# 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): January 18, 2018**

# MannKind Corporation
**(Exact name of registrant as specified in its charter)**

| **Delaware** | **000-50865** | **13-3607736** |
|---|---|---|
| **(State or other jurisdiction of incorporation or organization)** | **(Commission File Number)** | **(IRS Employer Identification No.)** |

| | |
|---|---|
| **30930 Russell Ranch Road, Suite 301**<br>**Westlake Village, California**<br>**(Address of principal executive offices)** | **91362**<br>**(Zip Code)** |

**Registrant's telephone number, including area code: (818) 661-5000**

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

Check the appropriate box below if the Form 8-K is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. of Form 8-K):

☐ 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.**

*Amendment to Facility Agreement with Deerfield*

Pursuant to a prior amendment to the Facility Agreement, dated July 1, 2013 (as amended, the "Facility Agreement"), between MannKind Corporation (the "Company"), MannKind LLC, the Company's wholly owned subsidiary, and Deerfield Private Design Fund II, L.P. and Deerfield Private Design International II, L.P. (collectively, "Deerfield"), the Company's obligation to repay $10,000,000 in principal amount of its outstanding 9.75% Senior Convertible Notes due 2019 (the "Tranche 4 Notes") was deferred until January 15, 2018 and the notes were amended to allow conversion into shares of the Company's common stock at Deerfield's election and subject to the terms of the amendment. Through January 15, 2018, a total of $5,592,749.50 in principal amount of the Tranche 4 Notes were converted into common stock pursuant to the amendment and $4,407,250.50 remained payable on January 15, 2018. On January 18, 2018, the Company and MannKind LLC entered into an Exchange and Sixth Amendment to Facility Agreement (the "Sixth Deerfield Amendment") with Deerfield, pursuant to which, among other things, the Company agreed to issue to Deerfield an aggregate of 1,267,972 shares of its common stock, par value $0.01 per share (the "Exchange Shares"), in exchange for $3,157,251 of the Tranche 4 Notes. In addition, the payment date for the remaining $1,250,000 in remaining principal amount of the Tranche 4 Notes (the "Remaining Payment") that was previously due to be repaid on January 15, 2018 was extended to May 6, 2018.

The Company and Deerfield also amended the outstanding Tranche 4 Notes, the Amended and Restated 9.75% Senior Secured Convertible Note due 2019 under the Facility Agreement (the "A&R Notes") and the 8.75% Senior Secured Convertible Note due 2019 under the Facility Agreement (the "Tranche B Notes", together with the Tranche 4 Notes and the A&R Notes, the "Deerfield Notes") to provide that Deerfield may, subject to the terms of the Sixth Deerfield Amendment, convert principal amounts of the Deerfield Notes from time to time into an aggregate of up to 10,000,000 shares of the Company's common stock (excluding the Exchange Shares). The conversion price will be the greater of (i) the average of the volume weighted average price per share of the Company's common stock for the three trading day period immediately preceding the date of any election by Deerfield to convert principal amounts of the Deerfield Notes and (ii) $2.75 per share, subject to adjustment under certain circumstances described in the Deerfield Notes. Any conversions of principal by Deerfield under the Deerfield Notes will be applied first to reduce the Remaining Payment, and thereafter to reduce other principal payments due under the Deerfield Notes.

In connection with the Sixth Deerfield Amendment, the Company also entered into a Second Amendment to Escrow Agreement, dated January 18, 2018, with Deerfield and US Bank, pursuant to which the parties extended the period of the escrow established thereunder to May 6, 2018, corresponding to the extended payment date under the Facility Agreement.

Previously, the Company and Deerfield entered into a Fifth Amendment to Facility Agreement (the "Fifth Deerfield Amendment") to extend a payment date for the Tranche 4 Notes from January 15, 2018 (previously deferred from October 31, 2017) to January 19, 2018, and a First Amendment to Escrow Agreement, with U.S. Bank National Association to extend the period of the escrow established thereunder from January 15, 2018 to January 19, 2018.

The foregoing description of the amendments to the Facility Agreement and the Deerfield Notes does not purport to be complete and is qualified in its entirety by reference to the Fifth Deerfield Amendment and the Sixth Deerfield Amendment, copies of which are attached as Exhibits 99.1 and 99.2 to this report, respectively; the Facility Agreement, a copy of which is attached as Exhibit 99.1 to the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission (the "SEC") on July 1, 2013; the First Amendment to Facility Agreement and Registration Rights Agreement, dated as of February 28, 2014, a copy of which is attached as Exhibit 10.39 to the Company's Annual Report on Form 10-K filed with the SEC on March 3, 2014; the Second Amendment to Facility Agreement and Registration Rights Agreement, dated as of August 11, 2014, a copy of which is attached as Exhibit 4.14 to the Company's Quarterly Report on Form 10-Q filed with the SEC on November 10, 2014; the Exchange and Third Amendment to Facility Agreement, dated as of June 29, 2017, a copy of which is attached as Exhibit 99.2 to the Company's Current Report on Form 8-K filed with the SEC on June 29, 2017; and the Fourth Amendment to Facility Agreement, dated as of October 23, 2017, a copy of which is attached as Exhibit 99.1 to the Company's Current Report on Form 8-K filed with the SEC on October 23, 2017.

**Item 3.02 Unregistered Sales of Equity Securities.**

The information set forth under Item 1.01 of this report is incorporated by reference into this Item 3.02. The

Company offered the Exchange Shares in reliance on the exemption from registration provided by Sections 3(a)(9) and 4(a)(2) of the Securities Act of 1933, as amended, and expects to rely on such exemptions for any issuance of shares of its common stock upon conversion of Deerfield Notes pursuant to the Sixth Deerfield Amendment.

This report does not constitute an offer to sell, or a solicitation of an offer to buy, any security and shall not constitute an offer, solicitation or sale in any jurisdiction in which such offering would be unlawful.

**Forward-Looking Statements**

This report contains forward-looking statements as defined under the Private Securities Litigation Reform Act of 1995, including statements regarding the completion and timing of the transactions contemplated by the Sixth Deerfield Amendment. Words such as “believes”, “anticipates”, “plans”, “expects”, “intends”, “will”, “goal”, “potential” and similar expressions are intended to identify forward-looking statements. These forward-looking statements are based upon the Company’s current expectations based on information currently known to the Company, and involve known and unknown risks and uncertainties, which include, without limitation, risks associated with the satisfaction of closing conditions under the Sixth Deerfield Amendment, the fact that the Company does not control whether any portion of the amended Deerfield Notes will be converted to common stock, and other risks detailed in the Company’s filings with the SEC, including its Quarterly Report on Form 10-Q for the quarter ended September 30, 2017. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this report. All forward-looking statements are qualified in their entirety by this cautionary statement, and the Company undertakes no obligation to revise or update any forward-looking statements to reflect events or circumstances after the date of this report.

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits.

| Exhibit No. | Description |
|---|---|
| 99.1 | Fifth Amendment to Facility Agreement, dated January 15, 2018 |
| 99.2 | Sixth Amendment to Facility Agreement, dated January 18, 2018 |

**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.

Date: January 19, 2018

**MANNKIND CORPORATION**

By: /s/ David Thomson, Ph.D., J.D.
David Thomson, Ph.D., J.D.
Corporate Vice President, General Counsel and Secretary

**Exhibit 99.1**

Execution Version

**FIFTH AMENDMENT TO FACILITY AGREEMENT**

This **FIFTH AMENDMENT TO FACILITY AGREEMENT** (this "**Amendment**") dated as of January 15, 2018, is by and among MannKind Corporation, a Delaware corporation (the "**Borrower**"), MannKind LLC, a Delaware limited liability company ("**Guarantor**", and together with the Borrower, collectively, the "**Obligors**"), Deerfield Private Design Fund II, L.P. ("**DPDF**") and Deerfield Private Design International II, L.P. ("**DPDI**" and, together with DPDF, the "**Purchasers**"). Capitalized terms used herein which are defined in the Facility Agreement (as defined below), unless otherwise defined herein, shall have the meanings ascribed to them in the Facility Agreement.

RECITALS:

A. The Borrower and the Purchasers have entered into that certain Facility Agreement, dated as of July 1, 2013, as amended by the First Amendment to Facility Agreement and Registration Rights Agreement, dated as of February 28, 2014, the Second Amendment to Facility Agreement, dated as of August 11, 2014, the Exchange and Third Amendment to Facility Agreement, dated as of June 29, 2017 and the Fourth Amendment to Facility Agreement (the "**Fourth Amendment**"), dated as of October 23, 2017 (as the same may be further amended, modified, restated or otherwise supplemented from time to time, the "**Facility Agreement**").

B. In connection with the Fourth Amendment, the Borrower, the Purchasers and U.S. Bank National Association entered into that certain Escrow Agreement, dated as of October 30, 2017, as amended by the First Amendment to Escrow Agreement (the "**Escrow Amendment**"), dated as of the date hereof (as the same may be further amended, modified, restated or otherwise supplemented from time to time, the "**Escrow Agreement**").

C. The Facility Agreement provides for the issuance of Notes in 4 Tranches of $40,000,000 per Tranche. Prior to the date hereof, the Purchasers have purchased the Tranche 1 Notes, the Tranche 2 Notes, the Tranche 3 Notes and the Tranche 4 Notes in the aggregate principal amount of $40,000,000 per Tranche.

D. Prior to the date hereof, (i) the Purchasers have converted $20,000,000 in principal amount of the Tranche 1 Notes, $5,592,749.50 in principal amount of the Tranche 4 Notes and all of the Tranche 2 Notes and the Tranche 3 Notes into Common Stock, (ii) the Tranche 1 Notes have been amended and restated (and are hereinafter referred to as the "**Amended and Restated Notes**"), and (iii) the Borrower has repaid $10,000,000 in principal amount of the Amended and Restated Notes and (through the exchange of principal for shares of Common Stock) $5,000,000 in principal amount of the Tranche 4 Notes, leaving $10,000,000 in principal amount of the Amended and Restated Notes and $29,407,251 in principal amount of the Tranche 4 Notes outstanding.

E. The Facility Agreement also provides for the issuance of Tranche B Notes. An aggregate of $20,000,000 in principal amount of Tranche B Notes have been issued to the Purchasers, and the Borrower has repaid $5,000,000 in principal amount of the Tranche B Notes, leaving $15,000,000 in principal amount of the Tranche B Notes outstanding.

F. Pursuant to this Amendment (and subject to the terms and conditions hereof), the parties hereto desire to amend the Facility Agreement to defer the October 2017 Tranche 4 Principal Payment (as defined below) upon the terms, and subject to the conditions, set forth herein.

**NOW, THEREFORE**, in consideration of the foregoing and the mutual covenants and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, agree as follows:

## ARTICLE I.
## AMENDMENT OF FACILITY AGREEMENT

Section 1.01. Amendment of Facility Agreement; Deferral. Notwithstanding anything to the contrary contained in the Facility Agreement (including Section 2.3 thereof) or the Notes, the $4,407,250.50 in remaining principal amount of the Tranche 4 Notes (the "**October 2017 Tranche 4 Principal Payment**") that, prior to the Fourth Amendment was due and payable on October 31, 2017 and, pursuant to the Fourth Amendment, was deferred to January 15, 2018 shall be further deferred to, and shall be due and payable on, January 19, 2018. The Facility Agreement shall be deemed amended to reflect such deferral.

Section 1.02. Application of Conversions. For the avoidance of doubt, notwithstanding anything to the contrary contained in the Facility Agreement (including Section 2.3 thereof) or the Notes (or in any Conversion Notices (as defined in the Notes), from and after the date hereof until the October 2017 Principal Application Time (as defined in the Fourth Amendment, but giving effect to Section 1.01 of this Amendment), conversions of principal under the Notes shall be applied, and principal and interest payments shall be made, as set forth in Sections 1.01(b) and 1.01(c) of the Fourth Amendment. The reference in Section 1.01(b)(ii) of the Fourth Amendment to the October 2017 Tranche 4 Principal Amount is hereby corrected to the "**October 2017 Tranche 4 Principal Payment**."

## ARTICLE II.
## REPRESENTATIONS AND WARRANTIES

Section 2.01. Representations and Warranties of the Purchasers. Each Purchaser hereby represents and warrants to the Borrower as of the date of this Amendment as follows:

(a) Organization and Good Standing. Such Purchaser is an entity duly incorporated or otherwise organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation or organization, with the requisite power and authority to own and use its properties and assets and to carry on its business as currently conducted.

(b) Authority. Such Purchaser has the requisite corporate power and authority to enter into and to consummate the transactions contemplated by this Amendment, the Escrow Amendment and the Transaction Documents (as amended hereby) and otherwise to carry out its obligations hereunder and thereunder. The execution and delivery of each of this Amendment and the Escrow Amendment by such Purchaser and the consummation by it of the transactions contemplated hereby and thereby have been duly authorized by all necessary action on the part of such Purchaser and no further action is required in connection herewith or therewith.

(c) Valid and Binding Amendment. Each of this Amendment and the Escrow Amendment has been duly executed and delivered by such Purchaser and constitutes the valid and binding obligations of such Purchaser, enforceable against such Purchaser in accordance with its terms, except: (i) as limited by general equitable principles and applicable bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and other laws of general application affecting enforcement of creditors' rights generally and (ii) as limited by laws relating to the availability of specific performance, injunctive relief or other equitable remedies.

(d) Non-Contravention. The execution and delivery of this Amendment and the Escrow Amendment by such Purchaser and the performance by such Purchaser of its obligations hereunder, under the Escrow Agreement and under the Transaction Documents (as amended hereby) does not and will not (i) violate any provision of such Purchaser's certificate or articles of incorporation, bylaws or other organizational or charter documents, or (ii) conflict with or result in a violation of any law, rule, regulation, order, judgment, injunction, decree or other restriction of any court or governmental authority to which such Purchaser is subject, or by which any of such Purchaser's Notes is bound or affected.

(e) Exemption. Such Purchaser has held such Purchaser's Note of record and beneficially for a period of at least one year and is not, and during the three-month period prior to the date hereof has not been, an Affiliate of the Borrower.

(f) Ownership of the Notes. Such Purchaser is the record and beneficial owner of, and has good and valid title to, such Purchaser's Notes, free and clear of all Liens, and has full power to dispose thereof and to exercise all rights thereunder (other than as restricted by this Amendment, the Notes and the Facility Agreement), without the consent or approval of, or any other action on the part of, any other Person. There is no outstanding contract, vote, plan, pending proposal or other right of any Person to acquire such Purchaser's Notes or any portion thereof.

(g) Stock Ownership. The execution and delivery of this Amendment and the consummation of the transactions contemplated hereby will not cause such Purchaser to own, or be treated as owning under the attribution rules of Section 871(h)(3)(C) of the Code, 10% or more of the total combined voting power of the outstanding common stock of the Borrower for purposes of Section 871(h)(3) of the Code.

Section 2.02. Representations and Warranties of the Obligors. Each Obligor hereby represents and warrants to the Purchasers as of the date of this Amendment as follows:

(a) Organization and Good Standing. Each Obligor is an entity duly incorporated or otherwise organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation or organization, with the requisite power and authority to own and use its properties and assets and to carry on its business as currently conducted.

(b) Authority. Each Obligor has the requisite corporate or limited liability company power and authority, as applicable, to enter into and to consummate the transactions

contemplated by this Amendment, the Escrow Amendment and the Transaction Documents (as amended hereby) and otherwise to carry out its obligations hereunder and thereunder. The execution and delivery of this Amendment, the Escrow Amendment and the Transaction Documents (as amended hereby) by each Obligor and the consummation by it of the transactions contemplated hereby and thereby have been duly authorized by all necessary action on the part of each Obligor, and no further action of any Obligor, its board of directors, managers, members or stockholders, as applicable, is required in connection herewith or therewith.

(c) Consents. No Obligor is required to obtain any consent from, authorization or order of, or make any filing or registration with any Governmental Authority or any regulatory or self-regulatory agency or any other Person in order for it to execute, deliver or perform any of its respective obligations under or contemplated by this Amendment, the Escrow Amendment or the Transaction Documents (as amended hereby), in each case, in accordance with the terms hereof or thereof.

(d) Valid and Binding Amendment. Each of this Amendment and the Escrow Amendment has been duly executed and delivered by each Obligor and constitutes the valid and binding obligation of each Obligor, enforceable against each Obligor in accordance with their respective terms, except: (i) as limited by general equitable principles and applicable bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and other laws of general application affecting enforcement of creditors' rights generally and (ii) as limited by laws relating to the availability of specific performance, injunctive relief or other equitable remedies.

(e) Non-Contravention. The execution and delivery of this Amendment, the Escrow Amendment and the Transaction Documents (as amended hereby) and the performance by each Obligor of its obligations hereunder and thereunder does not and will not (i) violate any provision of any Obligor's organizational documents, (ii) conflict with or result in a violation of any law, rule, regulation, order, judgment, injunction, decree or other restriction of any court or governmental authority to which any Obligor is subject, or by which any property or asset of any Obligor is bound or affected, (iii) require any permit, authorization, consent, approval, exemption or other action by, notice to or filing with, any court or other federal, state, local or other governmental authority or other Person, (iv) violate, conflict with, result in a material breach of, or constitute (with or without notice or lapse of time or both) a material default under, or an event which would give rise to any right of notice, modification, acceleration, payment, cancellation or termination under, or in any manner release any party thereto from any obligation under, any permit or contract to which any Obligor is a party or by which any of its properties or assets are bound, or (v) result in the creation or imposition of any Lien on any part of the properties or assets of any Obligor. No Event of Default exists.

(f) Issuance of Conversion Shares. The Conversion Shares (as defined in the Notes) issuable upon conversion of the Notes (as amended hereby), subject to the Conversion Cap (as defined in the Notes), are duly authorized and, when issued in accordance with the Notes (as amended hereby), will be duly and validly issued, fully paid and nonassessable, free and clear of all Liens imposed by the Borrower, and will not be issued in violation of, or subject to, any preemptive or similar rights of any Person. The Borrower has reserved from its duly authorized capital stock 4,000,000 shares of Common Stock for issuance upon conversion of the Notes.

(g) SEC Reports; NASDAQ. The Borrower has filed all reports, schedules, forms, statements and other documents required to be filed by it under the Securities Act and the Exchange Act, including pursuant to Section 13(a) or 15(d) thereof, for the two years preceding the date hereof (the foregoing materials, including the exhibits thereto and documents incorporated by reference therein, being collectively referred to herein as the "**SEC Reports**"). None of the SEC Reports, when filed, contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading. The Borrower is not in violation of the requirements of the NASDAQ Stock Market ("**NASDAQ**") and has no knowledge of any facts or circumstances which could reasonably lead to delisting or suspension of the Common Stock in the foreseeable future.

(h) Certain Fees. No brokerage or finder's fees or commissions are or will be payable by the Borrower or any of its affiliates or representatives to any broker, financial advisor or consultant, finder, placement agent, investment banker, bank or other Person with respect to the transactions contemplated by this Amendment. The Purchasers shall have no obligation with respect to any fees or with respect to any claims made by or on behalf of other Persons for fees of a type contemplated in this Section 2.02(h) that may be due in connection with the transactions contemplated hereby.

(i) Exemption from Registration. No registration under the Securities Act or any state securities laws is required for the offer and issuance of the Notes (as amended hereby) or the issuance of the Conversion Shares by the Borrower to the Purchasers as contemplated hereby and by the Notes. The amendments and transactions contemplated hereby, including the issuance and sale of the Conversion Shares under the Notes and subject to the Conversion Cap, does not contravene, or require stockholder approval pursuant to, the rules and regulations of NASDAQ. Assuming the Purchaser to which Conversion Shares are to be issued is not as of the date of issuance, and for a period of three months prior to the date of issuance has not been, an Affiliate of the Borrower (which the Borrower shall assume (and the applicable Purchaser shall be deemed to represent) unless such Purchaser has otherwise advised the Borrower, in writing), the Conversion Shares (i) will be freely tradeable by such Purchaser without restriction or limitation (including volume limitation) pursuant to Rule 144 under the Securities Act will not contain or be subject to any legend or stop transfer instructions restricting the sale or transferability thereof.

(j) No Integrated Offering. Neither the Borrower, nor any of its affiliates, nor any Person acting on its or their behalf has, directly or indirectly, has made or will make any offers or sales of any security, or has solicited or will solicit any offers to buy any security, under circumstances that would cause the offering and issuance of the Conversion Shares to be integrated with prior offerings by the Borrower (i) for purposes of the Securities Act and which would require the registration of any such securities under the Securities Act, or (ii) for purposes of any applicable stockholder approval provisions of NASDAQ and which would require stockholder approval for the issuance of any Conversion Shares.

**ARTICLE III.**
COVENANTS

Section 3.01. Reservation of the Common Stock. On and after the date hereof, the Borrower shall at all times reserve and keep available, free of preemptive or similar rights, a sufficient number of shares of Common Stock for the purpose of enabling the Borrower to issue Conversion Shares pursuant to the Notes and subject to the Conversion Cap.

Section 3.02. Listing. The Borrower represents, warrants and covenants that it has secured the listing of all of the Conversion Shares up to the Conversion Cap upon NASDAQ and shall at all times maintain such listing on NASDAQ of all Conversion Shares issuable pursuant to the Notes and subject to the Conversion Cap. For so long as any Notes remain outstanding, the Borrower shall use commercially reasonable efforts to maintain the Common Stock's listing on NASDAQ. The Borrower shall not take any action which could be reasonably expected to result in the delisting or suspension of the Common Stock on NASDAQ. The Borrower shall pay all fees and expenses in connection with satisfying its obligations under this Section 3.02.

Section 3.03. Disclosure; Confidentiality. Notwithstanding anything contained in this Amendment to the contrary and without implication that the contrary would otherwise be true, other than with respect to a proposed sixth amendment to the Facility Agreement, the Borrower expressly acknowledges and agrees that no Purchaser shall have (unless expressly agreed to by a particular Purchaser after the date hereof in a written definitive and binding agreement executed by the Borrower and such particular Purchaser or customary oral (confirmed by e-mail) "wall-cross" agreement (it being understood and agreed that no Purchaser may bind any other Purchaser with respect thereto)), any duty of trust or confidence with respect to, or a duty not to trade on the basis of, any information regarding the Borrower.

Notwithstanding any affirmative disclosure obligations of the Borrower or Guarantor pursuant to the terms of this Amendment or any of the other Transaction Documents or anything else to the contrary contained herein or therein, other than with respect to a proposed sixth amendment to the Facility Agreement, (a), subject to clause (b) below, each of the Borrower and Guarantor shall not, and shall cause each of its officers, directors, employees and agents to not on behalf of the Borrower, provide any Purchaser with any material non-public information with respect to the Borrower without the express prior written consent of such Purchaser, and (b) in the event that the Borrower or Guarantor believes that a notice or communication to any Purchaser contains material, nonpublic information with respect to the Borrower, the Borrower shall so indicate to such Purchaser prior to the delivery of such notice or communication, and such indication shall provide such Purchaser the means to refuse to receive such notice or communication (in which case any time period to deliver such notice or communication to any Purchaser shall automatically be deemed tolled with respect to each Purchaser until one Business Day after such Purchaser has advised the Borrower whether it wishes to receive or refuse such notice or communication and any obligation of the Borrower to provide such notice to such Purchaser under the Facility Agreement or this Amendment shall be deemed waived if such Purchaser fails to advise the Borrower that it wishes to refuse such notice or communication). In the absence of any such indication by Borrower to a Purchaser, such Purchaser shall be allowed to presume that all matters relating to such notice or communication do not constitute material nonpublic information with respect to the Borrower.

Section 3.04. Taxes. The Borrower shall be responsible for paying all present or future stamp, court or documentary, intangible, recording, filing or similar Taxes that arise from any payment or issuance made under, from the execution, delivery, performance or enforcement of, or otherwise with respect to, this Amendment.

Section 3.05. Fees and Expenses. The Borrower shall promptly reimburse the Purchasers for all of their reasonable and documented out-of-pocket, costs, fees and expenses, including legal fees and expenses, incurred in connection with the negotiation and drafting of this Amendment, the Escrow Amendment and a proposed sixth amendment to the Facility Agreement (whether or not executed) and the consummation of the transactions contemplated hereby and thereby.

## ARTICLE IV.
## ACKNOWLEDMENT OF THE BORROWER AND THE GUARANTOR

Section 4.01. The Borrower and the Guarantor irrevocably and unconditionally acknowledge, affirm and covenant to each Purchaser that:

(a) such Purchaser is not in default under any of the Transaction Documents and has not otherwise breached any obligations to the Borrower or the Guarantor; and

(b) there are no offsets, counterclaims or defenses to the Obligations, including the liabilities and obligations of the Borrower under the Notes and other Transaction Documents (as amended hereby), or to the rights, remedies or powers of such Purchaser in respect of any of the Obligations or any of the Transaction Documents, and the Borrower and the Guarantor agree not to interpose (and each does hereby waive and release) any such defense, set-off or counterclaim in any action brought by such Purchaser with respect thereto.

## ARTICLE V.
## MISCELLANEOUS

Section 5.01. Entire Agreement. This Amendment and the Transaction Documents (as amended hereby) constitute the entire agreement, and supersede all other prior and contemporaneous agreements and understandings, both oral and written, among the Purchasers, the Borrower and Guarantor with respect to the subject matter hereof.

Section 5.02. Amendments and Waivers. No provision of this Amendment may be waived or amended except in a written instrument signed by the parties hereto.

Section 5.03. Successors and Assigns. All of the covenants and provisions of this Amendment by or for the benefit of the Purchasers or the Obligors shall bind and inure to the benefit of their respective successors and assigns. No party hereunder may assign its rights or obligations hereunder without the prior written consent of the other parties hereto.

Section 5.04. Applicable Law. As part of the consideration and mutual promises being exchanged and given in connection with this Amendment, the parties hereto agree that all claims, controversies and disputes of any kind or nature arising under or relating in any way to the enforcement or interpretation of this Amendment or to the parties' dealings, rights or obligations in connection herewith, including disputes relating to the negotiations for, inducements to enter into, or execution of, this Amendment, and disputes concerning the interpretation, enforceability, performance, breach, termination or validity of all or any portion of this Amendment shall be governed by the laws of the State of New York without regard to its choice or conflicts of laws principles.

Section 5.05. Counterparts; Effectiveness. This Amendment may be executed and delivered in any number counterparts, and by the different parties hereto in separate counterparts, each of which when executed shall be deemed to be an original, but all of which taken together shall constitute one and the same agreement. In the event that any signature to this Amendment is delivered by facsimile transmission or by e-mail delivery of a ".pdf" format data file, such signature shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such facsimile or ".pdf" signature page were an original thereof. No party hereto shall raise the use of a facsimile machine or e-mail delivery of a ".pdf" format data file or other reproduction of this Amendment to deliver a signature to this Amendment or the fact that such signature was transmitted or communicated through the use of a facsimile machine or e-mail delivery of a ".pdf" format data file as a defense to the formation or enforceability of a contract, and each party hereto forever waives any such defense.

Section 5.06. Effect of Headings. The section and subsection headings herein are for convenience only and not part of this Amendment and shall not affect the interpretation thereof.

Section 5.07. Avoidance of Doubt. The parties hereto hereby agree, for the avoidance of doubt, that this Amendment, the Escrow Amendment and the Escrow Agreement (as amended by the Escrow Amendment) constitute "**Transaction Documents**," the terms "**Liabilities**" and "**Obligations**" as used in the Transaction Documents shall include all liabilities and obligations of the Borrower under this Amendment, under the Escrow Amendment, under the Escrow Agreement (as amended by the Escrow Amendment), under the Facility Agreement (as amended hereby) and under the other Transaction Documents, and all references herein to "as amended hereby" means "as amended by this Amendment and the Escrow Amendment (as applicable)," and each of the parties hereto agrees not to take any contrary positions.

Section 5.08. Reservation of Rights. Neither of the Purchasers has hereby waived (a) any breach, default or Event of Default that may be continuing under any of the Transaction Documents or (b) any of such Purchaser's rights or remedies arising from any such breach, default or Event of Default or otherwise available under the Transaction Documents or at law or in equity. Each of the Purchasers expressly reserves all such rights and remedies.

Section 5.09. Further Assurances. The Borrower hereby agrees, from time to time, as and when requested by any Purchaser, to execute and deliver or cause to be executed and delivered, all such documents, instruments and agreements, including secretary's certificates, stock powers and irrevocable transfer agent instructions, and to take or cause to be taken such

further or other action, as any Purchaser may reasonably deem necessary or desirable in order to carry out the intent and purposes of this Amendment and the Transaction Documents (as amended hereby).

Section 5.10. No Strict Construction. The language used in this Amendment will be deemed to be the language chosen by the parties to express their mutual intent, and no rule of strict construction will be applied against any party.

Section 5.11. Interpretative Matters. Unless otherwise indicated or the context otherwise requires, (i) all references to Sections, Schedules, Appendices or Exhibits are to Sections, Schedules, Appendices or Exhibits contained in or attached to this Amendment, (b) words in the singular or plural include the singular and plural and pronouns stated in either the masculine, the feminine or neuter gender shall include the masculine, feminine and neuter, (c) the words “hereof,” “herein” and words of similar effect shall reference this Amendment in its entirety, and (d) the use of the word “including” in this Amendment shall be by way of example rather than limitation.

Section 5.12. Reaffirmation. Each of the Obligors, as issuer, debtor, grantor, pledgor, mortgagor, guarantor or assignor, or in other any other similar capacity in which such Person grants Liens or security interests in its property or otherwise acts as accommodation party or guarantor, as the case may be, hereby (i) acknowledges and agrees that it has reviewed this Amendment and the Escrow Amendment, (ii) ratifies and reaffirms all of its obligations, contingent or otherwise, under each of the Transaction Documents (as amended hereby) to which it is a party (after giving effect hereto), and (iii) to the extent such Person granted Liens on or security interests in any of its property pursuant to any such Transaction Document as security for or otherwise guaranteed the Obligations under or with respect to the Transaction Documents, ratifies and reaffirms such guarantee and grant of security interests and Liens and confirms and agrees that such security interests and Liens hereafter secure all of the Obligations (as amended hereby). Each Obligor hereby consents to this Amendment and acknowledges that this Amendment is a Transaction Document and each of the other Transaction Documents (as amended hereby) remains in full force and effect and is hereby ratified and reaffirmed.

***[The remainder of the page is intentionally left blank]***

**IN WITNESS WHEREOF**, each party hereto has caused this Fifth Amendment to Facility Agreement to be duly executed as of the date first written above.

**THE BORROWER:**

**MANNKIND CORPORATION**

By: /s/ Steven B. Binder
Name: Steven B. Binder
Title: CFO

**THE GUARANTOR:**

**MANNKIND LLC**

By: /s/ Steven B. Binder
Name: Steven B. Binder
Title: CFO

*[Signature page to Fifth Amendment to Facility Agreement]*

**PURCHASERS:**

**DEERFIELD PRIVATE DESIGN FUND II, L.P.**

By: Deerfield Mgmt, L.P., its General Partner
By: J.E. Flynn Capital, LLC, its General Partner

By: /s/ David Clark
Name: David Clark
Title: Authorized Signatory

**DEERFIELD PRIVATE DESIGN INTERNATIONAL II, L.P.**

By: Deerfield Mgmt, L.P., its General Partner
By: J.E. Flynn Capital, LLC, its General Partner

By: /s/ David Clark
Name: David Clark
Title: Authorized Signatory

**Exhibit 99.2**

Execution Version

**EXCHANGE AND SIXTH AMENDMENT TO FACILITY AGREEMENT**

This **EXCHANGE AND SIXTH AMENDMENT TO FACILITY AGREEMENT** (this "**Agreement**") dated as of January 18, 2018, is by and among MannKind Corporation, a Delaware corporation (the "**Borrower**"), MannKind LLC, a Delaware limited liability company (the "**Guarantor**," and together with the Borrower collectively, the "**Obligors**"), Deerfield Private Design Fund II, L.P. ("**DPDF**") and Deerfield Private Design International II, L.P. ("**DPDI**" and, together with DPDF, the "**Purchasers**"). Capitalized terms used herein which are defined in the Facility Agreement (as defined below), unless otherwise defined herein, shall have the meanings ascribed to them in the Facility Agreement.

RECITALS:

A. The Borrower and the Purchasers have entered into that certain Facility Agreement, dated as of July 1, 2013, as amended by the First Amendment to Facility Agreement and Registration Rights Agreement, dated as of February 28, 2014, the Second Amendment to Facility Agreement, dated as of August 11, 2014, the Exchange and Third Amendment to Facility Agreement, dated as of June 29, 2017, the Fourth Amendment to Facility Agreement (the "**Fourth Amendment**"), dated as of October 23, 2017 and the Fifth Amendment to Facility Agreement (the "**Fifth Amendment**"), dated as of January 15, 2018 (as the same may be further amended, modified, restated or otherwise supplemented from time to time, the "**Facility Agreement**").

B. In connection with the Fourth Amendment, the Borrower, the Purchasers and U.S. Bank National Association entered into that certain Escrow Agreement, dated as of October 30, 2017, as amended by the First Amendment to Escrow Agreement, dated as of January 15, 2017, and the Second Amendment to Escrow Agreement (the "**Escrow Amendment**"), dated as of the date hereof (as the same may be further amended, modified, restated or otherwise supplemented from time to time, the "**Escrow Agreement**").

C. The Facility Agreement provides for the issuance of Notes in 4 Tranches of $40,000,000 per Tranche. Prior to the date hereof, the Purchasers have purchased the Tranche 1 Notes, the Tranche 2 Notes, the Tranche 3 Notes and the Tranche 4 Notes in the aggregate principal amount of $40,000,000 per Tranche.

D. Prior to the date hereof, (i) the Purchasers have converted $20,000,000 in principal amount of the Tranche 1 Notes, $5,592,749.50 in principal amount of the Tranche 4 Notes and all of the Tranche 2 Notes and the Tranche 3 Notes into Common Stock, (ii) the Tranche 1 Notes have been amended and restated (and are hereinafter referred to as the "**Amended and Restated Notes**"), and (iii) the Borrower has repaid $10,000,000 in principal amount of the Amended and Restated Notes and (through the exchange of principal for shares of Common Stock) $5,000,000 in principal amount of the Tranche 4 Notes, leaving $10,000,000 in principal amount of the Amended and Restated Notes and $29,407,250.50 in principal amount of the Tranche 4 Notes outstanding (including $4,407,250.50 in principal amount with respect to the October 17 Tranche 4 Principal Payment (as defined in the Fourth Amendment)).

E. The Facility Agreement also provides for the issuance of Tranche B Notes. An aggregate of $20,000,000 in principal amount of Tranche B Notes have been issued to the Purchasers, and the Borrower has repaid $5,000,000 in principal amount of the Tranche B Notes, leaving $15,000,000 in principal amount of the Tranche B Notes outstanding.

F. Pursuant to this Agreement (and subject to the terms and conditions hereof), (i) the Borrower shall repay $3,157,250.50 of the October 17, 2017 Tranche 4 Principal Payment through the exchange of such principal amount for shares of Common Stock, and (ii) the parties shall: (A) amend the Facility Agreement to further defer the Remaining October 2017 Tranche 4 Principal Payment (as defined below) upon the terms, and subject to the conditions, set forth herein; and (B) to amend the Facility Agreement, the Amended and Restated Notes, the Tranche 4 Notes and the Tranche B Notes to modify the provisions thereof that provide for the conversion thereof into Common Stock.

G. The Facility Agreement, the Amended and Restated Notes, the Tranche 4 Notes and the Tranche B Notes are being amended as part of, and pursuant to, a Plan of Recapitalization and Reorganization of the Borrower described in Section 368(a)(1)(E) of the Code.

**NOW, THEREFORE**, in consideration of the foregoing and the mutual covenants and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, agree as follows:

## ARTICLE I.
## AMENDMENTS OF FACILITY AGREEMENT AND NOTES

Upon the terms and subject to the conditions set forth in this Agreement, the Facility Agreement and the Notes are hereby amended as follows:

Section 1.01. Amendment of Facility Agreement.

(a) Notwithstanding anything to the contrary contained in the Facility Agreement (including Section 2.3 thereof) or the Notes, after giving effect to the Exchange (as defined below) and subject to the consummation thereof, the $1,250,000 in remaining principal amount of the Tranche 4 Notes (the "**Remaining October 2017 Tranche 4 Principal Payment**") that, prior to the Fourth Amendment, was due and payable on October 31, 2017 and was deferred by the Fourth Amendment and the Fifth Amendment to January 19, 2018, shall be further deferred to, and shall be due and payable on, May 6, 2018.

(b) Notwithstanding anything to the contrary contained in the Facility Agreement (including Section 2.3 thereof), the Fourth Amendment, the Fifth Amendment or the Notes (or in any Conversion Notices (as defined in the Notes)):

(i)(A) from and after the date hereof until the earlier of (1) the time the Remaining October 2017 Tranche 4 Principal Payment has been satisfied in full (i.e., reduced to zero by conversions of the Notes) and (2) 5:00 p.m. (New York City time) on the Trading Day immediately preceding the date the Remaining October 2017 Tranche 4

Principal Payment is due and payable (such earlier time, the "**October 2017 Principal Application Time**"), any conversion of principal under the Notes shall be applied to reduce the Remaining October 2017 Tranche 4 Principal Payment; and (B) to the extent the Remaining October 2017 Tranche 4 Principal Payment has not been satisfied in full through conversions of the Notes on or prior to 5:00 p.m. (New York City time) on the Trading Day immediately preceding the date the Remaining October 2017 Tranche 4 Principal Payment is due and payable, the Borrower shall pay the remaining amount of the Remaining October 2017 Tranche 4 Principal Payment, in cash, in accordance with the Facility Agreement;

(ii) following the October 2017 Principal Application Time, any conversion of principal under the Notes shall be applied to reduce principal payments due under the Notes as set forth on Schedule 1.01(b), in each case, until the earlier of (A) the time the applicable amount of such principal payment (as set forth in the third column of Schedule 1.10(b)) has been satisfied in full through conversions thereof and (B) 5:00 p.m. (New York City time) on the Trading Day immediately preceding the date such principal payment is due and payable; and

(iii) each of the Purchasers and the Borrower acknowledges and agrees that, following the date hereof, to the extent any conversion of the Notes reduces the principal payment due and payable on any date, such conversion and related reduction shall be applied to the portion of such payment due under the applicable Notes held by each of the Purchasers on a pro rata basis in accordance with each Purchaser's Percentage Allocation.

(c) For the avoidance of doubt, the conversion of Notes (or any portion thereof) shall not reduce, or be applied against, any obligation of the Obligors to pay interest under the Notes, it being acknowledged and agreed that all such interest shall be payable, in cash on the applicable payment date, in accordance with the Facility Agreement and the Notes (as amended hereby) and any outstanding principal amount of the Notes shall bear interest until satisfied in full (by conversion of such principal amount into Common Stock or otherwise).

Section 1.02. Amendment of Notes.

(a) Section 1 of each of the Notes is hereby amended to add the following defined term in proper alphabetical order:

"**Sixth Amendment**" means the Exchange and Sixth Amendment to Facility Agreement, dated as of January 18, 2018, by and among the Company, MannKind LLC, Deerfield Private Design Fund II, L.P. and Deerfield Private Design International II, L.P.

(b) The definition of the "**Conversion Cap**" in each of the Notes is hereby amended to read in its entirety as follows:

"**Conversion Cap**" means 10,000,000 shares of Common Stock, subject to adjustment for any Stock Event (as defined in the Notes) that occurs on or after January 18, 2018 (the "**Sixth Amendment Date**"); provided, however, that the Conversion Cap shall not apply to any Exchange Shares (as defined in the Sixth Amendment) issued pursuant to the Exchange (as defined in the Sixth Amendment)."

(c) Clause (B) of the definition of the "**Conversion Price**" in each of the Notes is hereby amended to read as follows:

"(B) $2.75, subject to appropriate adjustment for any Stock Event that occurs on or after the Sixth Amendment Date."

(d) Section 2(e)(ii) (Applicable Limits on Conversion of the Note) of each of the Notes is hereby amended by replacing "Fourth Amendment Date" with "Sixth Amendment Date" in the sole place that "Fourth Amendment Date" appears in such Section.

(e) As promptly as possible following the date hereof, (A) the Borrower shall deliver to each Purchaser amended Notes, reflecting the amendments contemplated hereby (the "**Amended Notes**"), and in the aggregate principal amounts set forth opposite such Purchaser's name on Schedule I hereto, and (B) each Purchaser shall thereafter deliver its existing Notes to the Borrower for cancellation. For the avoidance of doubt, the amendments of the Amended Notes as provided herein shall not be conditioned upon, or be subject to, the delivery of such new Notes by the Borrower or delivery of the existing Notes by the Purchasers, and each Purchaser's existing Notes shall be deemed to give effect to such amendments as of the date hereof.

## ARTICLE II.
## EXCHANGE

Section 2.01. Exchange. Subject to the terms and conditions hereof, each Purchaser hereby agrees to exchange a portion of the principal amount of such Purchaser's Tranche 4 Notes for the issuance by the Borrower to such Purchaser of the shares of Common Stock (the "**Exchange**"), as follows:

(a) Issuance of Shares. Pursuant to the Exchange, which shall be deemed effective and consummated on the date hereof (immediately following the execution and delivery of this Agreement of all parties hereto), (i) the Borrower shall issue 590,875 shares of Common Stock (the "**DPDF Exchange Shares**") to DPDF and 677,097 shares of Common Stock (the "**DPDI Exchange Shares**" and, together with the DPDI Exchange Shares, collectively, the "**Exchange Shares**") to DPDI, and, subject thereto and in exchange therefor, (ii) (A) the principal amount of DPDF's Tranche 4 Note shall be deemed repaid by $1,471,278.30 and the principal amount of DPDI's Tranche 4 Note shall be deemed repaid by $1,685,972.20, each such deemed repayment to be applied against, and reduce, the principal amount of each such Purchaser's Tranche 4 Note, all with respect to the October 17, 2017 Tranche 4 Principal Payment, and shall be reflected by the Borrower in the Register. The Borrower represents, warrants, covenants and agrees that, in reliance on the Purchasers' representations in Section 3.01(e), the Exchange Shares will be freely transferable by the Purchasers, without restriction or limitation (including any volume limitation) under federal or state securities laws, pursuant to Rule 144 under the Securities Act, and will not contain or be subject to any legend or stop transfer instructions restricting the sale or transferability thereof.

(b) Delivery of Exchange Shares. No later than two (2) Business Days after the date hereof, the Borrower shall cause the transfer agent for the Common Stock to credit the aggregate number of Exchange Shares to which each Purchaser is entitled pursuant to the Exchange to such Purchaser's or its designee's balance account with The Depository Trust Company through its Deposit/Withdrawal At Custodian system. For the avoidance of doubt, as of effectiveness of the Exchange, each Purchaser shall be deemed for all corporate purposes to have become the legal and record holder of its Exchange Shares without any further action by any party. In the event that any Exchange Shares are not delivered on a timely basis in accordance herewith, the Purchasers shall have the right to rescind and terminate any or all of this Agreement and the transactions and amendments contemplated hereby, to exercise any of the remedies available under the Notes in the event of any failure to timely deliver Conversion Shares (as defined in the Notes), as if the Exchange Shares were Conversion Shares, and/or to exercise any and all other rights and remedies available at law or in equity.

## ARTICLE III.
## REPRESENTATIONS AND WARRANTIES

Section 3.01. Representations and Warranties of the Purchasers. Each Purchaser hereby represents and warrants to the Borrower as of the date of this Agreement as follows:

(a) Organization and Good Standing. Such Purchaser is an entity duly incorporated or otherwise organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation or organization, with the requisite power and authority to own and use its properties and assets and to carry on its business as currently conducted.

(b) Authority. Such Purchaser has the requisite corporate power and authority to enter into and to consummate the transactions contemplated by this Agreement, the Escrow Amendment and the Transaction Documents (as amended hereby) and otherwise to carry out its obligations hereunder and thereunder. The execution and delivery of each of this Agreement and the Escrow Amendment by such Purchaser and the consummation by it of the transactions contemplated hereby, by the Escrow Amendment and by the Transaction Documents (as amended hereby) have been duly authorized by all necessary action on the part of such Purchaser and no further action is required in connection herewith or therewith.

(c) Valid and Binding Agreement. Each of this Agreement and the Escrow Amendment has been duly executed and delivered by such Purchaser and constitutes the valid and binding obligations of such Purchaser, enforceable against such Purchaser in accordance with its terms, except (i) as limited by general equitable principles and applicable bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and other laws of general application affecting enforcement of creditors' rights generally and (ii) as limited by laws relating to the availability of specific performance, injunctive relief or other equitable remedies.

(d) Non-Contravention. The execution and delivery of this Agreement and the Escrow Amendment by such Purchaser and the performance by such Purchaser of its obligations hereunder, under the Escrow Amendment and under the Transaction Documents (as amended hereby) does not and will not (i) violate any provision of such Purchaser's certificate or articles of incorporation, bylaws or other organizational or charter documents, or (ii) conflict

with or result in a violation of any law, rule, regulation, order, judgment, injunction, decree or other restriction of any court or governmental authority to which such Purchaser is subject, or by which any of such Purchaser's Notes is bound or affected.

(e) Exemption. Such Purchaser has held such Purchaser's Notes of record and beneficially for a period of at least one (1) year for purposes of Rule 144 under the Securities Act and is not, and during the three-month period prior to the date hereof has not been, an Affiliate of the Borrower. Such Purchaser understands that the Exchange Shares and the Conversion Shares are being offered, sold, issued and delivered to it in reliance upon specific exemptions from registration or qualification under federal and applicable state securities laws.

(f) Ownership of the Notes. Such Purchaser is the record and beneficial owner of, and has good and valid title to, such Purchaser's Notes, free and clear of all Liens, and has full power to dispose thereof and to exercise all rights thereunder (other than as restricted by this Agreement or the Transaction Documents), without the consent or approval of, or any other action on the part of, any other Person. Other than the transactions contemplated by this Agreement, there is no outstanding contract, vote, plan, pending proposal or other right of any Person to acquire such Purchaser's Notes or any portion thereof.

(g) Stock Ownership. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby will not cause such Purchaser to own, or be treated as owning under the attribution rules of Section 871(h)(3)(C) of the Code, 10% or more of the total combined voting power of the outstanding common stock of the Borrower for purposes of Section 871(h)(3) of the Code.

Section 3.02. Representations and Warranties of the Obligors. Each Obligor hereby represents and warrants to the Purchasers as of the date of this Agreement as follows:

(a) Organization and Good Standing. Each Obligor is an entity duly incorporated or otherwise organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation or organization, with the requisite power and authority to own and use its properties and assets and to carry on its business as currently conducted.

(b) Authority. Each Obligor has the requisite corporate or limited liability company power and authority, as applicable, to enter into and to consummate the transactions contemplated by this Agreement, the Escrow Amendment and the Transaction Documents (as amended hereby) and otherwise to carry out its obligations hereunder and thereunder. The execution and delivery of this Agreement and the Escrow Amendment by each Obligor and the consummation by it of the transactions contemplated hereby, by the Escrow Amendment and by the Transaction Documents (as amended hereby) have been duly authorized by all necessary action on the part of each Obligor, and no further action of any Obligor, its board of directors, managers, members or stockholders, as applicable, is required in connection herewith or therewith.

(c) Consents. No Obligor is required to obtain any consent from, authorization or order of, or make any filing or registration with any Governmental Authority or any regulatory or self-regulatory agency or any other Person in order for it to execute, deliver or

perform any of its respective obligations under or contemplated by this Agreement, the Escrow Amendment or the Transaction Documents (as amended hereby), in each case, in accordance with the terms hereof or thereof.

(d) Valid and Binding Agreement. Each of this Agreement and the Escrow Amendment has been, and the Amended Notes will be, duly executed and delivered by each Obligor, and each of this Agreement, the Escrow Amendment and the Transaction Documents (as amended hereby) constitutes the valid and binding obligations of each Obligor, enforceable against each Obligor in accordance with its terms, except (i) as limited by general equitable principles and applicable bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and other laws of general application affecting enforcement of creditors' rights generally and (ii) as limited by laws relating to the availability of specific performance, injunctive relief or other equitable remedies.

(e) Non-Contravention. The execution and delivery of this Agreement, the Escrow Amendment and the Amended Notes by each Obligor and the performance by each Obligor of its obligations hereunder, under the Escrow Amendment and under the Transaction Documents (as amended hereby) do not and will not (i) violate any provision of any Obligor's organizational documents, (ii) conflict with or result in a violation of any law, rule, regulation, order, judgment, injunction, decree or other restriction of any court or governmental authority to which any Obligor is subject, or by which any property or asset of any Obligor is bound or affected, (iii) require any permit, authorization, consent, approval, exemption or other action by, notice to or filing with, any court or other federal, state, local or other governmental authority or other Person, (iv) violate, conflict with, result in a material breach of, or constitute (with or without notice or lapse of time or both) a material default under, or an event which would give rise to any right of notice, modification, acceleration, payment, cancellation or termination under, or in any manner release any party thereto from any obligation under, any permit or contract to which any Obligor is a party or by which any of its properties or assets are bound or (v) result in the creation or imposition of any Lien on any part of the properties or assets of any Obligor. No Event of Default exists.

(f) Issuance of Exchange Shares and Conversion Shares. The Exchange Shares are duly authorized and, when issued in accordance with this Agreement, will be duly and validly issued, fully paid and nonassessable, free and clear of all Liens imposed by the Borrower, and will not be issued in violation of, or subject to, any preemptive or similar rights of any Person. The Conversion Shares issuable upon conversion of the Notes (as amended hereby), subject to the Conversion Cap (as defined in the Notes), are duly authorized and, when issued in accordance with the Notes (as amended hereby), will be duly and validly issued, fully paid and nonassessable, free and clear of all Liens imposed by the Borrower, and will not be issued in violation of, or subject to, any preemptive or similar rights of any Person. The Borrower has reserved from its duly authorized capital stock 10,000,000 shares of Common Stock for issuance upon conversion of the Notes.

(g) SEC Reports; NASDAQ. The Borrower has filed all reports, schedules, forms, statements and other documents required to be filed by it under the Securities Act and the Exchange Act, including pursuant to Section 13(a) or 15(d) thereof, for the two years preceding the date hereof (the foregoing materials, including the exhibits thereto and documents

incorporated by reference therein, being collectively referred to herein as the "**SEC Reports**"). None of the SEC Reports, when filed, contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading. The Borrower is not in violation of the requirements of the NASDAQ Stock Market ("**NASDAQ**") and has no knowledge of any facts or circumstances which could reasonably lead to delisting or suspension of trading of the Common Stock in the foreseeable future.

(h) Certain Fees. No brokerage or finder's fees or commissions are or will be payable by the Borrower or any of its affiliates or representatives to any broker, financial advisor or consultant, finder, placement agent, investment banker, bank or other Person with respect to the transactions contemplated by this Agreement. The Purchasers shall have no obligation with respect to any fees or with respect to any claims made by or on behalf of other Persons for fees of a type contemplated in this Section 3.2(h) that may be due in connection with the transactions contemplated hereby.

(i) Exemption from Registration. No registration under the Securities Act or any state securities laws is required for the offer and issuance of the Exchange Shares or the Notes (as amended hereby) by the Borrower to the Purchasers as contemplated hereby or for the offer and issuance of the Conversion Shares by the Borrower to the Purchasers as contemplated hereby and by the Notes. The amendments and transactions contemplated hereby, including the issuance and sale of the Exchange Shares hereunder and the issuance and sale of the Conversion Shares under the Notes, subject to the Conversion Cap, do not contravene, or require stockholder approval pursuant to, the rules and regulations of NASDAQ. Assuming the Purchaser to which Conversion Shares are to be issued is not as of the date of issuance, and for a period of three (3) months prior to the date of issuance has not been, an Affiliate of the Borrower (which the Borrower shall assume (and the applicable Purchaser shall be deemed to represent) unless such Purchaser has otherwise advised the Borrower in writing), the Conversion Shares will be freely tradeable by such Purchaser without restriction or limitation (including volume limitation), pursuant to Rule 144 under the Securities Act, and will not contain or be subject to any legend or stop transfer instructions restricting the sale or transferability thereof.

(j) No Integrated Offering. Neither the Borrower, nor any of its affiliates, nor any Person acting on its or their behalf has, directly or indirectly, made, or will make, any offers or sales of any security or solicited, or will solicit, any offers to buy any security, under circumstances that would cause this offering and issuance of the Exchange Shares or the offering and issuance of any of the Conversion Shares to be integrated with prior offerings by the Borrower (i) for purposes of the Securities Act and which would require the registration of any such securities under the Securities Act, or (ii) for purposes of any applicable stockholder approval provisions of NASDAQ and which would require stockholder approval for the issuance of any Exchange Shares or Conversion Shares.

## ARTICLE IV.
## COVENANTS

Section 4.01. Reservation of Shares. On and after the date hereof, the Borrower shall at all times reserve and keep available, free of preemptive or similar rights, a sufficient number of shares of Common Stock for the purpose of enabling the Borrower to issue Conversion Shares pursuant to the Notes (as amended hereby), subject to the Conversion Cap.

Section 4.02. Blue Sky Filings. The Borrower shall take such action as is necessary in order to obtain an exemption for, or to qualify the Exchange Shares and the Conversion Shares for, issuance and sale to the Purchasers under applicable securities or "Blue Sky" laws of the states of the United States, and shall provide evidence of such actions promptly upon request of any of the Purchasers.

Section 4.03. Listing. The Borrower has submitted an application for the listing of the Exchange Shares and the Exchange Shares on NASDAQ and will use its commercially reasonable efforts to secure such listing. For so long as any Notes remain outstanding, the Borrower shall use commercially reasonable efforts to maintain the Common Stock's listing on NASDAQ. The Borrower shall not take any action which could be reasonably expected to result in the delisting or suspension of trading the Common Stock on NASDAQ. The Borrower shall pay all fees and expenses in connection with satisfying its obligations under this Section 4.03.

Section 4.04. Disclosure; Confidentiality. On or before 7:00 a.m., New York time, on the first (1st) Business Day after the date of this Agreement, the Borrower shall file a Current Report on Form 8-K describing all the material terms of the transactions contemplated by this Agreement and the Fifth Amendment, attaching this Agreement and the Fifth Amendment and disclosing any other presently material non-public information (if any) provided or made available to any Purchaser (or any Purchaser's agents or representatives) on or prior to the date hereof (the "**8-K Filing**"). From and after the filing of the 8-K Filing, the Borrower shall have disclosed all material, non-public information (if any) provided or made available to any Purchaser (or any Purchaser's agents or representatives) by Borrower or any of its respective officers, directors, employees, Affiliates or agents in connection with the transactions contemplated by this Agreement, the Fifth Amendment or otherwise on or prior to the date hereof. Notwithstanding anything contained in this Agreement to the contrary and without implication that the contrary would otherwise be true, after giving effect to the 8-K Filing, the Borrower expressly acknowledges and agrees that no Purchaser shall have (unless expressly agreed to by a particular Purchaser after the date hereof in a written definitive and binding agreement executed by the Borrower and such particular Purchaser or customary oral (confirmed by e-mail) "wall-cross" agreement (it being understood and agreed that no Purchaser may bind any other Purchaser with respect thereto)), any duty of trust or confidence with respect to, or a duty not to trade on the basis of, any information regarding the Borrower.

Notwithstanding any affirmative disclosure obligations of the Borrower or the Guarantor pursuant to the terms of this Agreement or any of the other Transaction Documents or anything else to the contrary contained herein or therein, (a), subject to clause (b) below, each of the Borrower and the Guarantor shall not, and shall cause each of its officers, directors, employees, Affiliates and agents to not, provide any Purchaser with any material non-public information with respect to the Borrower from and after the filing of the Form 8-K Filing with the SEC without the express prior written consent of such Purchaser, and (b) in the event that the Borrower or the Guarantor believes that a notice or communication to any Purchaser contains material, nonpublic information with respect to the Borrower, the Borrower shall so indicate to such Purchaser prior to the delivery of such notice or communication, and such indication shall

provide such Purchaser the means to refuse to receive such notice or communication (in which case any obligation of the Borrower or the Guarantor to provide such notice to such Purchaser under the Facility Agreement or this Agreement shall be deemed waived), and in the absence of any such indication, such Purchaser shall be allowed to presume that all matters relating to such notice or communication do not constitute material non-public information with respect to the Borrower and shall have no duty of trust or confidence with respect thereto.

Section 4.05. Taxes. The Borrower shall be responsible for paying all present or future stamp, court or documentary, intangible, recording, filing or similar Taxes that arise from any payment or issuance made under, from the execution, delivery, performance or enforcement of, or otherwise with respect to, this Agreement.

Section 4.06. Fees and Expenses. The Borrower shall promptly reimburse the Purchasers for all of their reasonable out-of-pocket, costs, fees and expenses, including legal fees and expenses, incurred in connection with the negotiation and drafting of this Agreement and the consummation of the transactions contemplated hereby.

Section 4.07. Restrictions on Sales. Each Purchaser hereby covenants and agrees that it will not, directly or indirectly, (a) prior to March 4, 2018, sell or transfer (other than to an Affiliate that agrees in writing with the Borrower to be subject to this Section 4.07) any Conversion Shares hereafter acquired upon conversion of any of the Notes or (b) sell or transfer (other than to an Affiliate that agrees in writing with the Borrower to be subject to this Section 4.07) more than, when combined with the sales of Conversion Shares by the other Purchasers, an aggregate of 5,000,000 Conversion Shares (subject to appropriate adjustment for any Stock Event occurring on or after the date hereof) during the period commencing on March 4, 2018 and ending on April 2, 2018.

Section 4.08. Release of Escrow Funds. Promptly following the Purchasers' receipt of the Exchange Shares pursuant to the Exchange, Borrower and the Purchasers shall promptly execute and deliver a Joint Written Direction (as defined in the Escrow Agreement) to the escrow agent under the Escrow Agreement, providing for the release of $3,157,250.50 held in escrow thereunder to Borrower pursuant to the terms set forth in such Joint Written Direction.

## ARTICLE V.
## ACKNOWLEDMENT OF THE BORROWER AND THE GUARANTOR

Section 5.01. The Borrower and the Guarantor irrevocably and unconditionally acknowledge, affirm and covenant to each Purchaser that:

(a) such Purchaser is not in default under any of the Transaction Documents and has not otherwise breached any obligations to the Borrower or the Guarantor; and

(b) there are no offsets, counterclaims or defenses to the Obligations, including the liabilities and obligations of the Borrower under the Notes and other Transaction Documents (as amended hereby), or to the rights, remedies or powers of such Purchaser in respect of any of the Obligations or any of the Transaction Documents, and the Borrower and the Guarantor agree not to interpose (and each does hereby waive and release) any such defense, set-off or counterclaim in any action brought by such Purchaser with respect thereto.

## ARTICLE VI.
## CONDITIONS PRECEDENT.

Section 6.01. Conditions Precedent. The effectiveness of this Agreement is subject to the following conditions precedent:

(a) Delivery of Documents. The Borrower and the Purchasers shall each have executed and delivered this Agreement and the Escrow Amendment.

(b) Performance: No Default. The representations and warranties of the Borrower contained herein shall be true and correct, and the Borrower shall have performed and complied with all agreements and conditions contained in the Facility Agreement and the other Transaction Documents to be performed by or complied with by the Borrower prior to the date hereof in all material respects.

(c) Reimbursement of Expenses. The Borrower shall have reimbursed the Purchasers for all reasonable out-of-pocket costs, fees and expenses, including legal fees and expenses, in connection with the negotiation, execution and closing of this Agreement and the Fifth Amendment and the transactions contemplated hereby and thereby.

## ARTICLE VII.
## MISCELLANEOUS

Section 7.01. Entire Agreement. This Agreement, the Escrow and the Transaction Documents (as amended hereby) constitute the entire agreement, and supersede all other prior and contemporaneous agreements and understandings, both oral and written, among the Purchasers, the Borrower and the Guarantor with respect to the subject matter hereof.

Section 7.02. Amendments and Waivers. No provision of this Agreement may be waived or amended except in a written instrument signed by the parties hereto. No waiver of any default with respect to any provision, condition or requirement of this Agreement shall be deemed to be a continuing waiver in the future or a waiver of any subsequent default or a waiver of any other provision, condition or requirement hereof, nor shall any delay or omission of either party to exercise any right hereunder in any manner impair the exercise of any such right.

Section 7.03. Successors and Assigns. All of the covenants and provisions of this Agreement by or for the benefit of the Purchasers or the Obligors shall bind and inure to the benefit of their respective successors and permitted assigns. No party hereunder may assign its rights or obligations hereunder without the prior written consent of the other parties hereto, except as otherwise provided in the Transaction Documents (as amended hereby).

Section 7.04. Notices. Any notice to be given by any party to this Agreement shall be given in writing and be effected as provided in Section 6.1 of the Facility Agreement.

Section 7.05. Applicable Law; Consent to Jurisdiction.

(a) As part of the consideration and mutual promises being exchanged and given in connection with this Agreement, the parties hereto agree that all claims, controversies

and disputes of any kind or nature arising under or relating in any way to the enforcement or interpretation of this Agreement or to the parties' dealings, rights or obligations in connection herewith, including disputes relating to the negotiations for, inducements to enter into, or execution of, this Agreement, and disputes concerning the interpretation, enforceability, performance, breach, termination or validity of all or any portion of this Agreement shall be governed by the laws of the State of New York without regard to its choice or conflicts of laws principles.

(b) The parties hereto agree that all claims, controversies and disputes of any kind or nature relating in any way to the enforcement or interpretation of this Agreement or to the parties' dealings, rights or obligations in connection herewith, shall be brought exclusively in the state and federal courts sitting in The City of New York, borough of Manhattan. With respect to any such claims, controversies or disputes, each of the Parties hereby irrevocably:

(i) submits itself and its property, generally and unconditionally, to the personal jurisdiction of the aforesaid courts and agrees that it will not bring any action in any court or tribunal other than the aforesaid courts;

(ii) waives, and agrees not to assert, by way of motion, as a defense, counterclaim or otherwise, in any action or proceeding (A) any claim that it is not personally subject to the jurisdiction of the above named courts for any reason other than the failure to serve process in accordance with this Section 7.05, (B) 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 (C) to the fullest extent permitted by the applicable law, any claim that (1) the suit, action or proceeding in such court is brought in an inconvenient forum, (2) the venue of such suit, action or proceeding is improper or (3) this Agreement, or the subject matter hereof, may not be enforced in or by such courts; and

(iii) WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY DISPUTE ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT. EACH PARTY TO THIS AGREEMENT CERTIFIES AND ACKNOWLEDGES THAT (I) NO REPRESENTATIVE OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT SEEK TO ENFORCE THE FOREGOING WAIVER IN THE EVENT OF A LEGAL ACTION, (II) SUCH PARTY HAS CONSIDERED THE IMPLICATIONS OF THIS WAIVER, (III) SUCH PARTY MAKES THIS WAIVER VOLUNTARILY AND (IV) SUCH PARTY HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 7.05.

Notwithstanding the foregoing in this Section 7.05, a party may commence any action or proceeding in a court other than the above-named courts solely for the purpose of enforcing an order or judgment issued by one of the above-named courts.

Section 7.06. Counterparts; Effectiveness. This Agreement and any amendment hereto may be executed and delivered in any number counterparts, and by the different parties hereto in separate counterparts, each of which when executed shall be deemed to be an original, but all of which taken together shall constitute one and the same agreement. In the event that any signature to this Agreement or any amendment hereto is delivered by facsimile transmission or by e-mail delivery of a ".pdf" format data file, such signature shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such facsimile or ".pdf" signature page were an original thereof. No party hereto shall raise the use of a facsimile machine or e-mail delivery of a ".pdf" format data file to deliver a signature to this Agreement or any amendment hereto or the fact that such signature was transmitted or communicated through the use of a facsimile machine or e-mail delivery of a ".pdf" format data file as a defense to the formation or enforceability of a contract, and each party hereto forever waives any such defense.

Section 7.07. No Third Party Beneficiaries. Nothing in this Agreement, express or implied, is intended to or shall confer upon any Person (other than the parties to this Agreement) any right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

Section 7.08. Specific Performance. The parties to this Agreement agree that irreparable damage would occur and that the parties to this Agreement would not have any adequate remedy at law in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the parties to this Agreement 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, in each case without the necessity of posting bond or other security or showing actual damages, and this being in addition to any other remedy to which they are entitled at law or in equity.

Section 7.09. Effect of Headings. The section and subsection headings herein are for convenience only and not part of this Agreement and shall not affect the interpretation thereof.

Section 7.10. Severability. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be prohibited by or invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of this Agreement so long as this Agreement as so modified continues to express, without material change, the original intentions of the parties as to the subject matter hereof and the prohibited nature, invalidity or unenforceability of the provision(s) in question does not substantially impair the respective expectations or reciprocal obligations of the parties or the practical realization of the benefits that would otherwise be conferred upon the parties. The parties will endeavor in good faith negotiations to replace the prohibited, invalid or unenforceable provision(s) with a valid provision(s), the effect of which comes as close as possible to that of the prohibited, invalid or unenforceable provision(s).

Section 7.11. Avoidance of Doubt. The parties hereto hereby agree, for the avoidance of doubt, that (a) the term "Notes" as used in the Transaction Documents shall mean the Notes, as, and to the extent, amended by this Agreement, (b) the term "Liabilities" and "Obligations" as

used in the Transaction Documents shall include all liabilities and obligations under this Agreement, under the Escrow Agreement (as amended by the Escrow Amendment), under the Facility Agreement (as amended hereby), under the Notes (as amended hereby) and under the other Transaction Documents, and (c) all references herein to "as amended hereby" means "as amended by this Agreement and the Escrow Amendment (as applicable)," and each of the parties hereto agrees not to take any contrary positions.

Section 7.12. Reservation of Rights. Neither of the Purchasers has hereby waived (a) any breach, default or Event of Default that may be continuing under any of the Transaction Documents or (b) any of such Purchaser's rights or remedies arising from any such breach, default or Event of Default or otherwise available under the Transaction Documents or at law or in equity. Each of the Purchasers expressly reserves all such rights and remedies.

Section 7.13. Further Assurances. The Borrower hereby agrees, from time to time, as and when requested by any Purchaser, to execute and deliver or cause to be executed and delivered, all such documents, instruments and agreements, including secretary's certificates, stock powers and irrevocable transfer agent instructions, and to take or cause to be taken such further or other action, as any Purchaser may reasonably deem necessary or desirable in order to carry out the intent and purposes of this Agreement and the Transaction Documents (as amended hereby).

Section 7.14. No Strict Construction. The language used in this Agreement will be deemed to be the language chosen by the parties to express their mutual intent, and no rule of strict construction will be applied against any party.

Section 7.15. Interpretative Matters. Unless otherwise indicated or the context otherwise requires, (i) all references to Sections, Schedules, Appendices or Exhibits are to Sections, Schedules, Appendices or Exhibits contained in or attached to this Agreement, (b) words in the singular or plural include the singular and plural and pronouns stated in either the masculine, the feminine or neuter gender shall include the masculine, feminine and neuter, (c) the words "hereof," "herein" and words of similar effect shall reference this Agreement in its entirety, and (d) the use of the word "including" in this Agreement shall be by way of example rather than limitation.

Section 7.16. Reaffirmation. Each of the Borrower and the Guarantor, as issuer, debtor, grantor, pledgor, mortgagor, guarantor or assignor, or in other any other similar capacity in which such Person grants Liens or security interests in its property or otherwise acts as accommodation party or guarantor, as the case may be, hereby (i) acknowledges and agrees that it has reviewed this Agreement and the Escrow Amendment, (ii) ratifies and reaffirms all of its obligations, contingent or otherwise, under each of the Transaction Documents (as amended hereby) to which it is a party (after giving effect hereto), and (iii) to the extent such Person granted Liens on or security interests in any of its property pursuant to any such Transaction Document as security for or otherwise guaranteed the Obligations under or with respect to the Transaction Documents, ratifies and reaffirms such guarantee and grant of security interests and Liens and confirms and agrees that such security interests and Liens hereafter secure all of the Obligations (as amended hereby). Each Obligor hereby consents to this Agreement and acknowledges that each of this Agreement, the Escrow Agreement, the Escrow Amendment and

the Amended Notes is a Transaction Document and that each of the other Transaction Documents (as amended hereby) remains in full force and effect and is hereby ratified and reaffirmed.

*[The remainder of the page is intentionally left blank]*

**IN WITNESS WHEREOF**, each party hereto has caused this Agreement to be duly executed as of the date first written above.

**THE BORROWER:**

**MANNKIND CORPORATION**

By: /s/ Steven B. Binder
Name: Steven B. Binder
Title: CFO

**THE GUARANTOR:**

**MANNKIND LLC**

By: /s/ Steven B. Binder
Name: Steven B. Binder
Title: CFO

[*Signature page to Exchange and Sixth Amendment to Facility Agreement*]

**PURCHASERS:**

**DEERFIELD PRIVATE DESIGN FUND II, L.P.**

By: Deerfield Mgmt, L.P., its General Partner
By: J.E. Flynn Capital, LLC, its General Partner

By: /s/ David Clark
Name: David Clark
Title: Authorized Signatory

**DEERFIELD PRIVATE DESIGN INTERNATIONAL II, L.P.**

By: Deerfield Mgmt, L.P., its General Partner
By: J.E. Flynn Capital, LLC, its General Partner

By: /s/ David Clark
Name: David Clark
Title: Authorized Signatory

Schedule I

| PURCHASER | Tranche | Principal Amount |
|---|---|---|
| Deerfield Private Design Fund II, L.P. | Tranche 1 | $ 4,660,000 |
| | Tranche B | $ 6,990,000 |
| | Tranche 4 | $12,232,496.40 |
| Deerfield Private Design International II, L.P. | Tranche 1 | $ 5,340,000 |
| | Tranche B | $ 8,010,000 |
| | Tranche 4 | $14,017,503.60 |

Schedule 1.01(b)

Application of Conversions to Principal Payments

| Order of application of Conversions | Tranche of Note to which Converted Principal is Applied | Principal Amount and Principal Payment Date to which Converted Principal is applied |
|---|---|---|
| First | Tranche B | $5,000,000 due on May 6, 2018 |
| Second | Tranche B | $5,000,000 due on December 31, 2019 |
| Third | Tranche 1 | $5,000,000 due on July 1, 2018 |
| Fourth | Tranche 4 | $5,000,000 due on December 31, 2019 |
| Fifth | Tranche 4 | $5,000,000 due on July 18, 2018 |
| Sixth | Tranche 4 | $5,000,000 due on July 18, 2019 |
| Seventh | Tranche 4 | $5,000,000 due on July 18, 2018 |
| Eighth | Tranche 4 | $5,000,000 due on July 18, 2019 |
| Ninth | Tranche B | $5,000,000 due on May 6, 2019 |
| Tenth | Tranche 1 | $5,000,000 due on July 1, 2019 |

Any additional principal amount converted shall be applied to reduce principal under the Notes as set forth in the applicable Conversion Notice.