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): September 23, 2014

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.)**

28903 North Avenue Paine **Valencia, California** **(Address of principal executive offices)**	**91355** **(Zip Code)**

Registrant's telephone number, including area code: (661) 775-5300

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:

☐ 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 CRF 240.13e-4(c))

Item 1.01 Entry into a Material Definitive Agreement.

On September 23, 2014, MannKind Corporation (the "Company") entered into a Senior Secured Revolving Promissory Note (the "Note") and a Guaranty and Security Agreement (the "Security Agreement") with Aventisub LLC, a Delaware limited liability company (the "noteholder"), an affiliate of Sanofi-Aventis Deutschland GmbH ("Sanofi"), to provide the Company with a secured loan facility of up to $175.0 million (the "Loan Facility") to fund the Company's share of net losses under the previously announced license and collaboration agreement with Sanofi dated August 11, 2014 (the "License Agreement").

The obligations of the Company under the Loan Facility are guaranteed by the Company's wholly-owned subsidiary, MannKind LLC, and are secured by a first priority security interest in certain insulin inventory located in the United States and any contractual rights and obligations pursuant to which the Company purchases or has purchased such insulin, and a second priority security interest in the Company's assets that secure the Company's obligations under the July 1, 2013 facility agreement with Deerfield Private Design Fund II, L.P. and Deerfield Private Design International II, L.P. In addition, the Company has agreed to grant to the noteholder, as additional security for the obligations under the Loan Facility, a first priority mortgage on the Company's facility in Valencia, California, by December 22, 2014.

Advances under the Loan Facility will bear interest at a rate of 8.5% per annum and will be payable in-kind and compounded quarterly and added to the outstanding principal balance under the Loan Facility. The Company is required to make mandatory prepayments on the outstanding loans under the Loan Facility from its share of any Profits (as defined in the License Agreement) under the License Agreement within 30 days of receipt of its share of any such Profits.

The outstanding principal of all loans under the Loan Facility, if not prepaid, will become due and payable on September 23, 2024 unless accelerated pursuant to the terms of the Loan Facility. Additionally, if the Company sells its Valencia facility, the Company is required to prepay the loans under the Loan Facility in an amount equal to 100% of the net cash proceeds of the sale within five business days of receipt.

The Loan Facility includes customary representations, warranties and covenants by the Company, including restrictions on its ability to incur additional indebtedness, grant certain liens and make certain changes to its organizational documents. Events of default under the Loan Facility include: the Company's failure to timely make payments due under the Loan Facility; inaccuracies in the Company's representations and warranties to the noteholder; the Company's failure to comply with any of its covenants under any of the Loan Facility or certain other related security agreements and documents entered into in connection with the Loan Facility, subject to a cure period with respect to most covenants; the Company's insolvency or the occurrence of certain bankruptcy-related events; termination by Sanofi of the License Agreement as a result of the Company's breach of the License Agreement; and the failure of any material provision under any of the Loan Facility or certain other related security agreements and documents entered into in connection with the Loan Facility to remain in full force and effect. If one or more events of default occurs and is continuing, the noteholder may terminate its obligation to make advances under the Loan Facility, and, if certain specified events of default (including the Company's failure to timely make payments due under the Loan Facility; the Company's failure to comply with the negative covenants under the Loan Facility limiting the Company's ability to incur additional indebtedness or grant certain liens; the Company's insolvency or the occurrence of certain bankruptcy-related events; termination by Sanofi of the License Agreement as a result of the Company's breach of the non-compete provisions of the License Agreement; or the failure of any material provision under any of the Loan Facility or certain other related security agreements and documents entered into in connection with the Loan Facility to remain in full force and effect) occur and are continuing, the noteholder may accelerate all of the Company's repayment obligations under the Loan Facility and otherwise exercise any of its remedies as a secured creditor.

The foregoing description of the Note and the Security Agreement is only a summary and is qualified in its entirety by reference to the Note and the Security Agreement, copies of which are attached as exhibits to this report.

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

The information in Item 1.01 above is incorporated by reference into this Item 2.03.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Number	Description
99.1	Senior Secured Revolving Promissory Note, dated as of September 23, 2014, by and between MannKind Corporation and Aventisub LLC.
99.2	Guaranty and Security Agreement dated as of September 23, 2014 among MannKind Corporation, MannKind LLC, and Aventisub LLC.

SIGNATURE

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

MANNKIND CORPORATION

Dated: September 29, 2014

By: /s/ Matthew J. Pfeffer
Name: Matthew J. Pfeffer
Title: Corporate Vice President and Chief Financial Officer

EXHIBITS

Number	Description
99.1	Senior Secured Revolving Promissory Note, dated as of September 23, 2014, by and between MannKind Corporation and Aventisub LLC.
99.2	Guaranty and Security Agreement dated as of September 23, 2014 among MannKind Corporation, MannKind LLC, and Aventisub LLC.

Exhibit 99.1

Execution Version

SENIOR SECURED REVOLVING PROMISSORY NOTE

FOR VALUE RECEIVED, and subject to the terms and conditions set forth herein, MannKind Corporation, a Delaware corporation (the "**Borrower**"), hereby unconditionally promises to pay to Aventisub LLC, a Delaware limited liability company (the "**Original Noteholder**"), or its registered assigns (collectively, the "**Noteholder**", and together with the Borrower, the "**Parties**"), the principal amount of $175.0 million or, if less, the aggregate unpaid amount of all Advances (as defined below) the Noteholder has disbursed to the Borrower pursuant to **Section 2.2**, in each case, together with all accrued interest thereon (including any such interest added to the principal amount), as provided in this Promissory Note (the "**Note**").

1. Definitions. Capitalized terms used herein shall have the meanings set forth in this **Section 1**.

"**Advance**" means each disbursement made by the Noteholder to the Borrower pursuant to **Section 2.2**.

"**Applicable Rate**" means the rate equal to 8.5% per annum (or 2.0605% per quarter for purposes of calculating the amount of accrued interest to be added to principal pursuant to **Section 5.2**).

"**Borrower**" has the meaning set forth in the introductory paragraph.

"**Borrowing Notice**" has the meaning set forth in **Section 2.2**.

"**Business Day**" means a day other than a Saturday, Sunday or other day on which commercial banks in New York City and any country where a permitted assignee of the Noteholder is located, are authorized or required by law to close.

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

"**Collateral**" has the meaning specified in the Security Agreement.

"**Collateral Documents**" means, collectively, the Security Agreement, each of the mortgages, security agreements, pledge agreements or other similar agreements delivered pursuant to **Sections 8.5 and 8.7** and each of the other agreements, instruments or documents that creates or purports to create a Lien or guarantee in favor of the Noteholder.

"**Commitment Letter**" means that certain Commitment Letter dated as of August 11, 2014 by and among the Borrower and Hoechst GmbH.

"**Commitment Period**" means the period from the date hereof to the Maturity Date.

"**Debt**" means all (a) indebtedness for borrowed money; (b) obligations for the deferred purchase price of property or services (other than trade payables, obligations in respect of benefit plans and employment and severance arrangements, and other deferred compensation obligations to employees and directors arising in the ordinary course of business and not related to any financing) which in accordance with GAAP would be shown as a liability (or on the liability side of the balance sheet); (c) obligations evidenced by notes, bonds, debentures or other similar instruments; (d) obligations as lessee under capital leases; (e) obligations in respect of any interest rate swaps, currency exchange agreements, commodity swaps, caps, collar agreements or similar arrangements entered into by the Borrower providing for protection against fluctuations in interest rates, currency exchange rates or commodity prices or the exchange of nominal interest obligations, either generally or under specific contingencies; (f) obligations under acceptance facilities and letters of credit (other than letters of credit supporting other Debt of the Borrower or any Guarantor which is otherwise permitted hereunder); (g) guaranties, endorsements (other than for collection or deposit in the ordinary course of business), and other contingent obligations to purchase, to provide funds for payment, to supply funds to invest in any Person, or otherwise to assure a creditor against loss, in each case, in respect of indebtedness set out in clauses (a) through (f) of a Person other than the Borrower; and (h) indebtedness set out in clauses (a) through (g) of any Person other than Borrower secured by any Lien on any asset of the Borrower, whether or not such indebtedness has been assumed by the Borrower.

"**Deerfield Facility**" means that certain Facility Agreement dated as of July 1, 2013 as amended February 28, 2014 and August 11, 2014, by and among MannKind and the purchasers party thereto (as may be further amended, restated, supplemented or otherwise modified from time to time).

"**Default**" means any of the events specified in **Section 10** which constitutes an Event of Default or which, upon the giving of notice, the lapse of time, or both pursuant to **Section 10** would, unless cured or waived, become an Event of Default.

"**Default Rate**" means, at any time, the Applicable Rate plus 2% per annum.

"**Disbursement Date**" has the meaning set forth in **Section 2.1**.

"**Dollar**" and "**$**" mean lawful money of the United States.

"**Event of Default**" has the meaning set forth in **Section 10**.

"**Excluded Taxes**" shall mean, with respect to any payment made by or on account of any obligation of any Borrower under this Note or any of the Collateral Documents any of the following Taxes imposed on or with respect to any Person: (a) Taxes imposed on or measured by net income (however denominated), franchise Taxes, and branch profit Taxes, in each case imposed on any Person as a result of a present or former connection between such Person and the jurisdiction of the Governmental Authority imposing such Tax or any political subdivision or taxing authority thereof or therein (other than connections arising from such Person having

executed, delivered, performed its obligations under, received payments under, or enforced this Agreement or any of the Collateral Documents); (b) U.S. federal withholding Taxes to the extent that the obligation to withhold amounts existed on the date that such Person became a party to this Agreement in the capacity under which such Person makes a claim for additional amounts under Section 6.1 in respect of Tax Deductions or **Section 6.7** or designates a new lending office (except to the extent the transferor to such Person (if any) was entitled, at the time the transfer to such Person became effective, to receive additional amounts under **Section 6.1** or **Section 6.7**); (c) Taxes that are attributable to a failure to deliver the documentation required to be delivered pursuant to **Section 6.6**; and (d) any Tax imposed pursuant to FATCA.

"**FATCA**" means Sections 1471 through 1474 of the Code, as of the date of this Note (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof, any agreement entered into pursuant to Section 1471(b)(1) of the Code and any intergovernmental agreement entered into with a Governmental Authority (or any regulatory legislation, rules or practices adopted pursuant to such agreement).

"**GAAP**" means generally accepted accounting principles in the United States of America as in effect from time to time.

"**Governmental Authority**" means the government of any nation or any political subdivision thereof, whether at the national, state, territorial, provincial, municipal or any other level, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of, or pertaining to, government (including any supranational bodies such as the European Union or the European Central Bank).

"**Guarantors**" has the meaning specified in the Security Agreement.

"**Interest Payment Date**" means the last Business Day of each March, June, September and December commencing on the first such date to occur after the execution of this Note.

"**Law**" as to any Person, means any law (including common law), statute, ordinance, treaty, rule, regulation, policy or requirement of any Governmental Authority and authoritative interpretations thereon, whether now or hereafter in effect, in each case, applicable to or binding on such Person or any of its properties or to which such Person or any of its properties is subject.

"**License Agreement**" means the License and Collaboration Agreement dated as of August 11, 2014 by and among MannKind, Technosphere International C.V., a Dutch limited partnership, MannKind Netherlands B.V., a Dutch limited liability company, and Sanofi.

"**Lien**" means any mortgage, pledge, hypothecation, encumbrance, lien (statutory or other), charge or other security interest.

"**Loans**" means the Advances and other extensions of credit hereunder, including without limitation, pursuant to **Section 5.2**.

"**Loss Amount**" means MannKind's Sharing Percentage of any Losses (each as defined in Exhibit B of the License Agreement).

"**MannKind**" means MannKind Corporation, a Delaware corporation.

"**Material Adverse Effect**" means a material adverse effect on (a) the business, assets, properties, liabilities, operations or financial condition of the Borrower and its subsidiaries; (b) the validity or enforceability of the Note or the Collateral Documents; (c) the perfection or priority of any Lien purported to be created under the Collateral Documents to the extent required under the Collateral Documents (except with respect to the perfection or priority of any Lien created pursuant to the Noteholder's "control" thereof); (d) the rights or remedies of the Noteholder hereunder or under the Collateral Documents; or (e) the Borrower's ability to timely perform any of its obligations hereunder or under the Collateral Documents; *provided*, however, that none of the following shall be deemed either alone or in combination to constitute, and none of the following shall be taken into account in determining whether there has been or would be a Material Adverse Effect: (A) any adverse effect that results directly from general economic, business, financial or market conditions unrelated to the Borrower; and (B) any adverse effect arising directly from the industries or industry sectors in which the Borrower operates.

"**Maturity Date**" means the earlier of (a) September 23, 2024 and (b) the date on which all amounts under this Note shall become due and payable pursuant to **Section 11**.

"**Maximum Amount**" means $175.0 million.

"**Note**" has the meaning set forth in the introductory paragraph.

"**Noteholder**" has the meaning set forth in the introductory paragraph.

"**Order**" as to any Person, means any order, decree, judgment, writ, injunction, settlement agreement, requirement or determination of an arbitrator or a court or other Governmental Authority, in each case, applicable to or binding on such Person or any of its properties or to which such Person or any of its properties is subject.

"**Original Noteholder**" has the meaning set forth in the introductory paragraph.

"**Parties**" has the meaning set forth in the introductory paragraph.

"**Person**" means any individual, corporation, limited liability company, trust, joint venture, association, company, limited or general partnership, unincorporated organization, Governmental Authority or other entity.

"**Profit Amount**" means MannKind's Sharing Percentage of any Profits (each as defined in Exhibit B of the License Agreement).

"**Register**" has the meaning set forth in **Section12.8**.

"**Sanofi**" means Sanofi-Aventis Deutschland GmbH, a company organized and existing under the laws of Germany.

"**Security Agreement**" means the Guaranty and Security Agreement, dated as of the date hereof, by and between the Borrower, the Guarantors and Noteholder, as the same may be amended, restated, supplemented or otherwise modified from time to time in accordance with its terms.

"**Specified Event of Default**" means any Event of Default pursuant to **Sections 10.1**, **10.3(a)** (with respect to **Sections 9.1 and 9.2** only), **10.4** (with respect to a breach by any Licensor or any MannKind Affiliate (each as defined in the License Agreement) of the non-compete obligations in Section 2.8(a) of the License Agreement only), **10.5 or 10.6**.

"**Tax Deduction**" means a deduction or withholding for or on account of any Tax that is not an Excluded Tax from a payment under the Note or the Collateral Documents.

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

2. Loan Disbursement Mechanics.

2.1 Commitment. Subject to **Section 2.2**, the Noteholder shall make available to the Borrower one Advance (or, in the case of a dispute relating to the amount of the Loss, multiple Advances) with respect to each Calendar Quarter (as defined in the License Agreement) in an aggregate amount not to exceed the Loss Amount for such Calendar Quarter and each such Advance shall be made within 15 days of receipt by the Borrower of the Profit/Loss Statement (as defined in the License Agreement) for such Calendar Quarter in accordance with Exhibit B to the License Agreement (or, in the case of a dispute relating to the amount of the Loss, within 15 days after resolution thereof) (each such date of an Advance, a "**Disbursement Date**"); *provided* that, (a) after giving effect to any such Advance, the aggregate outstanding amount of Loans shall not exceed the Maximum Amount and (b) no Advances may be made after the occurrence or during the continuance of (x) an Event of Default hereunder, (y) a "Change of Control" under the License Agreement or (z) any "Event of Default" under the Deerfield Facility that has resulted in the lenders thereunder commencing enforcement proceedings with respect to their rights thereunder.

2.2 Advances. As a condition to the disbursement of any Advance, the Borrower shall, at least three Business Days prior to the requested Disbursement Date, deliver to the Noteholder a written notice (the "**Borrowing Notice**") setting out (a) that no Event of Default has occurred and

is continuing; (b) the amount of the Advance; (c) the Disbursement Date; and (d) that no "Event of Default" under the Deerfield Facility that has resulted in the lenders thereunder commencing enforcement proceedings with respect to their rights thereunder has occurred and is continuing. Each Borrowing Notice shall be deemed to repeat the Borrower's representations and warranties in **Section 7** as of the date of such Borrowing Notice. Upon receipt of the Borrowing Notice, the Noteholder shall make available to the Borrower on the Disbursement Date the amount set out in the notice in immediately available funds. Subject to the terms and conditions set forth herein, the Borrower may borrow, prepay and reborrow the Loans.

3. Final Payment Date; Optional Prepayments; Mandatory Prepayments.

3.1 Final Payment Date. The aggregate unpaid principal amount of the Loans, all accrued and unpaid interest and all other amounts payable under this Note shall be due and payable on the Maturity Date.

3.2 Optional Prepayment. The Borrower may prepay the Loans in whole or in part at any time or from time to time without penalty or premium upon five Business Days' prior written notice, by paying the principal amount to be prepaid together with accrued interest thereon to the date of prepayment.

3.3 Mandatory Prepayment. In the event (x) and on each occasion that any Profit Amount is received by the Borrower, the Borrower shall, within 30 days after such Profit Amount is received, prepay the Loans in an aggregate amount equal to 100% of such Profit Amount; *provided* that, the amount payable pursuant to this **Section 3.3** shall be reduced by the aggregate amount of any optional prepayments made pursuant to **Section 3.2** during the fiscal quarter of the Borrower most recently ended and (y) that any transaction contemplated by Section 5.9(d) of the Security Agreement is consummated, the Borrower shall, with 5 Business Days after such transaction, prepay the Loans or reduce the commitments of the Noteholder to make Advances hereunder in an aggregate amount equal to 100% of the net cash proceeds thereof.

4. Collateral Documents.

The Borrower's performance of its obligations hereunder is secured by a security interest having the applicable priority as specified in the Collateral Documents in the collateral specified therein.

5. Interest.

5.1 Interest Rate. Except as otherwise provided herein, the outstanding principal amount of all Loans made hereunder shall bear interest at the Applicable Rate from the date such Loans were made (including when interest is added to the principal amount of the Loans pursuant to **Section 5.2**) until the Loans are paid in full, whether at maturity, upon acceleration, by prepayment or otherwise.

5.2 Interest Payment Dates. On each Interest Payment Date, interest shall be paid-in-kind by increasing the principal amount of the outstanding Loans on such date by an amount equal to the amount of interest for the applicable interest period (rounded to the nearest whole cent). Following an increase in the principal amount of the outstanding Loans as a result of an interest payment, the Loans will bear interest on such increased principal amount from and after the date of such interest payment.

5.3 Default Interest. Upon the occurrence and during the continuance of any Event of Default pursuant to **Sections 10.1 and 10.5**, interest will accrue at the Default Rate on any amount then outstanding from the date of such non-payment until such amount is paid in full and will be payable on demand.

5.4 Computation of Interest. All computations of interest shall be made on the basis of a year of 360 days (or a quarter of 90 days), as the case may be, and the actual number of days elapsed (which shall not exceed 90 days for any period between Interest Payment Dates). Interest shall accrue on each Loan on the day on which such Loan is made (or deemed made pursuant to **Section 5.2**), and shall not accrue on any Loan for the day on which it is paid.

5.5 Interest Rate Limitation. If at any time and for any reason whatsoever, the interest rate payable on any Loan shall exceed the maximum rate of interest permitted to be charged by the Noteholder to the Borrower under applicable Law, such interest rate shall be reduced automatically to the maximum rate of interest permitted to be charged under applicable Law.

6. Payment Mechanics.

6.1 Manner of Payments. All payments of interest and principal shall be made in lawful money of the United States of America no later than 11:00 AM New York City time on the date on which such payment is due by wire transfer of immediately available funds to the Noteholder's account at a bank specified by the Noteholder in writing to the Borrower from time to time. All payments to be made by the Borrower hereunder and under the Collateral Documents shall be made (x) without condition or deduction for any counterclaim, defense, recoupment or setoff and (y) without deduction or withholding for any Taxes, except as required by applicable Law; provided that if any applicable Law requires the deduction or withholding of any Tax for any such payment then Borrower shall be entitled to make such deduction or withholding, and if such Tax is not an Excluded Tax, then the amount of the payment due from the Borrower shall be increased by an amount which (after making any Tax Deduction) leaves an amount equal to the payment which would have been due if no Tax Deduction had been required.

6.2 Application of Payments. All payments made hereunder shall be applied first to the payment of any fees or charges outstanding hereunder, second to accrued interest, and third to the payment of the principal amount outstanding under the Note.

6.3 Business Day Convention. Whenever any payment to be made hereunder shall be due on a day that is not a Business Day, such payment shall be made on the next succeeding Business

Day and such extension will not be taken into account in calculating the amount of interest payable under this Note; *provided* that, if such next succeeding Business Day would fall after the Maturity Date, payment shall be made on the immediately preceding Business Day.

6.4 Evidence of Debt. The Noteholder is authorized to record on the grid attached hereto as Exhibit A each Loan made to the Borrower and each payment or prepayment thereof. The entries made by the Noteholder shall, to the extent permitted by applicable Law, be prima facie evidence of the existence and amounts of the obligations of the Borrower therein recorded; *provided*, *however*, that the failure of the Noteholder to record such payments or prepayments, or any inaccuracy therein, shall not in any manner affect the obligation of the Borrower to repay (with applicable interest) the Loans in accordance with the terms of this Note.

6.5 Rescission of Payments. If at any time any payment made by the Borrower under this Note is rescinded or must otherwise be restored or returned upon the insolvency, bankruptcy or reorganization of the Borrower or otherwise, the Borrower's obligation to make such payment shall be reinstated as though such payment had not been made.

6.6 Status of Noteholders. If any Noteholder is entitled to an exemption from or reduction of withholding Tax with respect to payments made under this Note, it shall deliver to the Borrower and the Original Noteholder, at the time or times prescribed by applicable law and at any times reasonably requested by the Borrower or the Original Noteholder, such properly completed and executed documentation prescribed by applicable Law or reasonably requested by the Borrower or the Original Noteholder as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, the Noteholders, if reasonably requested by the Borrower or the Original Noteholder, shall deliver such other documentation prescribed by applicable Law or reasonably requested by the Borrower or the Original Noteholder as will enable the Borrower or the Original Noteholder to determine whether or not the Noteholder is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than a Form W-9 or Form W-8, as applicable, and documentation prescribed by FATCA) shall not be required if in the Noteholder's reasonable judgment such completion, execution or submission would subject the Noteholder to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of the Noteholder. In furtherance of the foregoing, on the date hereof the Original Noteholder shall deliver to the Borrower duly completed and executed copies of IRS Form W-9 certifying that the Original Noteholder is a U.S. person exempt from U.S. federal backup withholding tax.

6.7 Tax Indemnity. The Borrower shall indemnify each Noteholder, within 10 days after demand therefor, for the full amount any Taxes, other than Excluded Taxes (including any such non-Excluded Taxes imposed or asserted on or attributable to amounts payable under this Section), imposed on or with respect to any payment made by or on account of the Borrower under this Note or any Collateral Document (including any payment made by the Guarantor) that are payable or paid by such Noteholder or required to be withheld or deducted from a payment to

such Noteholder and any reasonable expenses arising therefrom or with respect thereto (whether or not such non-Excluded Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority).

7. Representations and Warranties. The Borrower hereby represents and warrants to the Noteholder on behalf of itself and the Guarantors on the date hereof and on the date of each Borrowing Notice as follows:

7.1 Existence; Compliance With Laws. The Borrower and each Guarantor is (a) a corporation, limited liability company or limited partnership duly incorporated or formed, validly existing and in good standing under the laws of the state of its jurisdiction of organization and has the requisite power and authority, and the legal right, to own, lease and operate its properties and assets and to conduct its business as it is now being conducted and (b) in compliance with all Laws and Orders, except as would not reasonably be expected to result in a Material Adverse Effect.

7.2 Power and Authority. The Borrower and each Guarantor has the power and authority, and the legal right, to execute and deliver this Note and each of the Collateral Documents and to perform its obligations hereunder and thereunder.

7.3 Authorization; Execution and Delivery. The execution and delivery of this Note and each of the Collateral Documents by the Borrower and each Guarantor and the performance of their respective obligations hereunder and thereunder have been duly authorized by all necessary corporate, limited liability or limited partnership action in accordance with all applicable Laws. The Borrower and each Guarantor has duly executed and delivered this Note and each of the Collateral Documents, as applicable.

7.4 No Approvals. No consent or authorization of, filing with, notice to or other act by, or in respect of, any Governmental Authority or any other Person is required in order for the Borrower and each Guarantor to execute, deliver, or perform any of its obligations under this Note or each of the Collateral Documents, except (x) such as have been obtained or made and are in full force and effect or (y) for filings, recordings or registrations contemplated by the Collateral Documents.

7.5 No Violations. The execution and delivery of this Note and each of the Collateral Documents and the consummation by the Borrower and each Guarantor of the transactions contemplated hereby and thereby do not and will not (a) violate any provision of the Borrower's organizational documents; or (b) constitute a default under any material agreement or contract listed on the Borrower's annual report on Form 10-K for the year ended December 31, 2013 or any subsequent quarterly reports on Form 10-Q filed prior to the date hereof, except in the case of clause (b) as would not reasonably be expected to result in a Material Adverse Effect.

7.6 Enforceability. The Note and each of the Collateral Documents is a valid, legal and binding obligation of the Borrower and each Guarantor, enforceable against the Borrower and

each Guarantor in accordance with its terms except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general equitable principles (whether enforcement is sought by proceedings in equity or at law).

7.7 No Litigation. No action, suit, litigation, investigation or proceeding of, or before, any arbitrator or Governmental Authority is pending or, to the knowledge of the Borrower, threatened by or against the Borrower, any Guarantor or any of their property or assets with respect to the Note, the Collateral Documents or any of the transactions contemplated hereby or thereby, which litigation would reasonably be expected to have a Material Adverse Effect.

7.8 Payment of Taxes. The Borrower and each Guarantor has filed all federal income and material state and local tax returns which were required to be filed by it prior to and as of the date of the Note. The Borrower and each Guarantor has paid all material taxes and assessments payable by the Borrower and each Guarantor, to the extent that the same have become due and payable and before they became delinquent, except for any such taxes or assessments that are being contested in good faith by appropriate proceedings properly instituted and diligently conducted. The Borrower and each Guarantor has not been informed in writing of any proposed material tax assessment against it or any of its properties for which adequate provision has not been made on its books.

7.9 No Defaults. There exists no default under the provisions of any instrument or agreement evidencing, governing or otherwise relating to any material indebtedness that would reasonably be expected to have a Material Adverse Effect.

7.10 Collateral Documents. Each of the Collateral Documents is effective to create in favor of the Noteholder for its benefit a legal, valid, and enforceable Lien on the Collateral as security for the Loan having the applicable priority as specified therein.

7.11 Solvency. (a) The fair value of the property of the Borrower and the Guarantors on a consolidated basis is greater than the total amount of liabilities, including contingent liabilities, of the Borrower and the Guarantors on a consolidated basis, (b) the present fair saleable value of the Borrower and the Guarantors on a consolidated basis is not less than the amount that will be required to pay their probable liability on their debts as they become absolute and matured, (c) the Borrower and the Guarantors on a consolidated basis does not intend to, and does not believe that it will, incur debts or liabilities beyond their ability to pay such debts and liabilities as they mature and (d) the Borrower and the Guarantors on a consolidated basis is not engaged in a business or a transaction, and is not about to engage in a business or a transaction, for which their property would constitute an unreasonably small capital.

8. Affirmative Covenants. Until all amounts outstanding in this Note have been paid in full, the Borrower shall and shall cause each Guarantor to:

8.1 Maintenance of Existence. (a) Preserve, renew and maintain in full force and effect its corporate or organizational existence and (b) take all reasonable action to maintain all rights, privileges and franchises necessary or desirable in the normal conduct of its business, except, in each case, where the failure to do so would not reasonably be expected to have a Material Adverse Effect.

8.2 Compliance. Comply with (a) all of the terms and provisions of its organizational documents; and (b) all Laws and Orders applicable to it and its business, except where the failure to do so would not reasonably be expected to have a Material Adverse Effect.

8.3 Payment Obligations. Pay, discharge or otherwise satisfy at or before maturity or before they become delinquent, as the case may be, all its material obligations of whatever nature, except where the amount or validity thereof is currently being contested in good faith by appropriate proceedings, and reserves in conformity with GAAP with respect thereto have been provided on its books or where the failure to so pay would not reasonably be expected to result in a Material Adverse Effect.

8.4 Notice of Events of Default. As soon as possible and in any event within two Business Days after it becomes aware that (a) an "Event of Default" under the Deerfield Facility that has resulted in the lenders thereunder commencing enforcement proceedings with respect to their rights thereunder has occurred, notify the Noteholder in writing of the nature and extent of such "Event of Default" and (b) a Default or an Event of Default has occurred, notify the Noteholder in writing of the nature and extent of such Default or Event of Default and the action, if any, it has taken or proposes to take with respect to such Default or Event of Default.

8.5 Further Assurances. Maintain the security interest created by the Collateral Documents as a perfected security interest having at least the priority described in the Security Agreement. Promptly execute and deliver such further instruments and do or cause to be done such further acts as may be reasonably necessary or advisable to carry out the intent and purposes of this Note and each of the Collateral Documents.

8.6 Use of Proceeds. Use the proceeds of the Advances solely to fund MannKind's Loss Amount for the fiscal quarter most recently ended.

8.7 Post-Closing Obligations. On or prior to the date that is 90 days after the date hereof, (x) use commercially reasonable efforts to obtain account control agreements with its depository banks in form and substance reasonably satisfactory to the Noteholder; *provided* that, a failure to obtain such account control agreements shall not result in a Default provided the Borrower has used commercially reasonable efforts and (y) obtain a first priority mortgage on the real property and improvements thereon located at 28903 North Avenue Paine, Valencia, California 91355, to be based on the mortgage on such property entered into in connection with the Deerfield Facility, with modifications as are necessary to reflect comments from counsel to the Noteholder; *provided* that, with respect to this clause (y) only, such 90 day period may be extended to a later date as may be agreed by the Noteholder in its reasonable discretion.

9. Negative Covenants. Until all amounts outstanding under this Note have been paid in full, the Borrower shall not and shall not permit each Guarantor to:

9.1 Indebtedness. Incur, create or assume any Debt, other than (a) Debt existing or arising under this Note and any refinancing thereof; (b) the Deerfield Facility, Debt issued in exchange for, or the net proceeds of which are used to refinance, replace, defease or refund, the Deerfield Facility, and Debt issued in replacement of any such Debt to the extent such Debt is converted into equity of the Borrower immediately upon such replacement being outstanding; *provided* that, the principal amount of such indebtedness does not exceed $160.0 million; and (c) Debt defined as "Permitted Indebtedness" under the Deerfield Facility on the date hereof.

9.2 Liens. Incur, create, assume or suffer to exist any Lien on any of its property or assets, whether now owned or hereinafter acquired except for (a) Liens defined as "Permitted Liens" under the Deerfield Facility on the date hereof; and (b) Liens created pursuant to the Collateral Documents.

9.3 Amendment of Organizational Documents. The Borrower will not amend modify or waive its organizational documents in any manner materially adverse to the interest of the Noteholder.

10. Events of Default. The occurrence and continuance of any of the following shall constitute an Event of Default hereunder:

10.1 Failure to Pay. The Borrower or any Guarantor fails to pay (a) any principal amount of the Loan when due or (b) interest or any other amount when due to the Noteholder hereunder and such failure continues for two days.

10.2 Breach of Representations and Warranties. Any representation or warranty made or deemed made by the Borrower or any Guarantor to the Noteholder herein or in any of the Collateral Documents is incorrect in any material respect on the date as of which such representation or warranty was made or deemed made.

10.3 Breach of Covenants. The Borrower or any Guarantor fails to observe or perform (a) any covenant, condition or agreement contained in **Sections 8.1(a), 8.4, 8.6, 9.1 or 9.2** or (b) any other material covenant, obligation, condition or agreement contained in this Note or any of the Collateral Documents other than those specified in clause (a) and **Section 10.1** and such failure continues for 30 days following receipt of notice thereof from the Noteholder.

10.4 License Agreement. Sanofi terminates the License Agreement as a result of a breach thereof by MannKind in accordance with Section 12.2 thereof.

10.5 Bankruptcy.

(a) the Borrower or any Guarantor commences any case, proceeding or other action (i) under any existing or future Law relating to bankruptcy, insolvency, reorganization, or other

relief of debtors, seeking to have an order for relief entered with respect to it, or seeking to adjudicate it as bankrupt or insolvent, or seeking reorganization, arrangement, adjustment, winding-up, liquidation, dissolution, composition or other relief with respect to it or its debts or (ii) seeking appointment of a receiver, trustee, custodian, conservator or other similar official for it or for all or any substantial part of its assets, or the Borrower or any Guarantor makes a general assignment for the benefit of its creditors;

(b) there is commenced against the Borrower or any Guarantor any case, proceeding or other action of a nature referred to in **Section 10.5(a)** above which (i) results in the entry of an order for relief or any such adjudication or appointment or (ii) remains undismissed, undischarged or unbonded for a period of 60 days;

(c) there is commenced against the Borrower or any Guarantor any case, proceeding or other action seeking issuance of a warrant of attachment, execution or similar process against all or any substantial part of its assets which results in the entry of an order for any such relief which has not been vacated, discharged, or stayed or bonded pending appeal within 60 days from the entry thereof;

(d) the Borrower or any Guarantor takes any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the acts set forth in **Section 10.5(b)** or **10.5(c)** above; or

(e) the Borrower or any Guarantor is generally not, or shall be unable to, or admits in writing its inability to, pay its debts as they become due.

10.6 Note; Collateral Documents. Any material provision of this Note or any Collateral Document shall for any reason cease to be in full force and effect except as expressly permitted hereunder or thereunder, or the Borrower or any Guarantor shall so state in writing.

11. Remedies. Upon the occurrence of any (x) Specified Event of Default and at any time thereafter during the continuance of such Specified Event of Default, the Noteholder may at its option, by written notice to the Borrower (a) terminate its commitment to make any Advances hereunder; (b) declare the entire principal amount of this Note, together with all accrued interest thereon and all other amounts payable hereunder, immediately due and payable; and/or (c) exercise any or all of its rights, powers or remedies under the Collateral Documents or applicable Law; *provided*, *however* that, if an Event of Default described in **Section 10.5** shall occur, the principal of and accrued interest on the Loan shall become immediately due and payable without any notice, declaration or other act on the part of the Noteholder or (y) other Event of Default, and at any time thereafter during the continuance of such Event of Default, the Noteholder may at its option, by written notice to the Borrower terminate its commitment to make any Advances hereunder.

12. Miscellaneous.

12.1 Notices.

(a) All notices, requests or other communications required or permitted to be delivered hereunder shall be delivered in writing, in each case to the address specified below or to such other address as such Party may from time to time specify in writing in compliance with this provision:

(i) If to the Borrower:

28903 North Avenue Paine
Valencia, California 91355
Attn: Matt Pfeffer

Telephone: (661) 775-3300, Facsimile: (661) 775-2099

E-mail: mpfeffer@mannkindcorp.com

(ii) If to the Noteholder:

Aventisub LLC
3711 Kennett Pike, Suite 200
Greenville, DE 19807
Attn: Joseph M. Palladino

Telephone: (302) 777-6340, Facsimile: (302) 777-7222

E-mail: joseph.palladino@sanof.com

(b) Notices if (i) mailed by certified or registered mail or sent by hand or overnight courier service shall be deemed to have been given when received; (ii) sent by facsimile during the recipient's normal business hours shall be deemed to have been given when sent (and if sent after normal business hours shall be deemed to have been given at the opening of the recipient's business on the next business day); and (iii) sent by e-mail shall be deemed received upon the sender's receipt of an acknowledgment from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgment).

12.2 Expenses and Indemnification. The Borrower shall reimburse the Noteholder on demand for all reasonable and documented out-of-pocket costs, expenses and fees (including reasonable expenses and fees of its external counsel) incurred by the Noteholder in connection with the enforcement of the Noteholder's rights hereunder and under the Collateral Documents or in any bankruptcy case or insolvency proceeding. The Borrower shall indemnify the Noteholder and each of Noteholder's affiliates, partners, trustees, shareholders, directors, officers, employees, advisors, representatives, agents, attorneys and controlling persons (each such person being called an "**Indemnitee**") against, and hold each Indemnitee harmless from, any and all actions, suits, proceedings (including any investigations or inquiries), claims, losses, damages, liabilities and

expenses, including the reasonable and documented fees, charges and disbursements of any counsel for any Indemnitee, brought or threatened by the Borrower, the Guarantors, any of their respective affiliates or any other person or entity and which may be incurred by, asserted against or involve any Indemnitee arising out of, in connection with, or as a result of, (i) the execution or delivery of this Note and the Collateral Documents, the performance by the parties hereto of their respective obligations under this Note or the Collateral Documents, the consummation of the transactions or any other transactions contemplated by this Note or the Collateral Documents or the use or intended use of the proceeds of this Note or (ii) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory and regardless of whether any Indemnitee is a party thereto; *provided* that, such indemnity shall not, as to any Indemnitee, be available to the extent that such actions, suits, proceedings (including any investigations or inquiries), claims, losses, damages, liabilities or expenses are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted directly and primarily from the gross negligence or willful misconduct of such Indemnitee. The obligations of Borrower under this paragraph shall survive the payment in full of the Note.

12.3 Governing Law. This Note, the Collateral Documents and any claim, controversy, dispute or cause of action (whether in contract or tort or otherwise) based upon, arising out of or relating to this Note, the Collateral Documents and the transactions contemplated hereby and thereby shall be governed by the laws of the State of New York.

12.4 Submission to Jurisdiction.

(a) The Borrower hereby irrevocably and unconditionally (i) agrees that any legal action, suit or proceeding arising out of or relating to this Note or the Collateral Documents shall be brought in the courts of the State of New York located in the Borough of Manhattan or of the United States of America for the Southern District of New York and (ii) submits to the exclusive jurisdiction of any such court in any such action, suit or proceeding. Final judgment against the Borrower in any action, suit or proceeding shall be conclusive and may be enforced in any other jurisdiction by suit on the judgment.

(b) Nothing in this **Section 12.4** shall affect the right of the Noteholder to (i) commence legal proceedings or otherwise sue the Borrower in any other court having jurisdiction over the Borrower or (ii) serve process upon the Borrower in any manner authorized by the laws of any such jurisdiction.

12.5 Venue. The Borrower irrevocably and unconditionally waives, to the fullest extent permitted by applicable law, any objection that it may now or hereafter have to the laying of venue of any action or proceeding arising out of or relating to this Note or the Collateral Documents in any court referred to in **Section 12.4** and the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

12.6 Waiver of Jury Trial. EACH OF THE BORROWER AND THE NOTEHOLDER HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY RELATING TO THIS NOTE, THE COLLATERAL DOCUMENTS OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY.

12.7 Counterparts; Integration; Effectiveness. This Note, the Collateral Documents and any amendments, waivers, consents or supplements hereto and thereto may be executed in counterparts, each of which shall constitute an original, but all taken together shall constitute a single contract. This Note and the Collateral Documents constitutes the entire contract between the Parties and their respective affiliates with respect to the subject matter hereof and supersede all previous agreements and understandings, oral or written, with respect thereto, including, without limitation, the Commitment Letter. Hoechst GmbH is fully released and discharged by the Borrower from any and all obligations under the Commitment Letter and all claims, demands, actions and causes of action arising out of or in relation to the termination of the Commitment Letter. Delivery of an executed counterpart of a signature page to this Note or the Collateral Documents by facsimile or in electronic (i.e., “pdf” or “tif”) format shall be effective as delivery of a manually executed counterpart of this Note or the Collateral Documents, as applicable.

12.8 Successors and Assigns.

(a) This Note may not be assigned or transferred by the Noteholder to any Person without the prior written consent of the Borrower; *provided* that, the Noteholder may assign or transfer this Note to an Affiliate (as defined in the License Agreement) upon written notice to the Borrower so long as such Affiliate has the financial capability to fulfill the obligations of the Noteholder contained herein (including the obligation to make the Loans under **Sections 2** and **5**); *provided*, *further* that, such assignment does not result in an increased cost to the Borrower under **Section 6.7** or the last sentence of **Section 6.1**.

(b) The Original Noteholder, acting solely for this purpose as an agent of the Borrower, shall maintain at its office in Delaware a register for the recordation of the names and addresses of the Noteholders, and the commitments of, and principal amounts (and stated interest) of the Loans owing to, the Noteholders pursuant to the terms hereof from time to time (the “**Register**”). The entries in the Register shall be conclusive absent manifest error, and the Borrower and the Noteholders shall treat each Person whose name is recorded in the Register pursuant to the terms hereof as a lender hereunder for all purposes of this Note. The Register shall be available for inspection by the Borrower and the Noteholder, at any reasonable time and from time to time upon reasonable prior notice. The obligations of Borrower under this Agreement and the Collateral Documents are registered obligations and the right, title and interest of the Original Noteholder and its assignees in and to such obligations shall be transferable only upon notation of such transfer in the Register. This **Section 12.8** shall be construed so that such obligations are at all times maintained in “registered from” within the meaning of Sections 163(f), 871(h)(2) and 881(c)(2) of the Code and any related regulations (and any other relevant or successor provisions of the Code or such regulations).

(c) The Borrower may not assign or transfer this Note or any of its rights hereunder without the prior written consent of the Noteholder.

(d) This Note shall inure to the benefit of, and be binding upon, the Parties and their permitted assigns.

12.9 Waiver of Notice. The Borrower hereby waives demand for payment, presentment for payment, protest, notice of payment, notice of dishonor, notice of nonpayment, notice of acceleration of maturity and diligence in taking any action to collect sums owing hereunder.

12.10 Interpretation. For purposes of this Note (a) the words “include,” “includes” and “including” shall be deemed to be followed by the words “without limitation”; (b) the word “or” is not exclusive; and (c) the words “herein,” “hereof,” “hereby,” “hereto” and “hereunder” refer to this Note as a whole. The definitions given for any defined terms in this Note shall apply equally to both the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. Unless the context otherwise requires, references herein: (x) to Schedules, Exhibits and Sections mean the Schedules, Exhibits and Sections of this Note; (y) to an agreement, instrument or other document means such agreement, instrument or other document as amended, supplemented and modified from time to time to the extent permitted by the provisions thereof; and (z) to a statute means such statute as amended from time to time and includes any successor legislation thereto and any regulations promulgated thereunder. This Note shall be construed without regard to any presumption or rule requiring construction or interpretation against the party drafting an instrument or causing any instrument to be drafted.

12.11 Amendments and Waivers. No term of this Note may be waived, modified or amended except by an instrument in writing signed by both of the parties hereto. Any waiver of the terms hereof shall be effective only in the specific instance and for the specific purpose given.

12.12 Headings. The headings of the various Sections and subsections herein are for reference only and shall not define, modify, expand or limit any of the terms or provisions hereof.

12.13 No Waiver; Cumulative Remedies. No failure to exercise and no delay in exercising on the part of the Noteholder, of any right, remedy, power or privilege hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges herein provided are cumulative and not exclusive of any rights, remedies, powers and privileges provided by law.

12.14 Electronic Execution. The words “execution,” “signed,” “signature,” and words of similar import in the Note shall be deemed to include electronic or digital signatures or the

keeping of records in electronic form, each of which shall be of the same effect, validity and enforceability as manually executed signatures or a paper-based recordkeeping system, as the case may be, to the extent and as provided for under applicable law, including the Electronic Signatures in Global and National Commerce Act of 2000 (15 USC § 7001 et seq.), the Electronic Signatures and Records Act of 1999 (N.Y. State Tech. Law §§ 301-309), or any other similar state laws based on the Uniform Electronic Transactions Act.

12.15 Severability. If any term or provision of this Note or the Collateral Documents is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision of this Note or the Collateral Documents or invalidate or render unenforceable such term or provision in any other jurisdiction. Upon such determination that any term or other provision is invalid, illegal or unenforceable, the parties hereto shall negotiate in good faith to modify this Note so as to effect the original intent of the parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the greatest extent possible.

THIS NOTE IS ISSUED WITH ORIGINAL ISSUE DISCOUNT ("OID") FOR U.S. FEDERAL INCOME TAX PURPOSES. THE ISSUE PRICE, AMOUNT OF OID, ISSUE DATE AND YIELD TO MATURITY WITH RESPECT TO THIS NOTE MAY BE OBTAINED BY WRITING TO THE BORROWER AT THE FOLLOWING ADDRESS: 28903 NORTH AVENUE PAINE, VALENCIA, CALIFORNIA 91355, ATTENTION: MATT PFEFFER, FAX NUMBER: (661) 775-2099.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Borrower has executed this Note as of September 23, 2014.

MANNKIND CORPORATION

By /s/ Matthew J. Pfeffer
Name: Matthew J. Pfeffer
Title: Chief Financial Officer

By its acceptance of this Note, the Noteholder acknowledges and agrees to be bound by the provisions of this Note.

AVENTISUB LLC

By /s/ Joseph M. Palladino
Name: Joseph M. Palladino
Title: President

EXHIBIT A

LOANS AND PAYMENTS ON THE LOANS

Date of Loan	Amount of Loan	Amount of Principal Paid	Unpaid Principal Amount of Note	Name of Person Making the Notation

Exhibit 99.2

EXECUTION VERSION

GUARANTY AND SECURITY AGREEMENT

among

MANNKIND CORPORATION

and

THE OTHER PARTIES HERETO,
as Grantors and Guarantors,

and

AVENTISUB LLC,
as Secured Creditor

September 23, 2014

GUARANTY AND SECURITY AGREEMENT

THIS GUARANTY AND SECURITY AGREEMENT dated as of September 23, 2014 (this "Agreement") is entered into among MANNKIND CORPORATION, a Delaware corporation ("Borrower"), MANNKIND LLC, a Delaware limited liability company ("MLLC"), and each other Person signatory hereto as a Grantor (together with Borrower and MLLC and any other Person that becomes a party hereto as provided herein, the "Grantors" and each, a "Grantor") in favor of AVENTISUB LLC ("Secured Creditor").

RECITALS

A. Secured Creditor has agreed to extend credit to Borrower in the aggregate principal amount of up to $175,000,000 subject to the terms and conditions set forth in the Promissory Note (defined below). Borrower is affiliated with each other Grantor.

B. The Borrower and the Grantors are engaged in interrelated businesses, and each Grantor will derive substantial direct and indirect benefit from extensions of credit under the Promissory Note.

D. It is a condition precedent to Secured Creditor's obligation to extend credit under the Promissory Note that the Grantors shall have executed and delivered this Agreement to Secured Creditor.

In consideration of the premises and to induce Secured Creditor to enter into the Promissory Note and to induce Secured Creditor to extend credit thereunder, each Grantor hereby agrees with Secured Creditor as follows:

SECTION 1 DEFINITIONS.

1.1 Unless otherwise defined herein, terms defined in the Promissory Note and used herein shall have the meanings given to them in the Promissory Note, and the following terms are used herein as defined in the UCC: Accounts, Certificated Security, Chattel Paper, Commercial Tort Claims, Deposit Accounts, Documents, Electronic Chattel Paper, Equipment, Farm Products, General Intangibles, Goods, Health Care Insurance Receivables, Instruments, Inventory, Leases, Letter-of-Credit Rights, Money, Payment Intangibles, Supporting Obligations, Tangible Chattel Paper.

1.2 When used herein the following terms shall have the following meanings:

"Agreement" has the meaning set forth in the preamble of this Agreement.

"Borrower Obligations" means all Obligations of the Borrower under the Promissory Note.

"Closing Date" means the date of this Agreement.

"Collateral" means any and all property or other assets, now existing or hereafter acquired or created, real or personal, tangible or intangible, wherever located, and whether owned by, consigned to, or held by, or under the care, custody or control of Grantors (or any of them), including:

(a) money, cash, and cash equivalents;

(b) Accounts and all of each Grantor's rights and benefits under the Accounts, including, but not limited to, each Grantor's right to receive payment in full of the obligations owing to such Grantor thereunder, whether now or hereafter existing, together with any and all guarantees, other Supporting Obligations and/or security therefore, as well as all of Grantors' Books and Records relating thereto;

(c) Deposit Accounts, other bank and deposit accounts (including any bank accounts maintained by Grantors (or any of them)), and all sums on deposit in any of them, and any items in such accounts;

(d) Investment Property;

(e) Inventory (including the US Insulin Inventory), Equipment, Fixtures, and other Goods;

(f) Chattel Paper, Documents, and Instruments;

(g) letters of credit and Letter of Credit Rights;

(h) Supporting Obligations;

(i) Commercial Tort Claims and all other Identified Claims;

(j) books and records;

(k) General Intangibles (including all Intellectual Property, claims, Payment Intangibles, contract rights, choses in action, and software);

(l) all of each Grantor's other interests in property of every kind and description, and the products, profits, rents of, dividends or distributions on, or accessions to such property; and

(m) all Proceeds (including insurance claims and insurance proceeds) of any of the foregoing, regardless of whether the Collateral, or any of it, is property as to which the UCC provides the perfection of a security interest, and all rights and remedies applicable to such property.

Where the context requires, terms relating to the Collateral or any part thereof, when used in relation to a Grantor, shall refer to such Grantor's Collateral or the relevant part thereof. Notwithstanding the foregoing, "Collateral" shall not include Excluded Property.

"Control Agreement" means an agreement among a Grantor or any of its Subsidiaries, Secured Creditor and (i) a securities intermediary with respect to securities, whether certificated or uncertificated, securities entitlements and other financial assets held in a securities account in the name of such Grantor, (ii) a futures commission merchant or clearing house, as applicable, with respect to commodity accounts and commodity contracts held by such Grantor, or (iii) a bank with respect to a Deposit Account, whereby, among other things, the issuer, securities intermediary or futures commission merchant, or bank limits any Lien that it may have in the applicable financial assets or Deposit Account in a manner reasonably satisfactory to Secured Creditor, acknowledges the Lien of Secured Creditor on such financial assets or Deposit Account, and agrees to follow the instructions or entitlement orders of Secured Creditor without further consent by such Grantor.

"Deerfield Lenders" means, collectively, Deerfield Private Design Fund II, L.P., Deerfield Private Design International II, L.P., and Horizon Santé FLML SÀRL.

"Deerfield Security Agreement" means that certain Guaranty and Security Agreement, dated as of July 1, 2013, by and among Borrower, the Grantors and Guarantors party thereto, the purchasers party thereto and the milestone creditor party thereto, as amended, supplemented, restated or otherwise modified from time to time.

"Disclosure Letter" means that certain Disclosure Letter dated as of the date hereof made by Borrower in favor of Secured Creditor.

"Excluded Accounts" shall mean (a) any Deposit Account of a Grantor that is used by such Grantor solely as a payroll account for the employees of Borrower or its Subsidiaries or the funds in which consist solely of funds held by any Grantor in trust for any director, officer or employee of any Grantor or any employee benefit plan maintained by any Grantor or funds representing deferred compensation for the directors and employees of any Grantor, (b) escrow accounts, Deposit Accounts and trust accounts, in each case either securing Permitted Liens or otherwise entered into in the ordinary course of business and consistent with prudent business practice conduct where the applicable Grantor holds the funds exclusively for the benefit of an unaffiliated third party, (c) accounts that are swept to a zero balance on a daily basis to a Deposit Account that is subject to a Control Agreement, and (d) Deposit Accounts and securities accounts held in jurisdictions outside the United States.

"Excluded Property" means, collectively, (a) any permit, license or agreement entered into by any Grantor (i) to the extent that any such permit, license or agreement or any requirement of law applicable thereto prohibits the creation of a Lien thereon, but only to the extent, and for as long as, such prohibition is not terminated or rendered unenforceable or otherwise deemed ineffective by the UCC or any other requirement of law, (ii) which would be abandoned, invalidated or unenforceable as a result of the creation of a Lien in favor of Secured Creditor or (iii) to the extent that the creation of a Lien in favor of Secured Creditor would result in a breach or termination pursuant to the terms of or a default under any such permit, license or agreement (other than to the extent that any such term would be rendered ineffective pursuant to the Sections 9-406, 9-407, 9-408 or 9-409 of the UCC or any other applicable law (including the Bankruptcy Code) or principles of equity), (b) property owned by any Grantor that is subject to a purchase money Lien or a capital lease permitted under the Promissory Note if the agreement pursuant to which such Lien is granted (or in the document providing for such capital lease) prohibits or requires the consent of any Person other than a Grantor and its Affiliates which has not been obtained as a condition to the creation of any other Lien on such property, (c) any "intent to use" trademark applications for which a statement of use has not been filed (but only until such statement is filed), (d) Insulin Inventory (other than the US Insulin Inventory), (e) the Oncology Assets and any equity interests in any Oncology Subsidiary, (f) equity interests in joint ventures or any non-Wholly Owned Subsidiaries to the extent not permitted by the terms of such entity's Organization Documents or joint venture documents, (g) voting equity interests in a Foreign Subsidiary or Foreign Subsidiary Holding Company (each as defined in the Deerfield Facility) that is not a Grantor, in excess of 65% of the total voting equity interests in such Subsidiary, to the extent the pledge thereof would result in material adverse Tax consequences to Borrower and its Subsidiaries as determined in good faith by Borrower, (h) any assets (including intangibles) not located in the United States to the extent the grant of a security interest therein is restricted or prohibited by applicable law or contract (after giving effect to applicable anti-assignment provisions of the UCC or other applicable law), (i) any property and assets subject to Permitted Liens (as defined in the Deerfield Facility on the date hereof) securing debt permitted by clause (xiv) of the definition of Permitted Indebtedness (as defined in the Deerfield Facility on the date hereof), and (j) motor vehicles and other assets subject to certificates of title; provided, however, "Excluded Property" shall not include any proceeds, products, substitutions or replacements of Excluded Property (unless such proceeds, products, substitutions or replacements would otherwise constitute Excluded Property).

"Grantor" has the meaning set forth in the preamble of this Agreement.

"Guarantor Obligations" means, collectively, with respect to each Guarantor, all obligations and liabilities of such Guarantor to Secured Creditor under this Agreement.

"Guarantors" means the collective reference to each Grantor (other than Borrower) and "Guarantor" means any of them.

"Identified Claims" means the Commercial Tort Claims described on Schedule G of the Disclosure Letter as such schedule shall be supplemented from time to time in accordance with the terms and conditions of this Agreement.

"Insulin Inventory" means any insulin owned by Borrower and its Subsidiaries from time to time and any contractual rights and obligations pursuant to which Borrower purchases or has purchased insulin from time to time, including without limitation, the agreements set forth on Schedule H of the Disclosure Letter.

"Intellectual Property" means (i) all patents, patent applications, patent disclosures and inventions (whether patentable or unpatentable and whether or not reduced to practice, (ii) all trademarks, service marks, trade dress, trade names, slogans, logos, and corporate names and Internet domain names, together with all of the goodwill associated with each of the foregoing, (iii) copyrights, copyrightable works, and licenses, (iv) registrations and applications for registration for any of the foregoing, (v) computer software (including but not limited to source code and object code), data, databases, and documentation thereof, (vi) trade secrets and other confidential information, (vii) other intellectual property, and (viii) copies and tangible embodiments of the foregoing (in whatever form and medium).

"Intercreditor Agreement" means that certain Intercreditor Agreement, dated as of the Closing Date, by and among Secured Creditor and the Deerfield Lenders, as amended, supplemented, restated or otherwise modified from time to time.

"Investment Property" means the collective reference to (a) all "investment property" as such term is defined in Section 9-102(a)(49) of the UCC, (b) all "financial assets" as such term is defined in Section 8-102(a)(9) of the UCC, and (b) whether or not constituting "investment property" as so defined, all Pledged Notes and all Pledged Equity.

"Issuers" means the collective reference to each issuer of any Investment Property.

"Lien" means any mortgage, deed of trust, pledge, hypothecation, assignment, charge, deposit arrangement, encumbrance, easement, lien (statutory or otherwise), security interest or other security arrangement and any other preference, priority or preferential arrangement of any kind or nature whatsoever, including any conditional sale contract or other title retention agreement.

"Loan Documents" mean the Promissory Note and the Collateral Documents.

"Obligations" means all advances to, and debts, liabilities, obligations, covenants and duties of, the Borrower arising under any Loan Document or otherwise with respect to the Loan, whether direct or indirect (including those acquired by assumption), absolute or contingent, due or to become due, now existing or hereafter arising and including interest and fees that accrue after the commencement by or against the Borrower of any case, proceeding or other action relating to bankruptcy, insolvency, reorganization, or other relief of debtors, naming the Borrower as the debtor in such proceeding, regardless of whether such interest and fees are allowed claims in such proceeding. Without limiting the foregoing, the Obligations include (a) the obligation to pay principal, interest, charges, expenses, fees, indemnities and other amounts payable by the Borrower under any Loan Document and (b) the obligation of the Borrower to reimburse any amount in respect of any of the foregoing that the Noteholder, in its sole discretion, may elect to pay or advance on behalf of the Borrower.

"Oncology Assets" means any Intellectual Property and other assets related to Borrower's oncology programs, including without limitation, the patents and trademarks set forth on Schedule I of the Disclosure Letter and any licenses relating to the foregoing.

"Paid in Full" means with respect to Secured Creditor (a) all Secured Obligations to Secured Creditor (other than contingent claims for indemnification or reimbursement not then asserted) have been indefeasibly repaid in full in cash and have been fully performed, (b) all other obligations (other than contingent claims for indemnification or reimbursement not then asserted) under the Promissory Note and the other Collateral Documents have been completely discharged, and (c) all commitments of Secured Creditor, if any, to extend credit that would constitute Borrower Obligations have been terminated or have expired.

"Pledged Equity" means the equity interests listed on Schedule A of the Disclosure Letter, together with any other equity interests, certificates, options or rights of any nature whatsoever in respect of the equity interests of any Person that may be issued or granted to, or held by, any Grantor while this Agreement is in effect.

"Pledged Notes" means all promissory notes listed on Schedule A of the Disclosure Letter, all intercompany notes at any time issued to any Grantor and all other promissory notes issued to or held by any Grantor (other than promissory notes issued in connection with extensions of trade credit by any Grantor in the ordinary course of business).

"Proceeds" means all "proceeds" as such term is defined in Section 9-102(a)(64) of the UCC and, in any event, shall include all dividends or other income from the Investment Property, collections thereon or distributions or payments with respect thereto.

"Promissory Note" means that certain Senior Secured Promissory Note of even date herewith between Borrower and Secured Creditor, as amended, supplemented, restated or otherwise modified from time to time.

"Receivable" means any right to payment for goods sold or leased or for services rendered, whether or not such right is evidenced by an Instrument or Chattel Paper and whether or not it has been earned by performance (including any Accounts).

"Secured Obligations" means, in the case of Borrower, the Borrower Obligations and, in the case of each Guarantor, its Guarantor Obligations.

"Securities Act" means the Securities Act of 1933, as amended.

"Subsidiary" or "Subsidiaries" means any entity of which securities or other ownership interests having ordinary voting power to elect a majority of the board of directors or other persons performing similar functions are at the time directly or indirectly owned by the Borrower.

"UCC" means the Uniform Commercial Code as the same may, from time to time, be enacted and in effect in the State of New York; provided that, to the extent that the Uniform Commercial Code is used to define any term herein or in any Loan Document and such term is defined differently in different Articles or Divisions of the Uniform Commercial Code, the definition of such term contained in Article or Division 9 shall govern; provided further that, in the event that, by reason of mandatory provisions of law,

any or all of the attachment, perfection or priority of, or remedies with respect to, Secured Creditor's Lien on any Collateral is governed by the Uniform Commercial Code as enacted and in effect in a jurisdiction other than the State of New York, the term "UCC" shall mean the Uniform Commercial Code as enacted and in effect in such other jurisdiction solely for purposes of the provisions thereof relating to such attachment, perfection, priority or remedies and for purposes of definitions related to such provisions.

"US Insulin Inventory" means any Insulin Inventory located in the United States.

"Valencia Facility" means the real property and improvements thereon located at 28903 North Avenue Paine, Valencia, California 91355.

SECTION 2 GUARANTY.

2.1 Guaranty.

(a) Each of the Guarantors hereby, jointly and severally, unconditionally and irrevocably, as a primary obligor and not only a surety, guarantees to Secured Creditor and its successors and permitted assigns, the prompt and complete payment and performance by Borrower of the Borrower Obligations when due (whether at the stated maturity, by acceleration or otherwise). The guarantee hereunder is a continuing guarantee, and shall apply to all Guarantor Obligations whenever arising.

(b) The guaranty contained in this Section 2 is a guaranty of payment and not of collection and shall remain in full force and effect until all of the Secured Obligations to Secured Creditor under the Promissory Note shall have been Paid in Full.

(c) No payment made by Borrower, any of the Guarantors, any other guarantor or any other Person or received or collected by Secured Creditor from Borrower, any of the Guarantors, any other guarantor or any other Person by virtue of any action or proceeding or any set-off or appropriation or application at any time or from time to time in reduction of or in payment of the Secured Obligations shall be deemed to modify, reduce, release or otherwise affect the liability of any Guarantor hereunder which Guarantor shall, notwithstanding any such payment (other than any payment received or collected from such Guarantor in respect of the Secured Obligations), remain liable for the Secured Obligations until the Secured Obligations to Secured Creditor under the Promissory Note are Paid in Full. Upon the Secured Obligations to Secured Creditor under the Promissory Note being Paid in Full, the guaranty under this Agreement shall be terminated automatically without any further action.

2.2 No Subrogation. Notwithstanding any payment made by any Guarantor hereunder or any set-off or application of funds of any Guarantor by Secured Creditor, no Guarantor shall be entitled to be subrogated to any of the rights of Secured Creditor against Borrower or any other Guarantor or any collateral security or guaranty or right of offset held by Secured Creditor for the payment of the Secured Obligations, nor shall any Guarantor seek or be entitled to seek any contribution or reimbursement from the Borrower or any other Guarantor in respect of payments made by such Guarantor hereunder, until all of the Secured Obligations to Secured Creditor under the Promissory Note are Paid in Full. If any amount shall be paid to any Guarantor on account of such subrogation rights at any time when all of the Secured Obligations to Secured Creditor under the Promissory Note shall not have been Paid in Full, such amount shall be held by such Guarantor in trust for Secured Creditor, segregated from other funds of such Guarantor, and shall, forthwith upon receipt by such Guarantor, be turned over to Secured Creditor in the exact form received by such Guarantor (duly indorsed by such Guarantor to Secured Creditor, if required), to be applied against the Secured Obligations, whether matured or unmatured, in a manner consistent with the provisions of the Promissory Note.

2.3 Amendments, etc. with respect to the Secured Obligations. Each Guarantor shall remain obligated hereunder notwithstanding that, without any reservation of rights against any Guarantor and without notice to or further assent by any Guarantor, any demand for payment of any of the Secured Obligations made by Secured Creditor may be rescinded by Secured Creditor and any of the Secured Obligations continued, and the Secured Obligations, or the liability of any other Person upon or for any part thereof, or any collateral security or guaranty therefor or right of offset with respect thereto, may, from time to time, in whole or in part, be renewed, extended, amended, modified, accelerated, compromised, waived, surrendered or released by Secured Creditor, and the Promissory Note and the other Collateral Documents and any other documents executed and delivered in connection therewith may be amended, modified, supplemented or terminated, in whole or in part, as Secured Creditor may deem advisable from time to time. Secured Creditor shall have no obligation to protect, secure, perfect or insure any Lien at any time held by them as security for the Secured Obligations or for the guaranty contained in this Section 2 or any property subject thereto.

Secured Creditor may, from time to time, in their reasonable discretion and without notice to the Guarantors (or any of them), take any or all of the following actions: (a) retain or obtain a security interest in any personal property to secure any of the Secured Obligations or any obligation hereunder, (b) retain or obtain the primary or secondary obligation of any obligor or obligors, in addition to the undersigned, with respect to any of the Secured Obligations, (c) extend or renew any of the Secured Obligations for one or more periods (whether or not longer than the original period), alter or exchange any of the Secured Obligations, or release or compromise any obligation of any of the undersigned hereunder or any obligation of any nature of any other obligor with respect to any of the Secured Obligations, (d) release any guaranty or right of offset or its security interest in, or surrender, release or permit any substitution or exchange for, all or any part of any personal property securing any of the Secured Obligations or any obligation hereunder, or extend or renew for one or more periods (whether or not longer than the original period) or release, compromise, alter or exchange any obligations of any nature of any obligor with respect to any such personal property, and (e) resort to the undersigned (or any of them) for payment of any of the Secured Obligations when due, whether or not Secured Creditor shall have resorted to any personal property securing any of the Secured Obligations or any obligation hereunder or shall have proceeded against any other of the undersigned or any other obligor primarily or secondarily obligated with respect to any of the Secured Obligations.

2.4 Waivers.

(a) To the extent permitted by applicable law, each Guarantor waives any and all notice of the creation, renewal, extension or accrual of any of the Secured Obligations and notice of or proof of reliance by Secured Creditor upon the guaranty contained in this Section 2 or acceptance of the guaranty contained in this Section 2. The Secured Obligations, and any of them, shall conclusively be deemed to have been created, contracted or incurred, or renewed, extended, amended or waived, in reliance upon the guaranty contained in this Section 2, and all dealings between Borrower and any of the Guarantors, on the one hand, and Secured Creditor, on the other hand, likewise shall be conclusively presumed to have been had or consummated in reliance upon the guaranty contained in this Section 2. To the extent permitted by applicable law, each Guarantor waives (a) diligence, presentment, protest, demand for payment and notice of default, dishonor or nonpayment and all other notices whatsoever to or upon Borrower or any of the Guarantors with respect to the Secured Obligations, (b) notice of the existence or creation or non-payment of all or any of the Secured Obligations and (c) all diligence in collection or protection of or realization upon any Secured Obligations or any security for or guaranty of any Secured Obligations.

(b) Upon the existence and continuance of a Specified Event of Default, Secured Creditor in its sole discretion, without prior notice to or consent of any Guarantor, may elect to: (i)

foreclose either judicially or nonjudicially against any real or personal property security it may hold for the Secured Obligations under the Collateral Documents, (ii) accept a transfer of any such security in lieu of foreclosure, (iii) compromise or adjust the Secured Obligations or any part of it or make any other accommodation with Borrower or Guarantors, or (iv) exercise any other remedy against any Grantor or any security. No such action by Secured Creditor shall release or limit the liability of any Guarantor, who shall remain liable under this Guaranty after the action, even if the effect of the action is to deprive such Guarantor of any subrogation rights, rights of indemnity, or other rights to collect reimbursement from any Grantor for any sums paid to Secured Creditor, whether contractual or arising by operation of law or otherwise. Each Guarantor expressly agrees that under no circumstances shall it be deemed to have any right, title, interest or claim in or to any real or personal property to be held by Secured Creditor or any third party after any foreclosure or transfer in lieu of foreclosure of any security for the Secured Obligations.

(c) Each Guarantor understands and acknowledges that if a Secured Creditor forecloses judicially or nonjudicially against any real property security for the Secured Obligations, that foreclosure could impair or destroy any ability that such Guarantor may have to seek reimbursement, contribution or indemnification from Borrower or others based on any right each Guarantor may have of subrogation, reimbursement, contribution or indemnification for any amounts paid by such Guarantor under this guaranty. Each Guarantor further understands and acknowledges that in the absence of this Section, such potential impairment or destruction of such Guarantor's rights, if any, may entitle such Guarantor to assert a defense to this guaranty based on Section 580d of the California Code of Civil Procedure as interpreted in *Union Bank v. Gradsky*, 265 Cal.App.2d 40 (1968). By executing this guaranty, each Guarantor freely, irrevocably and unconditionally: (i) waives and relinquishes that defense and agrees that Guarantor will be fully liable under this guaranty even though Lender may foreclose judicially or nonjudicially against any real property security for the Loan; (ii) agrees that Guarantor will not assert that defense in any action or proceeding which Secured Creditor may commence to enforce this guaranty; (iii) acknowledges and agrees that the rights and defenses waived by each Guarantor under this guaranty include any right or defense that such Guarantor may have or be entitled to assert based upon or arising out of any one or more of Sections 580a, 580b, 580d or 726 of the California Code of Civil Procedure or Section 2848 of the California Civil Code; and (iv) acknowledges and agrees that Secured Creditor is relying on this waiver in extending credit under the Promissory Note and that this waiver is a material part of the consideration which Secured Creditor is receiving for extending such credit.

(d) Each Guarantor waives any rights and defenses that are or may become available to such Guarantor by reason of Sections 2787 to 2855, inclusive, of the California Civil Code.

(e) Each Guarantor waives all rights and defenses that such Guarantor may have because the Borrower's Obligations are secured by real property. This means, among other things:

(i) Secured Creditor may collect from any Guarantor without first foreclosing on any real or personal property collateral pledged by Borrower or another Guarantor.

(ii) If Secured Creditor forecloses on any real property collateral pledged by Borrower or any Guarantor:

(A) The amount of the Secured Obligations may be reduced only by the price for which that collateral is sold at the foreclosure sale, even if the collateral is worth more than the sale price.

(B) Secured Creditor may collect from such Guarantor even if Secured Creditor, by foreclosing on the real property collateral, has destroyed any right such Guarantor may have to collect from Borrower.

This Section is an unconditional and irrevocable waiver of any rights and defenses each Guarantor may have because the Secured Obligations are secured by real property. These rights and defenses include, but are not limited to, any rights or defenses based upon Section 580a, 580b, 580d, or 726 of the California Code of Civil Procedure.

Each Guarantor waives any right or defense it may have at law or equity, including California Code of Civil Procedure Section 580a, to a fair market value hearing or action to determine a deficiency judgment after a foreclosure.

2.5 Payments. Each Guarantor hereby guaranties that payments hereunder will be paid to Secured Creditor without set-off or counterclaim in Dollars at the office of Secured Creditor specified in the Promissory Note, as applicable.

SECTION 3 GRANT OF SECURITY INTEREST.

3.1 Grant. Each Grantor hereby grants to Secured Creditor, a continuing security interest in all of its Collateral, as collateral security for the prompt and complete payment and performance when due (whether at the stated maturity, by acceleration or otherwise) of the Secured Obligations. Notwithstanding the foregoing, no Lien or security interest is hereby granted on any Excluded Property. Upon the Secured Obligations to Secured Creditor under the Promissory Note being Paid in Full, the Collateral shall be released and Secured Creditor's Liens terminated automatically without any further action.

SECTION 4 REPRESENTATIONS AND WARRANTIES.

To induce Secured Creditor to enter into the Promissory Note and to induce Secured Creditor to make extensions of credit to Borrower under the Promissory Note, each Grantor jointly and severally hereby represents and warrants to Secured Creditor that:

4.1 Title; No Other Liens. Except for Permitted Liens, the Grantors own each item of the Collateral free and clear of any and all Liens or claims of others. As of the Closing Date, no effective financing statement or other public notice with respect to all or any part of the Collateral is on file or of record in any public office, except filings evidencing Permitted Liens.

4.2 Perfected Liens. The security interests granted pursuant to this Agreement (a) upon completion of the filings and other actions specified on Schedule B of the Disclosure Letter (which filings and other documents referred to on Schedule B of the Disclosure Letter, have been delivered to Secured Creditor in completed form, except for the Control Agreements in connection with the Deposit Account and securities account listed on Schedule F of the Disclosure Letter, which the Borrower shall use commercially reasonable efforts to deliver within 90 days of the date hereof) will constitute valid second priority (other than with respect to each of the US Insulin Inventory and the Valencia Facility, which shall have first priority) perfected security interests in all of the Collateral (other than with respect to the perfection of the security interest granted in Excluded Accounts) in favor of Secured Creditor as collateral security for the Secured Obligations, enforceable in accordance with the terms hereof and in accordance with the terms of the Promissory Note and (b) shall be prior to all other Liens on the Collateral except for Permitted Liens having priority over Secured Creditor's Lien by operation of law or permitted pursuant to the Promissory Note upon (i) in the case of all pledged

Certificated Securities, Pledged Notes, Pledged Equity and other pledged Investment Property, in each case in certificated form, the delivery thereof to Secured Creditor of such pledged certificated stock, Pledged Notes, Pledged Equity and other pledged Investment Property consisting of instruments and certificates, in each case properly endorsed for transfer to Secured Creditor or in blank and (ii) in the case of all other pledged instruments and tangible chattel paper that are not pledged certificated stock, Pledged Notes, Pledged Equity and other pledged Investment Property, the delivery thereof to Secured Creditor of such instruments and tangible chattel paper. Except as set forth in this Section 4.2 and Section 7.20, all actions by each Grantor necessary to perfect the Lien granted hereunder on the Collateral have been duly taken. As of the date hereof, the filings and other actions specified on Schedule B of the Disclosure Letter constitute all of the filings and other actions necessary to perfect all security interests granted hereunder.

4.3 Grantor Information. On the date hereof, Schedule C of the Disclosure Letter sets forth (a) each Grantor's jurisdiction of organization, (b) the location of each Grantor's chief executive office, (c) each Grantor's exact legal name as it appears on its Organizational Documents and (d) each Grantor's organizational identification number (to the extent a Grantor is organized in a jurisdiction which assigns such numbers) and federal employer identification number.

4.4 Collateral Locations. On the date hereof, Schedule D of the Disclosure Letter sets forth (a) each place of business of each Grantor (including its chief executive office), (b) all locations where all Collateral constituting Inventory and Equipment with a book value in excess of $150,000 individually or $300,000 in the aggregate for all Grantors owned by each Grantor is kept (other than Collateral constituting Inventory or Equipment that is otherwise in transit or out for repair, refurbishment or processing in the ordinary course of business or otherwise disposed of in a transaction permitted by the Promissory Note) and (c) whether each such Collateral location and place of business (including each Grantor's chief executive office) is owned or leased (and if leased, specifies the complete name and notice address of each lessor). On the Closing Date, no Collateral (other than Collateral constituting Inventory or Equipment that is otherwise in transit or out for repair, refurbishment or processing in the ordinary course of business or otherwise disposed of in a transaction permitted by the Promissory Note) with a book value greater than $150,000 individually or $300,000 in the aggregate for all Grantors is located outside the United States or in the possession of any lessor, bailee, warehouseman or consignee, except as indicated on Schedule D of the Disclosure Letter.

4.5 Certain Property. As of the Closing Date, none of the Collateral constitutes, or is the Proceeds of, (a) Farm Products or (b) Health Care Insurance Receivables.

4.6 Investment Property.

(a) The Pledged Equity pledged by each Grantor hereunder constitutes all the issued and outstanding equity interests of each Issuer owned by such Grantor.

(b) To the knowledge of the applicable Grantor, all of the Pledged Equity has been duly and validly issued and, in the case of shares of capital stock, is fully paid and nonassessable.

(c) To the knowledge of the applicable Grantor, each of the Pledged Notes constitutes the legal, valid and binding obligation of the obligor with respect thereto, enforceable in accordance with its terms (subject to the effects of bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other similar laws relating to or affecting creditors' rights generally, general equitable principles (whether considered in a proceeding in equity or at law) and an implied covenant of good faith and fair dealing).

4.7 As of the date hereof, Schedule A of the Disclosure Letter lists all Investment Property (other than Pledged Equity and Pledged Debt) owned by each Grantor with a value greater than $150,000 individually or $300,000 in the aggregate for all Grantors. Each Grantor is the record and beneficial owner of, and has good and valid title to, the Investment Property pledged by it hereunder, free of any and all Liens or options in favor of, or claims of, any other Person, except Permitted Liens.

4.8 Receivables.

(a) No material amount payable to such Grantor under or in connection with any Receivable is evidenced by any Instrument or Chattel Paper which has not been delivered to Secured Creditor.

(b) No obligor on any Receivable is a Governmental Authority.

(c) The amounts represented by such Grantor to Secured Creditor from time to time as owing to such Grantor in respect of the Receivables will at all such times be accurate in all material respects.

4.9 Intellectual Property. Schedule E of the Disclosure Letter lists all Intellectual Property (other than Intellectual Property consisting of Oncology Assets) that is registered or is the subject of an application to register and owned by each Grantor in its own name on the date hereof. Except as set forth in Schedule E of the Disclosure Letter and except for non-exclusive licenses of software and other Intellectual Property licensed in the ordinary course of business, none of the Intellectual Property (other than Intellectual Property consisting of Oncology Assets) of any Grantor is the subject of any licensing or franchise agreement pursuant to which such Grantor is the licensor or franchisor.

4.10 Depositary and Other Accounts. Schedule F of the Disclosure Letter lists all banks and other financial institutions at which any Grantor maintains deposit or other accounts as of the Closing Date (other than Excluded Accounts) and such Schedule F correctly identifies the name and address of each depository, the name in which the account is held, a description of the purpose of the account, and the complete account number therefor.

4.11 Promissory Note. Each Grantor makes each of the representations and warranties made by Borrower in Section 7, of the Promissory Note to the extent applicable to it on the date such Grantor becomes a party hereto (which representations and warranties shall be deemed to be renewed upon each borrowing under the Promissory Note). Such representations and warranties shall be incorporated herein by this reference as if fully set forth herein.

SECTION 5 COVENANTS.

Each Grantor covenants and agrees with Secured Creditor that, from and after the date of this Agreement until the Secured Obligations to Secured Creditor under the Promissory Note shall have been Paid in Full:

5.1 Delivery of Instruments, Certificated Securities and Chattel Paper. If any amount payable under or in connection with any of the Collateral in excess of $150,000 individually or $300,000 in the aggregate for all Grantors shall be or become evidenced by any Instrument, certificated security or Chattel Paper, such Instrument, certificated security or Chattel Paper shall (unless Secured Creditor have agreed in writing that such delivery will not be required) be promptly (and, in any event, within 10 Business Days) delivered to Secured Creditor, duly indorsed in a manner reasonably satisfactory to

Secured Creditor, to be held as Collateral pursuant to this Agreement and in the case of Electronic Chattel Paper, the applicable Grantor shall (unless Secured Creditor have agreed in writing that such control will not be required) cause Secured Creditor to have control thereof within the meaning set forth in Section 9-105 of the UCC. In the event that a Specified Event of Default shall have occurred and be continuing, upon the request of Secured Creditor, any Instrument, certificated security or Chattel Paper not theretofore delivered to Secured Creditor and at such time being held by any Grantor shall be promptly (and, in any event, within 10 Business Days) delivered to Secured Creditor, duly indorsed in a manner satisfactory to Secured Creditor to be held as Collateral pursuant to this Agreement and in the case of Electronic Chattel Paper, the applicable Grantor shall cause Secured Creditor to have control thereof within the meaning set forth in Section 9-105 of the UCC.

5.2 Maintenance of Perfected Security Interest; Further Documentation.

(a) Such Grantor shall maintain the security interest created by this Agreement as a perfected security interest having at least the priority described in Section 4.2, and shall take all commercially reasonable actions to defend such security interest against the claims and demands of all Persons whomsoever.

(b) Such Grantor will furnish to Secured Creditor from time to time statements and schedules further identifying and describing the assets and property of such Grantor and such other reports in connection therewith as Secured Creditor may reasonably request, all in reasonable detail.

(c) At any time and from time to time, upon the written request of Secured Creditor, and at the sole expense of such Grantor, such Grantor will promptly and duly execute and deliver, and have recorded, such further instruments and documents and take such further actions as Secured Creditor may reasonably request for the purpose of obtaining or preserving the full benefits of this Agreement and of the rights and powers herein granted, including (i) filing any financing or continuation statements under the UCC (or other similar laws) in effect in any jurisdiction with respect to the security interests created hereby, and (ii) in the case of (A) Deposit Accounts and securities accounts, using commercially reasonable efforts to take, and (B) other Investment Property and any other relevant Collateral, taking, any such requested actions necessary to enable Secured Creditor to obtain "control" (within the meaning of the applicable UCC) with respect to such Investment Property or Collateral to the extent required to be pledged hereunder. Notwithstanding anything to the contrary set forth herein, no actions in any jurisdiction outside the United States shall be required in order to create any security interests in assets located or titled outside of the United States or to perfect any security interests in such assets, including any intellectual property registered in any jurisdiction outside the United States.

5.3 Changes in Locations, Name, etc. Such Grantor shall not, except upon 5 Business Days' prior written notice to Secured Creditor and delivery to Secured Creditor of (a) all additional financing statements and other documents reasonably requested by Secured Creditor as to the validity, perfection and priority of the security interests provided for herein and (b) if applicable, a written supplement to Schedule D of the Disclosure Letter showing any additional location at which Collateral consisting of Inventory or Equipment with a book value in excess of $150,000 individually or $300,000 in the aggregate for all Grantors shall be kept (other than Collateral consisting of Inventory or Equipment that is otherwise in transit or out for repair, refurbishment or processing in the ordinary course of business or otherwise disposed of in a transaction permitted by the Promissory Note):

(i) permit any of the Inventory or Equipment with a book value greater than $150,000 individually or $300,000 in the aggregate for all Grantors to be kept at a location other than those listed on Schedule D of the Disclosure Letter, other than the Inventory or Equipment that is otherwise in transit or out for repair, refurbishment or processing in the ordinary course of

business or otherwise disposed of in a transaction permitted by the Promissory Note; provided that, with respect to US Insulin Inventory, this Section 5.3 shall apply to all US Insulin Inventory, regardless of the value thereof and notwithstanding the foregoing, no US Insulin Inventory shall be permitted to be relocated outside of the United States;

(ii) change its jurisdiction of organization or the location of its chief executive office from that specified on Schedule C of the Disclosure Letter or in any subsequent notice delivered pursuant to this Section 5.3; or

(iii) change its name, identity or corporate structure.

5.4 Notices. Such Grantor will advise Secured Creditor promptly upon becoming aware, in reasonable detail, of:

(a) any Lien (other than Permitted Liens) on any of the Collateral; and

(b) the occurrence of any other event which would reasonably be expected to have a material adverse effect on the aggregate value of the Collateral or on the Liens created hereby.

5.5 Investment Property.

(a) If such Grantor shall become entitled to receive or shall receive any certificate, option or rights in respect of the equity interests of any Issuer, whether in addition to, in substitution of, as a conversion of, or in exchange for, any of the Pledged Equity, or otherwise in respect thereof, such Grantor shall accept the same as the agent of Secured Creditor, hold the same in trust for Secured Creditor and deliver the same forthwith to Secured Creditor in the exact form received, duly indorsed by such Grantor to Secured Creditor, if required, together with an undated instrument of transfer covering such certificate duly executed in blank by such Grantor and with, if Secured Creditor so request, signature guarantied, to be held by Secured Creditor, subject to the terms hereof, as additional Collateral for the Secured Obligations. Upon the occurrence and during the continuance of a Specified Event of Default, (i) any sums paid upon or in respect of the Investment Property upon the liquidation or dissolution of any Issuer shall be paid over to Secured Creditor to be held by them hereunder as additional Collateral for the Secured Obligations, and (ii) in case any distribution of capital shall be made on or in respect of the Investment Property or any property shall be distributed upon or with respect to the Investment Property pursuant to the recapitalization or reclassification of the capital of any Issuer or pursuant to the reorganization thereof, the property so distributed shall, unless otherwise subject to a perfected Lien in favor of Secured Creditor, be delivered to Secured Creditor to be held by them hereunder as additional Collateral for the Secured Obligations. Upon the occurrence and during the continuance of a Specified Event of Default, if any sums of money or property so paid or distributed in respect of the Investment Property shall be received by such Grantor, such Grantor shall, until such money or property is paid or delivered to Secured Creditor, hold such money or property in trust for Secured Creditor, segregated from other funds of such Grantor, as additional Collateral for the Secured Obligations.

(b) Without the prior written consent of Secured Creditor, such Grantor will not (i) vote to enable, or take any other action to permit, any Issuer to issue any equity interests of any nature or to issue any other securities or interests convertible into or granting the right to purchase or exchange for any equity interests of any nature of any Issuer, except, in each case, as permitted by the Promissory Note, (ii) create, incur or permit to exist any Lien or option in favor of, or any claim of any Person with respect to, any of the Investment Property or Proceeds thereof, or any interest therein, except for Permitted Liens, or (iii) enter into any agreement or undertaking restricting the right or ability of such Grantor or Secured Creditor to sell, assign or transfer any of the Investment Property or Proceeds thereof, except, any such action which is not prohibited by the Promissory Note.

(c) In the case of each Grantor which is an Issuer, such Issuer agrees that (i) it will be bound by the terms of this Agreement relating to the Investment Property issued by it and will comply with such terms insofar as such terms are applicable to it, (ii) it will notify Secured Creditor promptly in writing of the occurrence of any of the events described in Section 5.5(a) of this Agreement with respect to the Investment Property issued by it and (iii) the terms of Sections 6.3(c) and 6.7 of this Agreement shall apply to such Grantor with respect to all actions that may be required of it pursuant to Section 6.3(c) or 6.7 of this Agreement regarding the Investment Property issued by it.

5.6 Receivables. Other than in the ordinary course of business or with respect to amounts which are not material to such Grantor, such Grantor will not (i) grant any extension of the time of payment of any Receivable, (ii) compromise or settle any Receivable for less than the full amount thereof, (iii) release, wholly or partially, any Person liable for the payment of any Receivable, (iv) allow any credit or discount whatsoever on any Receivable or (v) amend, supplement or modify any Receivable in any manner that would reasonably be expected to adversely affect the value thereof in any material respect.

5.7 Intellectual Property. Except as expressly permitted by the Promissory Note,

(a) Such Grantor (either itself or through licensees) will not do any act, or omit to do any act, whereby any patent owned by such Grantor material to its business may become forfeited, abandoned or dedicated to the public.

(b) Such Grantor will notify Secured Creditor promptly if it knows, or has reason to know, that any application or registration relating to any material Intellectual Property owned by such Grantor may become forfeited, abandoned or dedicated to the public, or of any determination or development regarding, such Grantor's ownership of, or the validity of, any material Intellectual Property or such Grantor's right to register the same or to own and maintain the same that would reasonably be expected to have a Material Adverse Effect.

(c) Whenever such Grantor, either by itself or through any agent, employee, licensee or designee, shall file an application for the registration of any Intellectual Property owned by such Grantor with the United States Patent and Trademark Office or the United States Copyright Office, such Grantor shall report such filing to Secured Creditor concurrently with the next delivery of financial statements of Borrower pursuant to the Deerfield Facility. Upon the request of Secured Creditor, such Grantor shall execute and deliver, and have recorded, any and all agreements, instruments, documents, and papers as Secured Creditor may request to evidence Secured Creditor's security interest in any copyright, patent or trademark or any application therefor and the goodwill and general intangibles of such Grantor relating thereto or represented thereby with the United States Patent and Trademark Office or United States Copyright Office, as applicable.

(d) In the event that any material Intellectual Property owned by such Grantor is infringed upon or misappropriated or diluted by a third party, such Grantor shall take such actions as such Grantor shall reasonably deem appropriate under the circumstances to protect such Intellectual Property.

5.8 Depositary and Other Deposit Accounts. No Grantor shall open any depositary or other deposit accounts (other than Excluded Accounts) unless such Grantor shall have given to Secured Creditor 10 calendar days' prior written notice (or such lesser notice as Secured Creditor may agree in its sole discretion) of its intention to open any such new deposit accounts.

5.9 Other Matters.

(a) Each Grantor authorizes Secured Creditor to, at any time and from time to time, file financing statements, continuation statements, and amendments thereto that describe the Collateral as "all assets" of each Grantor, or words of similar effect, and which contain any other information required pursuant to the UCC for the sufficiency of filing office acceptance of any financing statement, continuation statement or amendment, and each Grantor agrees to furnish any such information to Secured Creditor promptly upon request. Any such financing statement, continuation statement or amendment may be signed by Secured Creditor on behalf of any Grantor and may be filed at any time in any jurisdiction.

(b) Each Grantor shall, at any time and from time and to time, take such steps as Secured Creditor may reasonably request for Secured Creditor to insure the continued perfection and priority of Secured Creditor's security interest in any of the Collateral and of the preservation of its rights therein.

(c) If any Grantor shall at any time, acquire a "commercial tort claim" (as such term is defined in the UCC) with a value in excess of $150,000 individually or $300,000 in the aggregate for all Grantors and for which a complaint in a court of competent jurisdiction has been filed, such Grantor shall promptly (and, in any event, within 10 Business Days) notify Secured Creditor thereof in writing and supplement Schedule G of the Disclosure Letter, therein providing a reasonable description and summary thereof, and upon delivery thereof to Secured Creditor, such Grantor shall be deemed to thereby grant to Secured Creditor (and such Grantor hereby grants to Secured Creditor) a security interest and lien in and to such commercial tort claim and all proceeds thereof, all upon the terms of and governed by this Agreement.

(d) Notwithstanding anything else in this Agreement or any of the Collateral Documents to the contrary, the Secured Creditor agrees that upon the sale of the Valencia Facility, the Secured Creditor shall promptly release the mortgage on the Valencia Facility at the request and expense of the Borrower; provided that the net cash proceeds from such sale are used to prepay the Loans or otherwise permanently reduce the amount available under the Promissory Note pursuant to the terms of Section 3.3 of the Promissory Note.

5.10 Promissory Note. Each of the Grantors covenants that it will, and, if necessary, will enable Borrower to, fully comply with each of the covenants and other agreements set forth in the Promissory Note.

5.11 Insurance. Borrower shall:

(a) Keep the Collateral properly housed and insured for the full insurable value thereof against loss or damage by fire, theft, explosion, sprinklers, and such other risks as are customarily insured against by Persons engaged in businesses similar to that of Borrower, with such companies, in such amounts, with such deductibles, and under policies in such form, as are customarily insured for by Persons engaged in businesses similar to that of Borrower. Original (or certified) copies of such policies of insurance have been or shall be, within 90 days of the Closing Date, delivered to Secured Creditor, together with evidence of payment of all premiums therefor, and shall contain an endorsement, in form and substance acceptable to Secured Creditor, showing loss under such insurance policies payable to Secured Creditor. Such endorsement, or an independent instrument furnished to Secured Creditor, shall provide that the insurance company shall give Secured Creditor at least 30 days written notice before any such policy of insurance is altered or canceled.

(b) Maintain, at their expense, such public liability and third party property damage insurance as is customary for Persons engaged in businesses similar to that of Borrower with such companies and in such amounts, with such deductibles and under policies in such form as are customarily insured for by Persons engaged in businesses similar to that of Borrower and original (or certified) copies of such policies have been or shall be, within 90 days after the Closing Date, delivered to Secured Creditor, together with evidence of payment of all premiums therefor; each such policy shall contain an endorsement showing Secured Creditor as additional insureds thereunder and providing that the insurance company shall give Secured Creditor at least 30 days written notice before any such policy shall be altered or canceled.

SECTION 6 REMEDIAL PROVISIONS.

6.1 Certain Matters Relating to Receivables.

(a) At any time and from time to time after the occurrence and during the continuance of a Specified Event of Default, Secured Creditor shall have the right to make test verifications of the Receivables in any manner and through any medium that it reasonably considers advisable, and each Grantor shall furnish all such assistance and information as Secured Creditor may reasonably require in connection with such test verifications. At any time and from time to time after the occurrence and during the continuance of a Specified Event of Default, upon Secured Creditor's request and at the expense of the relevant Grantor, such Grantor shall cause independent public accountants or others satisfactory to Secured Creditor to furnish to Secured Creditor reports showing reconciliations, agings and test verifications of, and trial balances for, the Receivables.

(b) Secured Creditor hereby authorize each Grantor to collect such Grantor's Receivables, and Secured Creditor may curtail or terminate such authority at any time after the occurrence and during the continuance of a Specified Event of Default. If required by Secured Creditor at any time after the occurrence and during the continuance of a Specified Event of Default, any payments of Receivables, when collected by any Grantor, (i) shall be forthwith (and, in any event, within two Business Days) deposited by such Grantor in the exact form received, duly indorsed by such Grantor to Secured Creditor if required and upon notice to such Grantor, in a collateral account maintained under the sole dominion and control of Secured Creditor, subject to withdrawal by Secured Creditor only as provided in Section 6.5, and (ii) until so turned over after such request by Secured Creditor, shall be held by such Grantor in trust for Secured Creditor, segregated from other funds of such Grantor. Each such deposit of Proceeds of Receivables shall be accompanied by a report identifying in reasonable detail the nature and source of the payments included in the deposit.

(c) At any time and from time to time after the occurrence and during the continuance of a Specified Event of Default, at Secured Creditor's request, each Grantor shall deliver to Secured Creditor copies of all documents evidencing, and relating to, the agreements and transactions which gave rise to the Receivables, including all orders, invoices and shipping receipts.

(d) Each Grantor hereby irrevocably authorizes and empowers Secured Creditor, in Secured Creditor's sole discretion, at any time after the occurrence and during the continuance of a Specified Event of Default, following Secured Creditor's concurrent notice to such Grantor, to assert, either directly or on behalf of such Grantor, any claim such Grantor may from time to time have against the sellers under or with respect to any agreements assigned or collaterally assigned to Secured Creditor and to receive and collect any and all damages, awards and other monies resulting therefrom and to apply the same to the Secured Obligations in such order as Secured Creditor may determine in its discretion. After the occurrence and during the continuance of a Specified Event of Default, each Grantor hereby irrevocably makes, constitutes and appoints Secured Creditor as their true and lawful attorney in fact for the purpose of enabling Secured Creditor to assert and collect such claims and to apply such monies in the manner set forth above, which appointment, being coupled with an interest, is irrevocable.

6.2 Communications with Obligors; Grantors Remain Liable.

(a) Secured Creditor in their own name or in the name of others may at any time after the occurrence and during the continuance of a Specified Event of Default communicate with obligors under the Receivables to verify with them to Secured Creditor's satisfaction the existence, amount and terms of any Receivables.

(b) Upon the written request of Secured Creditor at any time after the occurrence and during the continuance of a Specified Event of Default, each Grantor shall notify obligors on the Receivables that the Receivables have been assigned to Secured Creditor and that payments in respect thereof shall be made directly to Secured Creditor.

(c) Anything herein to the contrary notwithstanding, each Grantor shall remain liable in respect of each of the Receivables to observe and perform all the conditions and obligations to be observed and performed by it thereunder, all in accordance with the terms of any agreement giving rise thereto. Secured Creditor shall have no obligation or liability under any Receivable (or any agreement giving rise thereto) by reason of or arising out of this Agreement or the receipt by Secured Creditor of any payment relating thereto, nor shall Secured Creditor be obligated in any manner to perform any of the obligations of any Grantor under or pursuant to any Receivable (or any agreement giving rise thereto), to make any payment, to make any inquiry as to the nature or the sufficiency of any payment received by it or as to the sufficiency of any performance by any party thereunder, to present or file any claim, to take any action to enforce any performance or to collect the payment of any amounts which may have been assigned to it or to which it may be entitled at any time or times.

(d) After the occurrence and during the continuance of a Specified Event of Default, for the purpose of enabling Secured Creditor to exercise rights and remedies under this Agreement, each Grantor hereby grants to Secured Creditor an irrevocable, nonexclusive license (exercisable without payment of royalty or other compensation to such Grantor) to use, license or sublicense any Intellectual Property now owned or hereafter acquired by such Grantor, and wherever the same may be located, and including in such license access to all media in which any of the licensed items may be recorded or stored and to all computer software and programs used for the compilation or printout thereof.

6.3 Investment Property.

(a) Unless a Specified Event of Default shall have occurred and be continuing and Secured Creditor shall have given written notice to the relevant Grantor of Secured Creditor's intent to exercise their corresponding rights pursuant to Section 6.3(b), each Grantor shall be permitted to receive all cash dividends and distributions paid in respect of the Pledged Equity and all payments made in respect of the Pledged Notes, to the extent permitted in the Promissory Note, and to exercise all voting and other rights with respect to the Investment Property; provided, that no vote shall be cast or other right exercised or action taken which would reasonably be expected to materially impair the Collateral or which would be inconsistent with or result in any violation of any provision of the Promissory Note, this Agreement or any other Collateral Document.

(b) If a Specified Event of Default shall occur and be continuing and a Secured Creditor shall give notice of its intent to exercise such rights to the relevant Grantor or Grantors, (i) Secured Creditor shall have the right to receive any and all cash dividends and distributions, payments or other Proceeds paid in respect of the Investment Property and make application thereof to the Secured

Obligations in such order as Secured Creditor may determine in their discretion, (ii) Secured Creditor shall have the right to cause any or all of the Investment Property to be registered in the name of Secured Creditor or their nominee and (iii) Secured Creditor's or their nominee may exercise (x) all voting and other rights pertaining to such Investment Property at any meeting of holders of the equity interests of the relevant Issuer or Issuers or otherwise (or by written consent) and (y) any and all rights of conversion, exchange and subscription and any other rights, privileges or options pertaining to such Investment Property as if they were the absolute owner thereof (including the right to exchange at its discretion any and all of the Investment Property upon the merger, consolidation, reorganization, recapitalization or other fundamental change in the corporate or other structure of any Issuer, or upon the exercise by any Grantor or Secured Creditor of any right, privilege or option pertaining to such Investment Property, and in connection therewith, the right to deposit and deliver any and all of the Investment Property with any committee, depositary, transfer agent, registrar or other designated agency upon such terms and conditions as Secured Creditor may determine), all without liability except to account for property actually received by it, but Secured Creditor shall have no duty to any Grantor to exercise any such right, privilege or option and shall not be responsible for any failure to do so or delay in so doing.

(c) After the occurrence and during the continuance of a Specified Event of Default, each Grantor hereby authorizes and instructs each Issuer of any Investment Property pledged by such Grantor hereunder to (i) comply with any instruction received by it from Secured Creditor in writing that (x) states that a Specified Event of Default has occurred and is continuing and (y) is otherwise in accordance with the terms of this Agreement, without any other or further instructions from such Grantor, and each Grantor agrees that each Issuer shall be fully protected in so complying and (ii) unless otherwise expressly permitted hereby, pay any dividends, distributions or other payments with respect to the Investment Property directly to Secured Creditor.

6.4 Proceeds to be Turned Over to Secured Creditor. In addition to the rights of Secured Creditor specified in Section 6.1 with respect to payments of Receivables, if a Specified Event of Default shall occur and be continuing, all Proceeds received by any Grantor consisting of cash, checks and other cash equivalent items shall be held by such Grantor in trust for Secured Creditor, segregated from other funds of such Grantor, and shall, upon written request of Secured Creditor, forthwith upon receipt by such Grantor, be turned over to Secured Creditor in the exact form received by such Grantor (duly indorsed by such Grantor to Secured Creditor, if required). All Proceeds received by Secured Creditor hereunder shall be held by Secured Creditor in a collateral account maintained under its sole dominion and control. All Proceeds, while held by Secured Creditor in any collateral account (or by such Grantor in trust for Secured Creditor) established pursuant hereto, shall continue to be held as collateral security for the Secured Obligations and shall not constitute payment thereof until applied as provided in Section 6.5.

6.5 Application of Proceeds. Secured Creditor may apply all or any part of Proceeds from the sale of, or other realization upon, all or any part of the Collateral in payment of the Secured Obligations in such order as Secured Creditor shall determine in its discretion. Any part of such funds which Secured Creditor elect not so to apply and deems not required as collateral security for the Secured Obligations shall be paid over from time to time by Secured Creditor to the applicable Grantor or to whomsoever may be lawfully entitled to receive the same. Any balance of such Proceeds remaining after the Secured Obligations to Secured Creditor under the Promissory Note shall have been Paid in Full shall be paid over to the applicable Grantor or to whomsoever may be lawfully entitled to receive the same.

6.6 Code and Other Remedies. If a Specified Event of Default shall occur and be continuing, Secured Creditor may exercise, in addition to all other rights and remedies granted to them in this Agreement and in any other instrument or agreement securing, evidencing or relating to the Secured Obligations, all rights and remedies of a secured party under the UCC or any other applicable law.

Without limiting the generality of the foregoing, Secured Creditor, without demand of performance or other demand, presentment, protest, advertisement or notice of any kind (except any notice required by law referred to below) to or upon any Grantor or any other Person (all and each of which demands, defenses (other than defense of payment), advertisements and notices are hereby waived), may in such circumstances forthwith collect, receive, appropriate and realize upon the Collateral, or any part thereof, and/or may forthwith sell, lease, assign, give options to purchase, or otherwise dispose of and deliver the Collateral or any part thereof (or contract to do any of the foregoing), in one or more parcels at public or private sale or sales, at any exchange, broker's board or office of a Secured Creditor or elsewhere upon such terms and conditions as it may deem advisable and at such prices as it may deem best, for cash or on credit or for future delivery with assumption of any credit risk. Secured Creditor shall have the right upon any such public sale or sales, and, to the extent permitted by law, upon any such private sale or sales, to purchase the whole or any part of the Collateral so sold, free of any right or equity of redemption in any Grantor, which right or equity is hereby waived and released. Each Grantor further agrees, at Secured Creditor's request, to assemble the Collateral and make it available to Secured Creditor at places which Secured Creditor shall reasonably select, whether at such Grantor's premises or elsewhere. Secured Creditor shall apply the net proceeds of any action taken by it pursuant to this Section 6.6, after deducting all reasonable documented out-of-pocket costs and expenses of every kind incurred in connection therewith or incidental to the care or safekeeping of any of the Collateral or in any way relating to the Collateral or the rights of Secured Creditor hereunder, to the payment in whole or in part of the Secured Obligations, in such order as Secured Creditor may elect in its discretion, and only after such application and after the payment by Secured Creditor of any other amount required by any provision of law, need Secured Creditor account for the surplus, if any, to any Grantor. To the extent permitted by applicable law, each Grantor waives all claims, damages and demands it may acquire against Secured Creditor arising out of the exercise by them of any rights hereunder. If any notice of a proposed sale or other disposition of Collateral shall be required by law, such notice shall be deemed reasonable and proper if given at least 10 calendar days before such sale or other disposition.

6.7 Sale of Pledged Equity.

(a) Each Grantor recognizes that Secured Creditor may be unable to effect a public sale of any or all the Pledged Equity, by reason of certain prohibitions contained in the Securities Act and applicable state securities laws or otherwise, and may be compelled to resort to one or more private sales thereof to a restricted group of purchasers which will be obliged to agree, among other things, to acquire such securities for their own account for investment and not with a view to the distribution or resale thereof. Each Grantor acknowledges and agrees that any such private sale may result in prices and other terms less favorable than if such sale were a public sale and, notwithstanding such circumstances, agrees that any such private sale shall be deemed to have been made in a commercially reasonable manner. Secured Creditor shall be under no obligation to delay a sale of any of the Pledged Equity for the period of time necessary to permit the Issuer thereof to register such securities or other interests for public sale under the Securities Act, or under applicable state securities laws, even if such Issuer would agree to do so.

(b) Each Grantor agrees to use its commercially reasonable efforts to do or cause to be done all such other acts as may be necessary to make such sale or sales of all or any portion of the Pledged Equity pursuant to this Section 6.7 valid and binding and in compliance with applicable law. Each Grantor further agrees that a breach of any of the covenants contained in this Section 6.7 will cause irreparable injury to Secured Creditor, that Secured Creditor have no adequate remedy at law in respect of such breach and, as a consequence, that each and every covenant contained in this Section 6.7 shall be specifically enforceable against such Grantor, and such Grantor hereby waives and agrees not to assert any defenses against an action for specific performance of such covenants except for a defense that no Specified Event of Default has occurred under the Promissory Note.

6.8 Waiver; Deficiency. Each Grantor waives and agrees not to assert any rights or privileges which it may acquire under Section 9-626 of the UCC. Each Grantor shall remain liable for any deficiency if the proceeds of any sale or other disposition of the Collateral are insufficient to pay the Secured Obligations in full and the fees and disbursements of any attorneys employed by Secured Creditor to collect such deficiency.

SECTION 7 MISCELLANEOUS.

7.1 Amendments in Writing. None of the terms or provisions of this Agreement may be waived, amended, supplemented or otherwise modified except in accordance with Section 12.11 of the Promissory Note.

7.2 Notices. All notices, requests and demands to or upon Secured Creditor or any Grantor hereunder shall be addressed to such party and effected in the manner provided for in Section 12.1 of the Promissory Note.

7.3 Indemnification by Grantors. Each Grantor agrees to jointly and severally indemnify, pay, and hold Secured Creditor and its affiliates, partners, trustees, shareholders, directors, officers, employees, advisors, representatives, agents, attorneys and controlling persons (the "Indemnitees") harmless from and against any and all actions, suits, proceedings (including any investigations or inquiries), claims, losses, damages, liabilities and expenses, including the reasonable and documented fees, charges and disbursements of any counsel for any Indemnitee, brought or threatened by the Grantors, any of their respective affiliates or any other person or entity and which may be incurred by, asserted against or involve any Indemnitee arising out of, in connection with, or as a result of, (i) the execution or delivery of this Agreement and the Collateral Documents, the performance by the parties hereto of their respective obligations under this Agreement or the Collateral Documents, the consummation of the transactions or any other transactions contemplated by this Agreement or the Collateral Documents or (ii) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory and regardless of whether any Indemnitee is a party thereto; provided that, such indemnity shall not, as to any Indemnitee, be available to the extent that such actions, suits, proceedings (including any investigations or inquiries), claims, losses, damages, liabilities or expenses are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted directly and primarily from the gross negligence or willful misconduct of such Indemnitee.

7.4 Enforcement Expenses.

(a) Each Grantor agrees, on a joint and several basis, to pay or reimburse on demand Secured Creditor for all reasonable out-of-pocket documented costs and expenses incurred in collecting against any Guarantor under the guaranty contained in Section 2 or otherwise enforcing or preserving any rights under this Agreement and the other Loan Documents.

(b) Each Grantor agrees to pay, and to save Secured Creditor harmless from, any and all liabilities with respect to, or resulting from any delay in paying, any and all stamp, excise, sales or other taxes which may be payable or determined to be payable with respect to any of the Collateral or in connection with any of the transactions contemplated by this Agreement.

(c) The agreements in this Section 7.4 shall survive repayment of all (and shall be) Secured Obligations (and all commitments of Secured Creditor, if any, to extend credit that would constitute Borrower Obligations have been terminated or have expired), any foreclosure under, or any modification, release or discharge of, any or all of the Collateral and termination of this Agreement.

7.5 Captions. Section captions used in this Agreement are for convenience only and shall not affect the construction of this Agreement.

7.6 Nature of Remedies. All Secured Obligations of each Grantor and rights of Secured Creditor expressed herein or in any other Loan Document shall be in addition to and not in limitation of those provided by applicable law. No failure to exercise and no delay in exercising, on the part of Secured Creditor, any right, remedy, power or privilege hereunder, shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

7.7 Counterparts; Effectiveness. This Agreement and any amendments, waivers, consents or supplements may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed an original, but all of which counterparts together shall constitute but one in the same instrument. This Agreement shall become effective upon the execution of a counterpart hereof by each of the parties hereto.

7.8 Severability. The invalidity, illegality or unenforceability in any jurisdiction of any provision under this Agreement or any of the other Loan Documents shall not affect or impair the remaining provisions in this Agreement or any of the other Loan Documents.

7.9 Entire Agreement. This Agreement and the other Collateral Documents to which the parties hereto are parties embody the entire agreement among the parties hereto and supersede all prior commitments, agreements, representations and understandings, whether oral or written, relating to the subject matter hereof, and may not be contradicted or varied by evidence of prior, contemporaneous, or subsequent oral agreements or discussions of the parties hereto. All Exhibits, Schedules and Annexes referred to herein are incorporated in this Agreement by reference and constitute a part of this Agreement. If any provision contained in this Agreement conflicts with any provision of the Promissory Note, then with regard to such conflicting provisions, the Promissory Note shall govern and control.

7.10 Successors; Assigns. This Agreement shall inure to the successors and assigns of the Parties, except that no party hereto may assign or otherwise transfer all or any part of its rights under this Agreement without the prior written consent of the other parties hereto; provided that the Secured Party may assign all or any part of its rights under this Agreement to an Affiliate (as defined in the License Agreement) upon written notice to the Borrower in connection with an assignment of the Promissory Note permitted under Section 12.8 thereof.

7.11 Applicable Law. This Agreement and any claim, controversy, dispute or cause of action (whether in contract or tort or otherwise) based upon, arising out of or relating to this Agreement and the transactions contemplated hereby and thereby shall be governed by the laws of the State of New York.

7.12 Consent to Jurisdiction.

(a) The Borrower hereby irrevocably and unconditionally (i) agrees that any legal action, suit or proceeding arising out of or relating to this Note or the Collateral Documents shall be brought in the courts of the State of New York located in the Borough of Manhattan or of the United States of America for the Southern District of New York and (ii) submits to the exclusive jurisdiction of any such court in any such action, suit or proceeding. Final judgment against the Borrower in any action, suit or proceeding shall be conclusive and may be enforced in any other jurisdiction by suit on the judgment.

(b) Nothing in this Section 7.12 shall affect the right of the Noteholder to (i) commence legal proceedings or otherwise sue the Borrower in any other court having jurisdiction over the Borrower or (ii) serve process upon the Borrower in any manner authorized by the laws of any such jurisdiction.

(c) The Borrower irrevocably and unconditionally waives, to the fullest extent permitted by applicable law, any objection that it may now or hereafter have to the laying of venue of any action or proceeding arising out of or relating to this Agreement in any court referred to in this Section 7.12 and the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

7.13 Waiver of Jury Trial. EACH OF THE BORROWER AND THE SECURED CREDITOR HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY.

7.14 Set-off. Each Grantor agrees that Secured Creditor have all rights of set-off and bankers' lien provided by applicable law, and in addition thereto, each Grantor agrees that at any time any Specified Event of Default exists, Secured Creditor may apply to the payment of Secured Obligations in such order as Secured Creditor may determine in its discretion, whether or not then due, any and all balances, credits, deposits, accounts or moneys of such Grantor then or thereafter with Secured Creditor. Secured Creditor hereby agrees that it shall endeavor to notify such Grantor of any such set-off or any such application, but failure to notify shall have no adverse determination or effect hereunder.

7.15 Acknowledgements. Each Grantor hereby acknowledges that:

(a) it has been advised by counsel in the negotiation, execution and delivery of this Agreement and the other Loan Documents to which it is a party;

(b) Secured Creditor have no fiduciary relationship with or duty to any Grantor arising out of or in connection with this Agreement or any of the other Collateral Documents, and the relationship between the Grantors, on the one hand, and Secured Creditor, on the other hand, in connection herewith or therewith is solely that of debtor and creditor; and

(c) no joint venture is created hereby or by the other Collateral Documents or otherwise exists by virtue of the transactions contemplated hereby among the Grantors and Secured Creditor.

7.16 Additional Grantors. Each Person, required to become a Grantor pursuant to the Promissory Note, shall become a party to this Agreement and become a Grantor for all purposes of this Agreement upon execution and delivery by such Person of a joinder agreement in the form of Annex I hereto.

7.17 Releases.

(a) At such time as the Secured Obligations to Secured Creditor under the Promissory Note have been Paid in Full, the Collateral shall be automatically released from the Liens created hereby, and this Agreement and all guarantees and obligations (other than those expressly stated to survive such termination) of Secured Creditor and each Grantor hereunder shall terminate, all without

delivery of any instrument or performance of any act by any party, and all rights to the Collateral shall revert to the Grantors. A Subsidiary shall automatically be released from its obligations under this Agreement and the security interest in the Collateral of such Subsidiary shall be automatically released upon the consummation of any transaction permitted by the Promissory Note as a result of which such Subsidiary ceases to be a Subsidiary of the Borrower or ceases to be a Guarantor. At the request and sole expense (to the extent reasonable, documented and out-of-pocket) of any Grantor following any such termination, Secured Creditor shall promptly deliver to the Grantors any Collateral held by Secured Creditor hereunder, and execute and deliver to the Grantors such documents (including authorization to file UCC termination statements) as the Grantors shall reasonably request to evidence such termination.

(b) If any of the Collateral shall be sold, transferred or otherwise disposed of by any Grantor in a transaction permitted by the Promissory Note or if such Collateral otherwise becomes Excluded Property, then Secured Creditor, at the request and sole expense (to the extent reasonable, documented and out-of-pocket) of such Grantor, shall execute and deliver to such Grantor all releases or other documents reasonably necessary or desirable for the release of the Liens created hereby on such Collateral. At the request and sole expense (to the extent reasonable, documented and out-of-pocket) of Borrower, a Grantor shall be released from its obligations hereunder in the event that all the equity interests of such Grantor shall be sold, transferred or otherwise disposed of in a transaction permitted by the Deerfield Facility.

Notwithstanding the foregoing, the Secured Creditor agrees: (i) to subordinate any Lien granted to or held by Secured Creditor under any Loan Document on any Inventory consisting of the Product (as defined in the Deerfield Facility) or raw materials, work in process and materials used for the manufacture of the Product (as defined in the Deerfield Facility) (other than US Insulin Inventory owned by any Grantor) (collectively, "Product Inventory"), Receivables arising from the sale or licensing of the Product (as defined in the Deerfield Facility) (including, without limitation Receivables representing royalties or other amounts due under licenses of Intellectual Property for the sale of the Product) (collectively, "Product Receivables") or proceeds thereof, in connection with the entry by any Grantor into a working capital facility permitted by clause (xii) of the definition of Permitted Indebtedness (as defined in the Deerfield Facility) and (ii) to enter into subordination, non-disturbance and similar agreements in connection with the licensing of Intellectual Property (other than Intellectual Property that is the subject of the License Agreement) permitted pursuant to the terms of the Promissory Note, the Deerfield Facility or the other Loan Documents (it being agreed that a non-disturbance agreement substantially in the form attached as Annex II shall be acceptable to the Secured Creditor).

7.18 Obligations and Liens Absolute and Unconditional. Each Grantor understands and agrees that the obligations of each Grantor under this Agreement shall be construed as a continuing, absolute and unconditional without regard to (a) the validity or enforceability of any Loan Document, any of the Secured Obligations or any other collateral security therefor or guaranty or right of offset with respect thereto at any time or from time to time held by Secured Creditor, (b) any defense, set-off or counterclaim (other than a defense of payment or performance) which may at any time be available to or be asserted by any Grantor or any other Person against Secured Creditor, or (c) any other circumstance whatsoever (with or without notice to or knowledge of any Grantor) which constitutes, or might be construed to constitute, an equitable or legal discharge of any Grantor for the Secured Obligations, in bankruptcy or in any other instance. When making any demand hereunder or otherwise pursuing its rights and remedies hereunder against any Grantor, Secured Creditor may, but shall be under no obligation to, make a similar demand on or otherwise pursue such rights and remedies as it may have against any other Grantor or any other Person or against any collateral security or guaranty for the Secured Obligations or any right of offset with respect thereto, and any failure by Secured Creditor to make any such demand, to pursue such other rights or remedies or to collect any payments from any other Grantor or any other Person or to realize upon any such collateral security or guaranty or to exercise any

such right of offset, or any release of any other Grantor or any other Person or any such collateral security, guaranty or right of offset, shall not relieve any Grantor of any obligation or liability hereunder, and shall not impair or affect the rights and remedies, whether express, implied or available as a matter of law, of Secured Creditor against any Grantor. For the purposes hereof "demand" shall include the commencement and continuance of any legal proceedings.

7.19 Reinstatement. In the event that any payment in respect of the Secured Obligations, or any part thereof, is rescinded, reduced, restored or returned, the Secured Obligations shall be reinstated and deemed reduced only by such amount paid and not so rescinded, reduced, restored or returned.

7.20 Intercreditor Agreement. Notwithstanding anything herein to the contrary, the Liens and security interest granted to Secured Creditor pursuant to this Agreement (other than with respect to each of the US Insulin Inventory and the Valencia Facility) are, prior to the Payment in Full of the Deerfield Loan Obligations (as each such term is defined in the Intercreditor Agreement), expressly subordinate to those granted to the Deerfield Lenders pursuant to the Deerfield Security Agreement and the exercise of any right or remedy by Secured Creditor hereunder are subject to the provisions of the Intercreditor Agreement. In the event of any conflict between the terms of the Intercreditor Agreement and this Agreement, the terms of the Intercreditor Agreement shall govern and control. Notwithstanding anything herein to the contrary, prior to the Payment in Full of the Deerfield Loan Obligations, the requirements of this Agreement to deliver Receivables, Instruments, Certificated Securities, Chattel Paper, Pledged Equity, Pledged Notes, Investment Property, any certificates, instruments or documents in relation thereto and any other Collateral to Secured Creditor shall be deemed satisfied by delivery of such Receivables, Instruments, Certificated Securities, Chattel Paper, Pledged Equity, Pledged Notes, Investment Property, any certificates, instruments or documents in relation thereto and any other Collateral to the First Lien Collateral Agent (as bailee for Secured Creditor) as provided in the Intercreditor Agreement.

[Signatures Immediately Follow]

IN WITNESS WHEREOF, each of the undersigned has caused this Guaranty and Security Agreement to be duly executed and delivered as of the date first above written.

GRANTORS:

MANNKIND CORPORATION, a Delaware corporation

By: /s/ Matthew J. Pfeffer
Name: Matthew J. Pfeffer
Title: Chief Financial Officer

MANNKIND LLC, a Delaware limited liability company

By: /s/ Matthew J. Pfeffer
Name: Matthew J. Pfeffer
Title: Chief Executive Officer

GUARANTOR:

MANNKIND LLC, a Delaware limited liability company

By: /s/ Matthew J. Pfeffer
Name: Matthew J. Pfeffer
Title: Chief Executive Officer

SECURED CREDITOR:

AVENTISUB LLC, a Delaware limited liability company

By: /s/ Joseph M. Palladino
Name: Joseph M. Palladino
Title: President

ANNEX I

FORM OF JOINDER TO GUARANTY AND SECURITY AGREEMENT

This JOINDER AGREEMENT (this "Agreement") dated as of [ ], 20[ ] is executed by the undersigned for the benefit of (the "Secured Creditor") in connection with that certain Guaranty and Security Agreement dated as of September 23, 2014 among the Grantors party thereto and Secured Creditor (as amended, restated, supplemented or otherwise modified from time to time, the "Guaranty and Security Agreement"). Capitalized terms not otherwise defined herein are being used herein as defined in the Guaranty and Security Agreement.

Each Person signatory hereto is required to execute this Agreement pursuant to Section 7.16 of the Guaranty and Security Agreement.

In consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, each such Person hereby agrees as follows:

1. Each such Person assumes all the obligations of a Grantor and a Guarantor under the Guaranty and Security Agreement and agrees that such person or entity is a Grantor and a Guarantor and bound as a Grantor and a Guarantor under the terms of the Guaranty and Security Agreement, as if it had been an original signatory to such agreement. In furtherance of the foregoing, such Person hereby assigns, pledges and grants to Secured Creditor and (to the extent provided therein) its Affiliates, a security interest in all of its right, title and interest in and to the Collateral (other than Excluded Property) owned thereby to secure the Secured Obligations.

2. The Schedules of the Disclosure Letter delivered in connection with the Guaranty and Security Agreement are hereby amended to add the information relating to each such Person set out on the Schedules of the Disclosure Letter delivered in connection with the Guaranty and Security Agreement. Each such Person hereby makes to Secured Creditor the representations and warranties set forth in the Guaranty and Security Agreement applicable to such Person and the applicable Collateral and confirms that such representations and warranties are true and correct in all material respects (without duplication of any materiality qualifier) as of the date hereof after giving effect to such amendment to such Schedules (except to the extent stated to relate to a specific earlier date).

3. In furtherance of its obligations under Section 5.2 of the Guaranty and Security Agreement, each such Person agrees to deliver to Secured Creditor appropriately complete UCC financing statements naming such person or entity as debtor and Secured Creditor as secured party, and describing its Collateral and such other documentation as Secured Creditor (or its successors or assigns) may require to evidence, protect and perfect the Liens created by the Guaranty and Security Agreement, as modified hereby. Each such Person acknowledges the authorizations given to Secured Creditor under the Section 5.9 of the Guaranty and Security Agreement and otherwise.

4. Each such Person's address for notices under the Guaranty and Security Agreement shall be the address of Borrower set forth in the Promissory Note and each such Person hereby appoints the Company as its agent to receive notices hereunder.

5. Secured Creditor acknowledges that upon the effectiveness of this Agreement, the undersigned shall have the rights of a Grantor and Guarantor under the Guaranty and Security Agreement.

6. This Agreement shall be deemed to be part of, and a modification to, the Guaranty and Security Agreement and shall be governed by all the terms and provisions of the Guaranty and Security

Agreement, with respect to the modifications intended to be made to such agreement, which terms are incorporated herein by reference, are ratified and confirmed and shall continue in full force and effect as valid and binding agreements of each such person or entity enforceable against such person or entity. Each such Person hereby waives notice of Secured Creditor's acceptance of this Agreement. Each such Person will deliver an executed original of this Agreement to Secured Creditor.

[add signature block for each new Grantor]

Acknowledged and agreed to as of the year and date first written above:

AVENTISUB LLC, a Delaware limited liability company

By: _____
Name: _____
Title: _____

ANNEX II

FORM OF NON-DISTURBANCE AGREEMENT

THIS AGREEMENT, made as of this day of , 201 , by and among [MannKind Corporation][Other Grantor] ("Licensor") and [Name of Licensee] ("Licensee"), as parties to the License Agreement (as defined below), and the secured party listed on the signature page hereto ("Secured Party"), as the holders of the Security Interest (as defined below).

W I T N E S S E T H:

WHEREAS, Licensor and Licensee are parties to that certain [License Agreement] dated , 20 , as it may be amended (the "License Agreement"), providing for a collaboration, license, joint venture, partnership, royalty agreement or similar agreement or other research, development, manufacturing or other commercial exploitation arrangement with respect to certain intellectual property and other property owned or controlled by Licensor (the "Licensed Property") for the term and upon the conditions set forth therein; and

WHEREAS, Licensor has granted the Secured Party a security interest in some or all of the Licensed Property (the "Security Interest") pursuant to that certain Guaranty and Security Agreement, dated as of September 23, 2014, among Licensor, the other grantors party thereto and Secured Party, as it may be amended (the "Security Agreement"); and

WHEREAS, Licensee has requested that Secured Party agree not to disturb any of Licensee's rights with respect to the Licensed Property granted under the License Agreement (the "Licensee Rights") in the event that upon an Event of Default (as such term is used in the Security Agreement), Secured Party takes possession of, sells, assigns, grants a license with respect to (other than licenses or sublicenses that Secured Party is authorized to grant in its capacity as a licensee pursuant to the Security Agreement or any other agreement with Licensor), or otherwise exercises its rights and remedies under the Security Agreement with respect to all or any portion of the collateral constituting Licensed Property (in each case, a "Foreclosure").

NOW, THEREFORE, in consideration for the foregoing and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and of the mutual benefits to accrue to the parties hereto, it is hereby declared, understood and agreed as follows:

1. To the extent consent is required under the Security Agreement or any other agreement between the Licensee and Secured Party, Secured Party consents to the License Agreement.

2. In the event of a Foreclosure, it is agreed as follows:

(a) Any transfer of the Licensed Property to Secured Party or any other purchaser at Secured Party's sale or other disposition (any such transferee of the Licensed Property, a "Successor Licensor") shall be subject to and not free and clear of the Licensee Rights and none of the Licensee Rights shall be discharged, waived, modified, impaired or terminated solely as a result of such transfer of the Licensed Property.

(b) Provided that Licensee is not in breach of the License Agreement, which breach would permit the Licensor to terminate the License Agreement and continues beyond any cure period provided therein, if any, neither Secured Party nor any Successor Licensor will disturb, diminish or interfere with the Licensee Rights, including, without limitation, any sublicenses granted or permitted to be granted thereunder.

(c) Provided that Licensee is not in breach of the License Agreement, which breach would permit the Licensor to terminate the License Agreement and continues beyond any cure period provided therein, if any, Secured Party undertakes that it require, as a condition of the transfer of the Licensed Property that the Successor Licensor agree to ratify and perform all of Licensor's duties and obligations to Licensee under the License Agreement with respect to Licensed Property and to be bound to Licensee under all of the terms, covenants and conditions of the License Agreement with respect to such Licensed Property for the remaining balance of the term thereof, with the same force and effect as if Successor Licensor, as the case may be, were the Licensor under the License Agreement.

(d) Notwithstanding the foregoing, neither Secured Party nor any Successor Licensor who acquires an interest in the Licensed Property or the License Agreement as a result of any such Foreclosure or other enforcement action or proceeding (the date on which the Secured Party, Successor Licensor, or such other party acquires such interest, hereinafter called the "Acquisition Date") shall be (i) liable for any act or omission of Licensor under the License Agreement or otherwise or for any damages arising as a result of a breach of the License Agreement by the Licensor; (ii) liable for the return of any payments made by the Licensee to the Licensor under the License Agreement prior to the Acquisition Date; or (iii) required to perform or be liable for any affirmative obligations or covenants of the Licensor under the License Agreement, or liable for any of the representations or warranties of the Licensor under the License Agreement, or liable for any indemnities of the Licensor (other than, with respect to any Successor Licensor, any such obligations, covenants, representations or warranties or indemnities occurring, made or required to be performed after the Acquisition Date and any duties and obligations and terms, covenants and conditions assumed by such Successor Licensor pursuant to clause (c) above with respect to the remaining term of the License Agreement).

3. This Agreement may be executed in one or more counterparts, all of which when taken together shall constitute a single instrument.

4. This Agreement was prepared in the English language, which language shall govern the interpretation of, and any dispute regarding, the terms of this Agreement. This Agreement and all disputes arising out of or related to this Agreement or any breach hereof shall be governed by and construed under the laws of the State of New York, without giving effect to any choice of law principles that would require the application of the laws of a different state.

[SEE ATTACHED SIGNATURE PAGES]

SIGNATURE PAGE
TO
NON-DISTURBANCE AGREEMENT

IN WITNESS WHEREOF, the undersigned have executed this instrument as of the day and year first above written.

[LICENSEE]

By: _____
Name:
Title:

[MANNKIND CORPORATION] [LICENSOR]

By: _____
Name:
Title:

SECURED PARTY:

AVENTISUB LLC, a Delaware limited liability company

By: _____
Name: _____
Title: _____