria or such Subsidiary from such Person in the form of dividends or similar distributions, and minus, without duplication, the sum of (x) to the extent included as a separate item on Altria's consolidated statements of earnings for such period, any extraordinary, unusual or non-recurring income or gains or any similar income or gain added to "Gross profit" in the calculation of "Net earnings," and (y) the portion of income included on Altria's consolidated statements of earnings of any Person (other than a Subsidiary of Altria) in which Altria or any of its Subsidiaries has an ownership interest, except to the extent that any cash is actually received by Altria or such Subsidiary from such Person in the form of dividends or similar distributions, all as determined on a consolidated basis in accordance with accounting principles generally accepted in the United States for such period, except that if there has been a material change in an accounting principle as compared to that applied in the preparation of the financial statements of Altria and its Subsidiaries as at and for the year ended December 31, 2017, then such new accounting principle shall not be used in the determination of Consolidated EBITDA. A material change in an accounting principle is one that, in the year of its adoption, changes Consolidated EBITDA for any quarter in such year by more than 10%.

"Consolidated Interest Expense" means, for any accounting period, total interest expense of Altria and its Subsidiaries with respect to all outstanding Debt of Altria and its Subsidiaries during such period, all as determined on a consolidated basis for such period and in

accordance with accounting principles generally accepted in the United States for such period, except that if there has been a material change in an accounting principle as compared to that applied in the preparation of the financial statements of Altria and its Subsidiaries as at and for the year ended December 31, 2017, then such new accounting principle shall not be used in the determination of Consolidated Interest Expense. A material change in an accounting principle is one that, in the year of its adoption, changes Consolidated Interest Expense for any quarter in such year by more than 10%.

"Consolidated Tangible Assets" means the total assets appearing on a consolidated balance sheet of Altria and its Subsidiaries, less goodwill and other intangible assets, the minority interests of other Persons in such Subsidiaries and non-recourse debt of Altria and its Subsidiaries, all as determined in accordance with accounting principles generally accepted in the United States, except that if there has been a material change in an accounting principle as compared to that applied in the preparation of the financial statements of Altria and its Subsidiaries as at and for the year ended December 31, 2017, then such new accounting principle shall not be used in the determination of Consolidated Tangible Assets. A material change in an accounting principle is one that, in the year of its adoption, changes Consolidated Tangible Assets at any quarter in such year by more than 10%.

"Controlled Substances Act" means the Controlled Substances Act (21 U.S.C. Sections 801 et seq.), as amended from time to time, and any successor statute.

"Convert," "Conversion" and "Converted" each refers to a conversion of Advances of one Type into Advances of the other Type pursuant to Section 2.06 or 2.12.

"Cronos" means Cronos Group Inc., a corporation organized and existing under the laws of the Province of Ontario.

"Cronos Closing Date" means the date on which the Cronos Investment is consummated, with or without a Borrowing under the Tranche II Commitments.

"Cronos Investment" means the acquisition of 45% of the capital stock of Cronos by Altria Summit LLC pursuant to the Cronos Subscription Agreement.

"Cronos Material Adverse Effect" means "Material Adverse Effect" as defined in the Cronos Subscription Agreement.

"Cronos Subscription Agreement" means the subscription agreement by and among Cronos, Altria Summit LLC and Altria as in effect on December 7, 2018.

"Cronos Subscription Agreement Representations" means such of the representations made by Cronos in the Cronos Subscription Agreement as are material to the interests of the Lenders, but only to the extent that Altria (or an affiliate of Altria) has the right to terminate Altria's (or Altria's affiliate's) obligations under the Cronos Subscription Agreement as a result of the breach of such representations in the Cronos Subscription Agreement.

"Debt" means, without duplication, (a) indebtedness for borrowed money or for the deferred purchase price of property or services, whether or not evidenced by bonds,

debentures, notes or similar instruments, (b) obligations as lessee under leases that, in accordance with accounting principles generally accepted in the United States, are recorded as capital leases under the FASB Accounting Standards Codification ® ("ASC") Topic 840 or finance leases under ASC Topic 842 ("Capital Lease Obligations"), (c) obligations as an account party or applicant under letters of credit (other than trade letters of credit incurred in the ordinary course of business) to the extent such letters of credit are drawn and not reimbursed within five Business Days of such drawing, (d) the aggregate principal (or equivalent) amount of financing raised through outstanding securitization financings of accounts receivable, and (e) 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 (including by way of (i) granting a security interest or other Lien on property or (ii) having a reimbursement obligation under or in respect of a letter of credit or similar arrangement (to the extent such letter of credit is not collateralized by assets (other than Operating Assets) having a fair value equal to the amount of such reimbursement obligation), in any case in respect of, indebtedness or obligations of any other Person of the kinds referred to in clause (a), (b), (c) or (d) above). For the avoidance of doubt, the following shall not constitute "Debt" for purposes of this Agreement: (A) any obligation that is fully non-recourse to Altria or any of its Subsidiaries, (B) intercompany debt of Altria or any of its Subsidiaries, (C) any appeal bond or other arrangement to secure a stay of execution on a judgment or order, provided that any such appeal bond or other arrangement issued by a third party in connection with such arrangement shall constitute Debt to the extent Altria or any of its Subsidiaries has a reimbursement obligation to such third party that is not collateralized by assets (other than Operating Assets) having a fair value equal to the amount of such reimbursement obligation, (D) unpaid judgments, or (E) defeased indebtedness.

"Debt Facility" shall mean any debt facility with a term exceeding 364 days entered into by Altria after the Effective Date in the commercial bank market, other than (a) the issuance of commercial paper or other short-term debt programs and (b) any domestic or foreign working capital facility. For the avoidance of doubt, any borrowings pursuant to the Revolving Credit Agreement or its replacement with an aggregate commitment amount not exceeding $3,000,000,000 shall not constitute a "Debt Facility" for purposes of this Agreement.

"Default" means any event specified in Section 6.01 that would constitute an Event of Default but for the requirement that notice be given or time elapse or both.

"Defaulting Lender" means any Lender that has (a) failed to fund any portion of its Commitments within one Business Day of the date required to be funded by it hereunder, (b) notified Altria or the Administrative Agent in writing that it does not intend to comply with any of its funding obligations under this Agreement or has made a public statement to the effect that it does not intend to comply with its funding obligations either under this Agreement or generally under agreements in which it has committed to extend credit, (c) failed, within three Business Days after written request by the Administrative Agent (whether acting on its own behalf or at the reasonable request of Altria (it being understood that the Administrative Agent shall comply with any such reasonable request)), to confirm that it will comply with the terms of this Agreement relating to its obligations to fund prospective Advances; provided that any such Lender shall cease to be a Defaulting Lender under this clause (c) upon receipt of such confirmation by the Administrative Agent, (d) otherwise failed to pay over to the Administrative Agent or any other Lender any other amount required to be paid by it hereunder within three

Business Days of the date when due, unless such amount is the subject of a good faith dispute, (e) become the subject of a bankruptcy or insolvency proceeding, or has had a receiver, conservator, trustee or custodian appointed for it, or has a parent company that has become the subject of a bankruptcy or insolvency proceeding, or has had a receiver, conservator, trustee or custodian appointed for it or (f) has become the subject of a Bail-In Action. No Lender shall be a Defaulting Lender solely by virtue of the ownership or acquisition of any equity interest in such Lender or a parent company thereof by a Governmental Authority or an instrumentality thereof.

"Dollars" and the "$" sign each means lawful currency of the United States of America.

"Domestic Lending Office" means, with respect to any Lender, the office of such Lender specified as its "Domestic Lending Office" opposite its name on Schedule I hereto or in the Assignment and Acceptance pursuant to which it became a Lender, or such other office of such Lender as such Lender may from time to time specify to Altria and the Administrative Agent.

"EEA Financial Institution" means (a) any institution established in any EEA Member Country that is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country that is a parent of an institution described in clause (a) of this definition, or (c) any institution established in an EEA Member Country that is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

"EEA Member Country" means any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

"EEA Resolution Authority" means any public administrative authority or any Person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.

"Effective Date" has the meaning specified in Section 3.01.

"Eligible Assignee" means (i) a commercial bank organized under the laws of the United States, or any State thereof, and having total assets in excess of $10,000,000,000; (ii) a commercial bank organized under the laws of any other country that is a member of the Organization for Economic Cooperation and Development (or any successor) ("OECD"), or a political subdivision of any such country, and having total assets in excess of $10,000,000,000, provided that such bank is acting through a branch or agency located in the country in which it is organized or another country that is also a member of the OECD or the Cayman Islands; (iii) the central bank of any country that is a member of the OECD; (iv) a commercial finance company or finance Subsidiary of a corporation organized under the laws of the United States, or any State thereof, and having total assets in excess of $6,000,000,000; (v) an insurance company organized under the laws of the United States, or any State thereof, and having total assets in excess of $10,000,000,000; (vi) any Lender; (vii) an affiliate of any Lender; and (viii) any other bank, commercial finance company, insurance company or other Person approved in writing by Altria,

which approval shall be notified to the Administrative Agent; provided, however, that the term "Eligible Assignee" shall not include a Defaulting Lender or an affiliate of a Defaulting Lender.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended from time to time, and the regulations promulgated and rulings issued thereunder.

"ERISA Affiliate" means any Person that for purposes of Title IV of ERISA is a member of Altria's controlled group, or under common control with Altria, within the meaning of Section 414 of the Internal Revenue Code.

"ERISA Event" means (a) (i) the occurrence with respect to a Plan of a reportable event, within the meaning of Section 4043 of ERISA, unless the 30-day notice requirement with respect thereto has been waived by the Pension Benefit Guaranty Corporation (or any successor) ("PBGC"), or (ii) the requirements of subsection (1) of Section 4043(b) of ERISA (without regard to subsection (2) of such section) are met with respect to a contributing sponsor, as defined in Section 4001(a)(13) of ERISA, of a Plan, and an event described in paragraph (9), (10), (11), (12) or (13) of Section 4043(c) of ERISA is reasonably expected to occur with respect to such Plan within the following 30 days; (b) the application for a minimum funding waiver with respect to a Plan; (c) the provision by the administrator of any Plan of a notice of intent to terminate such Plan, pursuant to Section 4041(a)(2) of ERISA (including any such notice with respect to a plan amendment referred to in Section 4041(e) of ERISA); (d) the cessation of operations at a facility of Altria or any of their ERISA Affiliates in the circumstances described in Section 4062(e) of ERISA; (e) the withdrawal by Altria or any of their ERISA Affiliates from a Multiple Employer Plan during a plan year for which it was a substantial employer, as defined in Section 4001(a)(2) of ERISA; (f) the conditions set forth in Section 430(k) of the Internal Revenue Code or Section 303(k) or 4068 of ERISA to the creation of a lien upon property or rights to property of Altria or any of their ERISA Affiliates for failure to make a required payment to a Plan are satisfied; (g) the failure to satisfy the minimum funding standards under Section 412 or 430 of the Internal Revenue Code or Section 302 or 303 of ERISA, whether or not waived; or (h) the termination of a Plan by the PBGC pursuant to Section 4042 of ERISA, or the occurrence of any event or condition described in Section 4042 of ERISA that constitutes grounds for the termination of, or the appointment of a trustee to administer, a Plan.

"EU Bail-In Legislation Schedule" means the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor Person), as in effect from time to time.

"Eurocurrency Liabilities" has the meaning assigned to that term in Regulation D of the Board, as in effect from time to time.

"Eurodollar Lending Office" means, with respect to any Lender, the office of such Lender specified as its "Eurodollar Lending Office" opposite its name on Schedule I hereto or in the Assignment and Acceptance pursuant to which it became a Lender (or, if no such office is specified, its Domestic Lending Office), or such other office of such Lender as such Lender may from time to time specify to Altria and the Administrative Agent.

"Eurodollar Rate Reserve Percentage" for any Interest Period, for all LIBO Rate Advances comprising part of the same Borrowing, means, the reserve percentage applicable two Business Days before the first day of such Interest Period under regulations issued from time to time by the Board for determining the maximum reserve requirement (including, without limitation, any emergency, supplemental or other marginal reserve requirement) for a member bank of the Federal Reserve System in New York City with respect to liabilities or assets consisting of or including Eurocurrency Liabilities (or with respect to any other category of liabilities that includes deposits by reference to which the interest rate on LIBO Rate Advances is determined) having a term equal to such Interest Period.

"Event of Default" has the meaning specified in Section 6.01.

"FATCA" means Sections 1471 through 1474 of the Internal Revenue Code as enacted as of the date hereof (without regard to the delayed effective date of such provisions) or any amended or successor version that is substantively comparable and, in each case, regulations promulgated thereunder or official interpretations thereof or any agreement entered into pursuant to Section 1471(b)(1) of the Internal Revenue Code.

"Federal Bankruptcy Code" means the Bankruptcy Reform Act of 1978, as amended from time to time.

"Federal Funds Effective Rate" means, for any day, the rate calculated by the NYFRB based on such day's federal funds transactions by depositary institutions, as determined in such manner as the NYFRB shall set forth on its public website from time to time, and published on the next succeeding Business Day by the NYFRB as the effective federal funds rate, provided that if the Federal Funds Effective Rate as so determined would be less than zero, such rate shall be deemed to be zero for the purposes of this Agreement.

"Federal Reserve Board" means the Board of Governors of the Federal Reserve System of the United States of America.

"Governmental Authority" means the government of the United States of America, any other nation or 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.

"Guarantee" means the guarantee agreement issued by the Guarantor in favor of the Lenders, substantially in the form of Exhibit D hereto.

"Guarantor" means Philip Morris USA Inc., a Virginia corporation.

"Home Jurisdiction Withholding Taxes" means withholding for United States federal income taxes, United States federal back-up withholding taxes and United States withholding taxes.

"Interest Period" means, for each LIBO Rate Advance comprising part of the same Borrowing, the period commencing on the date of

such LIBO Rate Advance or the date of Conversion of any Base Rate Advance into such LIBO Rate Advance or the last day of the preceding Interest Period applicable to such Advance and ending on the last day of the period selected by Altria pursuant to the provisions below. The duration of each such Interest Period shall be one week, one, two, three or six months, or, if available to all Lenders, twelve months, as Altria may select upon notice received by the Administrative Agent not later than 11:00 A.M. (New York City time) on the third Business Day prior to the first day of such Interest Period; provided, however, that:

(a) Altria may not select any Interest Period that ends after the Maturity Date;

(b) whenever the last day of any Interest Period would otherwise occur on a day other than a Business Day, the last day of such Interest Period shall be extended to occur on the next succeeding Business Day, provided that if such extension would cause the last day of such Interest Period to occur in the next following calendar month, the last day of such Interest Period shall occur on the immediately preceding Business Day; and

(c) whenever the first day of any Interest Period occurs on a day of an initial calendar month for which there is no numerically corresponding day in the calendar month that succeeds such initial calendar month by the number of months equal to the number of months in such Interest Period, such Interest Period shall end on the last Business Day of such succeeding calendar month.

"Internal Revenue Code" means the Internal Revenue Code of 1986, as amended from time to time, and the regulations promulgated and the rulings issued thereunder.

"JUUL" means JUUL Labs, Inc., a Delaware corporation.

"JUUL Investment" means the acquisition of 35% of JUUL's outstanding capital stock (disregarding vested and unvested convertible securities) by Altria Enterprises LLC pursuant to the JUUL Purchase Agreement.

"JUUL Purchase Agreement" means the Class C-1 Common Stock Purchase Agreement dated as of the Effective Date by and among JUUL, Altria and Altria Enterprises LLC, a Virginia limited liability company, as in effect on the Effective Date.

"Lenders" means the Initial Lenders and their respective successors and permitted assignees.

"LIBO Rate" means, with respect to any LIBO Rate Advance for any Interest Period, the LIBO Screen Rate at approximately 11:00 A.M. (London time), two Business Days prior to the commencement of such Interest Period.

"LIBO Rate Advance" means an Advance that bears interest as provided in Section 2.04(a)(ii).

"LIBO Rate Interest" has the meaning specified in Section 2.04(a)(ii).

"LIBO Screen Rate" means, for any day and time, with respect to any LIBO Rate Advance for any Interest Period, the London interbank offered rate as administered by ICE Benchmark Administration (or any other Person that takes over the administration of such rate for Dollars) for a period equal in length to such Interest Period, displayed on such day and time on pages LIBOR01 or LIBOR02 of the Reuters screen that displays such rate (or, in the event such rate does not appear on a Reuters page or screen, on any successor or substitute page on such screen that displays such rate, or on the appropriate page of such other information service that publishes such rate from time to time as selected by the Administrative Agent in its reasonable discretion); provided that if the LIBO Screen Rate as so determined would be less than zero, such rate shall be deemed to be zero for the purposes of this Agreement.

"Lien" has the meaning specified in Section 5.02(a)(i).

"Major Subsidiary" means any Subsidiary (a) more than 50% of the voting securities of which is owned directly or indirectly by Altria, (b) 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 date hereof (other than Greece, Portugal or Spain) or any political subdivision thereof, or Switzerland, Norway or Australia or any of their respective political subdivisions, and (c) which has at any time total assets (after intercompany eliminations) exceeding $1,000,000,000.

"Margin Stock" means margin stock, as such term is defined in Regulation U.

"Maturity Date" means December 19, 2019.

"Moody's" means Moody's Investors Service, Inc., and any successor to its rating agency business.

"Multiemployer Plan" means a multiemployer plan, as defined in Section 4001(a)(3) of ERISA, to which Altria or any ERISA Affiliate is making or accruing an obligation to make contributions, or has within any of the preceding five plan years made or accrued an obligation to make contributions, such plan being maintained pursuant to one or more collective bargaining agreements.

"Multiple Employer Plan" means a single employer plan, as defined in Section 4001(a)(15) of ERISA, that (a) is maintained for employees of Altria or any ERISA Affiliate and at least one Person other than Altria and the ERISA Affiliates or (b) was so maintained and in respect of which Altria or any ERISA Affiliate could have liability under Section 4064 or 4069 of ERISA in the event such plan has been or were to be terminated.

"Net Cash Proceeds" means:

(a) with respect to any Asset Sale (i) all cash proceeds actually paid to or actually received by Altria or one or more of its wholly-owned Subsidiaries (or other Subsidiaries to the extent that Altria has the ability to compel the distribution or transfer of such cash proceeds from such Subsidiary to Altria or one of Altria's wholly-owned Subsidiaries), in each case, from a Person other than Altria or one of its Subsidiaries in respect of such Asset Sale

(including any cash proceeds received as income or other proceeds from any non-cash proceeds of any Asset Sale as and when received),

less, without duplication and only to the extent not already deducted in arriving at the amount referred to in clause (i) above, (ii) the sum of

(A) the amount, if any, of all taxes (other than income taxes) and all income taxes (as estimated in good faith by a senior financial or senior accounting officer of Altria giving effect to the overall tax position of Altria and its Subsidiaries), and customary fees, brokerage fees, commissions, costs and other expenses, that are incurred in connection with such Asset Sale and are payable by Altria or one or more of its Subsidiaries,

(B) appropriate amounts that must be set aside as a reserve in accordance with accounting principles generally accepted in the United States of America against any liabilities reasonably estimated to be payable and associated with such Asset Sale, and

(C) any payments to be made by Altria or one or more of its Subsidiaries as agreed between Altria or such Subsidiaries, as applicable, and the purchaser of any assets subject to an Asset Sale in connection therewith, and

(b) with respect to any Capital Markets Financing Transaction, all cash proceeds received by Altria or one or more of its wholly-owned Subsidiaries (or other Subsidiaries to the extent that Altria has the ability to compel the distribution or transfer of such cash proceeds from such Subsidiary to Altria or one of Altria's wholly-owned Subsidiaries) from a Person other than Altria or one of its Subsidiaries in respect of such Capital Markets Financing Transaction (including cash proceeds as and when subsequently received at any time in respect of such Capital Markets Financing Transaction from noncash consideration initially received or otherwise), less underwriting discounts and commissions or placement fees, investment banking fees, legal fees, consulting fees, accounting fees and other customary fees and expenses directly incurred by Altria or one or more of its wholly-owned Subsidiaries, as applicable, in connection therewith.

"Note" means a promissory note of Altria payable to the order of any Lender, delivered pursuant to a request made under Section 2.17 in substantially the form of Exhibit A-1 or Exhibit A-2 hereto, as applicable, evidencing the aggregate indebtedness of Altria to such Lender resulting from the Advances made by such Lender to Altria.

"Notice of Borrowing" has the meaning specified in Section 2.02(a).

"NYFRB" means the Federal Reserve Bank of New York.

"NYFRB Rate" means, for any day, the greater of (a) the Federal Funds Effective Rate in effect on such day and (b) the Overnight Bank Funding Rate in effect on such day (or for any day that is not a Business Day, for the immediately preceding Business Day); provided that if neither of such rates is published for any day that is a Business Day, the term "NYFRB Rate" means the rate for a federal funds transaction quoted at 11:00 A.M. (New York City time) on

such day received by the Administrative Agent, from a federal funds broker of recognized standing selected by it.

"Operating Assets" means, for any accounting period, any assets included in the consolidated balance sheet of Altria and its Subsidiaries as "Inventories," or "Property, plant and equipment" or "Receivables" for such period.

"Other Taxes" has the meaning specified in Section 2.14(b).

"Overnight Bank Funding Rate" means, for any day, the rate comprised of both overnight federal funds and overnight LIBO rate borrowings by U.S.-managed banking offices of depository institutions (as such composite rate shall be determined by the NYFRB as set forth on its public website from time to time) and published on the next succeeding Business Day by the NYFRB as an overnight bank funding rate (from and after such date as the NYFRB shall commence to publish such composite rate); provided, that if the Overnight Bank Funding Rate shall be less than zero, such rate shall be deemed to be zero for purposes of this Agreement.

"Patriot Act" has the meaning specified in Section 8.13.

"Person" means an individual, partnership, corporation (including a business trust), joint stock company, trust, unincorporated association, joint venture, limited liability company or other entity, or a government or any political subdivision or agency thereof.

"Plan" means a Single Employer Plan or a Multiple Employer Plan.

"Prime Rate" means the rate of interest last quoted by The Wall Street Journal as the "Prime Rate" in the U.S. or, if The Wall Street Journal ceases to quote such rate, the highest per annum interest rate published by the Federal Reserve Board in Federal Reserve Statistical Release H.15 (519) (Selected Interest Rates) as the "bank prime loan" rate or, if such rate is no longer quoted therein, any similar rate quoted therein (as determined by the Administrative Agent) or any similar release by the Federal Reserve Board (as determined by the Administrative Agent). Each change in the Prime Rate shall be effective from and including the date such change is publicly announced or quoted as being effective.

"Register" has the meaning specified in Section 8.07(d).

"Regulation A" means Regulation A of the Board, as in effect from time to time.

"Regulation U" means Regulation U of the Board, as in effect from time to time.

"Required Lenders" means at any time Lenders owed at least 50.1% of the then aggregate unpaid principal amount of the Advances owing to Lenders, or, if no such principal amount is then outstanding, Lenders having at least 50.1% of the Commitments.

"Required Tranche I Lenders" means at any time Lenders owed at least 50.1% of the then aggregate unpaid principal amount of the Tranche I Advances owing to Lenders, or, if no such principal amount is then outstanding, Lenders having at least 50.1% of the Tranche I Commitments.

"Required Tranche II Lenders" means at any time Lenders owed at least 50.1% of the then aggregate unpaid principal amount of the Tranche II Advances owing to Lenders, or, if no such principal amount is then outstanding, Lenders having at least 50.1% of the Tranche II Commitments.

"Revolving Credit Agreement" means that Credit Agreement, dated as of August 1, 2018, among Altria, the lenders and agents party thereto, and JPMCB, as administrative agent.

"Sanctioned Country" means, at any time, a country, region or territory that is itself the subject or target of any Sanctions (at the Effective Date, Crimea, Cuba, Iran, North Korea and Syria).

"Sanctioned Person" means, at any time, (a) any Person listed in any Sanctions-related list of designated Persons maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the United Nations Security Council, the European Union, any European Union member state or Her Majesty's Treasury of the United Kingdom, (b) any Person operating, organized or resident in a Sanctioned Country, to the extent such Person is subject to Sanctions, or (c) any Person controlled or more than 50% owned by any such Person or Persons described in the foregoing clauses (a) or (b).

"Sanctions" means economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by (a) the U.S. government, including those administered by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the U.S. Department of State, or (b) the United Nations Security Council, the European Union, any European Union member state or Her Majesty's Treasury of the United Kingdom.

"Single Employer Plan" means a single employer plan, as defined in Section 4001(a)(15) of ERISA, that (a) is maintained for employees of Altria or any ERISA Affiliate and no Person other than Altria and the ERISA Affiliates or (b) was so maintained and in respect of which Altria or any ERISA Affiliate could have liability under Section 4069 of ERISA in the event such plan has been or were to be terminated.

"Specified Representations" means the representations and warranties set forth in Section 4.01(a), Section 4.01(b)(other than with respect to any contractual restriction binding on or affecting Altria), Section 4.01(d), Section 4.01(g) and the last sentence of Section 4.01(h).

"Standard & Poor's" means Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc., and any successor to its ratings agency business.

"Subsidiary" of any Person means any corporation or limited liability company of which (or in which) more than 50% of the outstanding equity interests having voting power to elect a majority of the Board of Directors of such entity (irrespective of whether at the time equity interests of any other class or classes of such entity shall or might have voting power upon the occurrence of any contingency) is at the time directly or indirectly owned or controlled by such Person, by such Person and one or more of its other Subsidiaries or by one or more of such Person's other Subsidiaries.

"Taxes" has the meaning specified in Section 2.14.

"Term Loan Fee Letter" means the fee letter by and between Altria and JPMCB dated the date hereof.

"Tranche I Advance" means an Advance made pursuant to Section 2.01(a).

"Tranche I Commitment" means as to any Lender (i) the Dollar amount set forth under the heading "Tranche I Commitment" opposite such Lender's name on Schedule I hereto or (ii) if such Lender has entered into an Assignment and Acceptance, the Dollar amount set forth for such Lender under the heading "Tranche I Commitment" in the Register maintained by the Administrative Agent pursuant to Section 8.07(d), in each case as such amount may be reduced pursuant to Section 2.01, 2.09 or 2.10.

"Tranche I Exposure" means, with respect to any Lender at any time, an amount equal to (a) until the Effective Date, the aggregate amount of such Lender's Tranche I Commitments at such time and (b) thereafter, the sum of the aggregate then unpaid principal amount of such Lender's Tranche I Advances.

"Tranche II Advance" means an Advance made pursuant to Section 2.01(b).

"Tranche II Closing Date" means the first date on which all conditions precedent set forth in Section 3.02 with respect to a Borrowing pursuant to Section 2.01(b) are satisfied or waived in accordance with Section 8.01.

"Tranche II Commitment" means as to any Lender (i) the Dollar amount set forth under the heading "Tranche II Commitment" opposite such Lender's name on Schedule I hereto or (ii) if such Lender has entered into an Assignment and Acceptance, the Dollar amount set forth for such Lender under the heading "Tranche II Commitment" in the Register maintained by the Administrative Agent pursuant to Section 8.07(d), in each case as such amount may be reduced pursuant to Section 2.01, 2.09 or 2.10.

"Tranche II Commitment Availability Period" means the period from and including the Effective Date to the earliest of (a) the Outside Date (as defined in the Cronos Subscription Agreement) and (b) the date of termination of the Commitment of each Lender to make Advances pursuant to Section 2.09 or 6.02.

"Tranche II Commitment Termination Date" means the earliest of (a) the Outside Date (as defined in the Cronos Subscription Agreement) and (b) the date of termination of the Commitment of each Lender to make Advances pursuant to Section 2.09 or 6.02.

"Tranche II Exposure" means, with respect to any Lender at any time, an amount equal to (a) until the Tranche II Closing Date, the aggregate amount of such Lender's Tranche II Commitments at such time and (b) thereafter, the sum of the aggregate then unpaid principal amount of such Lender's Tranche II Advances.

"Withholding Agent" means Altria, the Guarantor and the Administrative Agent.

"Write-Down and Conversion Powers" means, with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority

from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule.

Section 1.02 Computation of Time Periods. In this Agreement in the computation of periods of time from a specified date to a later specified date, the word "from" means "from and including" and the words "to" and "until" each mean "to but excluding."

Section 1.03 Accounting Terms. All accounting terms not specifically defined herein shall be construed in accordance with accounting principles generally accepted in the United States of America, except that if there has been a material change in an accounting principle affecting the definition of an accounting term as compared to that applied in the preparation of the financial statements of Altria as of and for the year ended December 31, 2017, then such new accounting principle shall not be used in the determination of the amount associated with that accounting term. A material change in an accounting principle is one that, in the year of its adoption, changes the amount associated with the relevant accounting term for any quarter in such year by more than 10%. For the avoidance of doubt, any obligations relating to a lease accounted for by Altria as an operating lease under ASC Topic 840 or under ASC Topic 842 shall be accounted for as an operating lease and not a Capital Lease Obligation.

ARTICLE II

AMOUNTS AND TERMS OF THE ADVANCES

Section 2.01 Obligation to Make Advances. (a) Each Lender with a Tranche I Commitment severally agrees, on the terms and conditions hereinafter set forth, to make Advances in Dollars to Altria on the Effective Date, in an aggregate amount not to exceed at any time outstanding such Lender's Tranche I Commitment. Each Borrowing made pursuant to this Section 2.01(a) shall consist of Tranche I Advances made simultaneously by the Lenders ratably according to their respective Tranche I Commitments. Tranche I Advances made pursuant to this Section 2.01(a) that are repaid or prepaid may not be reborrowed. Upon the making of any Tranche I Advance by a Lender, such Lender's Tranche I Commitment shall be permanently reduced by an amount equal to such Tranche I Advance and any Tranche I Commitment not drawn on the Effective Date shall terminate.

(b) Each Lender with a Tranche II Commitment severally agrees, on the terms and conditions hereinafter set forth, to make Advances in Dollars to Altria on the Tranche II Closing Date, provided such date is a Business Day during the Tranche II Commitment Availability Period, in an aggregate amount not to exceed at any time outstanding such Lender's Tranche II Commitment. Each Borrowing made pursuant to this Section 2.01(b) shall consist of Tranche II Advances made simultaneously by the Lenders ratably according to their respective Tranche II Commitments. Tranche II Advances made pursuant to this Section 2.01(b) that are repaid or prepaid may not be reborrowed. Upon the making of any Tranche II Advance by a Lender, such Lender's Tranche II Commitment shall be permanently reduced by an amount equal to such Tranche II Advance and any Tranche II Commitment not drawn on the Tranche II Closing Date shall terminate.

(c) Each Advance shall be in an aggregate amount that is an integral multiple of $1,000,000 and not less than $50,000,000.

Section 2.02 Making the Advances. (a) Notice of Borrowing. Each Borrowing shall be made on notice, given not later than (x) 11:00 A.M. (New York City time) on the third Business Day prior to the date of the proposed Borrowing in the case of a Borrowing consisting of LIBO Rate Advances unless otherwise agreed by the Administrative Agent, or (y) 9:00 A.M. (New York City time) on the date of the proposed Borrowing in the case of a Borrowing consisting of Base Rate Advances, by Altria to the Administrative Agent, which shall give to each Lender prompt notice thereof by telecopier or e-mail. Each such notice of a Borrowing (a "Notice of Borrowing") shall be by telephone, confirmed immediately in writing, by telecopier or e-mail in substantially the form of Exhibit B hereto, specifying therein the requested:

(i) date of such Borrowing,

(ii) Class and Type of Advances comprising such Borrowing,

(iii) aggregate amount of such Borrowing, and

(iv) in the case of a Borrowing consisting of LIBO Rate Advances, the initial Interest Period for each such Advance. Notwithstanding anything herein to the contrary, Altria may not select LIBO Rate Advances for any Borrowing if the obligation of the Lenders to make LIBO Rate Advances shall then be suspended pursuant to Section 2.12.

(b) Funding Advances. Each Lender shall, before 11:00 A.M. (New York City time) on the date of such Borrowing, make available for the account of its Applicable Lending Office to the Administrative Agent, at the Administrative Agent's Account, in same day funds, such Lender's ratable portion of such Borrowing. After receipt of such funds by the Administrative Agent, and upon fulfillment of the applicable conditions set forth in Article III, the Administrative Agent will make such funds available to Altria at the address of the Administrative Agent referred to in Section 8.02.

(c) Irrevocable Notice. Each Notice of Borrowing of Altria shall be irrevocable and binding on Altria. In the case of any Borrowing that the related Notice of Borrowing specifies is to be comprised of LIBO Rate Advances, Altria shall indemnify each Lender against any loss, cost or expense incurred by such Lender as a result of any failure to fulfill on or before the date specified in such Notice of Borrowing for such Borrowing the applicable conditions set forth in Article III, including, without limitation, any loss (excluding loss of anticipated profits), cost or expense incurred by reason of the liquidation or reemployment of deposits or other funds acquired by such Lender to fund the Advance to be made by such Lender as part of such Borrowing when such Advance, as a result of such failure, is not made on such date.

(d) Lender's Ratable Portion. Unless the Administrative Agent shall have received notice from a Lender prior to 11:00 A.M. (New York City time) on the day of any Borrowing that such Lender will not make available to the Administrative Agent such Lender's ratable portion of such Borrowing, the Administrative Agent may assume that such Lender has made such portion available to the Administrative Agent on the date of such Borrowing in

accordance with Section 2.02(b) and the Administrative Agent may, in reliance upon such assumption, make available to Altria on such date a corresponding amount. If and to the extent that such Lender shall not have so made such ratable portion available to the Administrative Agent such Lender and Altria severally agrees to repay to the Administrative Agent forthwith on demand such corresponding amount together with interest thereon, for each day from the date such amount is made available to Altria until the date such amount is repaid to the Administrative Agent, at:

(i) in the case of Altria, the higher of (A) the interest rate applicable at the time to Advances comprising such Borrowing and (B) the cost of funds incurred by the Administrative Agent in respect of such amount, and

(ii) in the case of such Lender, the Federal Funds Effective Rate.

If such Lender shall repay to the Administrative Agent such corresponding amount, such amount so repaid shall constitute such Lender's Advance as part of such Borrowing for purposes of this Agreement.

(e) Independent Lender Obligations. The failure of any Lender to make the Advance to be made by it as part of any Borrowing shall not relieve any other Lender of its obligation, if any, hereunder to make its Advance on the date of such Borrowing, but no Lender shall be responsible for the failure of any other Lender to make the Advance to be made by such other Lender on the date of any Borrowing.

Section 2.03 Repayment of Advances. Altria shall repay to the Administrative Agent for the ratable account of the Lenders that have made Advances on the Maturity Date the unpaid principal amount of the Advances then outstanding.

Section 2.04 Interest on Advances. (a) Scheduled Interest. Altria shall pay interest on the unpaid principal amount of each Advance owing by Altria to each Lender from the date of such Advance until such principal amount shall be paid in full, at the following rates per annum:

(i) Base Rate Advances. During such periods as such Advance is a Base Rate Advance, a rate per annum equal at all times to the sum of (x) the Base Rate in effect from time to time plus (y) the Applicable Interest Rate Margin (the sum of (x) and (y), the "Base Rate Interest") payable in arrears monthly on the 20th day of each month and on the date such Base Rate Advance shall be Converted or paid in full.

(ii) LIBO Rate Advances. During such periods as such Advance is a LIBO Rate Advance, a rate per annum equal at all times during each Interest Period for such Advance to the sum of (x) the LIBO Rate for such Interest Period for such Advance plus (y) the Applicable Interest Rate Margin (the sum of (x) and (y), the "LIBO Rate Interest"), payable in arrears on the last day of such Interest Period and, if such Interest Period has a duration of more than three months, on each day that occurs during such Interest Period every three months from the first day of such Interest Period, and on the date such LIBO Rate Advance shall be Converted or paid in full.

(b) Default Interest. Upon the occurrence and during the continuance of an Event of Default, Altria shall pay interest on the unpaid principal amount of each Advance owing to each Lender, payable in arrears on the dates referred to in Section 2.04(a)(i) or 2.04(a)(ii), at a rate per annum equal at all times to 1% per annum above the rate per annum required to be paid on such Advance.

Section 2.05 Additional Interest on LIBO Rate Advances. Altria shall pay to each Lender, so long as such Lender shall be required under regulations of the Board to maintain reserves with respect to liabilities or assets consisting of or including Eurocurrency Liabilities, additional interest on the unpaid principal amount of each LIBO Rate Advance of such Lender to Altria, from the date of such Advance until such principal amount is paid in full, at an interest rate per annum equal at all times to the remainder obtained by subtracting (i) the LIBO Rate for the Interest Period for such Advance from (ii) the rate obtained by dividing such LIBO Rate by a percentage equal to 100% minus the Eurodollar Rate Reserve Percentage of such Lender for such Interest Period, payable on each date on which interest is payable on such Advance. Such additional interest shall be determined by such Lender and notified to Altria through the Administrative Agent.

Section 2.06 Conversion of Advances. (a) Conversion Upon Absence of Interest Period. If Altria shall fail to select the duration of any Interest Period for any LIBO Rate Advances in accordance with the provisions contained in the definition of the term "Interest Period," the Administrative Agent will forthwith so notify Altria and the Lenders and such Advances will automatically, on the last day of the then existing Interest Period therefor, Convert into Base Rate Advances.

(b) Conversion Upon Event of Default. Upon the occurrence and during the continuance of any Event of Default under Section 6.01(a), the Administrative Agent or the Required Lenders may elect that (i) each LIBO Rate Advance be, on the last day of the then existing Interest Period therefor, Converted into Base Rate Advances and (ii) the obligation of the Lenders to make, or to Convert Advances into, LIBO Rate Advances be suspended.

(c) Voluntary Conversion. Subject to the provisions of Section 2.12, Altria may convert all such Advances of one Type constituting the same Borrowing into Advances of the other Type on any Business Day, upon notice given to the Administrative Agent not later than 11:00 A.M. (New York City time) on the third Business Day prior to the date of the proposed Conversion; provided, however, that the Conversion of a LIBO Rate Advance into a Base Rate Advance may be made on, and only on, the last day of an Interest Period for such LIBO Rate Advance. Each such notice of a Conversion shall, within the restrictions specified above, specify:

(i) the date of such Conversion;

(ii) the Advances to be Converted; and

(iii) if such Conversion is into LIBO Rate Advances, the duration of the Interest Period for each such Advance.

Section 2.07 Fees. (a) Commitment Fee. Altria agrees to pay to the Administrative Agent for the account of each Lender a commitment fee on the aggregate undrawn amount of such Lender's Commitment from the date hereof in the case of each Initial Lender and from the effective date specified in the Assignment and Acceptance pursuant to which it became a Lender in the case of each other Lender until the Tranche II Commitment Termination Date at the Applicable Commitment Fee Rate, in each case payable on the last day of each March, June, September and December until the Tranche II Commitment Termination Date and on the Tranche II Commitment Termination Date.

(b) Duration Fee. Altria agrees to pay, on the date that is 180 days after the date hereof, to the Administrative Agent for the ratable account of each Lender a duration fee of 0.125% on the amount of such Lender's outstanding Advances on such date.

(c) Other Fees. Altria agrees to pay all fees required to be paid by it in connection with this Agreement as separately agreed in writing by Altria, the Administrative Agent and/or any Lender at the times set forth therein.

Section 2.08 Alternate Rate of Interest. (a) If prior to the commencement of any Interest Period for a LIBO Rate Advance:

(i) the Administrative Agent determines (which determination shall be conclusive absent manifest error) that adequate and reasonable means do not exist for ascertaining the LIBO Rate (including because the LIBO Screen Rate is not available or published on a current basis), for U.S. Dollars and such Interest Period; or

(ii) the Administrative Agent is advised by the Required Lenders that the LIBO Rate for U.S. Dollars and such Interest Period will not adequately and fairly reflect the cost to such Lenders (or Lender) of making or maintaining their Advances (or its Advance) included in such Borrowing for U.S. Dollars during such Interest Period;

then the Administrative Agent shall give notice thereof to Altria and the Lenders in writing by telecopier or e-mail as promptly as practicable thereafter and, until the Administrative Agent notifies Altria and the Lenders that the circumstances giving rise to such notice no longer exist, (A) any notice delivered pursuant to Section 2.06 that requests the Conversion of any Borrowing to, or continuation of any Borrowing as, a LIBO Rate Advance shall be ineffective and (B) if any Notice of Borrowing requests a LIBO Rate Advance, such Borrowing shall be made as a Base Rate Advance.

(b) If at any time the Administrative Agent determines (which determination shall be conclusive absent manifest error), and notifies Altria of such determination, that (i) the circumstances set forth in Section 2.08(a) have arisen and such circumstances are unlikely to be temporary or (ii) the circumstances set forth in Section 2.08(a) have not arisen but either (A) the supervisor for the administrator of the LIBO Screen Rate has made a public statement that the administrator of the LIBO Screen Rate is insolvent (and there is no successor administrator that will continue publication of the LIBO Screen Rate), (B) the administrator of the LIBO Screen Rate has made a public statement identifying a specific date after which the LIBO Screen Rate will permanently or indefinitely cease to be published by it (and there is no successor

administrator that will continue publication of the LIBO Screen Rate), (C) the supervisor for the administrator of the LIBO Screen Rate has made a public statement identifying a specific date after which the LIBO Screen Rate will permanently or indefinitely cease to be published or (D) the supervisor for the administrator of the LIBO Screen Rate or a Governmental Authority having jurisdiction over the Administrative Agent has made a public statement identifying a specific date after which the LIBO Screen Rate may no longer be used for determining interest rates for loans, then the Administrative Agent and Altria shall endeavor to establish an alternate rate of interest to the LIBO Rate that gives due consideration to the then prevailing market convention for determining a rate of interest for syndicated loans in the United States at such time, and shall enter into an amendment to this Agreement to reflect such alternate rate of interest and such other related changes to this Agreement as may be applicable (but for the avoidance of doubt, such related changes shall not include a change to the Applicable Interest Rate Margin); provided that, if such alternate rate of interest as so determined would be less than zero, such rate shall be deemed to be zero for the purposes of this Agreement. Notwithstanding anything to the contrary in Section 8.01, such amendment shall become effective without any further action or consent of any other party to this Agreement so long as the Administrative Agent shall not have received, within five Business Days of the date notice of such alternate rate of interest is provided to the Lenders, a written notice from the Required Lenders stating that such Required Lenders object to such amendment. Until an alternate rate of interest shall be determined in accordance with this clause (b) (but, in the case of the circumstances described in clause (ii) of the first sentence of this Section 2.08(b), only to the extent the LIBO Screen Rate for U.S. Dollars and such Interest Period is not available or published at such time on a current basis), (x) any notice delivered pursuant to Section 2.06 that requests the Conversion of any Borrowing to, or continuation of any Borrowing as, a LIBO Rate Advance shall be ineffective and (y) if any Notice of Borrowing requests a LIBO Rate Advance, such Borrowing shall be made as a Base Rate Advance.

Section 2.09 Optional Termination or Reduction of the Commitments; Optional Prepayments.

(a) Optional Termination or Reduction of the Commitments. Altria shall have the right, upon at least three Business Days' notice to the Administrative Agent to terminate in whole or reduce ratably in part the unused portions of the respective Commitments of the Lenders; provided that each partial reduction shall be in the aggregate amount of no less than $50,000,000 or the remaining balance if less than $50,000,000.

(b) Optional Prepayments of Advances. Altria may, in the case of any LIBO Rate Advance of any Class, upon at least three Business Days' notice to the Administrative Agent or, in the case of any Base Rate Advance, upon notice given to the Administrative Agent not later than 9:00 A.M. (New York City time) on the date of the proposed prepayment, in each case stating the proposed prepayment date, the Class or Classes of Advances to be prepaid and aggregate principal amount of the prepayment, and if such notice is given Altria shall, prepay the outstanding principal amount of the Advances comprising part of the same Borrowing in whole or ratably in part, together with accrued interest to the date of such prepayment on the principal amount prepaid; provided, however, that (x) each partial prepayment shall be in an aggregate principal amount of no less than $50,000,000 or the remaining balance if less than $50,000,000 and (y) in the event of any such prepayment of a LIBO Rate Advance, Altria shall be obligated

to reimburse the Lenders in respect thereof pursuant to Section 8.04(b). Each prepayment shall be applied to the Tranche I Advances and/or the Tranche II Advances as Altria shall direct.

Section 2.10 Mandatory Reduction of the Commitments; Mandatory Prepayment of Advances.

(a) In the event that there shall be a Capital Markets Financing Transaction, Asset Sale or borrowing under a Debt Facility, any outstanding Commitments shall be automatically reduced and Altria shall prepay any outstanding Advances (i) in an aggregate amount, with respect to a Capital Markets Financing Transaction or Asset Sale, equal to 100% of the Net Cash Proceeds, rounded to the nearest million (with $500,000 being rounded upward), of such Capital Markets Financing Transaction or Asset Sale or (ii) in the aggregate amount of such Debt Facility borrowing, (x) in the case of LIBO Rate Advances, on the last day of the current Interest Period for such Advances (but in any event, no more than 60 days after the receipt by Altria or one of its Subsidiaries of such Net Cash Proceeds or Debt Facility borrowing) and (y) in the case of Base Rate Advances, on the third Business Day following receipt by Altria or one of its Subsidiaries of such Net Cash Proceeds or Debt Facility borrowing. Amounts to be applied in connection with the reduction of Commitments and/or prepayments of Advances in accordance with this Section 2.10 shall be applied ratably among outstanding Tranche I Exposures and Tranche II Exposures.

(b) Prepayments under this Section 2.10 shall be allocated first to Base Rate Advances, ratably; and any excess amount shall then be allocated to LIBO Rate Advances, in such manner as Altria shall determine.

(c) Each prepayment made pursuant to this Section 2.10 shall be made together with any interest accrued to the date of such prepayment on the principal amounts prepaid and, in the case of any prepayment of a LIBO Rate Advance on a date other than the last day of an Interest Period or at its maturity, any additional amounts that Altria shall be obligated to reimburse to the Lenders in respect thereof pursuant to Section 8.04(b).

(d) Altria shall notify the Administrative Agent within three Business Days of any receipt by Altria or one of its Subsidiaries of such Net Cash Proceeds or Debt Facility borrowing.

Section 2.11 Increased Costs. (a) Costs from Change in Law or Authorities. If, due to either (i) the introduction of or any change (other than any change by way of imposition or increase of reserve requirements to the extent such change is included in the Eurodollar Rate Reserve Percentage) in or in the interpretation of any law or regulation or (ii) the compliance with any guideline or request from any central bank or other governmental authority (whether or not having the force of law), there shall be any increase in the cost to (x) any Lender of agreeing to make or making, funding or maintaining LIBO Rate Advances or (y) the Administrative Agent or any Lender with respect to any Advance as a result of any taxes (except that in no event shall any amount be payable pursuant to this Section 2.11 in respect of (A) taxes excluded from the definition of Taxes pursuant to Section 2.14, (B) Taxes and Other Taxes as to which Section 2.14 applies, and (C) changes in the basis of taxation of overall net income or overall gross income by the United States or by the foreign jurisdiction or state under the laws of which such

Lender is organized or has its Applicable Lending Office or any political subdivision thereof) on such Administrative Agent's or Lender's loans, loan principal, commitments or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto, then Altria shall from time to time, upon demand by such Lender or the Administrative Agent (with a copy of such demand to the Administrative Agent), pay to the Administrative Agent, for the account of such Lender or Administrative Agent, additional amounts sufficient to compensate such Lender or Administrative Agent for such increased cost; provided, however, that before making any such demand, each Lender agrees to use reasonable efforts (consistent with its internal policy and legal and regulatory restrictions) to designate a different Applicable Lending Office if the making of such a designation would avoid the need for, or reduce the amount of, such increased cost and would not, in the reasonable judgment of such Lender, be otherwise disadvantageous to such Lender. A certificate as to the amount of such increased cost, submitted to Altria and the Administrative Agent by such Lender or Administrative Agent, shall be conclusive and binding for all purposes, absent manifest error.

(b) Reduction in Lender's Rate of Return. In the event that, after the date hereof, the implementation of or any change in any law or regulation, or any guideline or directive (whether or not having the force of law) or the interpretation or administration thereof by any central bank or other authority charged with the administration thereof, imposes, modifies or deems applicable any capital adequacy, liquidity or similar requirement (including, without limitation, a request or requirement which affects the manner in which any Lender allocates capital resources to its commitments, including its obligations hereunder) and as a result thereof, in the sole opinion of such Lender, the rate of return on such Lender's capital as a consequence of its obligations hereunder is reduced to a level below that which such Lender could have achieved but for such circumstances, but reduced to the extent that Borrowings are outstanding from time to time, then in each such case, upon demand from time to time Altria shall pay to such Lender such additional amount or amounts as shall compensate such Lender for such reduction in rate of return; provided that, in the case of each Lender, such additional amount or amounts shall not exceed 0.15 of 1% per annum of such Lender's Commitment. A certificate of such Lender as to any such additional amount or amounts shall be conclusive and binding for all purposes, absent manifest error. Except as provided below, in determining any such amount or amounts each Lender may use any reasonable averaging and attribution methods. Notwithstanding the foregoing, each Lender shall take all reasonable actions to avoid the imposition of, or reduce the amounts of, such increased costs, provided that such actions, in the reasonable judgment of such Lender, will not be otherwise disadvantageous to such Lender, and, to the extent possible, each Lender will calculate such increased costs based upon the capital requirements for its Commitment hereunder and not upon the average or general capital requirements imposed upon such Lender.

Section 2.12 Illegality. Notwithstanding any other provision of this Agreement, if any Lender shall notify the Administrative Agent that the introduction of or any change in, or in the interpretation of, any law or regulation makes it unlawful, or any central bank or other governmental authority asserts that it is unlawful, for any Lender or its Eurodollar Lending Office to perform its obligations hereunder to make LIBO Rate Advances or to fund or maintain LIBO Rate Advances, (i) each LIBO Rate Advance will automatically, upon such demand, be Converted into a Base Rate Advance or an Advance that bears interest at the rate set forth in Section 2.04(a)(i), as the case may be, and (ii) the obligation of the Lenders to make LIBO Rate

Advances or to Convert Base Rate Advances into LIBO Rate Advances shall be suspended, in each case, until the Administrative Agent shall notify Altria and the Lenders that the circumstances causing such suspension no longer exist; provided, however, that before making any such demand, each Lender agrees to use reasonable efforts (consistent with its internal policy and legal and regulatory restrictions) to designate a different Eurodollar Lending Office if the making of such a designation would allow such Lender or its Eurodollar Lending Office to continue to perform its obligations to make LIBO Rate Advances or to continue to fund or maintain LIBO Rate Advances and would not, in the judgment of such Lender, be otherwise disadvantageous to such Lender.

Section 2.13 Payments and Computations. (a) Time and Distribution of Payments. Altria shall make each payment hereunder, without set-off or counterclaim, not later than 11:00 A.M. (New York City time) on the day when due to the Administrative Agent at the Administrative Agent's Account in same day funds. The Administrative Agent will promptly thereafter cause to be distributed like funds relating to the payment of principal or interest or commitment fees ratably (other than amounts payable pursuant to Section 2.11, 2.14 or 8.04(b)) to the Lenders for the account of their respective Applicable Lending Offices, and like funds relating to the payment of any other amount payable to any Lender to such Lender for the account of its Applicable Lending Office, in each case to be applied in accordance with the terms of this Agreement. From and after the effective date of an Assignment and Acceptance pursuant to Section 8.07, the Administrative Agent shall make all payments hereunder in respect of the interest assigned thereby to the Lender assignee thereunder, and the parties to such Assignment and Acceptance shall make all appropriate adjustments in such payments for periods prior to such effective date directly between themselves.

(b) Computation of Interest and Fees. All computations of interest on Base Rate Advances shall be made by the Administrative Agent on the basis of a year of 365 or 366 days, as the case may be. All computations of interest on LIBO Rate Advances and of commitment fees shall be made by the Administrative Agent, and all computations of interest pursuant to Section 2.05 shall be made by a Lender, on the basis of a year of 360 days. Each determination by the Administrative Agent (or, in the case of Section 2.05 by a Lender) of an interest rate hereunder shall be conclusive and binding for all purposes, absent manifest error.

(c) Payment Due Dates. Whenever any payment hereunder shall be stated to be due on a day other than a Business Day, such payment shall be made on the next succeeding Business Day, and such extension of time shall in such case be included in the computation of payment of interest or commitment fee, as the case may be; provided, however, that if such extension would cause payment of interest on or principal of LIBO Rate Advances to be made in the next following calendar month, such payment shall be made on the immediately preceding Business Day.

(d) Presumption of Payment by Altria. Unless the Administrative Agent receives notice from Altria prior to the date on which any payment is due to the Lenders hereunder that Altria will not make such payment in full, the Administrative Agent may assume that Altria has made such payment in full to the Administrative Agent on such date and the Administrative Agent may, in reliance upon such assumption, cause to be distributed to each Lender on such due date an amount equal to the amount then due such Lender. If and to the

extent Altria has not made such payment in full to the Administrative Agent, each Lender shall repay to the Administrative Agent forthwith on demand such amount distributed to such Lender together with interest thereon, for each day from the date such amount is distributed to such Lender until the date such Lender repays such amount to the Administrative Agent at the Federal Funds Effective Rate.

Section 2.14 Taxes. (a) Any and all payments by or on account of Altria shall be made, in accordance with Section 2.13, free and clear of and without deduction for any and all present or future taxes, levies, imposts, deductions, charges or withholdings, and all liabilities with respect thereto, excluding, (i) in the case of each Lender and the Administrative Agent, taxes imposed on its net income, and franchise taxes imposed on it, by the jurisdiction under the laws of which such Lender or the Administrative Agent (as the case may be), is organized or any political subdivision thereof, (ii) in the case of each Lender, taxes imposed on its net income, and franchise taxes imposed on it, by the jurisdiction of such Lender's Applicable Lending Office or any political subdivision thereof, (iii) in the case of each Lender and the Administrative Agent, taxes imposed on its net income and franchise taxes imposed on it, and any tax imposed by means of withholding, in each case to the extent such tax is imposed solely as a result of a present or former connection (other than connections arising from the execution, delivery and performance of this Agreement, a Note or a Guarantee, receipt of payments or receipt or perfection of a security interest under this Agreement, a Note or a Guarantee, or engaging of any other transaction pursuant to or to enforce this Agreement, a Note or the Guarantee) between the Lender or the Administrative Agent, as the case may be, and the taxing jurisdiction, (iv) in the case of each Lender and the Administrative Agent, taxes imposed by the United States by means of withholding tax if and to the extent that such taxes shall be in effect and shall be applicable on the date hereof to payments to be made to such Lender's Applicable Lending Office or to the Administrative Agent and (v) in the case of each Lender and the Administrative Agent, any withholding taxes imposed pursuant to FATCA (all such non-excluded taxes, levies, imposts, deductions, charges, withholdings and liabilities in respect of payments hereunder being hereinafter referred to as "Taxes"). If any Withholding Agent shall be required by law to deduct any Taxes from or in respect of any sum payable hereunder to any Lender or the Administrative Agent, (i) the sum payable shall be increased as may be necessary so that after making all required deductions (including deductions applicable to additional sums payable under this Section 2.14) such Lender or the Administrative Agent (as the case may be) receives an amount equal to the sum it would have received had no such deductions been made, (ii) such Withholding Agent shall make such deductions and (iii) such Withholding Agent shall pay the full amount deducted to the relevant taxation authority or other authority in accordance with applicable law.

(b) In addition, Altria shall pay any present or future stamp or documentary taxes or any other excise or property taxes, charges or similar levies that arise from any payment made hereunder or from the execution, delivery or registration of, performing under, or otherwise with respect to, this Agreement (hereinafter referred to as "Other Taxes").

(c) Altria shall indemnify each Lender and the Administrative Agent for and hold it harmless against the full amount of Taxes or Other Taxes (including, without limitation, Taxes and Other Taxes imposed by any jurisdiction on amounts payable under this Section 2.14) paid by such Lender or the Administrative Agent (as the case may be), and any liability

(including penalties, interest and expenses) arising therefrom or with respect thereto, whether or not such Taxes or Other Taxes were correctly or legally asserted. Each Lender shall severally indemnify the Administrative Agent for any taxes, levies, imposts, deductions, charges or withholdings and all liabilities with respect thereto attributable to such Lender that are paid or payable by the Administrative Agent in connection with this Agreement and any reasonable expenses arising therefrom or with respect thereto, whether or not such taxes, levies, imposts, deductions, charges, withholdings or liabilities were correctly or legally imposed or asserted by the relevant Governmental Authority. This indemnification shall be made within 30 days from the date such Lender or the Administrative Agent (as the case may be) makes written demand therefor.

(d) Within 30 days after the date of any payment of Taxes, Altria shall furnish to the Administrative Agent at its address referred to in Section 8.02, the original or a certified copy of a receipt evidencing such payment. If Altria determines that no Taxes are payable in respect of a payment made pursuant to this Agreement, Altria shall, at the request of the Administrative Agent, furnish the Administrative Agent and each Lender an opinion of counsel reasonably acceptable to the Administrative Agent stating that such payment is exempt from Taxes.

(e) Each Lender and the Administrative Agent, on or prior to the date of its execution and delivery of this Agreement in the case of each Initial Lender and the Administrative Agent and on the date of the Assignment and Acceptance pursuant to which it becomes a Lender in the case of each other Lender, shall provide each of the Administrative Agent and Altria with any form or certificate that is required by any taxing authority (including, if applicable, two original Internal Revenue Service Forms W-9, W-8BEN, W-8BEN-E or W-8ECI, as appropriate, or any successor or other form prescribed by the Internal Revenue Service), certifying, if applicable, that such Lender or Administrative Agent is exempt from or entitled to a reduced rate of Home Jurisdiction Withholding Taxes on payments pursuant to this Agreement. Thereafter, each such Lender or Administrative Agent shall provide such additional forms or certificates (i) to the extent a form or certificate previously provided has become inaccurate or invalid or has otherwise ceased to be effective or (ii) as reasonably requested in writing by Altria or the Administrative Agent. Unless Altria and the Administrative Agent have received forms or other documents satisfactory to them indicating that payments hereunder are not subject to Home Jurisdiction Withholding Taxes or are subject to Home Jurisdiction Withholding Taxes at a rate reduced by an applicable tax treaty, Altria or the Administrative Agent shall withhold taxes from such payments at the applicable statutory rate in the case of payments to or for any Lender or the Administrative Agent.

(f) Any Lender claiming any additional amounts payable pursuant to this Section 2.14 agrees to use reasonable efforts (consistent with its internal policy and legal and regulatory restrictions) to select or change the jurisdiction of its Applicable Lending Office if the making of such a selection or change would avoid the need for, or reduce the amount of, any such additional amounts that may thereafter accrue and would not, in the reasonable judgment of such Lender, be otherwise economically disadvantageous to such Lender.

(g) No additional amounts will be payable pursuant to this Section 2.14 with respect to (i) any Home Jurisdiction Withholding Taxes that would not have been payable had

the Lender provided the relevant forms or other documents pursuant to Section 2.14(e); or (ii) in the case of an Assignment and Acceptance by a Lender to an Eligible Assignee, any Home Jurisdiction Withholding Taxes that exceed the amount of such Home Jurisdiction Withholding Taxes that are imposed prior to such Assignment and Acceptance, unless such Assignment and Acceptance resulted from the demand of Altria.

(h) If any Lender or the Administrative Agent, as the case may be, obtains a refund of any Tax for which payment has been made pursuant to this Section 2.14, which refund in the good faith judgment of such Lender or the Administrative Agent, as the case may be, is allocable to such payment made under this Section 2.14, the amount of such refund (together with any interest actually received thereon from the relevant Governmental Authority and reduced by reasonable costs incurred in obtaining such refund (including taxes)) promptly shall be paid to Altria. Altria, upon the request of such Lender or Administrative Agent, shall repay to such Lender or Administrative Agent the amount paid over pursuant to this paragraph (h) in the event that such Lender or Administrative Agent is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this paragraph (h), in no event will any Lender or Administrative Agent be required to pay any amount to Altria pursuant to this paragraph (h) if the payment of which would place such Lender or Administrative Agent in a less favorable net after-tax position than the Lender or Administrative Agent would have been in if the Tax subject to indemnification and the indemnification payments or additional amounts giving rise to such refund had never been paid. This paragraph (h) shall not be construed to require any party to make available its tax returns (or any other information relating to its taxes that it deems confidential) to the indemnifying party or any other Person.

Section 2.15 Sharing of Payments, Etc. If any Lender shall obtain any payment (whether voluntary, involuntary, through the exercise of any right of set-off, or otherwise) on account of the Advances owing to it (other than pursuant to Section 2.11, 2.14 or 8.04(b)) in excess of its ratable share of payments on account of the Advances obtained by all the Lenders, such Lender shall forthwith purchase from the other Lenders such participations in the Advances made by them as shall be necessary to cause such purchasing Lender to share the excess payment ratably with each of them; provided, however, that if all or any portion of such excess payment is thereafter recovered from such purchasing Lender, such purchase from each Lender shall be rescinded and such Lender shall repay to the purchasing Lender the purchase price to the extent of such recovery together with an amount equal to such Lender's ratable share (according to the proportion of (i) the amount of such Lender's required repayment to (ii) the total amount so recovered from the purchasing Lender) of any interest or other amount paid or payable by the purchasing Lender in respect of the total amount so recovered. Altria agrees that any Lender so purchasing a participation from another Lender pursuant to this Section 2.15 may, to the fullest extent permitted by law, exercise all its rights of payment (including the right of set-off) with respect to such participation as fully as if such Lender were the direct creditor of Altria in the amount of such participation.

Section 2.16 Defaulting Lenders. Notwithstanding any provision of this Agreement to the contrary, if any Lender becomes a Defaulting Lender, the Administrative Agent shall deliver written notice to such effect, upon the Administrative Agent's obtaining knowledge of such event, to Altria and such Defaulting Lender, and the following provisions shall apply for so long as such Lender is a Defaulting Lender:

(a) fees shall cease to accrue on the undrawn portion of the Commitment of such Defaulting Lender pursuant to Section 2.07(a).

(b) the Commitments of such Defaulting Lender shall not be included in determining whether all Lenders or the Required Lenders have taken or may take any action hereunder (including any consent to any amendment or waiver pursuant to Section 8.01); provided that any waiver, amendment or modification requiring the consent of all Lenders or each affected Lender that affects such Defaulting Lender differently than other affected Lenders shall require the consent of such Defaulting Lender.

(c) any amount payable to such Defaulting Lender hereunder (whether on account of principal, interest, fees or otherwise and including any amount that would otherwise be payable to such Defaulting Lender pursuant to Section 2.15) shall, in lieu of being distributed to such Defaulting Lender, subject to any applicable requirements of law, be applied (i) first, to the payment of any amounts owing by such Defaulting Lender to the Administrative Agent hereunder, (ii) second, to the funding of any Advance in respect of which such Defaulting Lender has failed to fund its portion thereof as required by this Agreement, as determined by the Administrative Agent, and (iii) third, to such Defaulting Lender or as otherwise directed by a court of competent jurisdiction.

In the event that the Administrative Agent and Altria each agrees that a Defaulting Lender has adequately remedied all matters that caused such Lender to be a Defaulting Lender or upon receipt by the Administrative Agent of the confirmation referred to in clause (c) of the definition of "Defaulting Lender", as applicable, then on such date such Lender shall purchase at par such portion of the Advances of the other Lenders as the Administrative Agent shall determine may be necessary in order for such Lender to hold such Advances ratably in accordance with its respective Commitment.

Section 2.17 Evidence of Debt. (a) Lender Records; Notes. Each Lender shall maintain in accordance with its usual practice an account or accounts evidencing the indebtedness of Altria to such Lender resulting from each Advance owing to such Lender from time to time, including the Class and Type thereof and the amounts of principal and interest payable and paid to such Lender from time to time hereunder in respect of Advances. Altria shall, upon notice by any Lender to Altria (with a copy of such notice to the Administrative Agent) to the effect that a Note is required or appropriate in order for such Lender to evidence (whether for purposes of pledge, enforcement or otherwise) the Advances owing to, or to be made by, such Lender, promptly execute and deliver to such Lender a Note payable to the order of such Lender in a principal amount up to the Commitment of such Lender.

(b) Record of Borrowings, Payables and Payments. The Register maintained by the Administrative Agent pursuant to Section 8.07(d) shall include a control account and a subsidiary account for each Lender, in which accounts (taken together) shall be recorded as follows:

(i) the date and amount of each Borrowing made hereunder, the Type of Advances comprising such Borrowing and, if appropriate, the Interest Period applicable thereto;

(ii) the terms of each Assignment and Acceptance delivered to and accepted by it;

(iii) the amount of any principal or interest due and payable or to become due and payable from Altria to each Lender hereunder; and

(iv) the amount of any sum received by the Administrative Agent from Altria and each Lender's share thereof.

(c) Evidence of Payment Obligations. Entries made in good faith by the Administrative Agent in the Register pursuant to Section 2.17(b), and by each Lender in its account or accounts pursuant to Section 2.17(a), shall be prima facie evidence of the amount of principal and interest due and payable or to become due and payable from Altria to, in the case of the Register, each Lender and, in the case of such account or accounts, such Lender, under this Agreement, absent manifest error; provided, however, that the failure of the Administrative Agent or such Lender to make an entry, or any finding that an entry is incorrect, in the Register or such account or accounts shall not limit or otherwise affect the obligations of Altria under this Agreement.

Section 2.18 Use of Proceeds. The proceeds of the Tranche I Advances shall be available (and Altria agrees that it shall use such proceeds) for the financing of the JUUL Investment and the proceeds of the Tranche II Advances shall be available (and Altria agrees that it shall use such proceeds) for the financing of the Cronos Investment.

ARTICLE III

CONDITIONS TO EFFECTIVENESS AND LENDING

Section 3.01 Conditions Precedent to Effectiveness. This Agreement shall become effective on and as of the first date (the "Effective Date") on which the following conditions precedent have been satisfied:

(a) Altria shall have notified each Lender and the Administrative Agent in writing as to the proposed Effective Date.

(b) Prior to or simultaneously with the Effective Date, Altria shall have paid all fees due and payable under that certain Fee Letter, dated as of December 7, 2018, between Altria and JPMCB, and all commitments under that certain Bridge Loan Facility Commitment Letter, dated as of December 7, 2018, between Altria and JPMCB shall have been, or shall substantially contemporaneously be, terminated. Altria shall have also paid all fees required to be paid on or before the Effective Date pursuant to the Term Loan Fee Letter.

(c) The Administrative Agent shall have received on or before the Effective Date the following, each dated such day, in form and substance satisfactory to the Administrative Agent:

(i) Certified copies of the resolutions of the Board of Directors of Altria approving this Agreement, and of all documents evidencing other necessary corporate action and governmental approvals, if any, with respect to this Agreement.

(ii) A certificate of the Secretary or an Assistant Secretary of Altria certifying the names and true signatures of the officers of Altria authorized to sign this Agreement and the other documents to be delivered hereunder.

(iii) Favorable opinions of counsel (which may be in-house counsel) for Altria, substantially in the form of Exhibits E-1 and E-2 hereto.

(iv) An executed Guarantee.

(v) Certified copies of the resolutions of the Board of Directors of the Guarantor approving the Guarantee, and of all documents evidencing other necessary corporate action and governmental approvals, if any, with respect to the Guarantee.

(vi) A certificate of the Secretary or an Assistant Secretary of the Guarantor certifying the names and true signatures of the officers of the Guarantor authorized to sign the Guarantee and the other documents to be delivered in connection therewith.

(vii) Favorable opinion of counsel (which may be in-house counsel) for Guarantor, substantially in the form of Exhibit E-3 hereto.

(viii) A favorable opinion of Simpson Thacher & Bartlett LLP, counsel for the Administrative Agent, substantially in the form of Exhibit F hereto.

(d) This Agreement shall have been executed by Altria and the Administrative Agent, and the Administrative Agent shall have been notified by each Initial Lender that such Initial Lender has executed this Agreement.

(e) (i) The Administrative Agent shall have received, at least five days prior to the Effective Date, all documentation and other information regarding Altria reasonably requested in connection with applicable "know your customer" and anti-money laundering rules and regulations, including the Patriot Act, to the extent requested in writing of Altria at least 10 days prior to the Effective Date and (ii) to the extent Altria qualifies as a "legal entity customer" under 31 C.F.R. § 1010.230, at least five days prior to the Effective Date, any Lender that has reasonably requested, in a written notice to Altria at least 10 days prior to the Effective Date, a Beneficial Ownership Certification in relation to Altria shall have received such Beneficial Ownership Certification (provided that, upon the execution and delivery by the Administrative Agent or any such Lender of its signature page to this Agreement, the respective condition set forth in this Section 3.01(e) shall be deemed to be satisfied).

The Administrative Agent shall notify Altria and the Initial Lenders of the date that is the Effective Date upon satisfaction of all of the conditions precedent set forth in this Section 3.01. For purposes of determining compliance with the conditions specified in this Section 3.01, each Lender 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 the Lenders unless an officer of the Administrative Agent responsible for the transactions contemplated by this Agreement shall have received notice from such Lender prior to the date that Altria, by notice to the Lenders, designates as the proposed Effective Date, specifying its objection thereto.

Section 3.02 Conditions Precedent to Borrowing. (a) The obligation of each Lender to make an Advance on the occasion of each Borrowing is subject to the conditions precedent that the Effective Date shall have occurred and on the date of such Borrowing the following statements shall be true, and the acceptance by Altria of the proceeds of such Borrowing shall be a representation by Altria, as the case may be, that:

(i) the Specified Representations shall be true and correct in all material respects (except that any such representation and warranty that is qualified as to "materiality" or "material adverse effect" shall be true and correct in all respects) on and as of the date of such Borrowing and the Administrative Agent shall have received a certificate from an officer of Altria certifying the same; and

(ii) the Lenders shall have received (i) audited consolidated balance sheets and related statements of income, stockholders' equity and cash flows of Altria for the last three full fiscal years ended at least 60 days prior to the Effective Date and (ii) unaudited consolidated balance sheets and related statements of income, stockholders' equity and cash flows of Altria for each subsequent fiscal quarterly interim period or periods ended at least 40 days prior to the Effective Date (other than the fourth fiscal quarter of any fiscal year), together with unaudited consolidated financial statements for the corresponding period(s) of the prior fiscal year (it being understood that, with respect to such financial information for each such fiscal year and subsequent interim period, such condition shall be deemed satisfied through the filing by Altria of its Annual Report on Form 10-K or Quarterly Report on Form 10-Q with respect to such fiscal year or interim period), which are prepared in accordance with accounting principles generally accepted in the United States of America and meet the requirements of Regulation S-X and all other accounting rules and regulations of the Securities and Exchange Commission promulgated thereunder applicable to registration statements on Form S-3;

(b) With respect to a Borrowing pursuant to Section 2.01(a) only, the obligation of each Lender to make a Tranche I Advance is subject to the additional condition precedent that on the Effective Date the following statement shall be true, and the acceptance by Altria of the proceeds of such Borrowing shall be a representation by Altria, that the JUUL Investment shall have been (or, substantially concurrently with the making of the Tranche I Advances comprising such Borrowing shall be) consummated in all material respects in accordance with the terms of the JUUL Purchase Agreement;

(c) With respect to a Borrowing pursuant to Section 2.01(b) only, the obligation of each Lender to make a Tranche II Advance is subject to the additional condition precedent that on the date of such Borrowing the following statement shall be true, and the acceptance by Altria of the proceeds of such Borrowing shall be a representation by Altria, that (i) the Cronos Subscription Agreement Representations shall be true and correct in all material respects (except that any such representation and warranty that is qualified as to "materiality" or

"material adverse effect" shall be true and correct in all respects) on the Tranche II Closing Date; (ii) the Cronos Investment shall have been (or, substantially concurrently with the making of the Tranche II Advances comprising such Borrowing shall be) consummated in all material respects in accordance with the terms of the Cronos Subscription Agreement; (iii) the Cronos Subscription Agreement shall not have been amended or modified in any respect, or any provision or condition therein waived, or any consent granted thereunder (directly or indirectly), by Altria or any of its Subsidiaries, if such amendment, modification, waiver or consent would be material and adverse to the interests of the Lenders (in their capacities as such) without the Administrative Agent's prior written consent (such consent not to be unreasonably withheld, delayed or conditioned), it being understood and agreed that any reduction, when taken together with all prior reductions, of less than 10% in the original merger consideration for the Cronos Investment will be deemed not to be material or adverse to interests of the Lenders, provided that the aggregate principal amount of Tranche II Commitments shall have been reduced on a dollar-for-dollar basis and (iv) since the date of the Cronos Subscription Agreement, there shall not have occurred any Effect (as defined in the Cronos Subscription Agreement) that has had or would reasonably be expected to result in a Cronos Material Adverse Effect and that remains in effect.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES

Section 4.01 Representations and Warranties of Altria. Altria represents and warrants as follows:

(a) It is a corporation duly organized, validly existing and in good standing under the laws of Virginia.

(b) The execution, delivery and performance of this Agreement and the Notes to be delivered by it are within its corporate powers, have been duly authorized by all necessary corporate action, and do not contravene (i) its charter or by-laws or (ii) in any material respect, any law, rule, regulation or order of any court or governmental agency or any contractual restriction binding on or affecting it, including, without limitation, the Revolving Credit Agreement or any other Debt instrument to which Altria is a party with an outstanding aggregate principal amount of at least $100,000,000.

(c) No authorization or approval or other action by, and no notice to or filing with, any Governmental Authority or regulatory body is required for the due execution, delivery and performance by it of this Agreement or the Notes to be delivered by it.

(d) This Agreement is, and each of the Notes to be delivered by it when delivered hereunder will be, a legal, valid and binding obligation of Altria enforceable against Altria in accordance with its terms, subject to the effect of any applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other laws affecting creditors' rights generally and subject, as to enforceability, to general principles of equity (regardless of whether enforcement is sought in a proceeding in equity or at law) and an implied covenant of good faith and fair dealing.

(e) As reported in Altria's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2018, the unaudited condensed consolidated balance sheet of Altria and its Subsidiaries as of September 30, 2018 and the unaudited condensed consolidated statement of earnings of Altria and its Subsidiaries for the nine months then ended fairly present, in all material respects, the consolidated financial position of Altria and its Subsidiaries as at such date and the consolidated results of the operations of Altria and its Subsidiaries for the nine months ended on such date, all in accordance with accounting principles generally accepted in the United States. Except as disclosed in Altria's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2018, and in any Current Report on Form 8-K filed subsequent to September 30, 2018 but prior to the Effective Date, since September 30, 2018 there has been no material adverse change in such position or operations.

(f) There is no pending or threatened action or proceeding affecting it or any of its Subsidiaries before any court, governmental agency or arbitrator (a "Proceeding") (i) that purports to affect the legality, validity or enforceability of this Agreement or (ii) except for Proceedings disclosed in Altria's Annual Report on Form 10-K for the year ended December 31, 2017, Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2018, any Current Report on Form 8-K filed subsequent to September 30, 2018 but prior to the Effective Date and, with respect to Proceedings commenced after the date of the most recent such document but prior to the Effective Date, a certificate delivered to the Lenders, that may materially adversely affect the financial position or results of operations of Altria and its Subsidiaries taken as a whole.

(g) None of the proceeds of any Advance will be used, directly or indirectly, for the purpose of purchasing or carrying any Margin Stock or for the purpose of reducing or retiring any indebtedness that was originally incurred to purchase or carry any Margin Stock or for any other purpose that would constitute the Advances as a "purpose credit" within the meaning of Regulation U and, in each case, would constitute a violation of Regulation U.

(h) Altria has implemented and maintains in effect policies and procedures regarding compliance by Altria, its Subsidiaries and their respective directors, officers, employees and agents with Anti-Corruption Laws and applicable Sanctions, and Altria, its Subsidiaries and their respective officers and directors and to the knowledge of Altria its employees and agents, are in compliance with Anti-Corruption Laws and applicable Sanctions in all material respects. None of (i) Altria, any Subsidiary, any of their respective directors or officers or to the knowledge of Altria or such Subsidiary employees, or (ii) to the knowledge of Altria, any agent of Altria or any Subsidiary that will act in any capacity in connection with the credit facility established hereby, is a Sanctioned Person. No Borrowing will violate any Anti-Corruption Law or applicable Sanctions.

(i) Altria is not an EEA Financial Institution.

(j) As of the Effective Date, to the knowledge of Altria, the information included in the Beneficial Ownership Certification provided on or prior to the Effective Date to any Lender in connection with this Agreement is true and correct in all respects.

ARTICLE V

COVENANTS OF ALTRIA

Section 5.01 Affirmative Covenants. (a) So long as any Advance shall remain unpaid or any Lender shall have any Commitment hereunder, Altria will:

(i) Compliance with Laws, Etc. Comply, and cause each Major Subsidiary to comply, in all material respects, with all applicable laws, rules, regulations and orders (such compliance to include, without limitation, complying with ERISA 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), noncompliance with which would materially adversely affect the financial condition or operations of Altria and its Subsidiaries taken as a whole.

(ii) Maintenance of Ratio of Consolidated EBITDA to Consolidated Interest Expense. Maintain a ratio of Consolidated EBITDA for the four most recent fiscal quarters for which consolidated financial statements have been delivered pursuant to Section 5.01(a)(iii)(A) or (B) hereof to Consolidated Interest Expense for such four most recent fiscal quarters of not less than 4.0 to 1.0.

(iii) Reporting Requirements. Furnish to the Lenders:

(A) as soon as available and in any event within 60 days after the end of each of the first three quarters of each fiscal year of Altria, an unaudited interim condensed consolidated balance sheet of Altria and its Subsidiaries as of the end of such quarter and unaudited interim condensed consolidated statements of earnings of Altria and its Subsidiaries for the period commencing at the end of the previous fiscal year and ending with the end of such quarter, certified by the chief financial officer of Altria;

(B) as soon as available and in any event within 100 days after the end of each fiscal year of Altria, a copy of the consolidated financial statements for such year for Altria and its Subsidiaries, audited by PricewaterhouseCoopers LLP (or other independent auditors that, as of the date of this Agreement, are one of the “big four” accounting firms);

(C) all reports that Altria sends to any of its shareholders, and copies of all reports on Form 8-K (or any successor forms adopted by the Securities and Exchange Commission) that Altria files with the Securities and Exchange Commission;

(D) as soon as possible and in any event within five days after the occurrence of each Event of Default and each Default, continuing on the date of such statement, a statement of the chief financial officer or treasurer of Altria setting forth details of such Event of Default or Default and the action that Altria has taken and proposes to take with respect thereto;

(E) within 60 days of the end of each fiscal quarter of Altria, a statement of the chief financial officer or treasurer of Altria certifying compliance with the requirements of Section 5.01(a)(ii) and setting forth the relevant calculations;

(F) such other historical information respecting the condition or operations, financial or otherwise (including, but not limited to, information relating to "know your customer" requirements), of Altria or any Major Subsidiary as any Lender through the Administrative Agent may from time to time reasonably request; and

(G) any change in the information provided in the Beneficial Ownership Certification delivered to such Lenders that would result in a change to the list of beneficial owners identified in such certification.

In lieu of furnishing the Lenders the items referred to in clauses (A), (B) and (C) above, Altria may make such items available on the internet at www.altria.com (which website includes an option to subscribe to a free service alerting subscribers by e-mail of new Securities and Exchange Commission filings) or any successor or replacement website thereof, or by similar electronic means.

(b) On and after the Cronos Closing Date and so long as Altria maintains any equity or other similar or related financial interest in respect of Cronos or any successor thereto:

(i) Altria will comply, and cause each of its Subsidiaries to comply with the Controlled Substances Act and the Civil Asset Forfeiture Reform Act (as it relates to violation of the Controlled Substances Act) and all related applicable anti-money laundering laws, to the extent such noncompliance with such regulations would materially adversely affect the financial condition or operations of Altria and its Subsidiaries taken as a whole. Altria shall not, and shall cause its Subsidiaries to not, knowingly and intentionally repay any principal of the Advances, pay any interest or fees accruing thereon or pay any other obligations hereunder, in each case, with funds that it knows, at the time of such payment, that Cronos derived from a violation of the Controlled Substances Act.

(ii) Altria will notify the Administrative Agent and the Lenders as soon as possible and in any event within five days after obtaining knowledge thereof:

(A) any material action, suit or proceeding against Altria or any of its Subsidiaries or any of their respective properties (x) with respect to the Controlled Substances Act or, solely as they may relate to an alleged violation of the Controlled Substances Act, the Civil Asset Forfeiture Reform Act or applicable anti-money laundering laws, or (y) by a governmental authority of any foreign jurisdiction where the sale of marijuana or such other controlled substance is illegal that alleges a violation of applicable narcotics-related laws of such foreign jurisdiction; and

(B) any failure by Cronos to comply with Section 5.1(c) of the Investor Rights Agreement (as defined in the Cronos Subscription Agreement).

(iii) It is agreed that solely for the purposes of Section 5.01(a)(i), Cronos shall be deemed to constitute a "Major Subsidiary".

(iv) It is agreed that solely for purposes of Section 5.01(b)(i), Cronos shall be deemed to constitute a "Subsidiary".

Section 5.02 Negative Covenants. (a) So long as any Advance shall remain unpaid or any Lender shall have any Commitment hereunder, Altria will not:

(i) Liens, Etc. Create or suffer to exist, or permit any Major Subsidiary to create or suffer to exist, any lien, security interest or other charge or encumbrance (other than operating leases and licensed intellectual property), or any other type of preferential arrangement ("Liens"), upon or with respect to any of its properties, whether now owned or hereafter acquired, or assign, or permit any Major Subsidiary to assign, any right to receive income, in each case to secure or provide for the payment of any Debt of any Person, other than:

(A) Liens upon or in property acquired or held by it or any Major Subsidiary in the ordinary course of business to secure the purchase price of such property or to secure indebtedness incurred solely for the purpose of financing the acquisition of such property;

(B) Liens existing on property at the time of its acquisition (other than any such lien or security interest created in contemplation of such acquisition);

(C) Liens existing on the date hereof securing Debt;

(D) Liens on property financed through the issuance of industrial revenue bonds in favor of the holders of such bonds or any agent or trustee therefor;

(E) Liens existing on property of any Person acquired by Altria or any Major Subsidiary;

(F) Liens securing Debt in an aggregate amount not in excess of 15% of Consolidated Tangible Assets;

(G) Liens upon or with respect to Margin Stock;

(H) Liens in favor of Altria or any Major Subsidiary;

(I) Liens in connection with leasing, sale and leaseback and structured finance transactions conducted in the ordinary course of business of Philip Morris Capital Corporation, provided that any such Liens that secure the payment of Debt are without recourse to the general credit or assets of Altria and its Major Subsidiaries;

(J) precautionary Liens provided by Altria or any Major Subsidiary in connection with the sale, assignment, transfer or other disposition of assets by Altria or such Major Subsidiary, which transaction is determined by the Board of Directors of Altria or such Major Subsidiary to constitute a "sale" under accounting principles generally accepted in the United States; or

(K) any extension, renewal or replacement of the foregoing, provided that (A) such Lien does not extend to any additional assets (other than a substitution of like assets), and (B) the amount of Debt secured by any such Lien is not increased.

(ii) Mergers, Etc. Consolidate with or merge into, or convey or transfer its properties and assets substantially as an entirety to, any Person, or permit any Subsidiary directly or indirectly owned by it to do so, unless, immediately after giving effect thereto, no Default or Event of Default would exist and, in the case of any merger or consolidation to which it is a party, the surviving corporation is Altria or was a Subsidiary of Altria immediately prior to such merger or consolidation, which is organized and existing under the laws of the United States of America or any State thereof, or the District of Columbia. The surviving corporation of any merger or consolidation involving Altria shall assume all of Altria's obligations under this Agreement (including without limitation with respect to Altria's obligations, the covenants set forth in Article V) by the execution and delivery of an instrument in form and substance satisfactory to the Required Lenders.

(b) On and after the Cronos Closing Date and so long as Altria maintains any equity or other similar or related financial interest in respect of Cronos or any successor thereto, the proceeds of any Borrowing shall not be used in contravention of the Controlled Substances Act or any related applicable anti-money laundering law.

ARTICLE VI

EVENTS OF DEFAULT

Section 6.01 Events of Default. Each of the following events (each an "Event of Default") shall constitute an Event of Default:

(a) Altria shall fail to pay any principal of any Advance when the same becomes due and payable; or Altria shall fail to pay interest on any Advance, or Altria shall fail to pay any fees payable under Section 2.07, within ten days after the same becomes due and payable; or

(b) Any representation or warranty made or deemed to have been made by Altria (or any of their respective officers) in connection with this Agreement shall prove to have been incorrect in any material respect when made or deemed to have been made; or

(c) Altria shall fail to perform or observe (i) any term, covenant or agreement contained in Section 5.01(a)(ii) or 5.02(a)(ii), (ii) any term, covenant or agreement contained in Section 5.02(a)(i) if such failure shall remain unremedied for 15 days after written notice thereof shall have been given to Altria by the Administrative Agent or any Lender or (iii) any other term, covenant or agreement contained in this Agreement on its part to be performed or observed if such failure shall remain unremedied for 30 days after written notice thereof shall have been given to Altria by the Administrative Agent or any Lender; or

(d) Altria or any Major Subsidiary shall fail to pay any principal of or premium or interest on any Debt which is outstanding in a principal amount of at least $100,000,000 in the aggregate (but excluding Debt arising under this Agreement) of Altria 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 Debt unless adequate provision for any such payment has been made in form and substance satisfactory to the Required Lenders; or any Debt of Altria or any Major Subsidiary which is outstanding in a principal amount of at least $100,000,000 in the aggregate (but excluding Debt arising under this Agreement) 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 Debt shall be required to be made, in each case prior to the stated maturity thereof unless adequate provision for the payment of such Debt has been made in form and substance satisfactory to the Required Lenders; or

(e) Altria or any Major Subsidiary shall generally not pay its debts as such debts become due, or shall admit in writing its inability to pay its debts generally, or shall make a general assignment for the benefit of creditors; or any proceeding shall be instituted by or against Altria or any Major Subsidiary seeking to adjudicate it a bankrupt or insolvent, or seeking liquidation, winding up, reorganization, arrangement, adjustment, protection, relief, or composition of it or its debts under any law relating to bankruptcy, insolvency or reorganization or relief of debtors, or seeking the entry of an order for relief or the appointment of a receiver, trustee, or other similar official for it or for any substantial part of its property, and, in the case of any such proceeding instituted against it (but not instituted by it), either such proceeding shall remain undismissed or unstayed for a period of 60 days or any of the actions sought in such proceeding (including, without limitation, the entry of an order for relief against it or the appointment of a receiver, trustee, custodian or other similar official for it or for any of its property constituting a substantial part of the property of Altria and its Subsidiaries taken as a whole) shall occur; or any Major Subsidiary shall take any corporate action to authorize any of the actions set forth above in this subsection (e); or

(f) Any judgment or order for the payment of money in excess of $100,000,000 shall be rendered against Altria or any Major Subsidiary and there shall be any period of 60 consecutive days during which a stay of enforcement of such unsatisfied judgment or order, by reason of a pending appeal or otherwise, shall not be in effect; provided that such 60-day stay period shall be extended for a period not to exceed an additional 120 days if (i) Altria or such Major Subsidiary is contesting such judgment or enforcement of such judgment in good faith, unless, with respect only to judgments or orders rendered outside the United States, such action is not reasonably required to protect its respective assets from levy or garnishment, and (ii) no assets with a fair market value in excess of $100,000,000 of Altria or such Major Subsidiary have been levied upon or garnished to satisfy such judgment; provided, further, that such 60-day stay period shall be further extended for any judgment or order rendered outside the United States until such time as the conditions in clauses (i) or (ii) are no longer satisfied; or

(g) Altria or any ERISA Affiliate shall incur, or shall be reasonably likely to incur, liability in excess of $500,000,000 in the aggregate as a result of one or more of the following: (i) the occurrence of any ERISA Event; (ii) the partial or complete withdrawal of Altria or any ERISA Affiliate from a Multiemployer Plan; or (iii) the termination of a Multiemployer Plan; provided, however, that no Default or Event of Default under this Section 6.01(g) shall be deemed to have occurred if Altria or any ERISA Affiliate shall have made arrangements satisfactory to the PBGC or the Required Lenders to discharge or otherwise satisfy such liability (including the posting of a bond or other security); or

(h) On and after the Cronos Closing Date and so long as Altria maintains any equity or other similar or related financial interest in respect of Cronos or any successor thereto, any property of Altria, or any part thereof, has been seized by a Governmental Authority pursuant to the Civil Asset Forfeiture Reform Act or other applicable law on the grounds that such property or any such portion thereof had been used to commit or facilitate the commission of a criminal offense by Altria or its Affiliates under the Controlled Substances Act, as determined by a court of competent jurisdiction by final and nonappealable judgment.

Section 6.02 Lenders' Rights upon Event of Default. If an Event of Default occurs or is continuing, then the Administrative Agent shall at the request, or may with the consent, of the Required Lenders, by notice to Altria:

(a) declare the obligation of each Lender to make further Advances to be terminated, whereupon the same shall forthwith terminate, and

(b) declare all the Advances then outstanding, all interest thereon and all other amounts payable under this Agreement to be forthwith due and payable, whereupon the Advances then outstanding, all such interest and all such amounts shall become and be forthwith due and payable, without presentment, demand, protest or further notice of any kind, all of which are hereby expressly waived by Altria;

provided, however, that in the event of an actual or deemed entry of an order for relief with respect to Altria under the Federal Bankruptcy Code, (i) the obligation of each Lender to make Advances shall automatically be terminated and (ii) the Advances then outstanding, all such interest and all such amounts shall automatically become and be due and payable, without presentment, demand, protest or any notice of any kind, all of which are hereby expressly waived by Altria.

Section 6.03 Limited Conditionality Period. During the period from and including the Effective Date to and including the Tranche II Commitment Termination Date (the "Limited Conditionality Period"), and notwithstanding (a) that any representation made on the Effective Date (excluding, for the avoidance of doubt, the Specified Representations and/or Cronos Subscription Agreement Representations) was incorrect, (b) any failure by Altria to comply with Article V, (c) any provision to the contrary herein or otherwise or (d) that any condition to the occurrence of the Effective Date set forth in Section 3.01 may subsequently be determined not to have been satisfied, neither the Administrative Agent nor any Lender shall be entitled to (i) rescind, terminate or cancel its Tranche II Commitment (except as set forth in Section 2.10(a)), (ii) rescind, terminate or cancel this Agreement or exercise any right or remedy or make or enforce any claim under this Agreement, the Notes or otherwise it may have to the extent to do so would prevent, limit or delay the making of its Tranche II Advances, (iii) refuse to participate in making its Tranche II Advances; provided that the applicable conditions precedent to the making of Tranche II Advances set forth in Section 3.02 have been satisfied or (iv) exercise any right of set-off or counterclaim in respect of its Advance to the extent to do so would prevent, limit or delay the making of its Advance. For the avoidance of doubt, (A) the rights and remedies of the Lenders and the Administrative Agent shall not be limited in the event that any applicable condition precedent set forth in Section 3.02 is not satisfied on the Cronos Closing Date and (B) immediately after the expiration of the Limited Conditionality Period, all

of the rights, remedies and entitlements of the Administrative Agent and the Lenders shall be available notwithstanding that such rights were not available prior to such time as a result of the foregoing.

ARTICLE VII

THE ADMINISTRATIVE AGENT

Section 7.01 Authorization and Action. Each Lender hereby appoints and authorizes the Administrative Agent to take such action as agent on its behalf and to exercise such powers and discretion under this Agreement as are delegated to the Administrative Agent by the terms hereof, together with such powers and discretion as are reasonably incidental thereto. As to any matters not expressly provided for by this Agreement (including, without limitation, enforcement or collection of the Notes), the Administrative Agent shall not be required to exercise any discretion or take any action, but shall be required to act or to refrain from acting (and shall be fully protected in so acting or refraining from acting) upon the instructions of the Required Lenders, and such instructions shall be binding upon all Lenders and all holders of Notes; provided, however, that the Administrative Agent shall not be required to take any action that exposes the Administrative Agent to personal liability or that is contrary to this Agreement or applicable law. The Administrative Agent agrees to give to each Lender prompt notice of each notice given to it by Altria as required by the terms of this Agreement or at the request of Altria, and any notice provided pursuant to Section 5.01(a)(iii)(D). The Administrative Agent shall not have, by reason hereof, a fiduciary relationship in respect of any Lender; and nothing herein, expressed or implied, is intended to or shall be so construed as to impose upon the Administrative Agent any obligations in respect hereof except as expressly set forth herein.

Section 7.02 Administrative Agent's Reliance, Etc. Neither the Administrative Agent nor any of its directors, officers, agents or employees shall be liable for any action taken or omitted to be taken by it or them under or in connection with this Agreement, except for its or their own gross negligence or willful misconduct. Without limitation of the generality of the foregoing, the Administrative Agent:

(a) may treat the Lender that made any Advance as the holder of the Debt resulting therefrom until the Administrative Agent receives and accepts an Assignment and Acceptance entered into by such Lender, as assignor, and an Eligible Assignee, as assignee, as provided in Section 8.07;

(b) may consult with legal counsel (including counsel for Altria), independent public accountants and other experts selected by it and shall not be liable for any action taken or omitted to be taken in good faith by it in accordance with the advice of such counsel, accountants or experts;

(c) make no warranty or representation to any Lender and shall not be responsible to any Lender for any statements, warranties or representations (whether written or oral) made in or in connection with this Agreement;

(d) shall not have any duty to ascertain or to inquire as to the performance or observance of any of the terms, covenants or conditions of this Agreement on the part of Altria or to inspect the property (including the books and records) of Altria;

(e) shall not be responsible to any Lender for the due execution, legality, validity, enforceability, genuineness, sufficiency or value of this Agreement or any other instrument or document furnished pursuant hereto; and

(f) shall incur no liability under or in respect of this Agreement by acting upon any notice, consent, certificate or other instrument or writing (which may be by e-mail) believed by it to be genuine and signed or sent by the proper party or parties.

Section 7.03 JPMCB and Affiliates. With respect to its Commitment and the Advances made by it, JPMCB shall have the same rights and powers under this Agreement 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, include JPMCB in its individual capacity. JPMCB and its affiliates may accept deposits from, lend money to, act as trustee under indentures of, accept investment banking engagements from and generally engage in any kind of business with Altria, any of its Subsidiaries and any Person who may do business with or own securities of Altria or any such Subsidiary, all as if JPMCB was not the Administrative Agent and without any duty to account therefor to the Lenders.

Section 7.04 Lender Credit Decision. Each Lender acknowledges that it has, independently and without reliance upon the Administrative Agent, any other agent or any other Lender and based on the financial statements referred to in Section 4.01 and such other documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Lender also acknowledges that it will, independently and without reliance upon the Administrative Agent, any other agent, or any other Lender and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under this Agreement.

Section 7.05 Indemnification. The Lenders agree to indemnify the Administrative Agent solely in its capacity as Administrative Agent (to the extent not reimbursed by Altria), ratably according to the respective principal amounts of the Advances then owing to each of them (or if no Advances are at the time outstanding, ratably according to the respective amounts of their Commitments), from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever that may be imposed on, incurred by, or asserted against the Administrative Agent in any way relating to or arising out of this Agreement or any action taken or omitted by the Administrative Agent under this Agreement (collectively, the "Indemnified Costs"), provided that no Lender shall be liable for any portion of the Indemnified Costs to the extent resulting from the Administrative Agent's gross negligence or willful misconduct as found in a final, non-appealable judgment by a court of competent jurisdiction. Without limitation of the foregoing, each Lender agrees to reimburse the Administrative Agent promptly upon demand for its ratable share of any out-of-pocket expenses (including counsel fees) incurred by the Administrative Agent in connection with the preparation, execution, delivery, administration, modification, amendment or enforcement (whether through negotiations, legal proceedings or otherwise) of, or

legal advice in respect of rights or responsibilities under, this Agreement, to the extent that the Administrative Agent is not reimbursed for such expenses by Altria. In the case of any investigation, litigation or proceeding giving rise to any Indemnified Costs, this Section 7.05 applies whether any such investigation, litigation or proceeding is brought by any Administrative Agent, any Lender or a third party.

Section 7.06 Successor Administrative Agent. The Administrative Agent may resign at any time by giving written notice thereof to the Lenders and Altria and may be removed at any time with or without cause by the Required Lenders. Upon the resignation or removal of the Administrative Agent, the Required Lenders shall have the right to appoint a successor Administrative Agent. If no successor Administrative Agent shall have been so appointed by the Required Lenders, and shall have accepted such appointment, within 30 days after the retiring Administrative Agent's giving of notice of resignation or the Required Lenders' removal of the retiring Administrative Agent, then the retiring Administrative Agent may, on behalf of the Lenders, appoint a successor Administrative Agent, which shall be a commercial bank organized under the laws of the United States of America or of any State thereof and having a combined capital and surplus of at least $500,000,000. Upon the acceptance of any appointment as Administrative Agent hereunder by a successor Administrative Agent, such successor Administrative Agent shall thereupon succeed to and become vested with all the rights, powers, discretion, privileges and duties of the retiring Administrative Agent, and the retiring Administrative Agent shall be discharged from its duties and obligations under this Agreement. After any retiring Administrative Agent's resignation or removal hereunder as Administrative Agent, the provisions of this Article VII shall inure to its benefit as to any actions taken or omitted to be taken by it while it was Administrative Agent under this Agreement.

Section 7.07 [Reserved.]

Section 7.08 Posting of Communications. (a) Subject to Section 8.11, Altria agrees that the Administrative Agent may, but shall not be obligated to, make any Communications available to the Lenders by posting the Communications on IntraLinks™, DebtDomain, SyndTrak, ClearPar or any other electronic platform chosen by the Administrative Agent to be its electronic transmission system (the "Approved Electronic Platform").

(i) Although the Approved Electronic Platform and its primary web portal are secured with generally-applicable security procedures and policies implemented or modified by the Administrative Agent from time to time (including, as of the Effective Date, a user ID/password authorization system) and the Approved Electronic Platform is secured through a per-deal authorization method whereby each user may access the Approved Electronic Platform only on a deal-by-deal basis, each of the Lenders and Altria acknowledges and agrees that the distribution of material through an electronic medium is not necessarily secure, that the Administrative Agent is not responsible for approving or vetting the representatives or contacts of any Lender (the "Authorized Users") that are added to the Approved Electronic Platform, and that there are confidentiality and other risks associated with such distribution. The Administrative Agent shall not consent to any changes, amendments or alterations to any generally-applicable security procedures and policies applicable to the Approved Electronic Platform. The Administrative Agent shall take all reasonable and practicable steps

necessary to limit access to the Approved Electronic Platform to Authorized Users. In the event that the Administrative Agent receives notification from the Approved Electronic Platform that unauthorized access has occurred, the Administrative Agent shall promptly notify Altria of such unauthorized access and actions taken or to be taken to prevent future unauthorized access. Subject to Section 8.11, each of the Lenders and Altria hereby approves distribution of the Communications through the Approved Electronic Platform and understands and assumes the risks of such distribution.

(ii) THE APPROVED ELECTRONIC PLATFORM AND THE COMMUNICATIONS ARE PROVIDED "AS IS" AND "AS AVAILABLE". THE APPLICABLE PARTIES (AS DEFINED BELOW) DO NOT WARRANT THE ACCURACY OR COMPLETENESS OF THE COMMUNICATIONS, OR THE ADEQUACY OF THE APPROVED ELECTRONIC PLATFORM AND EXPRESSLY DISCLAIM LIABILITY FOR ERRORS OR OMISSIONS IN THE APPROVED ELECTRONIC PLATFORM AND THE COMMUNICATIONS. NO WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR STATUTORY, INCLUDING ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT OF THIRD PARTY RIGHTS OR FREEDOM FROM VIRUSES OR OTHER CODE DEFECTS, IS MADE BY THE APPLICABLE PARTIES IN CONNECTION WITH THE COMMUNICATIONS OR THE APPROVED ELECTRONIC PLATFORM.

"Communications" means, collectively, any notice, demand, communication, information, document or other material provided by or on behalf of Altria pursuant to this Agreement and the other documents to be delivered hereunder or the transactions contemplated therein which is distributed by the Administrative Agent or any Lender by means of electronic communications pursuant to this Section, including through an Approved Electronic Platform.

(iii) Each Lender agrees that notice to it (as provided in the next sentence) specifying that Communications have been posted to the Approved Electronic Platform shall constitute effective delivery of the Communications to such Lender for purposes of this Agreement and the other documents to be delivered hereunder. Each Lender agrees (i) to notify the Administrative Agent in writing (which could be in the form of electronic communication) from time to time of such Lender's email address to which the foregoing notice may be sent by electronic transmission and (ii) that the foregoing notice may be sent to such email address.

(iv) Each of the Lenders and Altria agrees that the Administrative Agent may, but (except as may be required by applicable law) shall not be obligated to, store the Communications on the Approved Electronic Platform in accordance with the Administrative Agent's generally applicable document retention procedures and policies.

(v) Nothing herein shall prejudice the right of the Administrative Agent or any Lender to give any notice or other communication pursuant to this Agreement and the other documents to be delivered hereunder in any other manner specified in such document.

ARTICLE VIII

MISCELLANEOUS

Section 8.01 Amendments, Etc. No amendment or waiver of any provision of this Agreement, nor consent to any departure by Altria therefrom, shall in any event be effective unless the same shall be in writing and signed by the Required Lenders (or, if such amendment, modification, supplement, extension, termination or waiver relates only to or only affects (x) the Tranche I Commitments and/or Tranche I Advances, the Required Tranche I Lenders or (y) the Tranche II Commitments and/or the Tranche II Advances, the Required Tranche II Lenders), and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given; provided, however, that no amendment, waiver or consent shall, unless in writing and signed by all the Lenders affected thereby, do any of the following: (a) waive any of the conditions specified in Section 3.02, (b) increase the Commitments of the Lenders or subject the Lenders to any additional obligations, (c) reduce the principal of, or interest on, the Advances or any fees or other amounts payable hereunder, (d) postpone any date fixed for any payment of principal of, or interest on, the Advances or any fees or other amounts payable hereunder, (e) change the percentage of the Commitments or of the aggregate unpaid principal amount of the Advances, or the number of Lenders, that shall be required for the Lenders or any of them to take any action hereunder, or (f) amend this Section 8.01; provided further that no amendment, waiver or consent shall, unless in writing and signed by the Administrative Agent, in addition to the Lenders required above to take such action, affect the rights or duties of the Administrative Agent under this Agreement or any Advance.

Section 8.02 Notices, Etc. (a) Addresses. Unless otherwise specified herein, all notices and other communications provided for hereunder shall be in writing (including electronic communication) and mailed, telecopied, or delivered, as follows:

if to Altria:

Altria Group, Inc.
6601 West Broad Street
Richmond, Virginia 23230
Attention: Vice President and Treasurer
Fax number: (804) 484-8886;

with a copy to:

Altria Client Services LLC
6601 West Broad Street
Richmond, Virginia 23230
Attention: Treasury Management-Back Office
Fax number: (919) 884-3701;

if to any Initial Lender, at its Domestic Lending Office specified opposite its name on Schedule I hereto;

if to any other Lender, at its Domestic Lending Office specified in the Assignment and Acceptance pursuant to which it became a Lender;

if to the Administrative Agent:

c/o JPMorgan Chase Bank, N.A.
383 Madison Avenue, 24th Floor
New York, New York 10179
Attention: Tony Yung
Fax number: (212) 270-3279;

with a copy to:

JPMorgan Chase Bank, N.A.
Loan and Agency
500 Stanton Christiana Road, NCC5/Floor 1
Newark, DE 19713
Attention: Michelle Keesee
Fax number: (302) 634-8459;

as to Altria or the Administrative Agent, at such other address as shall be designated by such party in a written notice to the other parties and, as to each other party, at such other address as shall be designated by such party in a written notice to Altria and the Administrative Agent.

(b) Effectiveness of Notices. All such notices and communications shall, when mailed or telecopied, be effective when deposited in the mail or telecopied, respectively, except that notices and communications to the Administrative Agent pursuant to Article II, III or VII shall not be effective until received by the Administrative Agent. Delivery by e-mail of an executed counterpart of any amendment or waiver of any provision of this Agreement or of any Exhibit hereto to be executed and delivered hereunder shall be effective as delivery of a manually executed counterpart thereof.

Section 8.03 No Waiver; Remedies. No failure on the part of any Lender or the Administrative Agent to exercise, and no delay in exercising, any right hereunder or under any Note shall operate as a waiver thereof; nor shall any single or partial exercise of any such right preclude any other or further exercise thereof or the exercise of any other right. The remedies herein provided are cumulative and not exclusive of any remedies provided by law.

Section 8.04 Costs and Expenses. (a) Administrative Agent; Enforcement. Altria agrees to pay on demand all reasonable costs and expenses in connection with the preparation, execution, delivery, administration (excluding any cost or expenses for administration related to the overhead of the Administrative Agent), modification and amendment of this Agreement and the documents to be delivered hereunder, including, without limitation, the reasonable fees and out-of-pocket expenses of counsel for the Administrative Agent with respect thereto and with respect to advising the Administrative Agent as to its rights and responsibilities under this Agreement, and all costs and expenses of the Lenders and the Administrative Agent, if any (including, without limitation, reasonable counsel fees and

expenses of the Lenders and the Administrative Agent), in connection with the enforcement (whether through negotiations, legal proceedings or otherwise) of this Agreement and the other documents to be delivered hereunder.

(b) Prepayment of LIBO Rate Advances. If any payment of principal of any LIBO Rate Advance is made other than on the last day of the Interest Period for such Advance or at its maturity, as a result of a payment pursuant to Section 2.10, acceleration of the maturity of the Advances pursuant to Section 6.02, an assignment made as a result of a demand by Altria pursuant to Section 8.07(a) or for any other reason, Altria shall, upon demand by any Lender (with a copy of such demand to the Administrative Agent), pay to the Administrative Agent for the account of such Lender any amounts required to compensate such Lender for any additional losses, costs or expenses which it may reasonably incur as a result of such payment, including, without limitation, any loss (excluding loss of anticipated profits), cost or expense incurred by reason of the liquidation or reemployment of deposits or other funds acquired by any Lender to fund or maintain such Advance. Without prejudice to the survival of any other agreement of Altria, the agreements and obligations of Altria contained in Sections 2.02(c), 2.05, 2.11, 2.14 and this Section 8.04(b) shall survive the payment in full of principal and interest hereunder.

(c) Indemnification. Altria agrees to indemnify and hold harmless the Administrative Agent and each Lender and each of their respective affiliates, control persons, directors, officers, employees, attorneys and agents (each, an "Indemnified Party") from and against any and all claims, damages, losses, liabilities and expenses (including, without limitation, reasonable fees and disbursements of counsel) which may be incurred by or asserted against any Indemnified Party, in each case in connection with or arising out of, or in connection with the preparation for or defense of, any investigation, litigation, or proceeding (i) related to any transaction or proposed transaction (whether or not consummated) in which any proceeds of any Borrowing are applied or are proposed to be applied, directly or indirectly, by Altria, whether or not such Indemnified Party is a party to such transaction or (ii) related to Altria's entering into this Agreement or the term loan facility established hereby, or to any actions or omissions of Altria or any of its or their respective officers, directors, employees or agents in connection therewith, in each case whether or not an Indemnified Party is a party thereto and whether or not such investigation, litigation or proceeding is brought by Altria or any other Person; provided, however, that Altria shall be required to indemnify any such Indemnified Party from or against any portion of such claims, damages, losses, liabilities or expenses that is found in a final, non-appealable judgment by a court of competent jurisdiction to have resulted from the gross negligence or willful misconduct of such Indemnified Party.

Section 8.05 Right of Set-Off. Upon (i) the occurrence and during the continuance of any Event of Default and (ii) the making of the request or the granting of the consent specified by Section 6.02 to authorize the Administrative Agent to declare the Advances due and payable pursuant to the provisions of Section 6.02, each Lender is hereby authorized at any time and from time to time, to the fullest extent permitted by law, to set off and apply any and all deposits (general or special, time or demand, provisional or final) at any time held and other indebtedness at any time owing by such Lender to or for the credit or the account of Altria against any and all of the obligations of Altria now or hereafter existing under this Agreement, whether or not such Lender shall have made any demand under this Agreement and although such obligations may be unmatured. Each Lender shall promptly notify Altria, as the case may

be, after any such set-off and application, provided that the failure to give such notice shall not affect the validity of such set-off and application. The rights of each Lender and its affiliates under this Section 8.05 are in addition to other rights and remedies (including, without limitation, other rights of set-off) that such Lender and its affiliates may have.

Section 8.06 Binding Effect. This Agreement shall be binding upon and inure to the benefit of Altria, the Administrative Agent and each Lender and their respective successors and assigns, except that Altria shall not have the right to assign its rights hereunder or any interest herein without the prior written consent of the Lenders.

Section 8.07 Assignments and Participations. (a) Assignment of Lender Obligations. Each Lender may and, if demanded by Altria upon at least five Business Days' notice (or, in the case of a Defaulting Lender, at least three Business Days' notice) to such Lender and the Administrative Agent, will assign to one or more Persons all or a portion of its rights and obligations under this Agreement (including, without limitation, all or a portion of its Commitment and the Advances owing to it), subject to the following:

(i) each such assignment shall be of a constant, and not a varying, percentage of all rights and obligations under this Agreement, except that this clause (i) shall not prohibit any Lender from assigning all or a portion of its rights and obligations among separate Classes on a non-pro rata basis;

(ii) the amount of the Commitment of the assigning Lender being assigned pursuant to each such assignment (determined as of the date of the Assignment and Acceptance with respect to such assignment) shall in no event be less than $10,000,000 (subject to reduction at the sole discretion of Altria) and shall be an integral multiple of $1,000,000;

(iii) each such assignment shall be to an Eligible Assignee;

(iv) each such assignment made as a result of a demand by Altria pursuant to this Section 8.07(a) shall be arranged by Altria after consultation with the Administrative Agent and shall be either an assignment of all of the rights and obligations of the assigning Lender under this Agreement or an assignment of a portion of such rights and obligations made concurrently with another such assignment or other such assignments which together cover all of the rights and obligations of the assigning Lender under this Agreement;

(v) no Lender shall be obligated to make any such assignment as a result of a demand by Altria pursuant to this Section 8.07(a) unless and until such Lender shall have received one or more payments from Altria to which it has outstanding Advances or one or more Eligible Assignees in an aggregate amount at least equal to the aggregate outstanding principal amount of the Advances owing to such Lender, together with accrued interest thereon to the date of payment of such principal amount and all other amounts payable to such Lender under this Agreement; and

(vi) the parties to each such assignment shall execute and deliver to the Administrative Agent, for its acceptance and recording in the Register, an Assignment

and Acceptance, together with a processing and recordation fee of $3,500 payable by the assigning Lender, provided that, if such assignment is made as a result of a demand by Altria under this Section 8.07(a) Altria shall pay or cause to be paid such $3,500 fee.

Upon such execution, delivery, acceptance and recording, from and after the effective date specified in each Assignment and Acceptance, (x) the assignee thereunder shall be a party hereto and, to the extent that rights and obligations hereunder have been assigned to it pursuant to such Assignment and Acceptance, have the rights and obligations of a Lender hereunder and (y) the assigning Lender thereunder shall, to the extent that rights and obligations hereunder have been assigned by it pursuant to such Assignment and Acceptance, relinquish its rights (other than those provided under Section 8.04) and be released from its obligations under this Agreement (and, in the case of an Assignment and Acceptance covering all or the remaining portion of an assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto), other than Section 8.11.

(b) Assignment and Acceptance. By executing and delivering an Assignment and Acceptance, the assigning Lender thereunder and the assignee thereunder confirm to and agree with each other and the other parties hereto as follows: (i) other than as provided in such Assignment and Acceptance, such assigning Lender makes no representation or warranty and assumes no responsibility with respect to any statements, warranties or representations made in or in connection with this Agreement or the execution, legality, validity, enforceability, genuineness, sufficiency or value of this Agreement or any other instrument or document furnished pursuant hereto; (ii) such assigning Lender makes no representation or warranty and assumes no responsibility with respect to the financial condition of Altria or the performance or observance by Altria of any of its obligations under this Agreement or any other instrument or document furnished pursuant hereto; (iii) such assignee confirms that it has received a copy of this Agreement, together with copies of the financial statements referred to in Section 4.01 and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into such Assignment and Acceptance; (iv) such assignee will, independently and without reliance upon the Administrative Agent, such assigning Lender or any other Lender and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under this Agreement; (v) such assignee confirms that it is an Eligible Assignee; (vi) such assignee represents that (A) the source of any funds it is using to acquire the assigning Lender's interest or to make any Advance is not and will not be plan assets as defined under the Department of Labor Plan Asset Regulations (Section 2510.3-101 of Part 2510 of Chapter XXV, Title 29 of the Code of Federal Regulations, as amended by Section 3(42) of ERISA and as may be further amended) or (B) the assignment or Advance is not and will not be a non-exempt prohibited transaction as defined in Section 406 of ERISA or Section 4975(c) of the Internal Revenue Code; (vii) such assignee appoints and authorizes the Administrative Agent to take such action as agent on its behalf and to exercise such powers and discretion under this Agreement as are delegated to the Administrative Agent by the terms hereof, together with such powers and discretion as are reasonably incidental thereto; and (viii) such assignee agrees that it will perform in accordance with their terms all of the obligations that by the terms of this Agreement are required to be performed by it as a Lender.

(c) Agent's Acceptance. Upon its receipt of an Assignment and Acceptance executed by an assigning Lender and an assignee representing that it is an Eligible Assignee, together with any Note or Notes subject to such assignment, the Administrative Agent shall, if such Assignment and Acceptance has been completed and is in substantially the form of Exhibit C hereto, (i) accept such Assignment and Acceptance, (ii) record the information contained therein in the Register and (iii) give prompt notice thereof to Altria.

(d) Register. The Administrative Agent shall maintain at its address referred to in Section 8.02 a copy of each Assignment and Acceptance delivered to and accepted by it and a register for the recordation of the names and addresses of the Lenders and the Commitment of, and principal amount of the Advances owing to, each Lender from time to time (the "Register"). The entries in the Register shall be conclusive and binding for all purposes, absent manifest error, and Altria, the Administrative Agent, and the Lenders may treat each Person whose name is recorded in the Register as a Lender hereunder for all purposes of this Agreement. The Register shall be available for inspection by Altria or any Lender at any reasonable time and from time to time upon reasonable prior notice.

(e) Sale of Participation. Each Lender may sell participations to one or more banks or other entities in or to all or a portion of its rights and obligations under this Agreement (including, without limitation, all or a portion of its Commitment, the Advances owing to it and any Note or Notes held by it), subject to the following:

(i) such Lender's obligations under this Agreement (including, without limitation, its Commitment to Altria hereunder) shall remain unchanged,

(ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations,

(iii) Altria, the Administrative Agent, and the other Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement, and

(iv) no participant under any such participation shall have any right to approve any amendment or waiver of any provision of this Agreement, or any consent to any departure by Altria therefrom, except to the extent that such amendment, waiver or consent would reduce the principal of, or interest on, the Advances or any fees or other amounts payable hereunder, in each case to the extent subject to such participation, or postpone any date fixed for any payment of principal of, or interest on, the Advances or any fees or other amounts payable hereunder, in each case to the extent subject to such participation.

Each Lender that sells a participation shall 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 Advances or other obligations.

(f) Disclosure of Information. Any Lender may, in connection with any assignment or participation or proposed assignment or participation pursuant to this Section 8.07, disclose to the assignee or participant or proposed assignee or participant, any information

relating to Altria furnished to such Lender by or on behalf of Altria; provided that, prior to any such disclosure, the assignee or participant or proposed assignee or participant shall agree to preserve the confidentiality of any confidential information relating to Altria received by it from such Lender by signing a confidentiality agreement substantially in the form attached hereto as Exhibit G or with terms no less restrictive than the provisions of Exhibit G.

(g) Regulation A Security Interest. Notwithstanding any other provision set forth in this Agreement, any Lender may at any time create a security interest in all or any portion of its rights under this Agreement (including, without limitation, the Advances owing to it and any Note or Notes held by it) in favor of any Federal Reserve Bank in accordance with Regulation A.

Section 8.08 Governing Law. This Agreement and the Notes shall be governed by, and construed in accordance with, the laws of the State of New York.

Section 8.09 Execution in Counterparts. This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Agreement by e-mail shall be effective as delivery of a manually executed counterpart of this Agreement.

Section 8.10 Jurisdiction, Etc. (a) Submission to Jurisdiction; Service of Process. Each of the parties hereto hereby irrevocably and unconditionally submits, for itself and its property, to the nonexclusive jurisdiction of any New York state court or Federal court of the United States of America sitting in New York City, and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Agreement, or for recognition or enforcement of any judgment, and each of the parties hereto hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in any such New York state court or, to the extent permitted by law, in such Federal court. Altria irrevocably consents to the service of process in any action or proceeding in such courts by the mailing thereof by any parties hereto by registered or certified mail, postage prepaid, to Altria at its address specified pursuant to Section 8.02. Each of the parties hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Agreement shall affect any right that any party may otherwise have to serve legal process in any other manner permitted by law or to bring any action or proceeding relating to this Agreement or the Notes in the courts of any jurisdiction.

(b) Waivers. Each of the parties hereto irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection that it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement or the Notes in any New York state or Federal court. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by law, trial by jury in any legal action or proceeding relating to this Agreement or any other related documents.

Section 8.11 Confidentiality. Neither the Administrative Agent nor any Lender shall disclose any confidential Information (as defined below) relating to Altria to any other Person without the consent of Altria, other than (a) to the Administrative Agent's or such Lender's affiliates and their officers, directors, employees, agents and advisors and, as contemplated by Section 8.07(f), to actual or prospective assignees and participants, and then, in each such case, only on a confidential basis and only to such Persons who need to know such information for the purpose of evaluating, administering or monitoring this Agreement or the term loan facility established hereby; provided, however, that such actual or prospective assignee or participant shall have been made aware of this Section 8.11 and shall have agreed to be bound by its provisions as if it were a party to this Agreement, (b) as required by any law, rule or regulation or judicial process, (c) as requested or required by any state, federal or foreign authority or examiner regulating banks or banking or other financial institutions, (d) to the extent such Information (i) becomes publicly available other than as a result of a breach of this Section 8.11 or (ii) becomes available to any Administrative Agent or any Lender on a non-confidential basis from a source other than Altria, which source, to the best of such Administrative Agent's or such Lender's knowledge, is not prohibited from disclosing such Information by a contractual, legal or fiduciary obligation to Altria or (e)(i) if necessary in connection with the exercise of any remedies hereunder or any suit, action or proceeding relating to this Agreement, (ii) such disclosure is made in a complaint or other document filed in a lawsuit or other proceeding and (iii) such filing is made under seal, if the court permits such filing under seal. Altria agrees that (x) no confidentiality undertaking previously entered into by any Administrative Agent or Lender or any of its affiliates shall prohibit any disclosure expressly permitted to be made by, and in accordance with, Section 8.07(f) and this Section 8.11 and (y) the Administrative Agent and the Lenders may disclose the existence of this Agreement and public information about this Agreement to market data collectors, similar service providers to the lending industry and service providers to the Administrative Agent or any Lender in connection with the administration of this Agreement, the other documents to be delivered hereunder and the Commitments.

For the purposes of this Section 8.11, "Information" means all information regardless of form, whether oral, written or electronic, received from Altria relating to Altria or its business, together with analyses, compilations or other materials prepared by the Administrative Agent, a Lender or their respective representatives which contain or otherwise reflect such information, other than any such information that is available to the Administrative Agent or any Lender on a non-confidential basis prior to disclosure by Altria; provided that, in the case of information received from Altria after the date hereof, such information is identified as confidential.

Section 8.12 Integration. This Agreement and the Notes represent the agreement of Altria, the Administrative Agent and the Lenders with respect to the subject matter hereof, and there are no promises, undertakings, representations or warranties by the Administrative Agent, Altria or any Lender relative to the subject matter hereof not expressly set forth or referred to herein or in the Notes other than the matters referred to in Sections 2.07 (c) and 8.04(a) and except for confidentiality agreements entered into by each Lender in connection with this Agreement.

Section 8.13 USA Patriot Act Notice. The Administrative Agent and each Lender hereby notifies Altria that pursuant to the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the "Patriot Act"), it is required to obtain,

verify and record information that identifies Altria, which information includes the name and address of Altria and other information that will allow such Lender to identify Altria in accordance with the Patriot Act.

Section 8.14 No Fiduciary Duty. The Administrative Agent, each Lender and their affiliates (collectively, solely for purposes of this paragraph, the "Lenders"), may have economic interests that conflict with those of Altria. Altria agrees that nothing in this Agreement will be deemed to create an advisory, fiduciary or agency relationship or fiduciary or other implied duty between the Lenders and Altria, its stockholders or its affiliates. Altria further acknowledges and agrees that it is responsible for making its own independent judgment with respect to this Agreement and the process leading thereto. Altria agrees that it will not claim that any Lender has rendered advisory services of any nature or respect, or owes a fiduciary or similar duty to Altria, in connection with this Agreement or the process leading thereto.

Section 8.15 Acknowledgement and Consent to Bail-In of EEA Financial Institutions. Notwithstanding anything to the contrary in this Agreement or any other instrument or document furnished pursuant hereto or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any EEA Financial Institution arising under this Agreement or any other instrument or document furnished pursuant hereto may be subject to the Write-Down and Conversion Powers of an EEA Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by an EEA Resolution Authority to any such liabilities arising hereunder that may be payable to it by any party hereto that is an EEA Financial Institution; and

(b) the effects of any Bail-In Action on any such liability, including, if applicable:

(i) a reduction in full or in part or cancellation of any such liability;

(ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such EEA Financial Institution, its parent entity, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other instrument or document furnished pursuant hereto; or

(iii) the variation of the terms of such liability in connection with the exercise of the Write-Down and Conversion Powers of any EEA Resolution Authority.

[Signature pages follow.]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective officers thereunto duly authorized, as of the date first above written.

ALTRIA GROUP, INC.

By: /s/ Daniel J. Bryant
Name: Daniel J. Bryant
Title: Vice President and Treasurer

JPMORGAN CHASE BANK, N.A., as Administrative Agent

By: /s/ Tony Yung
Name: Tony Yung
Title: Executive Director

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

By: /s/ Tony Yung
Name: Tony Yung
Title: Executive Director

EXHIBIT A - 1 - FORM OF
TRANCHE I NOTE

Dated: _____, 20__

U.S.$_____

FOR VALUE RECEIVED, the undersigned, Altria Group, Inc., a Virginia corporation ("Altria"), HEREBY PROMISES TO PAY to the order of _____ (the "Lender") for the account of its Applicable Lending Office on the Maturity Date (each as defined in the Term Loan Agreement referred to below) the principal sum of U.S.$[amount of the Lender's Tranche I Commitment in figures] or, if less, the aggregate principal amount of the Tranche I Advances outstanding on the Maturity Date made by the Lender to Altria pursuant to the Term Loan Agreement, dated as of December 20, 2018 among Altria, the Lender and certain other lenders party thereto and JPMorgan Chase Bank, N.A., as Administrative Agent for the Lender and such other lenders (as amended or modified from time to time, the "Term Loan Agreement;" the terms defined therein being used herein as therein defined).

Altria promises to pay interest on the unpaid principal amount of each Tranche I Advance from the date of such Tranche I Advance until such principal amount is paid in full, at such interest rate, and payable at such times, as are specified in the Term Loan Agreement.

Both principal and interest in respect of each Tranche I Advance are payable in Dollars to JPMCB for the account of the Lender at the office of JPMCB, located at 500 Stanton Christiana Road, NCC5/Floor 1, Newark, DE 19713, in same day funds. Each Tranche I Advance owing to the Lender by Altria pursuant to the Term Loan Agreement, and all payments made on account of principal thereof, shall be recorded by the Lender and, prior to any transfer hereof, endorsed on the grid attached hereto which is part of this Promissory Note.

This Promissory Note is one of the Notes referred to in, and is entitled to the benefits of, the Term Loan Agreement. The Term Loan Agreement, among other things, (i) provides for the making of Tranche I Advances by the Lender to Altria in an aggregate amount not to exceed at any time outstanding the Dollar amount first above mentioned, the indebtedness of Altria resulting from each such Tranche I Advance being evidenced by this Promissory Note, and (ii) contains provisions for acceleration of the maturity hereof upon the happening of certain stated events and also for prepayments on account of principal hereof prior to the maturity hereof upon the terms and conditions therein specified.

This Promissory Note shall be governed by, and construed in accordance with, the laws of the State of New York.

ALTRIA GROUP, INC.

By _____
Name:
Title:

LOANS AND PAYMENTS OF PRINCIPAL

Date	Type of Tranche I Advance	Amount of Tranche I Advance	Interest Rate	Amount of Principal Paid or Prepaid	Unpaid Principal Balance	Notation Made By

EXHIBIT A - 2 - FORM OF
TRANCHE II NOTE

Dated: _____, 20__

U.S.$_____

FOR VALUE RECEIVED, the undersigned, Altria Group, Inc., a Virginia corporation ("Altria"), HEREBY PROMISES TO PAY to the order of _____ (the "Lender") for the account of its Applicable Lending Office on the Maturity Date (each as defined in the Term Loan Agreement referred to below) the principal sum of U.S.$[amount of the Lender's Tranche II Commitment in figures] or, if less, the aggregate principal amount of the Tranche II Advances outstanding on the Maturity Date made by the Lender to Altria pursuant to the Term Loan Agreement, dated as of December 20, 2018 among Altria, the Lender and certain other lenders party thereto and JPMorgan Chase Bank, N.A., as Administrative Agent for the Lender and such other lenders (as amended or modified from time to time, the "Term Loan Agreement;" the terms defined therein being used herein as therein defined).

Altria promises to pay interest on the unpaid principal amount of each Tranche II Advance from the date of such Tranche II Advance until such principal amount is paid in full, at such interest rate, and payable at such times, as are specified in the Term Loan Agreement.

Both principal and interest in respect of each Tranche II Advance are payable in Dollars to JPMCB for the account of the Lender at the office of JPMCB, located at 500 Stanton Christiana Road, NCC5/Floor 1, Newark, DE 19713, in same day funds. Each Tranche II Advance owing to the Lender by Altria pursuant to the Term Loan Agreement, and all payments made on account of principal thereof, shall be recorded by the Lender and, prior to any transfer hereof, endorsed on the grid attached hereto which is part of this Promissory Note.

This Promissory Note is one of the Notes referred to in, and is entitled to the benefits of, the Term Loan Agreement. The Term Loan Agreement, among other things, (i) provides for the making of Tranche II Advances by the Lender to Altria in an aggregate amount not to exceed at any time outstanding the Dollar amount first above mentioned, the indebtedness of Altria resulting from each such Tranche II Advance being evidenced by this Promissory Note, and (ii) contains provisions for acceleration of the maturity hereof upon the happening of certain stated events and also for prepayments on account of principal hereof prior to the maturity hereof upon the terms and conditions therein specified.

This Promissory Note shall be governed by, and construed in accordance with, the laws of the State of New York.

ALTRIA GROUP, INC.

By _____
Name:
Title:

LOANS AND PAYMENTS OF PRINCIPAL

Date	Type of Tranche II Advance	Amount of Tranche II Advance	Interest Rate	Amount of Principal Paid or Prepaid	Unpaid Principal Balance	Notation Made By

[Date]

JPMorgan Chase Bank, N.A., as Administrative Agent
for the Lenders party to the Term Loan Agreement
referred to below

Ladies and Gentlemen:

Altria Group, Inc. ("Altria"), refers to the Term Loan Agreement, dated as of December 20, 2018 (as amended or modified from time to time, the "Term Loan Agreement," the terms defined therein being used herein as therein defined), among Altria, the Lenders party thereto and JPMorgan Chase Bank, N.A., as Administrative Agent for such Lenders, and hereby gives you notice, irrevocably, pursuant to Section 2.02 of the Term Loan Agreement that Altria hereby requests a Borrowing under the Term Loan Agreement, and in that connection sets forth below the information relating to such Borrowing (the "Proposed Borrowing") as required by Section 2.02(a) of the Term Loan Agreement:

(i) The date of the Proposed Borrowing is _____, 20__.

(ii) The Type of Advances comprising the Proposed Borrowing is [Base Rate Advances] [LIBO Rate Advances].

(iii) The Class of Advances comprising the Proposed Borrowing is [Tranche I Advances] [Tranche II Advances].

(iv) The aggregate amount of the Proposed Borrowing is U.S.$[_____].

[(v) The initial Interest Period for each LIBO Rate Advance made as part of the Proposed Borrowing is [one week] [_____ month(s)].]

Altria hereby certifies that the following statements are true on the date hereof, and will be true on the date of the Proposed Borrowing:

(A) the conditions contained in Section 3.02 of the Term Loan Agreement have been satisfied; and

(B) the aggregate principal amount of the Proposed Borrowing and all other Borrowings to be made on the same day under the Term Loan Agreement is within the aggregate unused [Tranche I] [Tranche II] Commitments of the Lenders.

Very truly yours,

ALTRIA GROUP, INC.

By _____
Name:
Title:

Reference is made to the Term Loan Agreement, dated as of December 20, 2018 (as amended or modified from time to time, the "Term Loan Agreement," the terms defined therein being used herein as therein defined), among Altria Group, Inc., the Lenders party thereto and JPMorgan Chase Bank, N.A. ("JPMCB"), as Administrative Agent for such Lenders (in such capacity, the "Administrative Agent").

The "Assignor" and the "Assignee" referred to on Schedule 1 hereto agree as follows:

1. The Assignor hereby sells and assigns to the Assignee, and the Assignee hereby purchases and assumes from the Assignor, an interest in and to the Assignor's rights and obligations under the Term Loan Agreement as of the date hereof equal to the percentage interest specified on Schedule 1 hereto of all outstanding rights and obligations under the Term Loan Agreement (the "Assigned Interest"). After giving effect to such sale and assignment, the Assignee's Commitment and the amount of the Advances owing to the Assignee will be as set forth on Schedule 1 hereto. Each of the Assignor and the Assignee represents and warrants that it is authorized to execute and deliver this Assignment and Acceptance.

2. The Assignor (i) represents and warrants that it is the legal and beneficial owner of the interest being assigned by it hereunder and that such interest is free and clear of any adverse claim; (ii) makes no representation or warranty and assumes no responsibility with respect to any statements, warranties or representations made in or in connection with the Term Loan Agreement or the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Term Loan Agreement or any other instrument or document furnished pursuant thereto; and (iii) makes no representation or warranty and assumes no responsibility with respect to the financial condition of Altria or the performance or observance by Altria of any of its obligations under the Term Loan Agreement or any other instrument or document furnished pursuant thereto.

3. The Assignee (i) confirms that it has received a copy of the Term Loan Agreement, together with copies of the financial statements referred to in Section 4.01 thereof and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Assignment and Acceptance; (ii) agrees that it will, independently and without reliance upon JPMCB, as Administrative Agent, any other Agent, the Assignor or any other Lender and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Term Loan Agreement; (iii) confirms that it is an Eligible Assignee; (iv) represents that (A) the source of any funds it is using to acquire the Assignor's interest or to make any Advance is not and will not be plan assets as defined under the Department of Labor Plan Asset Regulations (Section 2510.3-101 of Part 2510 of Chapter XXV, Title 29 of the Code of Federal Regulations, as amended by Section 3(42) of ERISA and as may be further amended) or (B) the assignment or Advance is not and will be not be a non-exempt prohibited transaction as defined in Section 406 of ERISA or Section 4975(c) of the Internal Revenue Code; (v) appoints and authorizes JPMCB, as Administrative Agent, to take such action as agent on its behalf and to exercise such powers and discretion under the Term Loan Agreement as are delegated to

JPMCB, as Administrative Agent, by the terms thereof, together with such powers and discretion as are reasonably incidental thereto; and (vi) agrees that it will perform in accordance with their terms all of the obligations that by the terms of the Term Loan Agreement are required to be performed by it as a Lender.

4. This Assignment and Acceptance will be delivered to JPMCB, as Administrative Agent, for acceptance and recording by JPMCB, as Administrative Agent, following its execution. The effective date for this Assignment and Acceptance (the "Effective Date") shall be the date of acceptance hereof by JPMCB, as Administrative Agent, unless otherwise specified on Schedule 1 hereto.

5. Upon such acceptance and recording by JPMCB, as Administrative Agent, as of the Effective Date, (i) the Assignee shall be a party to the Term Loan Agreement and, to the extent provided in this Assignment and Acceptance, have the rights and obligations of a Lender thereunder and (ii) the Assignor shall, to the extent provided in this Assignment and Acceptance, relinquish its rights and be released from its obligations under the Term Loan Agreement.

6. Upon such acceptance and recording by JPMCB, as Administrative Agent, from and after the Effective Date, JPMCB, as Administrative Agent, shall make all payments under the Term Loan Agreement in respect of the interest assigned hereby (including, without limitation, all payments of principal, interest and commitment fees with respect thereto) to the Assignee. The Assignor and Assignee shall make all appropriate adjustments in payments under the Term Loan Agreement for periods prior to the Effective Date directly between themselves.

7. This Assignment and Acceptance shall be governed by, and construed in accordance with, the laws of the State of New York.

8. This Assignment and Acceptance may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of Schedule 1 to this Assignment and Acceptance by telecopier or e-mail shall be effective as delivery of a manually executed counterpart of this Assignment and Acceptance.

IN WITNESS WHEREOF, the Assignor and the Assignee have caused Schedule 1 to this Assignment and Acceptance to be executed by their officers thereunto duly authorized as of the date specified thereon.

Schedule 1
to
Assignment and Acceptance

Assignor: _____

Assignee: _____

Assigned Interests:

Class of Commitment/Advances Assigned[1]	Aggregate Amount of Commitment/Advances for all Lenders	Amount of Commitment/ Advances Assigned	Percentage Assigned of Commitment/Advances under the applicable Class[2]

Effective Date[3]: _____, 20__

[NAME OF ASSIGNOR], as Assignor

By _____
Title:

Dated: _____, 20__

[NAME OF ASSIGNEE], as Assignee

By _____
Title:

Dated: _____, 20__

Domestic Lending Office:

[Address]

1 Fill in Tranche I Commitment, Tranche II Commitment, Tranche I Advance or Tranche II Advance, as applicable.
2 Set forth, to at least 9 decimals, as a percentage of the Commitment/Advances of all Lenders thereunder.
3 This date should be no earlier than five Business Days after the delivery of this Assignment and Acceptance to JPMCB, as Administrative Agent.

Accepted this
_____ day of _____, 20__

JPMORGAN CHASE BANK, N.A., as Administrative Agent

By _____
Title:

[Approved this _____ day
of _____, 20__

ALTRIA GROUP, INC.][4]

By _____
Title:

[4] Required if the Assignee is an Eligible Assignee solely by reason of clause (viii) of the definition of "Eligible Assignee."

GUARANTEE, dated as of _____, 20__ (as amended from time to time, this "Guarantee"), made by Philip Morris USA Inc., a Virginia corporation (the "Guarantor"), in favor of the Lenders (the "Lenders") party to the Term Loan Agreement, dated as of December 20, 2018 (as amended, supplemented or otherwise modified from time to time, the "Term Loan Agreement") among Altria Group, Inc. ("Altria"), such Lenders and JPMorgan Chase Bank, N.A. ("JPMCB"), as Administrative Agent for the Lenders (in such capacity, the "Administrative Agent"). Capitalized terms used in this Guarantee and not otherwise defined herein have the meanings specified in the Term Loan Agreement.

WITNESSETH:

SECTION 1. Guarantee. (a) The Guarantor hereby unconditionally guarantees the punctual payment when due, whether at stated maturity, by acceleration or otherwise, of all the obligations of Altria now or hereafter existing under the Term Loan Agreement, whether for principal, interest, fees, expenses or otherwise (such obligations being referred to herein as the "Obligations").

(b) It is the intention of the Guarantor that this Guarantee not constitute a fraudulent transfer or conveyance for purposes of Bankruptcy Law, the Uniform Fraudulent Conveyance Act, the Uniform Fraudulent Transfer Act or any similar federal or state law to the extent applicable to this Guarantee. To effectuate the foregoing intention, the amount guaranteed by the Guarantor under this Guarantee shall be limited to the maximum amount as will, after giving effect to such maximum amount and all other contingent and fixed liabilities of the Guarantor that are relevant under such laws, result in the Obligations of the Guarantor under this Guarantee not constituting a fraudulent transfer or conveyance. For purposes hereof, "Bankruptcy Law" means Title 11, U.S. Code, or any similar federal or state law for the relief of debtors.

SECTION 2. Guarantee Absolute. The Guarantor guarantees that the Obligations will be paid strictly in accordance with the terms of the Term Loan 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 JPMCB, as Administrative Agent, or the Lenders with respect thereto. The liability of the Guarantor under this Guarantee shall be absolute and unconditional irrespective of:

(a) any lack of validity, enforceability or genuineness of any provision of the Term Loan Agreement 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 Obligations, or any other amendment or waiver of or any consent to departure from the Term Loan 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 guarantee, for all or any of the Obligations; or

(d) any other circumstance that might otherwise constitute a defense available to, or a discharge of, Altria or a guarantor.

SECTION 3. Subordination. The Guarantor covenants and agrees that its obligation to make payments of the Obligations hereunder constitutes an unsecured obligation of the Guarantor ranking (a) *pari passu* with all existing and future senior indebtedness of the Guarantor and (b) senior in right of payment to all existing and future subordinated indebtedness of the Guarantor.

SECTION 4. Waiver; Subrogation. (a) The Guarantor hereby waives promptness, diligence, notice of acceptance and any other notice with respect to this Guarantee and any requirement that JPMCB, as 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 Altria or any other Person or any collateral.

(b) The Guarantor hereby irrevocably waives any claims or other rights that it may now or hereafter acquire against Altria that arise from the existence, payment, performance or enforcement of the Guarantor's obligations under this Guarantee or the Term Loan Agreement, including, without limitation, any right of subrogation, reimbursement, exoneration, contribution or indemnification and any right to participate in any claim or remedy of JPMCB, as Administrative Agent, or any Lender against Altria 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 Altria, 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 the Guarantor in violation of the preceding sentence at any time prior to the cash payment in full of the Obligations and all other amounts payable under this Guarantee, such amount shall be held in trust for the benefit of JPMCB, as Administrative Agent, and the Lenders and shall forthwith be paid to JPMCB, as Administrative Agent, to be credited and applied to the Obligations and all other amounts payable under this Guarantee, whether matured or unmatured, in accordance with the terms of the Term Loan Agreement and this Guarantee, or be held as collateral for any Obligations or other amounts payable under this Guarantee thereafter arising. The Guarantor acknowledges that it will receive direct and indirect benefits from the financing arrangements contemplated by the Term Loan Agreement and this Guarantee and that the waiver set forth in this Section 4(b) is knowingly made in contemplation of such benefits.

SECTION 5. No Waiver; Remedies. No failure on the part of JPMCB, as Administrative Agent, or any Lender to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right hereunder preclude any other or further exercise thereof or the exercise of any other right. The remedies herein provided are cumulative and not exclusive of any remedies provided by law.

SECTION 6. Continuing Guarantee; Transfer of Interest. This Guarantee is a continuing guarantee and shall (a) remain in full force and effect until the earliest to occur of (i) the date, if any, on which the Guarantor shall consolidate with or merge into Altria or any successor thereto, (ii) the date, if any, on which Altria or any successor thereto shall consolidate with or merge into the Guarantor, (iii) payment in full of the Obligations, and (iv) the rating of Altria's long term senior unsecured debt by Standard & Poor's of A or higher, (b) be binding upon the Guarantor, its successors and assigns, and (c) inure to the benefit of and be enforceable by any Lender or Administrative Agent, and by their respective successors, transferees, and assigns.

SECTION 7. Reinstatement. This Guarantee shall continue to be effective or be reinstated, as the case may be, if at any time any payment of any of the Obligations is rescinded or must otherwise be returned by JPMCB, as Administrative Agent, or any Lender upon the insolvency, bankruptcy or reorganization of Altria or otherwise, all as though such payment had not been made.

SECTION 8. Amendment. The Guarantor may amend this Guarantee at any time for any purpose without the consent of JPMCB, as Administrative Agent, or any of the Lenders; *provided, however*, that if such amendment adversely affects the rights of any Lender, the prior written consent of such Lender shall be required.

SECTION 9. Governing Law. This Guarantee shall be governed by, and construed in accordance with the laws of the State of New York.

IN WITNESS WHEREOF, the Guarantor has caused this Guarantee to be duly executed and delivered by its officer thereunto duly authorized as of the date first above written.

PHILIP MORRIS USA INC.

By: _____
Name:
Title:

[Letterhead of Hunton Andrews Kurth LLP]

[Effective Date]

To each of the Lenders party
to the Term Loan Agreement referred to below

Term Loan Agreement
Altria Group, Inc.

Ladies and Gentlemen:

This opinion is furnished to you pursuant to Section 3.01(c)(iii) of the Term Loan Agreement, dated as of December 20, 2018 (the "Term Loan Agreement"), among Altria Group, Inc. ("Altria"), the Lenders party thereto and JPMorgan Chase Bank, N.A., as Administrative Agent for such Lenders. Terms defined in the Term Loan Agreement are used herein as therein defined.

We have acted as special counsel for Altria in connection with the preparation, execution and delivery of the Term Loan Agreement.

In that connection, we have examined the following documents:

(1) the Term Loan Agreement;

(2) the documents furnished by Altria pursuant to Sections 3.01(c)(i), (ii), (iv), (v) and (vi) of the Term Loan Agreement;

(3) the articles of incorporation of Altria, as amended (the "Charter"); and

(4) the by-laws of Altria, as amended and restated (the "By-laws").

We have also examined the originals, or copies certified to our satisfaction, of such corporate records of Altria, certificates of public officials and of officers of Altria and agreements, instruments and other documents, as we have deemed relevant and necessary as a basis for the opinions expressed below. As to questions of fact material to such opinions, we have, when relevant facts were not independently established by us, relied upon and assumed the accuracy of the representations of Altria set forth in the Term Loan Agreement and upon certificates of Altria or its officers or of public officials. Whenever the phrase "known to us" is used herein, it refers to the actual knowledge of the attorneys of the firm involved in the representation of Altria in connection with the Term Loan Agreement, without independent investigation. For purposes of the opinions expressed below, we have assumed (i) the authenticity of all documents submitted to us as originals, (ii) the conformity to the originals of all documents submitted to us as copies and the authenticity of the originals thereof, (iii) the legal capacity of natural persons, (iv) the genuineness of all signatures, (v) the due authorization, execution and delivery of all documents by all parties (other than the due authorization,

execution and delivery of the Term Loan Agreement and the Notes by Altria, as to which we express our opinion in paragraph 2 below) and (vi) the validity, binding effect and enforceability of all documents (other than the validity, binding effect and enforceability of the Term Loan Agreement and the Notes upon Altria, as to which we express our opinion in paragraph 5 below). We understand that you separately are receiving the opinion of W. Hildebrandt Surgner, Jr., Vice President, Corporate Secretary and Associate General Counsel of Altria, dated the date hereof and addressed to you, as to certain of the foregoing matters, and we express no opinion thereon.

Our opinions expressed below are limited to the law of the State of New York, the Commonwealth of Virginia and the Federal law of the United States.

Based upon the foregoing and upon such investigation as we have deemed necessary, we are of the following opinion:

1. Altria is a corporation validly existing and in good standing under the laws of the Commonwealth of Virginia.

2. Altria has the corporate power and authority to execute, deliver and perform its obligations under the Term Loan Agreement and the Notes, and Altria has taken all necessary corporate action to authorize its execution, delivery and performance of the Term Loan Agreement and the Notes. The Term Loan Agreement and the Notes have been duly executed and delivered by Altria.

3. The execution and delivery by Altria of the Term Loan Agreement and the Notes do not, and the consummation of the transactions contemplated thereby will not, violate (a) the Charter or the By-laws or (b) any Federal or State of New York law or regulation or any law or regulation of the Commonwealth of Virginia that in our experience is generally applicable to Altria and to transactions of the type contemplated by the Term Loan Agreement and the Notes (including, without limitation, Regulation X of the Board of Governors of the Federal Reserve System) (collectively, "Included Law") or (c) any of the agreements listed on Annex A hereto (each a "Material Agreement"). In expressing the opinion set forth in clause (b) of this paragraph, we are not expressing an opinion as to whether loans to be made to a Borrower under the Term Loan Agreement comply with (i) any statutory, regulatory or other loan limits applicable to the Lenders or (ii) any statutes, laws, rules or regulations that prescribe permissible and lawful investments for the Lenders.

4. Except for those that have been obtained or made, no consent, approval, authorization or other action by, or filing with, any governmental authority of the United States, the State of New York or the Commonwealth of Virginia pursuant to any law or regulation that in our experience is generally applicable to Altria and to transactions of the type contemplated by the Term Loan Agreement and the Notes is required to be obtained or made by Altria as of the date hereof for the execution and delivery by Altria of the Term Loan Agreement and the Notes, the borrowings by Altria in accordance with the terms of the Term Loan Agreement or the performance by Altria of its payment obligations under the Term Loan Agreement.

5. The Term Loan Agreement is the legal, valid and binding obligation of Altria enforceable under the laws of the State of New York against Altria in accordance with its terms. The Notes are the legal, valid and binding obligations of Altria, enforceable under the laws of the State of New York against Altria in accordance with their respective terms.

To the extent that any opinion contained herein relates to the enforceability of the choice of New York law provisions of the Agreement, we have, in rendering such opinion, relied solely upon New York General Obligations Law Section 5-1401 and have assumed that the Term Loan Agreement is not entered into with a view to violate the laws of the jurisdiction in which the contract is to be performed. Further, such opinion is subject to the qualification that such enforceability may be limited by important public policies of a more-interested jurisdiction. We express no opinion regarding whether a court other than a court of or in the State of New York would give effect to a choice of New York law.

The opinion set forth in paragraph 5 above is qualified to the extent enforceability is subject to the effect of (i) bankruptcy, insolvency, reorganization, arrangement, moratorium and other similar laws relating to or affecting the rights of creditors generally, including without limitation fraudulent conveyance or transfer laws (including, but not limited to, the common law trust fund doctrine and Section 548 of the United States Bankruptcy Code), and preference and equitable subordination laws and principles, (ii) general principles of equity (regardless of whether enforcement is sought in a proceeding in equity or at law) and (iii) concepts of materiality, unconscionability, reasonableness, impracticability or impossibility of performance, good faith and fair dealing.

Further, we express no opinion as to the legality, validity, enforceability or effect, as applicable, of:

(i) any provision that purports to (a) confer subject matter jurisdiction on a court that does not have independent grounds for subject matter jurisdiction, (b) establish the venue of any action, except to the extent enforceable under Sections 5-1401 and 5-1402 of the New York General Obligations Law or (c) act as a waiver of certain rights, including personal service, marshalling of assets or similar requirements and the right to trial by jury;

(ii) any provision regarding indemnification or contribution to the extent it violates public policy of the State of New York, or any Federal law or regulation, or to the extent it purports to provide that a party shall be indemnified for its own negligence, bad faith, gross negligence or willful misconduct;

(iii) any provision that requires the payment of liquidated or punitive damages, interest on interest, prepayment penalties or premiums, late fees or default rates of interest to the extent that they are found to constitute unenforceable penalties or forfeitures;

(iv) any provision that purports to grant any person the ability to receive the remedies of specific performance, injunctive relief, liquidated damages or any similar remedy in any proceeding;

(v) any provision in the Term Loan Agreement pursuant to which Altria waives the benefit of any constitutional, statutory or common law right to the extent that such a waiver is deemed to violate public policy;

(vi) any provision providing that any participant in the Term Loan Agreement may exercise set-off or similar rights with respect to such participation or that permits the exercise of rights without notice or without providing an opportunity to cure failures to perform;

(vii) any provision that excludes money damages as a remedy, if injunctive relief is not available under applicable law, or that permits a party to pursue multiple remedies or that provides that all remedies are cumulative or nonexclusive, or that violates laws relating to claim splitting or collateral estoppel;

(viii) any provision in any document regarding severability;

(ix) any provision that would alter the terms or rights and obligations of the parties based on course of dealing, course of performance or the like, or that provides that failure or delay in taking action may not constitute a waiver of rights;

(x) any provision that requires that amendments or waivers be made in writing, or that require mitigation of damages; and

(xi) any provision relating to any Write-Down and Conversion Powers or other similar powers of any EEA Resolution Authority or the effect of any Bail-in Action.

With respect to our opinion in paragraph 3(a) and 3(b), we have assumed that (i) Altria has not and will not take in the future any action (including a decision not to act) permitted under the Term Loan Agreement that would result in a violation of Included Law and (ii) all parties to the Term Loan Agreement will act in accordance with, and will refrain from taking any action that is forbidden by, the terms and conditions of the Term Loan Agreement.

With respect to our opinion in paragraph 3(c), we have made no examination of or determination, and express no opinion, as to any accounting, financial or similar covenant or provision contained in any Material Agreement or the accuracy as to factual matters of any representation, warranty, data or other information, whether oral or written, that may have been made by any entity involved in the transaction described above, whether named herein or otherwise.

This opinion is being furnished to you pursuant to Section 3.01(c)(iii) of the Term Loan Agreement, is solely for the benefit of you and your counsel, and is not intended for, and may not be relied upon by, any other person or entity without our prior written consent. We expressly disclaim any obligation to advise you of any changes of law or facts that may hereafter come or be brought to our attention which would alter the opinions herein set forth.

Very truly yours,

ANNEX A

Material Agreements and Instruments

1. Indenture, dated as of December 2, 1996, between Altria Group, Inc. and The Bank of New York (as successor in interest to JPMorgan Chase Bank, formerly known as The Chase Manhattan Bank), as Trustee
2. First Supplemental Indenture to Indenture, dated as of December 2, 1996, between Altria Group, Inc. and The Bank of New York (as successor in interest to JPMorgan Chase Bank, formerly known as The Chase Manhattan Bank), as Trustee, dated as of February 13, 2008
3. Indenture among Altria Group, Inc., as Issuer, Philip Morris USA Inc., as Guarantor, and Deutsche Bank Trust Company Americas, as Trustee, dated as of November 4, 2008
4. Guarantee dated as of September 8, 2008, made by Philip Morris USA Inc., in favor of The Bank of New York (as successor in interest to JPMorgan Chase Bank, formerly known as The Chase Manhattan Bank), as trustee for the holders of the 5.625% Notes due 2008, 7.000% Notes due 2013, and 7.750% Debentures due 2027 under the Indenture dated as of December 2, 1996
5. Form of 2.625% Notes due 2020 of Altria Group, Inc.
6. Form of 2.625% Notes due 2026 of Altria Group, Inc.
7. Form of 2.850% Notes due 2022 of Altria Group, Inc.
8. Form of 2.950% Notes due 2023 of Altria Group, Inc.
9. Form of 3.875% Notes due 2046 of Altria Group, Inc.
10. Form of 4.000% Notes due 2024 of Altria Group, Inc.
11. Form of 4.250% Notes due 2042 of Altria Group, Inc.
12. Form of 4.500% Notes due 2043 of Altria Group, Inc.
13. Form of 4.750% Notes due 2021 of Altria Group, Inc.
14. Form of 5.375% Notes due 2044 of Altria Group, Inc.
15. Form of 7.75% Debentures due 2027 of Altria Group, Inc.
16. Form of 9.25% Notes due 2019 of Altria Group, Inc.
17. Form of 9.70% Notes due 2018 of Altria Group, Inc.
18. Form of 9.95% Notes due 2038 of Altria Group, Inc.
19. Form of 10.20% Notes due 2039 of Altria Group, Inc.
20. Guarantee dated as of November 14, 2014, made by Philip Morris USA Inc., in favor of Deutsche Bank Trust Company Americas, as trustee for the registered holder of the 2.625% Notes due 2020 of Altria Group, Inc.
21. Guarantee dated as of September 16, 2016, made by Philip Morris USA Inc., in favor of Deutsche Bank Trust Company Americas, as trustee for the registered holder of the 2.625% Notes due 2026 of Altria Group, Inc.

22. Guarantee dated as of August 9, 2012, made by Philip Morris USA Inc., in favor of Deutsche Bank Trust Company Americas, as trustee for the registered holder of the 2.850% Notes due 2022 of Altria Group, Inc.

23. Guarantee dated as of May 2, 2013, made by Philip Morris USA Inc., in favor of Deutsche Bank Trust Company Americas, as trustee for the registered holder of the 2.950% Notes due 2023 of Altria Group, Inc.

24. Guarantee dated as of September 16, 2016, made by Philip Morris USA Inc., in favor of Deutsche Bank Trust Company Americas, as trustee for the registered holder of the 3.875% Notes due 2046 of Altria Group, Inc.

25. Guarantee dated as of October 31, 2013, made by Philip Morris USA Inc., in favor of Deutsche Bank Trust Company Americas, as trustee for the registered holder of the 4.000% Notes due 2024 of Altria Group, Inc.

26. Guarantee dated as of August 9, 2012, made by Philip Morris USA Inc., in favor of Deutsche Bank Trust Company Americas, as trustee for the registered holder of the 4.250% Notes due 2042 of Altria Group, Inc.

27. Guarantee dated as of May 2, 2013, made by Philip Morris USA Inc., in favor of Deutsche Bank Trust Company Americas, as trustee for the registered holder of the 4.500% Notes due 2043 of Altria Group, Inc.

28. Guarantee dated as of May 5, 2011, made by Philip Morris USA Inc., in favor of Deutsche Bank Trust Company Americas, as trustee for the registered holder of the 4.750% Notes due 2021 of Altria Group, Inc.

29. Guarantee dated as of October 31, 2013, made by Philip Morris USA Inc., in favor of Deutsche Bank Trust Company Americas, as trustee for the registered holder of the 5.375% Notes due 2044 of Altria Group, Inc.

30. Guarantee dated as of February 6, 2009, made by Philip Morris USA Inc., in favor of Deutsche Bank Trust Company Americas, as trustee for the registered holder of the 9.25% Notes due 2019 of Altria Group, Inc.

31. Guarantee dated as of November 10, 2008, made by Philip Morris USA Inc., in favor of Deutsche Bank Trust Company Americas, as trustee for the registered holder of the 9.70% Notes due 2018 of Altria Group, Inc.

32. Guarantee dated as of November 10, 2008, made by Philip Morris USA Inc., in favor of Deutsche Bank Trust Company Americas, as trustee for the registered holder of the 9.95% Notes due 2038 of Altria Group, Inc.

33. Guarantee dated as of February 6, 2009, made by Philip Morris USA Inc., in favor of Deutsche Bank Trust Company Americas, as trustee for the registered holder of the 10.20% Notes due 2039 of Altria Group, Inc.

34. Comprehensive Settlement Agreement and Release related to settlement of Mississippi health care cost recovery action, dated as of October 17, 1997

35. Settlement Agreement related to settlement of Florida health care cost recovery action, dated August 25, 1997

36. Comprehensive Settlement Agreement and Release related to settlement of Texas health care cost recovery action, dated as of January 16, 1998

37. Settlement Agreement and Stipulation for Entry of Judgment regarding the claims of the State of Minnesota, dated as of May 8, 1998

38. Settlement Agreement and Release regarding the claims of Blue Cross and Blue Shield of Minnesota, dated as of May 8, 1998

39. Stipulation of Amendment to Settlement Agreement and For Entry of Agreed Order regarding the settlement of the Mississippi health care cost recovery action, dated as of July 2, 1998

40. Stipulation of Amendment to Settlement Agreement and For Entry of Consent Decree regarding the settlement of the Texas health care cost recovery action, dated as of July 24, 1998

41. Stipulation of Amendment to Settlement Agreement and For Entry of Consent Decree regarding the settlement of the Florida health care cost recovery action, dated as of September 11, 1998

42. Master Settlement Agreement relating to state health care cost recovery and other claims, dated as of November 23, 1998

43. Stipulation and Agreed Order Regarding Stay of Execution Pending Review and Related Matters, dated as of May 7, 2001

44. Term Sheet effective December 17, 2012, between Philip Morris USA Inc., the other participating manufacturers, and various states and territories for settlement of the 2003-2012 Non-Participating Manufacturer Adjustment with those states

45. Employee Matters Agreement by and between Altria Group, Inc. and Kraft Foods Inc. (now known as Mondelēz International, Inc.), dated as of March 30, 2007

46. Tax Sharing Agreement by and between Altria Group, Inc. and Kraft Foods Inc. (now known as Mondelēz International, Inc.), dated as of March 30, 2007

47. Intellectual Property Agreement by and between Philip Morris International Inc. and Philip Morris USA Inc., dated as of January 1, 2008

48. Employee Matters Agreement by and between Altria Group, Inc. and Philip Morris International Inc., dated as of March 28, 2008

49. Tax Sharing Agreement by and between Altria Group, Inc. and Philip Morris International Inc., dated as of March 28, 2008

50. Benefit Equalization Plan, effective as of September 2, 1974, as amended

51. Form of Employee Grantor Trust Enrollment Agreement

52. Form of Supplemental Employee Grantor Trust Enrollment Agreement

53. Automobile Policy

54. Grantor Trust Agreement by and between Altria Client Services Inc. and Wells Fargo Bank, National Association, dated February 23, 2011

55. Long-Term Disability Benefit Equalization Plan, effective as of January 1, 1989, as amended

56. Deferred Fee Plan for Non-Employee Directors, as amended and restated effective October 28, 2015
57. 2015 Stock Compensation Plan for Non-Employee Directors, as amended and restated effective October 28, 2015
58. 2010 Performance Incentive Plan, effective on May 20, 2010
59. 2015 Performance Incentive Plan, effective on May 1, 2015
60. Form of Indemnity Agreement
61. Form of Restricted Stock Agreement, dated as of May 16, 2012
62. Form of Restricted Stock Agreement, dated as of January 28, 2014
63. Form of Deferred Stock Agreement, dated as of January 28, 2014
64. Form of Restricted Stock Unit Agreement, dated as of January 28, 2015
65. Form of Restricted Stock Unit Agreement, dated as of January 26, 2016
66. Form of Restricted Stock Unit Agreement, dated as of January 30, 2017
67. Form of Performance Stock Unit Agreement, dated as of January 30, 2017
68. Form of Restricted Stock Unit Agreement, dated as of January 30, 2018
69. Form of Performance Stock Unit Agreement, dated as of January 30, 2018
70. Form of Restricted Stock Unit Agreement, dated as of May 17, 2018
71. Form of Performance Stock Unit Agreement, dated as of May 17, 2018
72. Form of Executive Confidentiality and Non-Competition Agreement
73. Agreement and General Release between Altria Group, Inc. and Denise F. Keane, dated June 29, 2017
74. Time Sharing Agreement between Altria Client Services LLC and Howard A. Willard, dated May 17, 2018
75. Time Sharing Termination Letter from Altria Client Services LLC to Martin J. Barrington, dated May 17, 2018
76. Agreement and General Release between Altria and Martin J. Barrington, dated May 17, 2018

EXHIBIT E-2 - FORM OF
OPINION OF COUNSEL
FOR ALTRIA

[Effective Date]

To each of the Lenders party
to the Term Loan Agreement referred to below

Altria Group, Inc.

Ladies and Gentlemen:

This opinion is furnished to you pursuant to Section 3.01(c)(iii) of the Term Loan Agreement, dated as of December 20, 2018 (the "Term Loan Agreement"), among Altria Group, Inc. ("Altria"), the Lenders party thereto and JPMorgan Chase Bank, N.A., as Administrative Agent for such Lenders. Terms defined in the Term Loan Agreement are used herein as therein defined.

I have acted as counsel for Altria in connection with the preparation, execution and delivery of the Term Loan Agreement.

In that connection, I have examined originals, or copies certified to my satisfaction, of such corporate records of Altria, certificates of public officials and of officers of Altria, and agreements, instruments and other documents, as I have deemed relevant and necessary as a basis for the opinions expressed below. As to questions of fact material to such opinions, I have, when relevant facts were not independently established by me, relied upon certificates of Altria or its officers or of public officials.

Based upon the foregoing and upon such investigation as I have deemed necessary, I am of the opinion that, to the best of my knowledge, (i) there is no pending or threatened action or proceeding against Altria or any of its Subsidiaries before any court, governmental agency or arbitrator (a "Proceeding") that purports to affect the legality, validity, binding effect or enforceability of the Term Loan Agreement or the Notes, if any, or the consummation of the transactions contemplated thereby, and (ii) except for Proceedings disclosed in the Annual Report on Form 10-K of Altria for the fiscal year ended December 31, 2017, Quarterly Reports on Forms 10-Q for the quarterly periods ended March 31, 2018, June 30, 2018 and September 30, 2018 and any Current Reports on Form 8-K filed subsequent to September 30, 2018 but prior to the Effective Date, or, with respect to Proceedings commenced after the date of the most recent such document but prior to the Effective Date, a certificate delivered to the Lenders and attached hereto, there are no Proceedings that are likely to have a materially adverse effect upon the financial position or results of operations of Altria and its Subsidiaries taken as a whole.

Very truly yours,

EXHIBIT E-3 - FORM OF
OPINION OF COUNSEL
FOR GUARANTOR

[Letterhead of Hunton Andrews Kurth LLP]

[Effective Date]

To each of the Lenders party
to the Term Loan Agreement referred to below

Term Loan Agreement
Philip Morris USA Inc.

Ladies and Gentlemen:

This opinion is furnished to you pursuant to Section 3.01(c)(vii) of the Term Loan Agreement, dated as of December 20, 2018 (the "Term Loan Agreement"), among Altria Group, Inc. ("Altria"), the Lenders party thereto and JPMorgan Chase Bank, N.A., as Administrative Agent for such Lenders, in connection with the issuance of a guarantee, dated December 20, 2018 ("Guarantee"), made by Philip Morris USA Inc. ("PM USA") in favor of the Lenders. Terms defined in the Term Loan Agreement are used herein as therein defined.

We have acted as special counsel for PM USA in connection with the preparation, execution and delivery of the Guarantee and are furnishing this opinion at the request of PM USA.

In that connection, we have examined the following documents:

(1) the Term Loan Agreement;

(2) the articles of incorporation of PM USA, as amended (the "Charter");

(3) the by-laws of PM USA, as amended and restated (the "By-laws");

(4) the resolutions of PM USA authorizing the Guarantee; and

(5) the Guarantee.

We have also examined the originals, or copies certified to our satisfaction, of such corporate records of PM USA, certificates of public officials and of officers of PM USA, and agreements, instruments and other documents, as we have deemed relevant and necessary as a basis for the opinions expressed below. As to questions of fact material to such opinions, we have, when relevant facts were not independently established by us, relied upon and assumed the accuracy of the representations of PM USA set forth in the Guarantee and upon certificates of

PM USA or its officers or of public officials. Whenever the phrase "known to us" is used herein, it refers to the actual knowledge of the attorneys of the firm involved in the representation of PM USA in connection with the Term Loan Agreement, without independent investigation. In rendering the opinions expressed below, we have assumed (i) the authenticity of all documents submitted to us as originals, (ii) the conformity to the originals of all documents submitted to us as copies and the authenticity of the originals of such copies, (iii) the genuineness of all signatures, (iv) the legal capacity of natural persons, (v) the due authorization, execution and delivery of all documents by all parties (other than the due authorization, execution and delivery of the Guarantee by PM USA, as to which we express our opinion in paragraph 2 below) and (vi) the validity, binding effect and enforceability of all documents (other than the validity, binding effect and enforceability of the Guarantee upon PM USA, as to which we express our opinion in paragraph 4 below).

Our opinions expressed below are limited to the law of the State of New York, the Commonwealth of Virginia and the Federal law of the United States.

Based upon the foregoing and upon such investigation as we have deemed necessary, we are of the following opinion:

1. PM USA is a corporation validly existing and in good standing under the laws of the Commonwealth of Virginia.

2. PM USA has the corporate power and authority to execute, deliver and perform its obligations under the Guarantee and PM USA has taken all necessary corporate action to authorize its execution, delivery and performance of the Guarantee. The Guarantee has been duly executed and delivered by PM USA.

3. The execution and delivery by PM USA of the Guarantee do not, and the consummation of the transactions contemplated thereby will not, violate (a) the Charter or the By-laws or (b) any Federal or State of New York law or regulation or any law or regulation of the Commonwealth of Virginia that in our experience is generally applicable to PM USA and to transactions of the type contemplated by the Guarantee or (c) any of the agreements listed on Annex A hereto (each a "Material Agreement").

4. The Guarantee is the legal, valid and binding obligation of PM USA enforceable under the laws of the State of New York against PM USA in accordance with its terms.

To the extent that any opinion contained herein relates to the enforceability of the choice of New York law provisions of the Term Loan Agreement, we have, in rendering such opinion, relied solely upon New York General Obligations Law Section 5-1401 and have assumed that the Term Loan Agreement is not entered into with a view to violate the laws of the jurisdiction in which the contract is to be performed. Further, such opinion is subject to the qualification that such enforceability may be limited by important public policies of a more-interested jurisdiction. We express no opinion regarding whether a court other than a court of or in the State of New York would give effect to a choice of New York law.

The opinion set forth in paragraph 4 above is qualified to the extent enforceability is subject to the effect of (i) bankruptcy, insolvency, reorganization, arrangement, moratorium and other similar laws relating to or affecting the rights of creditors generally, including without limitation fraudulent conveyance or transfer laws (including, but not limited to, the common law trust fund doctrine and Section 548 of the United States Bankruptcy Code), and preference and equitable subordination laws and principles, (ii) general principles of equity (regardless of whether enforcement is sought in a proceeding in equity or at law) and (iii) concepts of materiality, unconscionability, reasonableness, impracticability or impossibility of performance, good faith and fair dealing.

Further, we express no opinion as to the legality, validity, enforceability or effect, as applicable, of:

(i) any provision that purports to (a) confer subject matter jurisdiction on a court that does not have independent grounds for subject matter jurisdiction, (b) establish the venue of any action, except to the extent enforceable under Sections 5-1401 and 5-1402 of the New York General Obligations Law or (c) act as a waiver of certain rights, including personal service, marshalling of assets or similar requirements and the right to trial by jury;

(ii) any provision regarding indemnification or contribution to the extent it violates public policy of the State of New York, or any Federal law or regulation, or to the extent it purports to provide that a party shall be indemnified for its own negligence, bad faith, gross negligence or willful misconduct;

(iii) any provision that requires the payment of liquidated or punitive damages, interest on interest, prepayment penalties or premiums, late fees or default rates of interest to the extent that they are found to constitute unenforceable penalties or forfeitures;

(iv) any provision that purports to grant any person the ability to receive the remedies of specific performance, injunctive relief, liquidated damages or any similar remedy in any proceeding;

(v) any provision in the Guarantee pursuant to which Altria waives the benefit of any constitutional, statutory or common law right to the extent that such a waiver is deemed to violate public policy;

(vi) any provision providing that PM USA may exercise set-off or similar rights with respect to the Guarantee or that permits the exercise of rights without notice or without providing an opportunity to cure failures to perform;

(vii) any provision that excludes money damages as a remedy, if injunctive relief is not available under applicable law, or that permits a party to pursue multiple remedies or that provides that all remedies are cumulative or nonexclusive, or that violates laws relating to claim splitting or collateral estoppel;

(viii) any provision that gives a party the right to obtain possession of any property or exercise self-help remedies or other remedies without judicial process;

(ix) any provision in any document regarding severability;

(x) any provision that would alter the terms or rights and obligations of the parties based on course of dealing, course of performance or the like, or that provides that failure or delay in taking action may not constitute a waiver of rights; and

(xi) any provision that requires that amendments or waivers be made in writing, or that require mitigation of damages.

With respect to our opinion in paragraph 3(c), we have made no examination of or determination, and express no opinion, as to any accounting, financial or similar covenant or provision contained in any Material Agreement or the accuracy as to factual matters of any representation, warranty, data or other information, whether oral or written, that may have been made by any entity involved in the transaction described above, whether named herein or otherwise.

This opinion is being furnished to you in connection with Section 3.01(c)(vii) of the Term Loan Agreement, is solely for the benefit of you and your counsel, and is not intended for, and may not be relied upon by, any other person or entity without our prior written consent. We expressly disclaim any obligation to advise you of any changes of law or facts that may hereafter come or be brought to our attention which would alter the opinions herein set forth.

Very truly yours,

ANNEX A

Material Agreements and Instruments

1. Indenture among Altria Group, Inc., as Issuer, Philip Morris USA Inc., as Guarantor, and Deutsche Bank Trust Company Americas, as Trustee, dated as of November 4, 2008

2. Guarantee dated as of September 8, 2008, made by Philip Morris USA Inc., in favor of The Bank of New York (as successor in interest to JPMorgan Chase Bank, formerly known as The Chase Manhattan Bank), as trustee for the holders of the 5.625% Notes due 2008, 7.000% Notes due 2013, and 7.750% Debentures due 2027 under the Indenture dated as of December 2, 1996

3. Guarantee dated as of November 14, 2014, made by Philip Morris USA Inc., in favor of Deutsche Bank Trust Company Americas, as trustee for the registered holder of the 2.625% Notes due 2020 of Altria Group, Inc.

4. Guarantee dated as of September 16, 2016, made by Philip Morris USA Inc., in favor of Deutsche Bank Trust Company Americas, as trustee for the registered holder of the 2.625% Notes due 2026 of Altria Group, Inc.

5. Guarantee dated as of August 9, 2012, made by Philip Morris USA Inc., in favor of Deutsche Bank Trust Company Americas, as trustee for the registered holder of the 2.850% Notes due 2022 of Altria Group, Inc.

6. Guarantee dated as of May 2, 2013, made by Philip Morris USA Inc., in favor of Deutsche Bank Trust Company Americas, as trustee for the registered holder of the 2.950% Notes due 2023 of Altria Group, Inc.

7. Guarantee dated as of September 16, 2016, made by Philip Morris USA Inc., in favor of Deutsche Bank Trust Company Americas, as trustee for the registered holder of the 3.875% Notes due 2046 of Altria Group, Inc.

8. Guarantee dated as of October 31, 2013, made by Philip Morris USA Inc., in favor of Deutsche Bank Trust Company Americas, as trustee for the registered holder of the 4.000% Notes due 2024 of Altria Group, Inc.

9. Guarantee dated as of August 9, 2012, made by Philip Morris USA Inc., in favor of Deutsche Bank Trust Company Americas, as trustee for the registered holder of the 4.250% Notes due 2042 of Altria Group, Inc.

10. Guarantee dated as of May 2, 2013, made by Philip Morris USA Inc., in favor of Deutsche Bank Trust Company Americas, as trustee for the registered holder of the 4.500% Notes due 2043 of Altria Group, Inc.

11. Guarantee dated as of October 31, 2013, made by Philip Morris USA Inc., in favor of Deutsche Bank Trust Company Americas, as trustee for the registered holder of the 5.375% Notes due 2044 of Altria Group, Inc.

12. Guarantee dated as of May 5, 2011, made by Philip Morris USA Inc., in favor of Deutsche Bank Trust Company Americas, as trustee for the registered holder of the 4.750% Notes due 2021 of Altria Group, Inc.

13. Guarantee dated as of February 6, 2009, made by Philip Morris USA Inc., in favor of Deutsche Bank Trust Company Americas, as trustee for the registered holder of the 9.25% Notes due 2019 of Altria Group, Inc.

14. Guarantee dated as of November 10, 2008, made by Philip Morris USA Inc., in favor of Deutsche Bank Trust Company Americas, as trustee for the registered holder of the 9.70% Notes due 2018 of Altria Group, Inc.

15. Guarantee dated as of November 10, 2008, made by Philip Morris USA Inc., in favor of Deutsche Bank Trust Company Americas, as trustee for the registered holder of the 9.95% Notes due 2038 of Altria Group, Inc.

16. Guarantee dated as of February 6, 2009, made by Philip Morris USA Inc., in favor of Deutsche Bank Trust Company Americas, as trustee for the registered holder of the 10.20% Notes due 2039 of Altria Group, Inc.

17. Intellectual Property Agreement by and between Philip Morris International Inc. and Philip Morris USA Inc., dated as of January 1, 2008

Term Sheet effective December 17, 2012, between Philip Morris USA Inc., the other participating manufacturers, and various states and territories for settlement of the 2003-2012 Non-Participating Manufacturer Adjustment with those states

EXHIBIT F
FORM OF OPINION OF
COUNSEL FOR JPMCB,
AS ADMINISTRATIVE AGENT

[Letterhead of Simpson Thacher & Bartlett LLP]

[Effective Date]

JPMorgan Chase Bank, N.A.,
as Administrative Agent

and

The Lenders listed on Schedule I hereto
which are parties to the Credit Agreement
on the date hereof

Re: Term Loan Agreement dated as of December 20, 2018 (the "Credit Agreement") among Altria Group, Inc. (the "Company"), the lending institutions identified in the Credit Agreement (the "Lenders") and JPMorgan Chase Bank, N.A., as Administrative Agent

Ladies and Gentlemen:

We have acted as counsel to JPMorgan Chase Bank, N.A., as Administrative Agent, in connection with the preparation, execution and delivery of the Credit Agreement.

This opinion is delivered to you pursuant to Section 3.01(c)(viii) of the Credit Agreement. Terms used herein which are defined in the Credit Agreement shall have the respective meanings set forth in the Credit Agreement, unless otherwise defined herein.

In connection with this opinion, we have examined a copy of the Credit Agreement signed by the Company and by the Administrative Agents and the Lenders.

In addition, we have examined, and relied as to matters of fact upon, the documents delivered to you at the closing, and upon originals, or duplicates or certified or conformed copies, of such records, agreements, documents and other instruments and such certificates or comparable documents of public officials and of officers and representatives of the Company and have made such other investigations as we have deemed relevant and necessary in connection with the opinion hereinafter set forth. In such examination, we have assumed the genuineness of all signatures, the legal capacity of natural persons, the authenticity of all documents submitted to us as originals, the conformity to original documents of all documents submitted to us as duplicates or certified or conformed copies and the authenticity of the originals of such latter documents. In addition, we have relied as to certain matters of fact upon the representations made in the Credit Agreement.

In rendering the opinion set forth below we have assumed that (1) the Credit Agreement is a valid and legally binding obligation of each party thereto other than the Company, (2) the Company is

validly existing and in good standing under the laws of the jurisdiction in which it is organized, has the corporate power and authority to execute, deliver and perform its obligations under the Credit Agreement and has duly authorized, executed and delivered the Credit Agreement in accordance with its organizational documents, (3)(a) execution, delivery and performance by the Company of the Credit Agreement do not violate, or require any consent not obtained under, the laws of the jurisdiction in which it is organized or any other applicable laws or any order known to us issued by any court or governmental agency or body and (c) execution, delivery and performance by the Company of the Credit Agreement will not breach or result in a default under or result in the creation of any lien upon or security interest in the Company's properties pursuant to the terms of any agreement or instrument that is binding on the Company; and (4) the Company is not an "investment company" within the meaning of and subject to regulation under the Investment Company Act of 1940, as amended.

Based upon and subject to the foregoing, and subject to the assumptions, qualifications and limitations set forth herein, we are of the opinion that the Credit Agreement constitutes the valid and legally binding obligation of the Company, enforceable against the Company in accordance with its terms.

Our opinion set forth above is subject to (i) the effects of bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other similar laws relating to or affecting creditors' rights generally, (ii) general equitable principles (whether considered in a proceeding in equity or at law), (iii) an implied covenant of good faith and fair dealing and (iv) the effects of the possible judicial application of foreign laws or foreign governmental or judicial action affecting creditors' rights.

We express no opinion with respect to:

(A) the effect of any provision of the Credit Agreement that is intended to permit modification thereof only by means of an agreement in writing by the parties thereto;

(B) the effect of any provision of the Credit Agreement insofar as it provides that any Person purchasing a participation from a Lender or other Person may exercise set-off or similar rights with respect to such participation or that any Lender or other Person may exercise set-off or similar rights other than in accordance with applicable law;

(C) the effect of any provision of the Credit Agreement imposing penalties or forfeitures;

(D) the enforceability of any provision of the Credit Agreement to the extent that such provision constitutes a waiver of illegality as a defense to performance of contract obligations; or

(E) the effect of any provision of the Credit Agreement relating to indemnification or exculpation in connection with violations of any securities laws or relating to indemnification, contribution or exculpation in connection with willful, reckless or criminal acts or gross negligence of the indemnified or exculpated Person or the Person receiving contribution.

In connection with the provisions of the Credit Agreement whereby the parties submit to the jurisdiction of the courts of the United States of America located in the State of New York, we note the limitation of 28 U.S.C. §§ 1331 and 1332 on subject matter jurisdiction of the federal courts. In connection with the provisions of the Credit Agreement which relate to forum selection (including, without limitation, any waiver of any objection to venue or any objection that a court is an inconvenient forum), we note that under NYCPLR § 510, a New York State court may have discretion to transfer the

place of trial, and under 28 U.S.C. § 1404(a), a United States district court has discretion to transfer an action from one federal court to another.

We do not express any opinion herein concerning any law other than the law of the State of New York and the federal law of the United States.

This opinion letter is rendered to you in connection with the above described transaction. This opinion letter may not be relied upon by you for any other purpose, or relied upon by, or furnished to, any other person, firm or corporation without our prior written consent. This opinion letter may be furnished to, but may not be relied upon by, a regulatory authority entitled to request it.

Very truly yours,

To: [NAME OF BANK]

Date: _____, 20__

Subject: Altria Group, Inc. Term Loan Agreement (the "Term Loan Agreement")

In connection with the Term Loan Agreement for Altria Group, Inc. (the "Company"), you will be receiving certain information which is non-public, confidential or proprietary in nature. That information and any other information, regardless of form, whether oral, written or electronic, concerning the Company, its subsidiaries or the Term Loan Agreement furnished to you by [NAME OF LENDER], the Company, Altria Client Services LLC ("Altria Client Services") or any of their respective Representatives in connection with the Term Loan Agreement (at any time on, before or after the date of this Agreement), together with analyses, compilations or other materials prepared by you or your Representatives which contain or otherwise reflect such information or your review of, advice concerning or interest in the Term Loan Agreement is hereinafter referred to as the "Information." As used herein, "Representatives" refers to affiliates, directors, officers, employees, agents, auditors, attorneys, consultants or other advisors, and references to the Company or Altria Client Services shall be deemed to include each of their respective affiliates. In consideration of your receipt of the Information, you agree that:

1. You will not, without the prior written consent of the Company, use, either directly or indirectly, any of the Information except in concert with the Company and Altria Client Services in connection with the Term Loan Agreement and any other extension of credit made by you to the Company.

2. You agree to reveal the Information only to your Representatives who need to know the Information for the purpose of evaluating, administering or monitoring the Term Loan Agreement, who are informed by you of the confidential nature of the Information, and who agree to be bound by the terms and conditions of this Agreement. You agree to be responsible for any breach of this Agreement by any of your Representatives and to indemnify and hold the Company, Altria Client Services and their respective Representatives harmless from and against any and all liabilities, claims, causes of action, costs and expenses (including attorney fees and expenses) arising out of the breach of this Agreement by you or your Representatives.

3. Without the prior written consent of the Company or Altria Client Services, you shall not disclose to any person (except as otherwise expressly permitted herein) the fact that the Information has been made available, that discussions are taking place between the Company, Altria Client Services and you or any other financial institution concerning the Term Loan Agreement, or any of the terms, conditions or other facts with respect thereto (including the status thereof), or that the Term Loan Agreement has been consummated.

4. This Agreement shall be inoperative as to any portion of the Information that (i) is or becomes generally available to the public on a non-confidential basis through no fault by you or your Representatives, or (ii) is or becomes available to you on a non-confidential basis from a source other than the Company, Altria Client Services, [NAME OF LENDER] or their respective Representatives, which source, to the best of your knowledge, is not prohibited from disclosing such Information to you by a contractual, legal or fiduciary obligation to the Company, Altria Client Services, [NAME OF LENDER] or their respective Representatives.

5. You may disclose the Information at the request of any regulatory or supervisory authority having jurisdiction over you or your affiliates; provided that you request confidential treatment of such Information to the extent permitted by law; provided further, that, insofar as permitted by law and practicable, you notify the Company and Altria Client Services in advance of such disclosure pursuant to the following paragraph.

6. In the event that you or anyone to whom you transmit the Information pursuant to this Agreement becomes legally compelled to disclose any of the Information or the existence of the Term Loan Agreement, you shall provide the Company and Altria Client Services with notice of such event promptly upon your obtaining knowledge thereof (provided that you are not otherwise prohibited by law from giving such notice) so that the Company may seek a protective order or other appropriate remedy. In the event that such protective order or other remedy is not obtained, you shall furnish only that portion of the Information that is legally required and shall disclose the Information in a manner reasonably designed to preserve its confidential nature.

7. In the event that discussions with you concerning the Term Loan Agreement are discontinued or your participation in the Term Loan Agreement is otherwise terminated, you shall deliver to Altria Client Services the copies of the Information that were furnished to you by or on behalf of the Company and represent to Altria Client Services that you have destroyed all other copies thereof, provided that you may maintain copies of the Information, subject to the terms of this Agreement, as required by law or regulations or document retention policies applicable to you. All of your obligations hereunder and all of the rights and remedies of the Company and Altria Client Services and [NAME OF LENDER] hereunder shall survive any discontinuance of discussions, termination of your participation or any return or destruction of the Information.

8. You acknowledge that disclosure of the Information in violation of the terms of this Agreement could have material adverse consequences that could not be adequately compensated by money damages alone, and agree that, in the event of any breach by you or your Representatives of this Agreement, the Company, Altria Client Services and their respective Representatives will be entitled to seek equitable relief (including injunction and specific performance) in addition to all other remedies available to them at law or in equity.

9. The obligations set forth in this Agreement shall survive until the earliest of two years from the date of this Agreement or until execution of any agreement between the Company and you with respect to the Term Loan Agreement or an agreement which contains confidentiality provisions superseding this Agreement. This Agreement shall govern your confidentiality obligations from the date hereof with respect to Information furnished to you as described above in connection with the Term Loan Agreement, and from the date hereof no prior agreement entered into by you and the Company will apply to such Information.

10. This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York. EACH PARTY HERETO HEREBY 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 (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY).

THIS AGREEMENT IS IN ADDITION TO AND, EXCEPT AS PROVIDED ABOVE, DOES NOT SUPERSEDE THE CONFIDENTIALITY AGREEMENTS CONTAINED IN ANY CREDIT AGREEMENTS OF THE COMPANY OR ITS AFFILIATES TO WHICH YOU ARE A PARTY.

IT IS UNDERSTOOD AND AGREED THAT THE COMPANY, ALTRIA CLIENT SERVICES, [NAME OF LENDER] AND THEIR RESPECTIVE REPRESENTATIVES MAY RELY ON THIS EXPRESS AGREEMENT.

ACCEPTED AND AGREED as of the date written above:

[NAME OF BANK]

By _____
Name:
Title:

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Section 5: EX-10.2 (EX-10.2)

Exhibit 10.2

Execution Version

GUARANTEE, dated as of December 20, 2018 (as amended from time to time, this "Guarantee"), made by Philip Morris USA Inc., a Virginia corporation (the "Guarantor"), in favor of the Lenders (the "Lenders") party to the Term Loan Agreement, dated as of December 20, 2018 (as amended, supplemented or otherwise modified from time to time, the "Term Loan Agreement") among Altria Group, Inc. ("Altria"), such Lenders and JPMorgan Chase Bank, N.A. ("JPMCB"), as Administrative Agent for the Lenders (in such capacity, the "Administrative Agent"). Capitalized terms used in this Guarantee and not otherwise defined herein have the meanings specified in the Term Loan Agreement.

WITNESSETH:

SECTION 1. Guarantee. (a) The Guarantor hereby unconditionally guarantees the punctual payment when due, whether at stated maturity, by acceleration or otherwise, of all the obligations of Altria now or hereafter existing under the Term Loan Agreement, whether for principal, interest, fees, expenses or otherwise (such obligations being referred to herein as the "Obligations").

(b) It is the intention of the Guarantor that this Guarantee not constitute a fraudulent transfer or conveyance for purposes of Bankruptcy Law, the Uniform Fraudulent Conveyance Act, the Uniform Fraudulent Transfer Act or any similar federal or state law to the extent applicable to this Guarantee. To effectuate the foregoing intention, the amount guaranteed by the Guarantor under this Guarantee shall be limited to the maximum amount as will, after giving effect to such maximum amount and all other contingent and fixed liabilities of the Guarantor that are relevant under such laws, result in the Obligations of the Guarantor under this Guarantee not constituting a fraudulent transfer or conveyance. For purposes hereof, "Bankruptcy Law" means Title 11, U.S. Code, or any similar federal or state law for the relief of debtors.

SECTION 2. Guarantee Absolute. The Guarantor guarantees that the Obligations will be paid strictly in accordance with the terms of the Term Loan 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 JPMCB, as Administrative Agent, or the Lenders with respect thereto. The liability of the Guarantor under this Guarantee shall be absolute and unconditional irrespective of:

(a) any lack of validity, enforceability or genuineness of any provision of the Term Loan Agreement 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 Obligations, or any other amendment or waiver of or any consent to departure from the Term Loan 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 guarantee, for all or any of the Obligations; or

(d) any other circumstance that might otherwise constitute a defense available to, or a discharge of, Altria or a guarantor.

SECTION 3. Subordination. The Guarantor covenants and agrees that its obligation to make payments of the Obligations hereunder constitutes an unsecured obligation of the Guarantor ranking (a) *pari passu* with all existing and future senior indebtedness of the Guarantor and (b) senior in right of payment to all existing and future subordinated indebtedness of the Guarantor.

SECTION 4. Waiver; Subrogation. (a) The Guarantor hereby waives promptness, diligence, notice of acceptance and any other notice with respect to this Guarantee and any requirement that JPMCB, as 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 Altria or any other Person or any collateral.

(b) The Guarantor hereby irrevocably waives any claims or other rights that it may now or hereafter acquire against Altria that arise from the existence, payment, performance or enforcement of the Guarantor's obligations under this Guarantee or the Term Loan Agreement, including, without limitation, any right of subrogation, reimbursement, exoneration, contribution or indemnification and any right to participate in any claim or remedy of JPMCB, as Administrative Agent, or any Lender against Altria 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 Altria, 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 the Guarantor in violation of the preceding sentence at any time prior to the cash payment in full of the Obligations and all other amounts payable under this Guarantee, such amount shall be held in trust for the benefit of JPMCB, as Administrative Agent, and the Lenders and shall forthwith be paid to JPMCB, as Administrative Agent, to be credited and applied to the Obligations and all other amounts payable under this Guarantee, whether matured or unmatured, in accordance with the terms of the Term Loan Agreement and this Guarantee, or be held as collateral for any Obligations or other amounts payable under this Guarantee thereafter arising. The Guarantor acknowledges that it will receive direct and indirect benefits from the financing arrangements contemplated by the Term Loan Agreement and this Guarantee and that the waiver set forth in this Section 4(b) is knowingly made in contemplation of such benefits.

SECTION 5. No Waiver; Remedies. No failure on the part of JPMCB, as Administrative Agent, or any Lender to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right hereunder preclude any other or further exercise thereof or the exercise of any other right. The remedies herein provided are cumulative and not exclusive of any remedies provided by law.

SECTION 6. Continuing Guarantee; Transfer of Interest. This Guarantee is a continuing guarantee and shall (a) remain in full force and effect until the earliest to occur of (i) the date, if any, on which the Guarantor shall consolidate with or merge into Altria or any successor thereto, (ii) the date, if any, on which Altria or any successor thereto shall consolidate with or merge into the Guarantor, (iii) payment in full of the Obligations, and (iv) the rating of Altria's long term senior unsecured debt by Standard & Poor's of A or higher, (b) be binding upon the Guarantor, its successors and assigns, and (c) inure to the benefit of and be enforceable by any Lender or Administrative Agent, and by their respective successors, transferees, and assigns.

SECTION 7. Reinstatement. This Guarantee shall continue to be effective or be reinstated, as the case may be, if at any time any payment of any of the Obligations is rescinded or must otherwise be returned by JPMCB, as Administrative Agent, or any Lender upon the insolvency, bankruptcy or reorganization of Altria or otherwise, all as though such payment had not been made.

SECTION 8. Amendment. The Guarantor may amend this Guarantee at any time for any purpose without the consent of JPMCB, as Administrative Agent, or any of the Lenders; *provided, however*, that if such amendment adversely affects the rights of any Lender, the prior written consent of such Lender shall be required.

SECTION 9. Governing Law. This Guarantee shall be governed by, and construed in accordance with the laws of the State of New York.

[Signature page follows.]

IN WITNESS WHEREOF, the Guarantor has caused this Guarantee to be duly executed and delivered by its officer thereunto duly authorized as of the date first above written.

PHILIP MORRIS USA INC.

By: /s/ Neil A. Simmons
Name: Neil A. Simmons
Title: Vice President, Chief Financial Officer and Treasurer

[Signature Page to PM USA Guarantee]

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Section 6: EX-99.1 (EX-99.1)

Exhibit 99.1

ALTRIA MAKES $12.8 BILLION MINORITY INVESTMENT IN JUUL TO ACCELERATE HARM REDUCTION AND DRIVE GROWTH

Altria and JUUL sign service agreements to accelerate JUUL's success switching adult smokers; JUUL has the unique opportunity to reach adult smokers through prime retail shelf space, inserts in cigarette packs and adult smoker database

JUUL will remain fully independent

RICHMOND, Va.—December 20, 2018—Altria Group, Inc. (Altria) (NYSE: MO) today announces it signed and closed a $12.8 billion investment in JUUL Labs, Inc. (JUUL), the U.S. leader in e-vapor. The service agreements will accelerate JUUL's mission to switch adult smokers to e-vapor products. Altria's investment represents a 35% economic interest in JUUL, valuing the company at $38 billion. JUUL will remain fully independent.

"We are taking significant action to prepare for a future where adult smokers overwhelmingly choose non-combustible products over cigarettes by investing $12.8 billion in JUUL, a world leader in switching adult smokers," said Howard Willard, Altria's Chairman and Chief Executive Officer. "We have long said that providing adult smokers with superior, satisfying products with the potential to reduce harm is the best way to achieve tobacco harm reduction. Through JUUL, we are making the biggest investment in our history toward that goal. We strongly believe that working with JUUL to accelerate its mission will have long-term benefits for adult smokers and our shareholders."

"Altria's investment sends a very clear message that JUUL's technology has given us a truly historic opportunity to improve the lives of the world's one billion adult cigarette smokers," said Kevin Burns, Chief Executive Officer of JUUL. "This investment and the service agreements will accelerate our mission to increase the number of adult smokers who switch from combustible cigarettes to JUUL devices."

JUUL will remain fully independent and will have access to Altria's best-in-class infrastructure and services. As part of the service agreements:

- Altria will provide JUUL access to its premier innovative tobacco products retail shelf space, allowing JUUL's tobacco and menthol-based products to appear alongside combustible cigarettes. JUUL's flavored products will continue to only be available on JUUL.com.
- Altria will enable JUUL to reach adult smokers with direct communications through cigarette pack inserts and mailings to adult smokers via Altria companies' databases.
- Altria will apply its logistics and distribution experience to help JUUL expand its reach and efficiency and JUUL will have the option to be supported by Altria's sales organization, which covers approximately 230,000 retail locations.

An Extraordinary E-vapor Company with a Strong Product Pipeline

Fueled by its unique and innovative Silicon Valley approach to product development and founded by former smokers, JUUL has rapidly built an industry-leading position by satisfying adult tobacco consumers with its differentiated e-vapor products.

JUUL has quickly grown both revenue and share, and today represents approximately 30% of the total U.S. e-vapor category.[1] JUUL has a deep innovation pipeline and currently operates in eight countries, with rapid international expansion plans.

“This is a unique and compelling opportunity to invest in an extraordinary company, the fastest growing in the U.S. e-vapor category. We are excited to support JUUL’s highly-talented team and offer our best-in- class services to build on their tremendous success,” added Willard.

Advances Altria’s Long-Term Tobacco Harm Reduction Goal

In 2000, Altria became the first and only company in the industry to support FDA regulation of tobacco products, an important step to providing accurate and scientifically-grounded communications about reduced-risk products to smokers.

Today, the FDA has regulatory authority over all tobacco products, and the FDA distinguishes between the harm associated with combustible versus non-combustible products.

Altria will participate in the e-vapor category only through JUUL. The investment complements Altria’s non-combustible offerings in smokeless and heat-not-burn, upon FDA authorization of *IQOS.*

Commitment to Underage Tobacco Prevention

Altria and JUUL are committed to preventing youth from using any tobacco products. As recent studies have made clear, youth vaping is a serious problem, which both Altria and JUUL are committed to solve. As JUUL previously said, “Our intent was never to have youth use JUUL products. But intent is not enough, the numbers are what matter, and the numbers tell us underage use of e-cigarette products is a problem.”

As a result, JUUL recently began implementing a number of actions to prevent underage vaping, including stopping the sales of flavored products to retail stores, enhancing age-verification for its online sales, eliminating social media accounts and developing further technology solutions.

JUUL believes that it cannot fulfill its mission to provide the world’s one billion adult smokers with a true alternative to combustible cigarettes if youth use continues unabated. Together, JUUL and Altria will work to prevent youth usage through their announced initiatives, further technological developments and increased advocacy for raising the minimum age of purchase for all tobacco products to 21.

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1 Includes open- and closed-systems across all trade channels; Source: Altria Client Services estimate

Positioning Altria for Long-Term Growth

Building on Altria's previously announced growth investment in Cronos Group Inc. (Cronos Group), Altria believes its investment in JUUL strengthens its financial profile and enhances future growth prospects.

Altria continues to position its business to return value for shareholders over the long-term through earnings growth and dividends. Altria expects its growth to be driven by maximizing income from its wholly-owned operating companies and increasing contributions from its equity and strategic investments. Altria's service companies will contribute their strong capabilities to enhance value creation in both its wholly-owned subsidiaries and, when appropriate, its investments.

Strategic Rationale

- Provides significant stake in the largest and fastest growing e-vapor company with a highly-talented management team, successful in-market products and strong innovation pipeline.
- JUUL will remain independent and retain complete operational autonomy to capitalize on its entrepreneurial success.
- Provides exposure to strong revenue and volume growth opportunity with attractive unit economics.
- Investment in the leading U.S. e-vapor company complements Altria's non-combustible product portfolio.
- Exposure to significant international growth plans and global e-vapor profit pool.
- Better positions Altria with adult smokers interested in alternatives while continuing to compete vigorously in all other tobacco product markets.

Key Transaction Terms

- Altria signed and closed an agreement with JUUL, the U.S. leader in e-vapor, to invest $12.8 billion in cash for non-voting convertible common shares of JUUL, representing 35% of JUUL's outstanding capital stock as of the closing date.
- As part of this investment, JUUL signed service agreements with Altria to accelerate its mission to switch adult smokers. Proceeds will be used to return capital to employees and shareholders and create a fortified $1 billion balance sheet to expedite product development and market access.
- Upon antitrust clearance, Altria's 35% non-voting shares will automatically convert to 35% voting shares, and Altria will be able to appoint directors representing one-third of JUUL's Board of Directors.
- Altria receives a broad pre-emptive right to purchase shares to maintain its ownership percentage.
- Altria will be subject to a standstill agreement under which it may not acquire additional JUUL shares above its 35% interest. Altria agrees not to sell or transfer any JUUL common shares for six years from closing.
- Altria will participate in the e-vapor business only through JUUL as long as Altria is supplying JUUL services, which Altria is committed to doing for at least six years.

A copy of the Purchase Agreement will be filed with the Securities and Exchange Commission (SEC) on Form 8-K.

Financing

Altria financed the JUUL stock purchase through a $14.6 billion term loan facility arranged by JPMorgan Chase Bank, N.A. $1.8 billion of the facility remains undrawn and may be used by Altria to finance its recently announced investment in Cronos Group. Altria may consider seeking permanent financing in the future.

Financial Implications

Accounting Treatment

Altria will initially account for its JUUL investment as an investment in an equity security. Upon antitrust clearance, Altria expects to account for its investment in JUUL under the equity method of accounting.

Cost Reduction Program

Altria also announces today a cost reduction program designed to deliver approximately $500 million to $600 million in annualized cost savings by the end of 2019. This program will include, among other things, reducing third-party spending across the business and workforce reductions. Altria expects this program to offset most of the interest expense associated with the debt incurred to finance the JUUL and Cronos Group investments.

Altria estimates total pre-tax restructuring charges in connection with the cost reduction program to be in a range of approximately $230 million to $280 million, or $0.09 per share to $0.11 per share, the majority of which is expected to be recorded in the fourth quarter of 2018. The estimated charges, substantially all of which will result in cash expenditures, relate primarily to employee separation costs of approximately $190 million to $220 million and other costs of approximately $40 million to $60 million.

The estimated charges do not reflect the non-cash impact that may result from pension settlement and curtailment accounting.

2018 Full-Year Guidance

Altria reaffirms its guidance for 2018 full-year adjusted diluted earnings per share (EPS) to be in a range of $3.95 to $4.03, representing a growth rate of 16.5% to 19% from an adjusted diluted EPS base of $3.39 in 2017 as shown in Schedule 1. This guidance range excludes the special items for the first nine months of 2018 shown in Schedule 1, as well as fourth-quarter 2018 estimated charges of approximately $0.23 per share to $0.25 per share. Substantially all of the fourth quarter 2018 estimated charges relate to asset impairment and exit costs for the previously announced discontinuation of Nu Mark's e-vapor products and market removal of its pod-based products, restructuring charges for the cost reduction program, and acquisition-related costs associated with the investment in JUUL.

Altria's full-year adjusted diluted EPS guidance excludes the impact of certain income and expense items that management believes are not part of underlying operations. These items may include, for example, loss on early extinguishment of debt, restructuring charges, gain/loss on AB InBev/SABMiller plc

(SABMiller) business combination, AB InBev special items, certain tax items, charges associated with tobacco and health litigation items, and resolutions of certain non-participating manufacturer (NPM) adjustment disputes under the Master Settlement Agreement (such dispute resolutions are referred to as NPM Adjustment Items).

Altria's management cannot estimate on a forward-looking basis the impact of certain income and expense items, including those items noted in the preceding paragraph, on its reported diluted EPS because these items, which could be significant, may be infrequent, are difficult to predict and may be highly variable. As a result, Altria does not provide a corresponding U.S. generally accepted accounting principles (GAAP) measure for, or reconciliation to, its adjusted diluted EPS guidance.

The factors described in the "Forward-Looking and Cautionary Statements" section of this release represent continuing risks to Altria's forecast.

Long-term Financial Goals

Altria expects to provide its 2019 full-year earnings guidance in January with its 2018 fourth-quarter earnings release, though Altria currently expects 2019 adjusted diluted EPS guidance to be slightly below the low end of its long-term 7% to 9% adjusted diluted EPS growth aspiration as a result of the debt incurred in connection with its investments in JUUL and Cronos Group.

Altria maintains its long-term financial goals to grow adjusted diluted EPS at an average annual rate of 7% to 9% and to maintain a dividend payout ratio target of approximately 80% of adjusted diluted EPS.

Advisors

Perella Weinberg Partners LP and J.P. Morgan Securities LLC are the financial advisors to Altria. Wachtell, Lipton, Rosen & Katz is providing legal counsel to Altria for the deal. Hunton Andrews Kurth LLP is providing legal counsel to Altria regarding the financing.

Goldman Sachs is the financial advisor to JUUL. Pillsbury, Winthrop, Shaw, Pittman and Cleary, Gottlieb, Steen & Hamilton are providing legal counsel to JUUL.

Conference Call

A conference call with the investment community and news media hosted by Howard Willard and other members of Altria's senior leadership team will be webcast at 9:00 a.m. Eastern Time on Thursday, December 20, 2018.

Access to the webcast is available at www.altria.com/webcasts and via the Altria Investor app.

Altria's Profile

Altria's wholly-owned subsidiaries include Philip Morris USA Inc. (PM USA), U.S. Smokeless Tobacco Company LLC (USSTC), John Middleton Co. (Middleton), Sherman Group Holdings, LLC and its subsidiaries (Nat Sherman), Nu Mark LLC (Nu Mark), Ste. Michelle Wine Estates Ltd. (Ste. Michelle) and Philip Morris Capital Corporation (PMCC). Altria holds an equity investment in Anheuser-Busch InBev SA/NV (AB InBev).

The brand portfolios of Altria's tobacco operating companies include *Marlboro®*, *Black & Mild®*, *Copenhagen®* and *Skoal®*. Ste. Michelle produces and markets premium wines sold under various labels, including *Chateau Ste. Michelle®*, *Columbia Crest®*, *14 Hands®* and *Stag's Leap Wine Cellars™*, and it imports and markets *Antinori®*, *Champagne Nicolas Feuillatte™*, *Torres®* and *Villa Maria Estate™* products in the United States. Trademarks and service marks related to Altria referenced in this release are the property of Altria or its subsidiaries or are used with permission. More information about Altria is available at altria.com and on the Altria Investor app.

Forward-Looking and Cautionary Statements

This release contains projections of future results and other forward-looking statements that involve a number of risks and uncertainties and are made pursuant to the Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995.

Important factors that may cause actual results and outcomes to differ materially from those contained in such forward-looking statements include, without limitation, the possibility that regulatory approvals required for the conversion of the shares into voting shares may not be obtained in a timely manner, if at all; and that such approvals may be subject to unanticipated conditions. Other important factors include the possibility that the expected benefits of the transaction may not materialize in the expected manner or timeframe, if at all; the potential inaccuracy of the financial projections (including, without limitation, projections relating to JUUL's domestic growth and international expansion); prevailing economic, market, regulatory or business conditions, or changes in such conditions, negatively affecting the parties; the risk that Altria is not able to secure permanent financing for the transaction on favorable terms, if at all, and the risk of a downgrade in Altria's credit ratings; risks that the transaction disrupts JUUL's current plans and operations; the fact that Altria's reported earnings and financial position and any future dividends paid by JUUL on shares owned by Altria may be adversely affected by tax and other factors, including the risks encountered (including, without limitation, regulatory and litigation risks) and decisions made by JUUL in its business; risks related to the investment disrupting Altria, JUUL or their respective management; and risks relating to the effect of announcement of the transaction on JUUL's ability to retain and hire key personnel or on its relationships with customers, suppliers and other third parties.

Other important factors that may cause actual results and outcomes to differ materially from those contained in the projections and forward-looking statements included in this press release are described in Altria's publicly filed reports, including its Annual Report on Form 10-K for the year ended December 31, 2017 and its Quarterly Report on Form 10-Q for the period ended September 30, 2018. These factors include the following: significant competition; changes in adult consumer preferences and demand for Altria's operating companies' products; fluctuations in raw material availability, quality and price; reliance on key facilities and suppliers; reliance on critical information systems, many of which are managed by third-party service providers; fluctuations in levels of customer inventories; the effects of global, national and local economic and market conditions; changes to income tax laws; federal, state and local legislative activity, including actual and potential federal and state excise tax increases; increasing

marketing and regulatory restrictions; the effects of price increases related to excise tax increases and concluded tobacco litigation settlements, consumption rates and consumer preferences within price segments; health concerns relating to the use of tobacco products and exposure to environmental tobacco smoke; privately imposed smoking restrictions; and, from time to time, governmental investigations.

Furthermore, the results of Altria's tobacco businesses are dependent upon their continued ability to promote brand equity successfully; to anticipate and respond to evolving adult consumer preferences; to develop, manufacture, market and distribute products that appeal to adult tobacco consumers (including, where appropriate, through arrangements with, and investments in, third parties); to improve productivity; and to protect or enhance margins through cost savings and price increases.

Altria and its tobacco businesses are also subject to federal, state and local government regulation, including by the FDA. Altria and its subsidiaries continue to be subject to litigation, including risks associated with adverse jury and judicial determinations, courts reaching conclusions at variance with the companies' understanding of applicable law, bonding requirements in the limited number of jurisdictions that do not limit the dollar amount of appeal bonds and certain challenges to bond cap statutes.

In addition, the factors related to Altria's investment in AB InBev include the following: the risk that Altria's equity securities in AB InBev are subject to restrictions on transfer until October 10, 2021; the risk that Altria's reported earnings from and carrying value of its equity investment in AB InBev and the dividends paid by AB InBev on shares owned by Altria may be adversely affected by unfavorable foreign currency exchange rates and other factors, including the risks encountered by AB InBev in its business; the risk that the tax treatment of Altria's transaction consideration from the AB InBev/SABMiller business combination and the accounting treatment of its equity investment are not guaranteed; and the risk that the tax treatment of Altria's investment in AB InBev may not be as favorable as Altria anticipates.

Altria cautions that the foregoing list of important factors is not complete and does not undertake to update any forward-looking statements that it may make except as required by applicable law. All subsequent written and oral forward-looking statements attributable to Altria or any person acting on its behalf are expressly qualified in their entirety by the cautionary statements referenced above.

Source: Altria Group, Inc.

Altria Client Services Investor Relations 804-484-8222	Altria Client Services Media Relations 804-484-8897

Schedule 1

ALTRIA GROUP, INC.
and Subsidiaries
Reconciliation of GAAP and non-GAAP Measures
(dollars in millions, except per share data)
(Unaudited)

Reconciliation of Altria's First Nine Months of 2018 Adjusted Results

	Earnings before Income Taxes	Provision for Income Taxes	Net Earnings	Net Earnings Attributable to Altria	Diluted EPS
For the nine months ended September 30, 2018					
2018 Reported	**$ 7,631**	**$ 1,915**	**$ 5,716**	**$ 5,713**	**$ 3.02**
NPM Adjustment Items	(145)	(36)	(109)	(109)	(0.06)
Tobacco and health litigation items	119	30	89	89	0.05
AB InBev special items	(154)	(32)	(122)	(122)	(0.06)
Asset impairment, exit and implementation costs	6	1	5	5	—
Loss on AB InBev/SABMiller business combination	33	7	26	26	0.01
Tax items	—	(152)	152	152	0.08
2018 Adjusted for Special Items	**$ 7,490**	**$ 1,733**	**$ 5,757**	**$ 5,754**	**$ 3.04**

Reconciliation of Altria's Full-Year 2017 Adjusted Results

	Earnings before Income Taxes	(Benefit) Provision for Income Taxes	Net Earnings	Net Earnings Attributable to Altria	Diluted EPS
For the year ended December 31, 2017					
2017 Reported	**$ 9,828**	**$ (399)**	**$10,227**	**$ 10,222**	**$ 5.31**
NPM Adjustment Items	4	2	2	2	—
Tobacco and health litigation items	80	30	50	50	0.03
AB InBev special items	160	55	105	105	0.05
Asset impairment, exit, implementation and acquisition-related costs	89	34	55	55	0.03
Gain on AB InBev/SABMiller business combination	(445)	(156)	(289)	(289)	(0.15)
Settlement charge for lump sum pension payments	81	32	49	49	0.03
Tax items	—	3,674	(3,674)	(3,674)	(1.91)
2017 Adjusted for Special Items	**$ 9,797**	**$ 3,272**	**$ 6,525**	**$ 6,520**	**$ 3.39**

Altria reports its financial results in accordance with GAAP. Altria's management reviews certain financial results, including diluted EPS, on an adjusted basis, which excludes certain income and expense items, including those items noted under "2018 Full-Year Guidance." Altria's management does not view any of these special items to be part of Altria's underlying results as they may be highly variable, may be infrequent, are difficult to predict and can distort underlying business trends and results. Altria's management believes that adjusted financial measures provide useful additional insight into underlying business trends and results and provide a more meaningful comparison of year-over-year results. Altria's management uses adjusted financial measures for planning, forecasting and evaluating business and financial performance, including allocating resources and evaluating results relative to employee compensation targets. These adjusted financial measures are not consistent with GAAP and may not be calculated the same as similarly titled measures used by other companies. These adjusted financial measures should thus be considered as supplemental in nature and not considered in isolation or as a substitute for the related financial information prepared in accordance with GAAP.

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