

United States Senate
WASHINGTON, DC 20510

May 14, 2018

Mr. Randall L. Stephenson
Chairman, Chief Executive Officer, and President
AT&T
208 S. Akard St.
Dallas, TX 75202

Dear Mr. Stephenson:

We are writing about new reports this week that AT&T, beginning in October 2017, paid hundreds of thousands of dollars to Essential Consultants LLC, a “shell company ...used to pay hush money” created by President Trump’s personal attorney, Michael Cohen.¹

According to an email sent to AT&T employees:

In early 2017, as President Trump was taking office, we hired several consultants to help us understand how the President and his administration might approach a wide range of policy issues important to the company, including regulatory reform at the FCC, corporate tax reform and antitrust enforcement. ... Cohen was one of those consultants. Cohen did no legal or lobbying work for us, and our contract with Cohen expired at the end of its term in December 2017.²

Initial reports indicated that AT&T had paid Mr. Cohen’s firm a total of \$200,000; however, more recent sources indicate that the company paid Mr. Cohen “as much as \$600,000.”³ In other words, AT&T secretly paid the President’s New York-based personal attorney, through a limited liability corporation that he appears to have established at least in part to pay an actress to remain silent about a sexual affair with the President, hundreds of thousands of dollars while the company had critical business before the President and his Administration. These payments were made despite Mr. Cohen’s lack of experience and lack of knowledge about tax reform, antitrust issues, and FCC policy. At least three other companies – Novartis AG, Korean Aerospace Industries, and Columbus Nova, an investment firm with ties to Russian oligarch Viktor Vekselberg – made similar payments to Essential Consultants.

¹ New York Times, Firm tied to Russian Oligarch Made Payments to Michael Cohen (May 8, 2018) (<https://www.nytimes.com/2018/05/08/us/politics/michael-cohen-shell-company-payments.html>).

² CNBC, AT&T Paid Trump Lawyer Michael Cohen up to \$600,000 for ‘understanding inner workings’ of the president: source, (May 9, 2018) (<https://www.cnbc.com/2018/05/09/att-paid-trump-lawyer-cohen-up-to-6000000.html>)

³ CNBC, AT&T Paid Trump Lawyer Michael Cohen up to \$600,000 for ‘understanding inner workings’ of the president: source, (May 9, 2018) (<https://www.cnbc.com/2018/05/09/att-paid-trump-lawyer-cohen-up-to-6000000.html>)

In particular, AT&T had a significant financial interest in key Administration decisions, including whether the Department of Justice would contest the proposed merger with Time Warner, whether the Federal Communications Commission would overturn net neutrality rules, and whether the Administration would push a tax plan that gave huge breaks to corporations like AT&T. Given these ongoing and significant matters, the unusual series of payments by AT&T to the President's personal attorney raise obvious questions about corruption and whether AT&T, Essential Consultants, and the Trump Administration were engaged in a pay-for-play operation.

Earlier today, in a message to your employees, you acknowledged that "AT&T hiring Michael Cohen as a political consultant was a big mistake ... [and] a serious misjudgment," and told them that Bob Quinn, the Senior Executive Vice President responsible for hiring Mr. Cohen, "will be retiring."⁴ But other sources indicated that Mr. Quinn "was being forced to leave."⁵

To address these concerns, we ask that you provide responses to the following questions no later than May 25, 2018:

1. Which individuals at AT&T discussed, arranged, and approved the contract with Essential Consultants?
2. A January 12, 2017 pool report from Trump Tower shows that you entered Trump Tower at 9:13 a.m. alongside Robert Quinn, AT&T's Senior Vice President of External and Legislative Affairs.⁶ The same pool report shows that Michael Cohen entered Trump Tower just 8 minutes earlier at 9:05 a.m. Did you, Mr. Quinn, or any other AT&T executives meet with Michael Cohen, Mr. Trump or any other executives of the Trump Organization on January 12, 2017? If so, did any of those discussions involve a potential work by, or a contract with, Essential Consultants and Mr. Cohen?
3. What was the timeframe of all discussions about the contract? Please indicate when and how the initial contacts and all other contacts were made, and which individuals at AT&T and Essential Consultants (or other entities related to Mr. Cohen) were involved.
4. Detail the amounts and dates of all payments by AT&T to Essential Consultants. How was the amount of AT&T's contractual payments set? Was the amount and payment structure based on a proposal by Mr. Cohen or by AT&T officials?
5. Explain AT&T's decision to consider Essential Consultants and the determination that Mr. Cohen was qualified to advise on policy matters?

⁴ AT&T, A message from Randall (May 10, 2018) (posted on Twitter.com at https://twitter.com/Hadas_Gold/status/994932355528830977).

⁵ Wall Street Journal, AT&T Executive Who Oversaw Michael Cohen's Contract Forced Out (May 10, 2018).

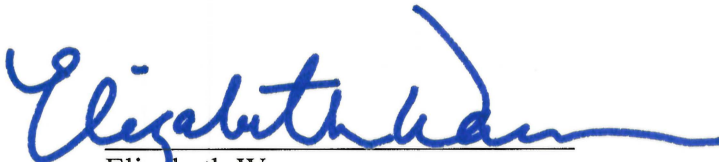
⁶ <https://twitter.com/gregorykorte/status/994253095277391872>

6. Did you or any other AT&T official request or direct any contacts between Mr. Cohen and President Trump (either before or after the Presidential inauguration) or any other official working for the Administration or on the Presidential Transition? Are you aware of any such contacts? If so, please list and describe them.
7. When AT&T signed the contract, or during the term of the contract, did AT&T at any time make a determination of whether the relationship with and payments to Mr. Cohen were required to be reported to the FEC, any other campaign finance officials, or any other federal or state authority? If so, please provide copies of all documents and communications related to this discussion.
8. Does any current or former AT&T official have knowledge of the disposition of any of the funds that AT&T paid to Essential Consultants? Were any of these funds ultimately received by Mr. Trump, or any member of the Trump family or Trump Organization, or were they used to pay debts or liabilities of President Trump, his family, or the Trump Organization? Did any AT&T official believe, or have reason to believe, that any payments made to Mr. Cohen would be provided, in full or in part, to Mr. Trump or to any legal entity in which Mr. Trump or his immediate family had an ownership interest?
9. Did AT&T, or any of its affiliates, have any contractual relationship or pay any funds to any other entity or individual affiliated with, associated with, or represented by Mr. Cohen? If so, please list all such relationships or payments.
10. According to AT&T's statement, the company paid "several consultants to help us understand how the President and his administration might approach a wide range of policy issues important to the company." Please provide a complete list of all consultants that the company paid for this purpose, the amount paid, the date of payment, and the duration of the contacts. List every policy issue for which Mr. Cohen provided, or had agreed to provide, consultant or other services.
11. Why did Mr. Quinn decide to retire this week? Was this retirement planned prior to the news of the payments to Essential Consultants? Did Mr. Quinn make the final decision to sign the contract with Essential Consultants? Did Mr. Quinn decide to retire of his own volition, or was he "forced to leave" the company?
12. Please provide copies of all communications between AT&T and Essential Consultants, or copies of any other communications related to this contract, including any internal AT&T discussion of the contract with Essential Consultants.
13. Please provide a complete, unredacted copy of the contract.
14. Please provide any AT&T guidance document outlining the internal approval process for entering into agreements like the one AT&T entered with Essential Consultants. Please provide any documents memorializing the completion of this approval process.

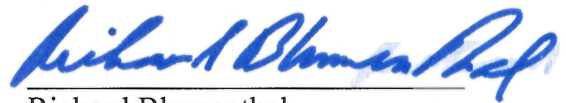
15. Did or does AT&T have any other contractual relationship with or pay any funds to any other entity or individual affiliated with, associated with, the Trump Organization? If so, please list all such relationships or payments, including relevant dates.
16. Is AT&T fully cooperating with any and all federal or state law enforcement inquiries related to Essential Consulting or Mr. Cohen?

Thank you for your attention to this matter.

Sincerely,



Elizabeth Warren
United States Senator



Richard Blumenthal
United States Senator



Ron Wyden
United States Senator



Timothy P. McKone
Executive Vice President
Federal Relations

AT&T Services, Inc.
1120 20th Street, NW
Suite 800
Washington, DC 20036

T 202.463.4144
tm3703@att.com
att.com

May 25, 2018

The Honorable Elizabeth Warren
United States Senate
Washington, D.C. 20510

The Honorable Richard Blumenthal
United States Senate
Washington, D.C. 20510

The Honorable Ron Wyden
United States Senate
Washington, D.C. 20510

Dear Senators Warren, Blumenthal, and Wyden:

This concerns your May 14, 2018 letter to AT&T Chairman and CEO Randall Stephenson regarding AT&T's retention of Michael Cohen as a consultant last year. Mr. Stephenson has asked me to respond to your inquiry.

As you know, companies in highly regulated sectors like ours regularly update their roster of Washington, D.C. consultants, particularly at the outset of new presidential administrations, to better anticipate and understand how an administration might approach policy and regulatory issues impacting their businesses. Consistent with this common practice, AT&T retained additional consultants in early 2017 to learn more about the Trump administration's likely views on a range of issues important to us, including regulatory reform at the Federal Communications Commission, corporate tax reform, and antitrust enforcement. We retain such consultants to provide insight and advice to AT&T, not to advocate to public officials on AT&T's behalf. That is neither illegal nor unethical.

It was in this context that Mr. Cohen reached out to us during the presidential transition prior to the Inauguration. He told our External and Legislative Affairs organization that he was leaving the Trump Organization and moving to Washington D.C. to establish a consulting practice for companies that wanted to better understand the new Trump administration. Our External and Legislative Affairs organization hired Mr. Cohen in January 2017, contracting through Mr. Cohen's limited-liability company (Essential Consultants, LLC) at Mr. Cohen's request.

For Mr. Cohen's consulting services, AT&T signed a one-year contract with Essential Consultants that expired in December 2017. The contract called for payments of \$50,000 per month, which resulted in AT&T paying total consulting fees of \$600,000. In our experience, this amount was not abnormal for political consultants in Washington, D.C. Nor is it unusual in our experience for a consultant to establish a corporate entity for his or her consulting practice. AT&T knows nothing one way or the other about what Mr. Cohen did with the consulting fees we paid.

March 25, 2018

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Our contract with Mr. Cohen was expressly limited to consulting and advisory services, and it did not permit Mr. Cohen to lobby on AT&T's behalf without first notifying us. Mr. Cohen never gave such notification to AT&T because, as far as AT&T is aware, he never engaged in lobbying on our behalf. AT&T did not ask Mr. Cohen to set up any meetings with the President or anyone else in the administration, and he did not set up any such meetings.

Respectfully, we disagree with several characterizations made in your letter. For example, your letter notes that Mr. Cohen used Essential Consultants to pay Stephanie Clifford \$130,000 in October 2016, suggesting that AT&T might have known about those payments. We did not. Like the American public, we first learned of Mr. Cohen's dealings with Ms. Clifford when the *Wall Street Journal* broke the story on January 12, 2018, after our 2017 consulting agreement with Mr. Cohen had already expired.

Finally, in the fall of 2017, we were contacted by the Office of Special Counsel, which sought information from us regarding Mr. Cohen. At all times, AT&T has cooperated fully with the Office of Special Counsel and Department of Justice regarding their interest in Mr. Cohen. Please rest assured that continued cooperation with prosecutors remains our top priority, and the disclosures contained in this letter are guided by this priority.

While our relationship with Mr. Cohen was entirely lawful, hindsight has shown that our association with him was a mistake. On that point, we have spoken to our employees and the public very plainly. AT&T is committed to ensuring that those we hire in the policy arena share our high standards for integrity and ethical behavior. To that end, Mr. Stephenson has placed David McAtee, our Senior Executive Vice President and General Counsel, in charge of our External and Legislative Affairs organization, and Mr. McAtee's top priority is to deliver on this commitment.

Thank you for the opportunity to address this issue.

Sincerely,

A handwritten signature in black ink, appearing to read "Tim McKeone". The signature is written in a cursive, slightly stylized font. The first name "Tim" is written with a large, looped 'T'. The last name "McKeone" is written with a prominent 'M' and a trailing flourish.

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United States Senate

COMMITTEE ON FINANCE

WASHINGTON, DC 20510-6200

A. JAY KHOSLA, STAFF DIRECTOR
JOSHUA SHEINKMAN, DEMOCRATIC STAFF DIRECTOR

May 11, 2018

Michael D. Cohen, Esq.
c/o Stephen M. Ryan
McDermott Will & Emery
500 North Capitol Street, NW
Washington, DC 20001

Dear Mr. Cohen:

Pursuant to the Senate Finance Committee's oversight responsibilities for financial crimes and for health programs under the Social Security Act, including Medicare and Medicaid, I am writing to request additional information about reported transactions between global pharmaceutical company Novartis and Essential Consultants, LLC, a shell company reportedly controlled by you.

On May 9, 2018, Novartis stated that it paid you, through Essential Consultants, nearly \$1.2 million for health-care consulting work that you proved "unable to provide." According to Novartis, it believed you could advise the company on certain U.S. health care policy matters and entered into a yearlong contract with you on February 2017. According to the statement, following a subsequent meeting in March 2017, Novartis determined you would be unable to provide the anticipated services but continued making payments to you until February 2018.¹ The size and timing of these payments, as well as the accusation that Novartis continued the payments because canceling the contract "might have caused anger" to the President, merit additional scrutiny.²

Novartis is a significant participant in the U.S. health care market and reported U.S. sales of \$16.9 billion in 2017.³ Federal healthcare programs under Finance Committee jurisdiction spend substantial sums on Novartis therapies. For example in 2015, the most recent year for which data were available, Medicare spent \$2 billion on three Novartis cancer drugs – Gleevec, Sandostatin and Afinitor.⁴ In the same year, Medicaid programs spent more than \$320 million

¹ Novartis Statement on Essential Consultants, May 9, 2018, <https://www.novartis.com/essential-consultants>.

² Ed Silverman, "Trump's lawyer pitched himself as a fixer to Novartis and got paid \$1.2 million," *Stat News*, May 9, 2018, <https://www.statnews.com/pharmalot/2018/05/09/trumps-lawyer-cohen-fixer-novartis/>.

³ Novartis AG, 2017 Annual Report, p. 206, <https://www.novartis.com/sites/www.novartis.com/files/novartis-annual-report-2017-en.pdf>.

⁴ Centers for Medicare & Medicaid Services, *Medicare Spending Dashboard 2015*, <https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/Dashboard/2015-Medicare-Drug-Spending/medicare-drug-spending-dashboard-2015-data.html>

prior to any rebates, on Gleevac and the respiratory drug Xolair.⁵ Novartis is currently being investigated by the Greek government over accusations of bribery of 10 high-profile politicians by the company. A report sent to Parliament by Greek prosecutors said there was evidence to suggest that Novartis had made payments to Greek doctors and politicians in exchange for fixing the prices of its medicines at artificially high levels.⁶

To assist in our oversight of these matters, please provide the following information by May 31, 2018:

1. Please provide any contract and any statement of work between you, Essential Consultants LLC, or any other entity you provided services through or that you owned, controlled or were otherwise the beneficial owner of, and Novartis International AG, Novartis Corporation, or any other entities owned, managed, or controlled by Novartis AG ("Novartis").
2. For every payment made between Novartis and you, Essential Consultants LLC, or any other entity you provided services through or you owned, controlled or were otherwise the beneficial owner of, please provide the following information: the date of the payment; the amount; the name and location of the originator and the account through which the payment originated; the name and location of the financial institution (or other entity) from which the payment transaction originated; the name and location of any beneficiary of the payment and the account to which the payment was made; the name and location of the financial institution (or other entity) to which the payment was made; and the names and locations of any other financial institutions, individuals, or entities that were involved in any transactions related to the payment.
3. Please describe how your relationship with Novartis began, the services you and Essential Consultants offered to Novartis, and provide a list of all Novartis personnel who you interacted with during the term of any contractual relationship.
4. Please provide all communications between you, Essential Consultants LLC, or any other entity you provided services through or that you owned, controlled or were otherwise the beneficial owner of, and Novartis. These communications should include but not be limited to emails; letters; text messages, instant message or internet transcripts; memos; documents; spreadsheets; data; recordings of video conference or in-person conversations; notes related to any phone, video conference or in-person conversations.
5. Please describe all communications made by you, Essential Consultants LLC, or any other entity you provided services through or that you owned, controlled or were otherwise the beneficial owner of, and any Trump administration official in furtherance

⁵ Centers for Medicare & Medicaid Services, *Medicare Spending Dashboard 2015*, <https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/Dashboard/2015-Medicaid-Drug-Spending/2015-Medicaid-Drug-Spending.html>

⁶ Niki Kitsantonis, "Greece Approves Bribery Investigation Involving Political Elite," *New York Times*, Feb. 22, 2018, <https://www.nytimes.com/2018/02/22/world/europe/greece-bribery-novartis-investigation.html>.

of your contractual relationship with Novartis. Identify the date, the individual within the administration with whom the communication was made, and describe the subject of the communication.

If you have any questions or concerns in meeting this request, you may contact my investigative staff on the Senate Finance Committee at 202-224-4515. Thank you for your prompt attention to this important matter.

Sincerely,

A handwritten signature in blue ink that reads "Ron Wyden". The signature is fluid and cursive, with the first name "Ron" and last name "Wyden" clearly distinguishable.

Ron Wyden
Ranking Member

McDermott Will & Emery

Boston Brussels Chicago Düsseldorf Houston London Los Angeles Miami Milan
Munich New York Orange County Paris Rome Silicon Valley Washington, D.C.

Strategic alliance with MWE China Law Offices (Shanghai)

Stephen M. Ryan
Attorney at Law
sryan@mwe.com
+1 202 756 8333

May 31, 2018

Hon. Ron Wyden
Ranking Member
Attention: Daniel J. Goshorn, Esq.
Senate Committee on Finance
Washington, DC 20510-6200

Dear Senator Wyden:

On behalf of my client, Mr. Michael D. Cohen, I am providing an initial response to your letter of May 11, 2018, which requests that Mr. Cohen produce certain materials to the Senate Finance Committee (the "Committee").

First, as you undoubtedly know, Mr. Cohen is currently the subject of a criminal investigation being conducted by the U.S. Attorney's Office. As a result, the materials requested in your letter may be among the materials that are currently tied up in the search warrant litigation. My client is over time gaining access to these materials, and my office is periodically receiving materials from the US Attorney's Office. We can subsequently review the materials to determine whether they are relevant to your requests and whether Mr. Cohen can voluntarily produce them. I currently estimate that we cannot perform a search of the completed materials until the end of June. I will keep you advised of our anticipated timetable, as the government has delayed delivery in several instances.

Second, in the interim, I am providing you with a confidential copy of the agreement between Novartis and Mr. Cohen which has been obtained.

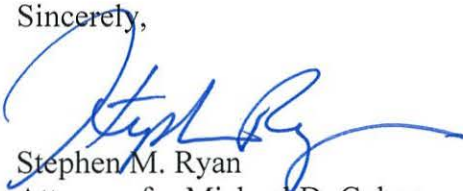
Third, Mr. Cohen did not register as a lobbyist as he did not meet the statutory test for this obligation in performing his duties to Novartis. His duty was advice, not lobbying.

Fourth, the only reason you and the public have become aware of the Novartis contract is because one or more law enforcement officials or bankers leaked certain SARs reports and related private banking records of Mr. Cohen. It appears that a law enforcement official or banker acted unlawfully and disclosed these confidential records to Mr. Avenatti, Ms. Clifford's lawyer, who then made them public on May 8, 2018. The Treasury Department Inspector General's Office announced an investigation into the improper leak on May 9. The Senate is in effect relying upon illegally disclosed information that became the basis of press reports. I

Senator Ron Wyden
May 31, 2018
Page 2

reserve all of Mr. Cohen's right to object to any further disclosures as more facts emerge on the unlawful release. I also see little basis for Members of the Finance Committee, which does not have jurisdiction over LDA/HLOGA, to make these inquiries about Mr. Cohen's lawful conduct.

Sincerely,



Stephen M. Ryan
Attorney for Michael D. Cohen

Services Agreement

This Agreement is entered into as of this 1st day of March, 2017 by and between Novartis International AG ("Novartis"), with an office at Novartis Campus, Lichtstrasse 35, CH-4056 Basel, Switzerland, and Essential Consultants, LLC ("Consultant"), with an office at 725 Fifth Avenue, New York, NY 10022.

1. Consultant hereby agrees to perform any and all services set forth in Exhibit A hereto (the "Services"), and to otherwise comply with the obligations set forth in Exhibit A. Consultant shall not perform any services beyond the scope of Exhibit A without the prior written approval of Novartis. Except as expressly agreed in Exhibit A, or as otherwise expressly agreed in advance in writing, Consultant shall provide the personal services of Michael D. Cohen to perform the Services. The personal services of this individual are of the essence of this Agreement.

2. Unless sooner terminated pursuant to Section 10 of this Agreement, this Agreement shall be deemed effective as of the date set forth above, and shall expire on February 28, 2018.

3. In consideration of the satisfactory performance of the Services, Novartis will pay Consultant a consulting fee of One Million Two Hundred Thousand (\$1,200,000.00) US dollars (the "Fee") which shall include VAT or similar taxes, if any. The Fee shall be paid to the Consultant at the end of each month, for the first time at the end of March 2017, by wire (instructions attached as Exhibit B) in the amount of One Hundred Thousand (\$100,000.00) US dollars and continuing in eleven (11) equal monthly installments thereafter. Novartis shall make payments against the invoice within thirty (30) days of its receipt. Novartis will reimburse Consultant for out-of-pocket expenses incurred by Consultant in performing this Agreement, provided that such expenses are reasonable and necessary to the performance of the work hereunder, and, to the extent any one expense exceeds \$2,500, have been approved in advance by Novartis. All such expenses shall be billed to Novartis at actual cost, and, must be supported by detailed expense statements and expense reports, receipts, vouchers or other supporting information as Novartis customarily may require. Novartis agrees that the Consultant shall be authorized to utilize "first class" travel and hotel arrangements.

4. Consultant shall not publish, disclose or use for any purpose other than as contemplated by this Agreement any and all information disclosed to or developed by Consultant in connection with this Agreement or with any Services performed hereunder (collectively "Information"). This obligation of non-disclosure shall not apply to the following: (i) Information at or after such time that it is or becomes publicly available through no fault of Consultant; (ii) Information that is already independently known to Consultant as shown by prior written or electronic records; (iii) Information at or after such time that it is disclosed to Consultant by a third party with the legal right to do so; (iv) Information required to be disclosed pursuant to judicial process, court order or administrative request, *provided that* Consultant shall so notify Novartis sufficiently prior to disclosing such Information as to permit Novartis to seek a protective order.

5. All information, data, writings, domain names, software, computer code, inventions and other work products, in any form whatsoever, both tangible and intangible, developed as a result of Consultant's performance of the Services (collectively, the "Works"), shall be considered works made for hire, and/or shall be the sole and exclusive property of Novartis. Novartis shall be the sole owner of all the rights to such Works in any form and in all fields of use known or hereafter existing. Notwithstanding the foregoing, intellectual property owned by or licensed to Consultant prior to the execution of this Agreement, and which is used by Consultant to develop any Works, shall remain the property of Consultant (the "Components"). Novartis agrees not to assert against Consultant and its licensees any

ownership interest in the Components. Notwithstanding the foregoing, to the extent any such Components are incorporated into the Works, Novartis shall have a non-exclusive, irrevocable, perpetual, non-transferable (except to affiliates and to other persons Novartis transfers or authorizes to use the Works), worldwide, royalty-free license to use such Components in conjunction with the Works. Consultant warrants that it has the authority to grant to Novartis the rights set forth herein, and that this Agreement and the rights granted herein do not violate any other party's rights or interests.

6. All information, data, writings, domain names, software, computer code, inventions and other work property, in any form whatsoever, both tangible and intangible, which is provided to Consultant by and/or on behalf of Novartis, or which is used by Consultant with respect to the performance of the Services, and which was owned by or licensed to Novartis prior to being provided to Consultant, shall remain the property of Novartis (the "Novartis Property"). Consultant shall have a license to use any Novartis Property supplied to it solely to the extent necessary to enable Consultant to perform the Services. Consultant shall acquire no other right, title or interest in the Novartis Property as a result of its entry into this Agreement or performance of the Services. Consultant shall return the Novartis Property to Novartis upon the expiration or termination of this Agreement.

7. Neither party will use, or authorize others to use, the name, symbols, or marks of the other party in any advertising or publicity material or make any form of representation or statement with regard to the Services which would constitute an express or implied endorsement by the other party of any commercial product or service without that other party's prior written approval.

8. Consultant agrees to indemnify, defend and save Novartis (including officers, directors, employees and agents of Novartis) harmless from and against any and all claims, suits, and liabilities (collectively, the "Claims"), to the extent such Claims arise out of or are attributable to (i) the willful misconduct of Consultant (including, but not limited to, Consultant's employees, subcontractors or agents) during the course of its performance of the Services pursuant to this Agreement; (ii) any material breach of this Agreement by Consultant; or (iii) any allegation that the Works or the Components infringe any trademark, copyright, or other third party proprietary interest (except to the extent the allegedly infringing material was provided to Consultant by Novartis, and Consultant did not act negligently or wrongfully in using such materials). In the defense or settlement of any claim under clause (iii) above, Consultant shall, at its expense, and subject to the prior written agreement of Novartis, either: (x) obtain the right to continue using the applicable intellectual property; or (y) replace or modify the applicable intellectual property so that the Works become non-infringing while giving equivalent performance.

9. Novartis shall have the right, upon reasonable notice, to review all records of Consultant related to the Services and any amounts invoiced to Novartis hereunder. Should such review disclose any overpayment by Novartis, then, at Novartis' option, Consultant shall either refund to Novartis the amount of such overpayment, or issue to Novartis a credit in the amount of such overpayment. Novartis shall pay all fees of any accountants or other personnel performing such verification unless it discloses any overstatement of amounts invoiced of more than two percent (2%), in which case Consultant shall bear all reasonable costs of the audit.

10. Should either party hereto commit a material breach of any of the terms and conditions of this Agreement, the other party may give to the party in default a written notice specifying the nature of such breach and calling upon the party in default to remedy the same within thirty (30) days from the date of receipt of such notice. If the party in default fails to remedy such breach within such thirty (30) day period, the party not in default may immediately terminate this Agreement by giving written notice to the party in default. In such

an event, (i) Novartis' obligations to make payments on obligations and amounts already appropriately incurred as of the effective date of any such termination, and (ii) Consultant's obligations under Sections 4, 5, 6, 7, 8, 9, 11, 13, and 14, shall survive and continue after the termination of this Agreement. Novartis shall have no obligation to pay any Fees for any services performed or activities undertaken in the period following the effective date of any such termination.

11. Consultant's Performance.

(a) Consultant shall perform the Services in a professional manner, in conformance with that level of care and skill ordinarily exercised by other professionals in Consultant's field, and with high ethical and moral business and personal integrity standards.

(b) Consultant shall keep Novartis fully informed of all significant activities undertaken in connection with this Agreement and the performance of the Services.

(c) Consultant warrants that Consultant is presently, and will remain, for the term of this Agreement and any extension thereof, free from any commitments that would create a conflict of interest which might impede the completion of Consultant's obligations hereunder.

(d) Consultant agrees to become familiar and comply in all respects with any and all applicable laws, rules and regulations regarding its conduct, including, but not limited to, all applicable laws, regulations and Novartis policies related to lobbying activities, to political contributions and gifts to public officials, and to anti-corruption. Consultant represents and warrants that there are no agreements, orders or other restrictions which would interfere or prevent Consultant from entering into this Agreement or performing the services and obligations contemplated hereunder. Consultant further agrees to familiarize itself and its personnel and comply with (to the extent applicable) Novartis' policies set forth in its Code of Conduct including, but not limited to, the safeguarding of confidential and proprietary information, the avoidance of any conflict of interest, the prohibition against payment of or receipt of gifts, meals, or entertainment that would violate gift laws, or other improper consideration, and/or the making of any investment which may compromise Consultant's obligations to Novartis; and in the Novartis Global Anti-Bribery Policy, as amended from time to time. Consultant agrees that it has read and understood the above mentioned Novartis' policies and guidelines. Consultant further agrees that in connection with its activities hereunder, it will not (i) buy or sell any security while in possession of material, non-public information about the issuer of such security or the market for such security, or (ii) disclose such information to any person. Consultant also agrees to comply with, and make the necessary filings required under, the applicable laws. Consultant shall inform Novartis if Consultant is required to make such lobbyist filings and shall also notify Novartis if such filing requirements are triggered for Novartis.

(e) Neither Consultant nor Consultant's partners, directors, officers, managers and employees (including Michael D. Cohen) shall, during the term of this Agreement, (i) make any political contributions or other payments, directly or indirectly, for the purpose of obtaining or retaining any type of business on behalf of Novartis; or (ii) enter into arrangements with third parties to share in any amounts paid hereunder without the prior written consent of Novartis. For purposes of this subparagraph (e), the term "political contribution" includes any payment, gift, subscription, loan, advance or deposit of money, as well as any contribution of services or facilities, if made in connection with any campaign for state or local office or for a state or local official running for federal office or in connection with a state or local party committee.

12. Novartis shall have the right to disapprove of any employee, subcontractor or sub-subcontractor retained or to be retained to assist Consultant in the performance of its obligations hereunder. Any such approval or disapproval shall not relieve Consultant of its

obligations under this Agreement. Consultant may not make use of the services of any employee, subcontractor or sub-subcontractor in the performance of the Services if Novartis has disapproved of that subcontractor or sub-subcontractor.

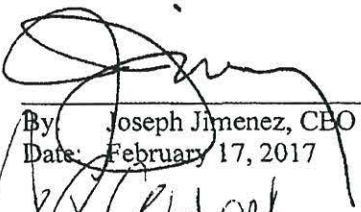
13. Any services Consultant may perform for Novartis under this Agreement are to be performed by Consultant in Consultant's capacity as an independent Contractor. Neither Consultant nor its employees, agents or representatives are employees of Novartis. Consultant retains the sole right to hire, discipline, evaluate and terminate its own employees and to set their hours, wages and terms and conditions of employment in accordance with law and Consultant's obligations herein. Novartis shall not withhold FICA or taxes of any kind from any payments which it owes Consultant. All income, employment and other similar taxes required to be withheld and/or paid with respect to all services provided hereunder will be timely paid by Consultant directly to the appropriate governmental agency. The employees, representatives or agents of Consultant are not entitled to and will not receive from Novartis in connection with the Services, any benefits normally provided by Novartis to its employees. Consultant agrees to defend, indemnify and hold Novartis harmless against any claim that Novartis is jointly or severally liable or obligated to Consultant's employees, agents, employees' representative, a benefit plan or a any governmental fund or entity on the basis of a statute, regulation or common law duty relating to employment.

14. This Agreement, including all exhibits and attachments hereto, represents the entire understanding of the parties with respect to the subject matter hereof. This Agreement shall not be modified except by a written agreement signed by the parties hereto. No waiver of any term, provision or condition of this Agreement whether by conduct or otherwise in any one or more instances shall be deemed to be or construed as a further or continuing waiver of any such term, provision or condition, or of any other term, provision or condition of this Agreement. The invalidity or unenforceability of any term or provision of this Agreement shall not affect the validity or enforceability of any other term or provision hereof. This Agreement shall be construed by and enforced in accordance with the laws of New York. Consultant may not assign, cede or transfer any of its rights or obligations under this Agreement without the written consent of Novartis.

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be executed by their respective duly authorized representatives as of the day and year first above written.

NOVARTIS INTERNATIONAL AG

ESSENTIAL CONSULTANTS LLC


By: Joseph Jimenez, CEO
Date: February 17, 2017

By: Michael D. Cohen
Date: February 17, 2017

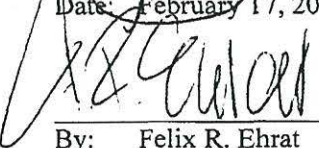

By: Felix R. Ehrat
Group General Counsel
Date: February 17, 2017

Exhibit A

STATEMENT OF WORK

This Statement of Work sets forth the Services to be performed pursuant to the agreement ("Agreement") between Novartis International AG ("Novartis") and Essential Consultants, LLC (the "Consultant"). The Agreement will be effective as of March 1, 2017 (the "Effective Date").

Scope of Work

The Consultant will provide consulting and advisory services to Novartis on matters that relate to the repeal and replacement of the Affordable Care Act in the US and any other issues mutually agreeable to the Consultant and Novartis.

Deliverables

Novartis and the Consultant will communicate regularly about all relevant matters within the Scope of Work.



Exhibit B
Wire Transfer Instructions

Insert wire transfer instructions.

From: Jimenez, Joe
Sent: Wednesday, January 25, 2017 12:20 AM
To: [REDACTED]
Subject: FW:

Pls print

From: Irwin.Simor [REDACTED]
Sent: Wednesday, January 25, 2017 1:41 AM
To: Jimenez, Joe
Subject: Fwd:

FYI

Sent from my iPhone

Begin forwarded message:

From: Michael Cohen <mcohen@trumporg.com>
Date: January 16, 2017 at 5:15:49 PM GMT-3:30
To: "Irwin.Simor" [REDACTED]

For your friend Joe:

<https://sciencebasedmedicine.org/donald-trump-vs-the-fda-be-afraid-be-very-afraid-of-the-loosening-of-drug-approval-standards/>

<image001.png>

Michael Cohen
Executive Vice President and
Special Counsel To Donald J. Trump
725 Fifth Avenue | New York, NY | 10022
p. 212.836.3212 | f. 212.980.3821
c: [REDACTED]
mcohen@trumporg.com | trump.com

From: [REDACTED]
Sent: Friday, February 3, 2017 11:18 AM
To: Michael Cohen
Subject: RE: Jimenez/Cohen

Thanks Michael.

Would Fri, 10-Feb at 8.30AM est work for you?

[REDACTED]

From: Michael Cohen [mailto:mdcohen212@gmail.com]
Sent: Friday, February 03, 2017 5:05 PM
To: [REDACTED]
Subject: Re: Jimenez/Cohen

I am currently in NYC and will be here thru Tuesday. Either way, it is still under EST.

Sent from my iPhone

Michael D. Cohen
Executive Vice President and
Special Counsel to
Donald J. Trump
725 Fifth Avenue
New York, New York 10022
Phone: 212-836-3212
Cellular: [REDACTED]
mcohen@trumporg.com

On Feb 3, 2017, at 10:54 AM, [REDACTED] wrote:

Dear Michael,

Pleasure to meet you – I'm Joe's assistant.
Can you please let me know where you're located?
Then I can take our time difference into account and propose some slots to you.

Best wishes,

[REDACTED]
Executive Assistant to the CEO Novartis
[REDACTED]

Assistant: [REDACTED]

T [REDACTED]

[REDACTED]

Novartis International AG

Novartis Campus

Fabrikstrasse 18.4.130.01

4002 Basel

Switzerland

From: Jimenez, Joe

Sent: Friday, February 03, 2017 7:17 AM

To: mdcohen212@gmail.com

Cc: [REDACTED]

Subject: Contact

Hi Michael,

I received your email. This is the best way to reach me.

Let's set up a phone call. I am travelling but we can get it on the calendar. My assistant will contact you. Thank you.

Joe

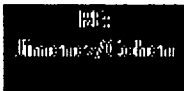
Subject: 02:30-03:00PM: TC w. Michael Cohen - We will call him on his cell # [REDACTED]
Location: Yr Office

Start: Fri 2/10/2017 8:30 AM
End: Fri 2/10/2017 9:00 AM

Recurrence: (none)

Organizer: Jimenez, Joe

Categories: Yellow Category





From: Michael Cohen [mailto:mdcohen212@gmail.com]

Sent: Monday, February 13, 2017 3:55 PM

To: Jimenez, Joe

Subject: Novartis Consulting Agreement

Joe,

Please see attached my pro forma consulting agreement. Let me know if there are any changes, additions or deletions you might require.

Sent from my iPhone

Michael D. Cohen, Esq.
Personal Counsel to
President Donald J. Trump
Cellular: [REDACTED]
mdcohen212@gmail.com

CONSULTING AGREEMENT

THIS CONSULTING AGREEMENT (this "Agreement") is entered into this 13th day of February, 2017 by and between Novartis, with an address at Novartis Campus, Fabrikstrasse 18, 4056 Basel, Switzerland (the "Company"), and Essential Consultants LLC with an address at _____, New York, New York 10022 (the "Consultant"). The Company and the Consultant are each sometimes referred to herein as a "Party", and collectively as the "Parties".

WHEREAS, the Company recognizes the specialized knowledge and expertise of the Consultant and the Company wishes to enter into a consulting relationship with the Consultant in order to utilize that knowledge and expertise; and

WHEREAS, the Consultant is desirous of being engaged by the Company, and the Company and the Consultant desire to enter into such a consulting relationship upon the terms and conditions hereinafter contained.

NOW, THEREFORE, in consideration of the covenants and terms contained in this Agreement as set forth herein and of the mutual benefits accruing to the Company and to the Consultant from the consulting relationship to be established between the Parties by the terms of this Agreement, the Company and the Consultant agree as follows:

1. Consulting Relationship. The Company hereby retains the Consultant, and the Consultant hereby agrees to be retained by the Company, as an independent contractor, and not as an employee (the "Consulting Relationship").
2. Consulting Services. During the Consulting Period (as hereinafter defined), the Consultant and the Company agree that Consultant shall render consulting and advisory services to the Company, (the "Services"), and in such capacity, Consultant shall perform such assignments and have such duties and responsibilities consistent with such position as are assigned to him by the Board of Directors of the Company, to whom the Consultant shall directly report. Unless otherwise agreed to by the Company and the Consultant, the Consultant shall provide the Services at the Company's principal place of business at _____.

3. Consideration.

The Company agrees to pay the Consultant for his services performed under this Agreement and for his commitments and agreements as contained herein a consulting fee of One Million Two Hundred Thousand (\$1,200,000.00) US Dollars (the "Fee"). The Fee shall be paid to the Consultant monthly, by wire (instructions attached as Exhibit A) in the amount of One Hundred Thousand (\$100,000.00) USD.

(a) The Consultant shall be paid or reimbursed for all business and travel related expenses incurred or paid by him during the Consulting Period in the performance of his services to the Company upon the presentation of detailed expense statements and expense reports, receipts, vouchers or other supporting information as the Company customarily may require. The Company agrees that the Consultant shall be authorized to utilize "first class" travel and hotel arrangements.

4. Benefits. The Consultant shall not be entitled to any benefits which employees of the Company are entitled to receive and shall not be entitled to worker's compensation, FICA contributions, unemployment compensation, paid vacations, paid holidays, pension, profit sharing or any other benefits of the Company.

5. Term and Termination. The term of this Agreement shall commence upon the date first written above and shall continue for a period of one (1) year, and shall renew automatically thereafter for successive one (1) year periods, unless terminated by "Consultant" on not less than sixty (60) days prior written notice.

6. Independent Contractor. The parties hereto agree and acknowledge that the relationship between the Company and the Consultant shall be that of an independent contractor and not that of employer-employee, master-servant or principal-agent. Nothing in this Agreement, or its implementation, shall be construed to be to the contrary. The Company shall not withhold FICA or taxes of any kind from any payments which it owes the Consultant. The Consultant is responsible for all of his payroll taxes and insurance. The Consultant shall perform the work at his own risk. The Consultant assumes all responsibility for his taxes relating to the consulting payments hereunder.

7. Entire Agreement. This Agreement, and any attachments or exhibits appended hereto, shall represent the complete agreement and understanding between the Company and the Consultant concerning the subject matter hereof and supersedes all prior agreements and understandings of the Parties, written or oral. No attempted modification or waiver of any of the provisions hereof shall be binding on either Party unless made in writing and signed by both the Consultant and the Company.

8. Notices. All notices, requests, demands and other communications hereunder shall be in writing and shall be deemed to have been duly given if: (a) personally delivered, (b) sent by certified mail, return receipt requested, (c) sent by facsimile (with transmission confirmation), or (d) sent by reliable overnight courier (i.e. Federal Express) to the Party it is addressed to at his/its address set forth on the Page 1 of this Agreement (or such other addresses that shall be given in writing by either Party to the other Party in accordance with this Section 8).

9. Waiver. The waiver by any Party of the breach or violation of this Agreement shall not operate as, or be construed to be, a waiver of any subsequent breach of the same or any other provision thereof.

10. Binding Effect. This Agreement shall be binding upon and shall inure to the benefit of the Consultant and his heirs, legal representatives and assigns and the Company and its successors and permitted assigns.

11. Applicable Law. It is the intention of the Parties hereto that all questions and interpretations with respect to the construction and performance of this Agreement and the rights and liabilities of the Parties hereto shall be determined in accordance with the laws of the State of New York, without reference to choice of law principles thereof.

12. Consent to Jurisdiction. In the event of any conflict or dispute hereunder, each of the Parties hereby consents to the sole and exclusive jurisdiction of the State and Federal Courts of the State of New York and waives any defense to the jurisdiction of such courts, including without limitation, based on lack of jurisdiction, improper venue, *forum non conveniens* or otherwise.

13. Counterparts. This Agreement may be executed simultaneously by facsimile and in any number of counterparts, each of which when so executed and delivered shall be taken to be an original; but such counterparts shall together constitute but one and the same document.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the Parties hereto have executed this Consulting Agreement as of the day and year first above written.

COMPANY:

By: _____

Name:

Title:

CONSULTANT:

Michael D. Cohen, Esq.
Essential Consultants LLC.

From: Ehrat, Felix
Sent: Tuesday, February 14, 2017 4:24 AM
To: mdcohen212@gmail.com
Cc: Rosenfeld, Barry
Subject: Novartis Consulting Agreement

Dear Michael

I am the Group General Counsel of Novartis.
Joe Jimenez has asked me to finalize the consulting relationship which you discussed. In order to facilitate and accelerate the matter, you will be contacted by my colleague Barry Rosenfeld (cc'ed) from the Novartis US legal team.
Thanks and best regards
Felix

Felix R. Ehrat
Group General Counsel
Member of the Executive Committee

T +41 61 696 9511
M [REDACTED]
felix.ehrat@novartis.com

Novartis International AG
Fabrikstrasse 18.4
4002 Basel / Switzerland

From: Michael Cohen [<mailto:mdcohen212@gmail.com>]
Sent: Monday, February 13, 2017 3:55 PM
To: Jimenez, Joe
Subject: Novartis Consulting Agreement

Joe,
Please see attached my pro forma consulting agreement. Let me know if there are any changes, additions or deletions you might require.

Sent from my iPhone

Michael D. Cohen, Esq.
Personal Counsel to
President Donald J. Trump
Cellular: [REDACTED]
mdcohen212@gmail.com

From: Michael Cohen <mdcohen212@gmail.com>
Sent: Tuesday, February 14, 2017 6:21 AM
To: Ehrat, Felix
Cc: Rosenfeld, Barry
Subject: Re: Novartis Consulting Agreement

Felix,
Thank you.

On Tue, Feb 14, 2017 at 4:24 AM Ehrat, Felix <felix.ehrat@novartis.com> wrote:

Dear Michael

I am the Group General Counsel of Novartis.

Joe Jimenez has asked me to finalize the consulting relationship which you discussed. In order to facilitate and accelerate the matter, you will be contacted by my colleague Barry Rosenfeld (cc'ed) from the Novartis US legal team.

Thanks and best regards

Felix

Felix R. Ehrat

Group General Counsel
Member of the Executive Committee

T +41 61 696 9511

M [REDACTED]

felix.ehrat@novartis.com

Novartis International AG

Fabrikstrasse 18.4

4002 Basel / Switzerland

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Sent: Monday, February 13, 2017 3:55 PM
To: Jimenez, Joe
Subject: Novartis Consulting Agreement

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Sent from my iPhone

Michael D. Cohen, Esq.
Personal Counsel to
President Donald J. Trump
Cellular: [REDACTED]
mdcohen212@gmail.com

--

Yours,

Michael D. Cohen, Esq.
Personal Attorney to
President Donald J. Trump
[REDACTED]
mdcohen212@gmail.com

From: Rosenfeld, Barry
Sent: Tuesday, February 14, 2017 2:59 PM
To: Michael Cohen; Ehrat, Felix
Subject: RE: Novartis Consulting Agreement
Attachments: Essential Consultants Agmt (17-02-14c draft BR clean).docx; Michael Cohen SOW (17-02-14 draft BR clean).docx

Michael –

Very pleased to meet you online. Felix did send me the proposed agreement that you had sent along. Unfortunately, it is our policy to use our standard form agreements when we retain consultants. I have attached a copy for your review, together with a first draft of the Statement of Work. I would appreciate your questions and comments on these. Thanks very much, Barry

Barry Rosenfeld
Vice President &
General Counsel
Novartis Finance Corporation
230 Park Avenue
21st Floor
New York, NY 10169
USA
Phone +1 212 830-2414
barry.rosenfeld@novartis.com
www.novartis.com

From: Michael Cohen [mailto:mdcohen212@gmail.com]
Sent: Tuesday, February 14, 2017 6:21 AM
To: Ehrat, Felix
Cc: Rosenfeld, Barry
Subject: Re: Novartis Consulting Agreement

Felix,
Thank you.

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Thanks and best regards

Felix

Felix R. Ehrat

Group General Counsel
Member of the Executive Committee

T +41 61 696 9511

M [REDACTED]

felix.ehrat@novartis.com

Novartis International AG

Fabrikstrasse 18.4

4002 Basel / Switzerland

From: Michael Cohen [<mailto:mdcohen212@gmail.com>]

Sent: Monday, February 13, 2017 3:55 PM

To: Jimenez, Joe

Subject: Novartis Consulting Agreement

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Please see attached my pro forma consulting agreement. Let me know if there are any changes, additions or deletions you might require.


Sent from my iPhone

Michael D. Cohen, Esq.
Personal Counsel to
President Donald J. Trump
Cellular: [REDACTED]
mdcohen212@gmail.com

--

Yours,

Michael D. Cohen, Esq.
Personal Attorney to
President Donald J. Trump


mdcohen212@gmail.com

Services Agreement

This Agreement is entered into as of this 1st day of March, 2017 by and between Novartis International AG ("Novartis"), with an office at Novartis Campus, Lichtstrasse 35, CH-4056 Basel, Switzerland, and Essential Consultants, LLC ("Consultant"), with an office at [INSERT ADDRESS].

1. Consultant hereby agrees to perform any and all services set forth in Exhibit A hereto (the "Services"), and to otherwise comply with the obligations set forth in Exhibit A. Consultant shall provide all personnel and equipment necessary to perform the Services. Consultant shall not perform any services beyond the scope of Exhibit A without the prior written approval of Novartis. Consultant shall perform the Services to Novartis' reasonable satisfaction. Except as expressly agreed in Exhibit A, or as otherwise expressly agreed in advance in writing, Consultant shall provide the personal services of Michael D. Cohen to perform the Services. The personal services of this individual are of the essence of this Agreement.

2. Unless sooner terminated pursuant to Section 10 of this Agreement, this Agreement shall be deemed effective as of the date set forth above, and shall expire on February 28, 2018.

3. In consideration of the satisfactory performance of the Services, Novartis will pay Consultant a consulting fee of One Million Two Hundred Thousand (\$1,200,000.00) US dollars (the "Fee") which shall include VAT or similar taxes, if any. The Fee shall be paid to the Consultant at the end of each month, for the first time at the end of March 2017, by wire (instructions attached as Exhibit B) in the amount of One Hundred Thousand (\$100,000.00) US dollars. Unless Novartis objects to all or a portion of any invoice submitted to it by Consultant, Novartis shall make payments against the invoice within thirty (30) days of its receipt. Novartis will reimburse Consultant for out-of-pocket expenses incurred by Consultant in performing this Agreement, provided that such expenses are reasonable and necessary to the performance of the work hereunder, and have been approved in advance by Novartis. All such expenses shall be billed to Novartis at actual cost, and, must be supported by detailed expense statements and expense reports, receipts, vouchers or other supporting information as Novartis customarily may require. Novartis agrees that the Consultant shall be authorized to utilize "first class" travel and hotel arrangements.

4. Consultant shall not publish, disclose or use for any purpose other than as contemplated by this Agreement any and all information disclosed to or developed by Consultant in connection with this Agreement or with any Services performed hereunder (collectively "Information"). This obligation of non-disclosure shall not apply to the following: (i) Information at or after such time that it is or becomes publicly available through no fault of Consultant; (ii) Information that is already independently known to Consultant as shown by prior written or electronic records; (iii) Information at or after such time that it is disclosed to Consultant by a third party with the legal right to do so; (iv) Information required to be disclosed pursuant to judicial process, court order or administrative request, *provided that* Consultant shall so notify Novartis sufficiently prior to disclosing such Information as to permit Novartis to seek a protective order.

5. All information, data, writings, domain names, software, computer code, inventions and other work products, in any form whatsoever, both tangible and intangible, developed as a result of Consultant's performance of the Services (collectively, the "Works"), shall be considered works made for hire, and/or shall be the sole and exclusive property of Novartis. Novartis shall be the sole owner of all the rights to such Works in any form and in all fields of use known or hereafter existing. Notwithstanding the foregoing, intellectual

property owned by or licensed to Consultant prior to the execution of this Agreement, and which is used by Consultant to develop any Works, shall remain the property of Consultant (the "Components"). Novartis agrees not to assert against Consultant and its licensees any ownership interest in the Components. Notwithstanding the foregoing, to the extent any such Components are incorporated into the Works, Novartis shall have a non-exclusive, irrevocable, perpetual, non-transferable (except to affiliates and to other persons Novartis transfers or authorizes to use the Works), worldwide, royalty-free license to use such Components in conjunction with the Works. Consultant warrants that it has the authority to grant to Novartis the rights set forth herein, and that this Agreement and the rights granted herein do not violate any other party's rights or interests.

6. All information, data, writings, domain names, software, computer code, inventions and other work property, in any form whatsoever, both tangible and intangible, which is provided to Consultant by and/or on behalf of Novartis, or which is used by Consultant with respect to the performance of the Services, and which was owned by or licensed to Novartis prior to being provided to Consultant, shall remain the property of Novartis (the "Novartis Property"). Consultant shall have a license to use any Novartis Property supplied to it solely to the extent necessary to enable Consultant to perform the Services. Consultant shall acquire no other right, title or interest in the Novartis Property as a result of its entry into this Agreement or performance of the Services. Consultant shall return the Novartis Property to Novartis upon the expiration or termination of this Agreement.

7. Neither party will use, or authorize others to use, the name, symbols, or marks of the other party in any advertising or publicity material or make any form of representation or statement with regard to the Services which would constitute an express or implied endorsement by the other party of any commercial product or service without that other party's prior written approval.

8. Consultant agrees to indemnify, defend and save Novartis (including officers, directors, employees and agents of Novartis) harmless from and against any and all claims, suits, and liabilities (collectively, the "Claims"), to the extent such Claims arise out of or are attributable to (i) the wrongful act or omission, or to the negligence of Consultant (including, but not limited to, Consultant's employees, subcontractors or agents) during the course of its performance of the Services pursuant to this Agreement; (ii) any breach of this Agreement by Consultant; or (iii) any allegation that the Works or the Components infringe any trademark, copyright, or other third party proprietary interest (except to the extent the allegedly infringing material was provided to Consultant by Novartis, and Consultant did not act negligently or wrongfully in using such materials). In the defense or settlement of any claim under clause (iii) above, Consultant shall, at its expense, and subject to the prior written agreement of Novartis, either: (x) obtain the right to continue using the applicable intellectual property; or (y) replace or modify the applicable intellectual property so that the Works become non-infringing while giving equivalent performance.

9. Novartis shall have the right, upon reasonable notice, to review all records and accounts of Consultant related to the Services and any amounts invoiced to Novartis hereunder. Should such review disclose any overpayment by Novartis, then, at Novartis' option, Consultant shall either refund to Novartis the amount of such overpayment, or issue to Novartis a credit in the amount of such overpayment. Novartis shall pay all fees of any accountants or other personnel performing such verification unless it discloses any overstatement of amounts invoiced of more than two percent (2%), in which case Consultant shall bear all reasonable costs of the audit.

10. Should either party hereto commit a material breach of any of the terms and conditions of this Agreement, the other party may give to the party in default a written notice

specifying the nature of such breach and calling upon the party in default to remedy the same within thirty (30) days from the date of receipt of such notice. If the party in default fails to remedy such breach within such thirty (30) day period, the party not in default may immediately terminate this Agreement by giving written notice to the party in default. In such an event, (i) Novartis' obligations to make payments on obligations and amounts already appropriately incurred as of the effective date of any such termination, and (ii) Consultant's obligations under Sections 4, 5, 6, 7, 8, 9, 11, 13, and 14, shall survive and continue after the termination of this Agreement. Novartis shall have no obligation to pay any Fees for any services performed or activities undertaken in the period following the effective date of any such termination.

11. Consultant's Performance.

(a) Consultant shall perform the Services in a professional manner, in conformance with that level of care and skill ordinarily exercised by other professionals in Consultant's field, and with high ethical and moral business and personal integrity standards.

(b) Consultant shall keep Novartis continuously and fully informed of all significant activities undertaken in connection with this Agreement and the performance of the Services.

(c) Consultant warrants that Consultant is presently, and will remain, for the term of this Agreement and any extension thereof, free from any commitments that would create a conflict of interest which might impede the completion of Consultant's obligations hereunder.

(d) Consultant agrees to become familiar and comply in all respects with any and all applicable laws, rules and regulations regarding its conduct, including, but not limited to, all applicable laws, regulations and Novartis policies related to lobbying activities, to political contributions and gifts to public officials, and to anti-corruption. Consultant represents and warrants that there are no agreements, orders or other restrictions which would interfere or prevent Consultant from entering into this Agreement or performing the services and obligations contemplated hereunder. Consultant further agrees to familiarize itself and its personnel and comply with (to the extent applicable) Novartis' policies set forth in its Code of Conduct including, but not limited to, the safeguarding of confidential and proprietary information, the avoidance of any conflict of interest, the prohibition against payment of or receipt of gifts, meals, or entertainment that would violate gift laws, or other improper consideration, and/or the making of any investment which may compromise Consultant's obligations to Novartis; and in the Novartis Global Anti-Bribery Policy, as amended from time to time. Consultant agrees that it has read and understood the above mentioned Novartis' policies and guidelines. Consultant further agrees that in connection with its activities hereunder, it will not (i) buy or sell any security while in possession of material, non-public information about the issuer of such security or the market for such security, or (ii) disclose such information to any person. Consultant also agrees to comply with, and make the necessary filings required under, the applicable laws. Consultant shall inform Novartis if Consultant is required to make such lobbyist filings and shall also notify Novartis if such filing requirements are triggered for Novartis.

(e) Neither Consultant nor Consultant's partners, directors, officers, managers and employees (including Michael D. Cohen) shall, during the term of this Agreement, (i) make any political contributions or other payments, directly or indirectly, for the purpose of obtaining or retaining any type of business on behalf of Novartis; or (ii) enter into arrangements with third parties to share in any amounts paid hereunder without the prior written consent of Novartis. For purposes of this subparagraph (e), the term "political contribution" includes any payment, gift, subscription, loan, advance or deposit of money, as

well as any contribution of services or facilities, if made in connection with any campaign for state or local office or for a state or local official running for federal office or in connection with a state or local party committee.

12. Novartis shall have the right to disapprove of any employee, subcontractor or sub-subcontractor retained or to be retained to assist Consultant in the performance of its obligations hereunder. Any such approval or disapproval shall not relieve Consultant of its obligations under this Agreement. Consultant may not make use of the services of any employee, subcontractor or sub-subcontractor in the performance of the Services if Novartis has disapproved of that subcontractor or sub-subcontractor.

13. Any services Consultant may perform for Novartis under this Agreement are to be performed by Consultant in Consultant's capacity as an independent Contractor. Neither Consultant nor its employees, agents or representatives are employees of Novartis. Consultant retains the sole right to hire, discipline, evaluate and terminate its own employees and to set their hours, wages and terms and conditions of employment in accordance with law and Consultant's obligations herein. Novartis shall not withhold FICA or taxes of any kind from any payments which it owes Consultant. All income, employment and other similar taxes required to be withheld and/or paid with respect to all services provided hereunder will be timely paid by Consultant directly to the appropriate governmental agency. The employees, representatives or agents of Consultant are not entitled to and will not receive from Novartis in connection with the Services, any benefits normally provided by Novartis to its employees. Consultant agrees to defend, indemnify and hold Novartis harmless against any claim that Novartis is jointly or severally liable or obligated to Consultant's employees, agents, employees' representative, a benefit plan or a any governmental fund or entity on the basis of a statute, regulation or common law duty relating to employment.

14. This Agreement, including all exhibits and attachments hereto, represents the entire understanding of the parties with respect to the subject matter hereof. This Agreement shall not be modified except by a written agreement signed by the parties hereto. No waiver of any term, provision or condition of this Agreement whether by conduct or otherwise in any one or more instances shall be deemed to be or construed as a further or continuing waiver of any such term, provision or condition, or of any other term, provision or condition of this Agreement. The invalidity or unenforceability of any term or provision of this Agreement shall not affect the validity or enforceability of any other term or provision hereof. This Agreement shall be construed by and enforced in accordance with the laws of New York. Consultant may not assign, cede or transfer any of its rights or obligations under this Agreement without the written consent of Novartis.

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be executed by their respective duly authorized representatives as of the day and year first above written.

NOVARTIS INTERNATIONAL AG

ESSENTIAL CONSULTANTS LLC

(signature)

(signature)

(name printed)

(name printed)

(title)

(title)

(date)

(date)

Ver. 08/2-1

Exhibit A

[insert description of services to be performed]

Exhibit B
Wire Transfer Instructions

[Insert wire transfer instructions.]



EXHIBIT A TO SERVICES AGREEMENT STATEMENT OF WORK

Objective

With the process underway to repeal and replace the Affordable Care Act in the US, and the continued debate over drug pricing, there is considerable uncertainty around the US healthcare system and how it will evolve in the coming years. In this context, it is imperative that Novartis remain abreast of policy matters that could impact our business in the US, and ensure that our business actions in the US reinforce our good standing in that market.

This Statement of Work sets forth the Services to be performed pursuant to the agreement ("Agreement") between Novartis International AG ("Novartis") and Essential Consultants, LLC (the "Consultant"). The Agreement will be effective as of March 1, 2017 (the "Effective Date").

Scope of Work

The Consultant will provide consulting and advisory services to Novartis on US policy matters that have the potential to impact Novartis, and on issues pertaining to Novartis' positioning in the US market.

Specifically, the Consultant will:

- Provide access to key policymakers in the US Government to facilitate constructive discussions about policy matters impacting Novartis;
- Assess the reaction of the US Government to certain options to improve the affordability of medicines;
- Provide feedback to planned actions of Novartis in the US that may impact our standing there; and
- Advise on any other issues Novartis may face with the US Government.

Deliverables

Novartis and the Consultant will communicate regularly about all relevant matters within the Scope of Work.

From: Michael Cohen <mdcohen212@gmail.com>
Sent: Wednesday, February 15, 2017 8:45 AM
To: Rosenfeld, Barry
Subject: Re: Novartis Consulting Agreement

Barry,

Thank you for your proposed agreement. What time might you be available to speak today?

On Tue, Feb 14, 2017 at 2:59 PM Rosenfeld, Barry <barry.rosenfeld@novartis.com> wrote:

Michael –

Very pleased to meet you online. Felix did send me the proposed agreement that you had sent along. Unfortunately, it is our policy to use our standard form agreements when we retain consultants. I have attached a copy for your review, together with a first draft of the Statement of Work. I would appreciate your questions and comments on these. Thanks very much, Barry

Barry Rosenfeld

Vice President &

General Counsel

Novartis Finance Corporation

230 Park Avenue

21st Floor

New York, NY 10169

USA

Phone +1 212 830-2414

barry.rosenfeld@novartis.com

www.novartis.com

From: Michael Cohen [mailto:mdcohen212@gmail.com]
Sent: Tuesday, February 14, 2017 6:21 AM
To: Ehrat, Felix

Cc: Rosenfeld, Barry
Subject: Re: Novartis Consulting Agreement

Felix,

Thank you.

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Dear Michael

I am the Group General Counsel of Novartis.

Joe Jimenez has asked me to finalize the consulting relationship which you discussed. In order to facilitate and accelerate the matter, you will be contacted by my colleague Barry Rosenfeld (cc'ed) from the Novartis US legal team.

Thanks and best regards

Felix

Felix R. Ehrat

Group General Counsel
Member of the Executive Committee

T +41 61 696 9511

M [REDACTED]

felix.ehrat@novartis.com

Novartis International AG

Fabrikstrasse 18.4

4002 Basel / Switzerland

From: Michael Cohen [<mailto:mdcohen212@gmail.com>]

Sent: Monday, February 13, 2017 3:55 PM

To: Jimenez, Joe

Subject: Novartis Consulting Agreement

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Sent from my iPhone

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Cellular: [REDACTED]
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Yours,

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Yours,

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mdcohen212@gmail.com

From: Rosenfeld, Barry
Sent: Wednesday, February 15, 2017 9:15 AM
To: Michael Cohen
Subject: Re: Novartis Consulting Agreement

Michael -
Perhaps 11am? Perhaps 2pm? - Barry

Barry Rosenfeld
Vice President and General Counsel
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+1 212-830-2414

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From: Rosenfeld, Barry
Sent: Wednesday, February 15, 2017 9:39 AM
To: Michael Cohen
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Michael -

I won't be in my office. Please call me on my cell - [REDACTED]. Thanks, Barry

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Personal Attorney to
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From: Rosenfeld, Barry
Sent: Thursday, February 16, 2017 9:14 AM
To: Michael Cohen
Subject: RE: Novartis Consulting Agreement

Michael –

Just checking in. FYI, I will be in the office here in the City today, tomorrow and Monday. On Tuesday morning, Feb. 21, I will be [REDACTED] It would be great if we could deal with the SOW before then. Would you be able to put together some bullet points for the SOW like we discussed? Let me know your thoughts and your timing. Thanks, and looking forward to speaking with you again, Barry

Barry Rosenfeld
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To: Jimenez, Joe

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Personal Attorney to
President Donald J. Trump
[REDACTED]
mdcohen212@gmail.com

From: Michael Cohen <mdcohen212@gmail.com>
Sent: Thursday, February 16, 2017 11:24 AM
To: Rosenfeld, Barry
Attachments: Essential Consultants Agmt (17-02-14c draft BR clean).docx

Services Agreement

This Agreement is entered into as of this 1st day of March, 2017 by and between Novartis International AG ("Novartis"), with an office at Novartis Campus, Lichtstrasse 35, CH-4056 Basel, Switzerland, and Essential Consultants, LLC ("Consultant"), with an office at [INSERT ADDRESS].

1. Consultant hereby agrees to perform any and all services set forth in Exhibit A hereto (the "Services"), and to otherwise comply with the obligations set forth in Exhibit A. Consultant shall not perform any services beyond the scope of Exhibit A without the prior written approval of Novartis. Except as expressly agreed in Exhibit A, or as otherwise expressly agreed in advance in writing, Consultant shall provide the personal services of Michael D. Cohen to perform the Services. The personal services of this individual are of the essence of this Agreement.

Deleted: Consultant shall provide all personnel and equipment necessary to perform the Services.

Deleted: Consultant shall perform the Services to Novartis' reasonable satisfaction.

2. Unless sooner terminated pursuant to Section 10 of this Agreement, this Agreement shall be deemed effective as of the date set forth above, and shall expire on February 28, 2018.

3. In consideration of the satisfactory performance of the Services, Novartis will pay Consultant a consulting fee of One Million Two Hundred Thousand (\$1,200,000.00) US dollars (the "Fee") which shall include VAT or similar taxes, if any. The Fee shall be paid to the Consultant at the end of each month, for the first time at the end of March 2017, by wire (instructions attached as Exhibit B) in the amount of One Hundred Thousand (\$100,000.00) US dollars and continuing in eleven (11) equal monthly installments thereafter. Novartis shall make payments against the invoice within thirty (30) days of its receipt. Novartis will reimburse Consultant for out-of-pocket expenses incurred by Consultant in performing this Agreement, provided that such expenses are reasonable and necessary to the performance of the work hereunder, and, to the extent any one expense exceeds \$2,500, have been approved in advance by Novartis. All such expenses shall be billed to Novartis at actual cost, and, must be supported by detailed expense statements and expense reports, receipts, vouchers or other supporting information as Novartis customarily may require. Novartis agrees that the Consultant shall be authorized to utilize "first class" travel and hotel arrangements.

Deleted: Unless Novartis objects to all or a portion of any invoice submitted to it by Consultant,

4. Consultant shall not publish, disclose or use for any purpose other than as contemplated by this Agreement any and all information disclosed to or developed by Consultant in connection with this Agreement or with any Services performed hereunder (collectively "Information"). This obligation of non-disclosure shall not apply to the following: (i) Information at or after such time that it is or becomes publicly available through no fault of Consultant; (ii) Information that is already independently known to Consultant as shown by prior written or electronic records; (iii) Information at or after such time that it is disclosed to Consultant by a third party with the legal right to do so; (iv) Information required to be disclosed pursuant to judicial process, court order or administrative request, *provided that* Consultant shall so notify Novartis sufficiently prior to disclosing such Information as to permit Novartis to seek a protective order.

5. All information, data, writings, domain names, software, computer code, inventions and other work products, in any form whatsoever, both tangible and intangible, developed as a result of Consultant's performance of the Services (collectively, the "Works"), shall be considered works made for hire, and/or shall be the sole and exclusive property of Novartis. Novartis shall be the sole owner of all the rights to such Works in any form and in all fields of use known or hereafter existing. Notwithstanding the foregoing, intellectual property owned by or licensed to Consultant prior to the execution of this Agreement, and which is used by Consultant to develop any Works, shall remain the property of Consultant (the "Components"). Novartis agrees not to assert against Consultant and its licensees any

ownership interest in the Components. Notwithstanding the foregoing, to the extent any such Components are incorporated into the Works, Novartis shall have a non-exclusive, irrevocable, perpetual, non-transferable (except to affiliates and to other persons Novartis transfers or authorizes to use the Works), worldwide, royalty-free license to use such Components in conjunction with the Works. Consultant warrants that it has the authority to grant to Novartis the rights set forth herein, and that this Agreement and the rights granted herein do not violate any other party's rights or interests.

6. All information, data, writings, domain names, software, computer code, inventions and other work property, in any form whatsoever, both tangible and intangible, which is provided to Consultant by and/or on behalf of Novartis, or which is used by Consultant with respect to the performance of the Services, and which was owned by or licensed to Novartis prior to being provided to Consultant, shall remain the property of Novartis (the "Novartis Property"). Consultant shall have a license to use any Novartis Property supplied to it solely to the extent necessary to enable Consultant to perform the Services. Consultant shall acquire no other right, title or interest in the Novartis Property as a result of its entry into this Agreement or performance of the Services. Consultant shall return the Novartis Property to Novartis upon the expiration or termination of this Agreement.

7. Neither party will use, or authorize others to use, the name, symbols, or marks of the other party in any advertising or publicity material or make any form of representation or statement with regard to the Services which would constitute an express or implied endorsement by the other party of any commercial product or service without that other party's prior written approval.

8. Consultant agrees to indemnify, defend and save Novartis (including officers, directors, employees and agents of Novartis) harmless from and against any and all claims, suits, and liabilities (collectively, the "Claims"), to the extent such Claims arise out of or are attributable to (i) the willful misconduct of Consultant (including, but not limited to, Consultant's employees, subcontractors or agents) during the course of its performance of the Services pursuant to this Agreement; (ii) any material breach of this Agreement by Consultant; or (iii) any allegation that the Works or the Components infringe any trademark, copyright, or other third party proprietary interest (except to the extent the allegedly infringing material was provided to Consultant by Novartis, and Consultant did not act negligently or wrongfully in using such materials). In the defense or settlement of any claim under clause (iii) above, Consultant shall, at its expense, and subject to the prior written agreement of Novartis, either: (x) obtain the right to continue using the applicable intellectual property; or (y) replace or modify the applicable intellectual property so that the Works become non-infringing while giving equivalent performance.

Deleted: wrongful act or omission, or to the negligence

9. Novartis shall have the right, upon reasonable notice, to review all records of Consultant related to the Services and any amounts invoiced to Novartis hereunder. Should such review disclose any overpayment by Novartis, then, at Novartis' option, Consultant shall either refund to Novartis the amount of such overpayment, or issue to Novartis a credit in the amount of such overpayment. Novartis shall pay all fees of any accountants or other personnel performing such verification unless it discloses any overstatement of amounts invoiced of more than two percent (2%), in which case Consultant shall bear all reasonable costs of the audit.

Deleted: and accounts

10. Should either party hereto commit a material breach of any of the terms and conditions of this Agreement, the other party may give to the party in default a written notice specifying the nature of such breach and calling upon the party in default to remedy the same within thirty (30) days from the date of receipt of such notice. If the party in default fails to remedy such breach within such thirty (30) day period, the party not in default may immediately terminate this Agreement by giving written notice to the party in default. In such

an event, (i) Novartis' obligations to make payments on obligations and amounts already appropriately incurred as of the effective date of any such termination, and (ii) Consultant's obligations under Sections 4, 5, 6, 7, 8, 9, 11, 13, and 14, shall survive and continue after the termination of this Agreement. Novartis shall have no obligation to pay any Fees for any services performed or activities undertaken in the period following the effective date of any such termination.

11. Consultant's Performance.

(a) Consultant shall perform the Services in a professional manner, in conformance with that level of care and skill ordinarily exercised by other professionals in Consultant's field, and with high ethical and moral business and personal integrity standards.

(b) Consultant shall keep Novartis fully informed of all significant activities undertaken in connection with this Agreement and the performance of the Services.

Deleted: continuously and

(c) Consultant warrants that Consultant is presently, and will remain, for the term of this Agreement and any extension thereof, free from any commitments that would create a conflict of interest which might impede the completion of Consultant's obligations hereunder.

(d) Consultant agrees to become familiar and comply in all respects with any and all applicable laws, rules and regulations regarding its conduct, including, but not limited to, all applicable laws, regulations and Novartis policies related to lobbying activities, to political contributions and gifts to public officials, and to anti-corruption. Consultant represents and warrants that there are no agreements, orders or other restrictions which would interfere or prevent Consultant from entering into this Agreement or performing the services and obligations contemplated hereunder. Consultant further agrees to familiarize itself and its personnel and comply with (to the extent applicable) Novartis' policies set forth in its Code of Conduct including, but not limited to, the safeguarding of confidential and proprietary information, the avoidance of any conflict of interest, the prohibition against payment of or receipt of gifts, meals, or entertainment that would violate gift laws, or other improper consideration, and/or the making of any investment which may compromise Consultant's obligations to Novartis; and in the Novartis Global Anti-Bribery Policy, as amended from time to time. Consultant agrees that it has read and understood the above mentioned Novartis' policies and guidelines. Consultant further agrees that in connection with its activities hereunder, it will not (i) buy or sell any security while in possession of material, non-public information about the issuer of such security or the market for such security, or (ii) disclose such information to any person. Consultant also agrees to comply with, and make the necessary filings required under, the applicable laws. Consultant shall inform Novartis if Consultant is required to make such lobbyist filings and shall also notify Novartis if such filing requirements are triggered for Novartis.

(e) Neither Consultant nor Consultant's partners, directors, officers, managers and employees (including Michael D. Cohen) shall, during the term of this Agreement, (i) make any political contributions or other payments, directly or indirectly, for the purpose of obtaining or retaining any type of business on behalf of Novartis; or (ii) enter into arrangements with third parties to share in any amounts paid hereunder without the prior written consent of Novartis. For purposes of this subparagraph (e), the term "political contribution" includes any payment, gift, subscription, loan, advance or deposit of money, as well as any contribution of services or facilities, if made in connection with any campaign for state or local office or for a state or local official running for federal office or in connection with a state or local party committee.

12. Novartis shall have the right to disapprove of any employee, subcontractor or sub-subcontractor retained or to be retained to assist Consultant in the performance of its obligations hereunder. Any such approval or disapproval shall not relieve Consultant of its

obligations under this Agreement. Consultant may not make use of the services of any employee, subcontractor or sub-subcontractor in the performance of the Services if Novartis has disapproved of that subcontractor or sub-subcontractor.

13. Any services Consultant may perform for Novartis under this Agreement are to be performed by Consultant in Consultant's capacity as an independent Contractor. Neither Consultant nor its employees, agents or representatives are employees of Novartis. Consultant retains the sole right to hire, discipline, evaluate and terminate its own employees and to set their hours, wages and terms and conditions of employment in accordance with law and Consultant's obligations herein. Novartis shall not withhold FICA or taxes of any kind from any payments which it owes Consultant. All income, employment and other similar taxes required to be withheld and/or paid with respect to all services provided hereunder will be timely paid by Consultant directly to the appropriate governmental agency. The employees, representatives or agents of Consultant are not entitled to and will not receive from Novartis in connection with the Services, any benefits normally provided by Novartis to its employees. Consultant agrees to defend, indemnify and hold Novartis harmless against any claim that Novartis is jointly or severally liable or obligated to Consultant's employees, agents, employees' representative, a benefit plan or a any governmental fund or entity on the basis of a statute, regulation or common law duty relating to employment.

14. This Agreement, including all exhibits and attachments hereto, represents the entire understanding of the parties with respect to the subject matter hereof. This Agreement shall not be modified except by a written agreement signed by the parties hereto. No waiver of any term, provision or condition of this Agreement whether by conduct or otherwise in any one or more instances shall be deemed to be or construed as a further or continuing waiver of any such term, provision or condition, or of any other term, provision or condition of this Agreement. The invalidity or unenforceability of any term or provision of this Agreement shall not affect the validity or enforceability of any other term or provision hereof. This Agreement shall be construed by and enforced in accordance with the laws of New York. Consultant may not assign, cede or transfer any of its rights or obligations under this Agreement without the written consent of Novartis.

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be executed by their respective duly authorized representatives as of the day and year first above written.

NOVARTIS INTERNATIONAL AG

ESSENTIAL CONSULTANTS LLC

(signature)

(signature)

(name printed)

(name printed)

(title)

(title)

(date)

(date)

Ver. 08/2-1

Exhibit A

[insert description of services to be performed]

Exhibit B
Wire Transfer Instructions

[Insert wire transfer instructions.]

From: Michael Cohen <mdcohen212@gmail.com>
Sent: Thursday, February 16, 2017 11:25 AM
To: Rosenfeld, Barry
Attachments: Michael Cohen SOW (17-02-14 draft BR clean).docx



**EXHIBIT A TO SERVICES AGREEMENT
STATEMENT OF WORK**

This Statement of Work sets forth the Services to be performed pursuant to the agreement ("Agreement") between Novartis International AG ("Novartis") and Essential Consultants, LLC (the "Consultant"). The Agreement will be effective as of March 1, 2017 (the "Effective Date").

Scope of Work

The Consultant will provide consulting and advisory services to Novartis on matters that relate to the repeal and replacement of the Affordable Care Act in the US and any other issues mutually agreeable to the Consultant and Novartis.

Deliverables

Novartis and the Consultant will communicate regularly about all relevant matters within the Scope of Work.

Deleted: Objective

¶
With the process underway to repeal and replace the Affordable Care Act in the US, and the continued debate over drug pricing, there is considerable uncertainty around the US healthcare system and how it will evolve in the coming years. In this context, it is imperative that Novartis remain abreast of policy matters that could impact our business in the US, and ensure that our business actions in the US reinforce our good standing in that market. ¶

Deleted: US policy

Deleted: have the potential to impact Novartis, and on issues pertaining to Novartis' positioning in the US market.

Deleted: Specifically, the Consultant will:

- <#>Provide access to key policymakers in the US Government to facilitate constructive discussions about policy matters impacting Novartis;
- <#>Assess the reaction of the US Government to certain options to improve the affordability of medicines;
- <#>Provide feedback to planned actions of Novartis in the US that may impact our standing there; and
- <#>Advise on any other issues Novartis may face with the US Government.

From: Rosenfeld, Barry
Sent: Friday, February 17, 2017 9:44 AM
To: Michael Cohen
Subject: RE: Consulting Agreement
Attachments: Essential Consultants Agmt (17-02-16a final signed by NVS).pdf

Michael –

Attached is our agreement, signed on behalf of Novartis International AG. This version accepted all of the changes that you had sent to me, and added in your address in the opening paragraph. Could you please sign it and return it to me by pdf? I would be satisfied that the pdf exchange is sufficient, but if you would prefer exchanging original signatures, please let me know. Thanks, and a pleasure working with you to get this done! –Barry

Barry Rosenfeld
Vice President &
General Counsel
Novartis Finance Corporation
230 Park Avenue
21st Floor
New York, NY 10169
USA
Phone +1 212 830-2414
barry.rosenfeld@novartis.com
www.novartis.com

From: Michael Cohen [mailto:mdcohen212@gmail.com]
Sent: Thursday, February 16, 2017 11:25 AM
To: Rosenfeld, Barry
Subject:

Services Agreement

This Agreement is entered into as of this 1st day of March, 2017 by and between Novartis International AG ("Novartis"), with an office at Novartis Campus, Lichtstrasse 35, CH-4056 Basel, Switzerland, and Essential Consultants, LLC ("Consultant"), with an office at 725 Fifth Avenue, New York, NY 10022.

1. Consultant hereby agrees to perform any and all services set forth in Exhibit A hereto (the "Services"), and to otherwise comply with the obligations set forth in Exhibit A. Consultant shall not perform any services beyond the scope of Exhibit A without the prior written approval of Novartis. Except as expressly agreed in Exhibit A, or as otherwise expressly agreed in advance in writing, Consultant shall provide the personal services of Michael D. Cohen to perform the Services. The personal services of this individual are of the essence of this Agreement.

2. Unless sooner terminated pursuant to Section 10 of this Agreement, this Agreement shall be deemed effective as of the date set forth above, and shall expire on February 28, 2018.

3. In consideration of the satisfactory performance of the Services, Novartis will pay Consultant a consulting fee of One Million Two Hundred Thousand (\$1,200,000.00) US dollars (the "Fee") which shall include VAT or similar taxes, if any. The Fee shall be paid to the Consultant at the end of each month, for the first time at the end of March 2017, by wire (instructions attached as Exhibit B) in the amount of One Hundred Thousand (\$100,000.00) US dollars and continuing in eleven (11) equal monthly installments thereafter. Novartis shall make payments against the invoice within thirty (30) days of its receipt. Novartis will reimburse Consultant for out-of-pocket expenses incurred by Consultant in performing this Agreement, provided that such expenses are reasonable and necessary to the performance of the work hereunder, and, to the extent any one expense exceeds \$2,500, have been approved in advance by Novartis. All such expenses shall be billed to Novartis at actual cost, and, must be supported by detailed expense statements and expense reports, receipts, vouchers or other supporting information as Novartis customarily may require. Novartis agrees that the Consultant shall be authorized to utilize "first class" travel and hotel arrangements.

4. Consultant shall not publish, disclose or use for any purpose other than as contemplated by this Agreement any and all information disclosed to or developed by Consultant in connection with this Agreement or with any Services performed hereunder (collectively "Information"). This obligation of non-disclosure shall not apply to the following: (i) Information at or after such time that it is or becomes publicly available through no fault of Consultant; (ii) Information that is already independently known to Consultant as shown by prior written or electronic records; (iii) Information at or after such time that it is disclosed to Consultant by a third party with the legal right to do so; (iv) Information required to be disclosed pursuant to judicial process, court order or administrative request, *provided that* Consultant shall so notify Novartis sufficiently prior to disclosing such Information as to permit Novartis to seek a protective order.

5. All information, data, writings, domain names, software, computer code, inventions and other work products, in any form whatsoever, both tangible and intangible, developed as a result of Consultant's performance of the Services (collectively, the "Works"), shall be considered works made for hire, and/or shall be the sole and exclusive property of Novartis. Novartis shall be the sole owner of all the rights to such Works in any form and in all fields of use known or hereafter existing. Notwithstanding the foregoing, intellectual property owned by or licensed to Consultant prior to the execution of this Agreement, and which is used by Consultant to develop any Works, shall remain the property of Consultant (the "Components"). Novartis agrees not to assert against Consultant and its licensees any

ownership interest in the Components. Notwithstanding the foregoing, to the extent any such Components are incorporated into the Works, Novartis shall have a non-exclusive, irrevocable, perpetual, non-transferable (except to affiliates and to other persons Novartis transfers or authorizes to use the Works), worldwide, royalty-free license to use such Components in conjunction with the Works. Consultant warrants that it has the authority to grant to Novartis the rights set forth herein, and that this Agreement and the rights granted herein do not violate any other party's rights or interests.

6. All information, data, writings, domain names, software, computer code, inventions and other work property, in any form whatsoever, both tangible and intangible, which is provided to Consultant by and/or on behalf of Novartis, or which is used by Consultant with respect to the performance of the Services, and which was owned by or licensed to Novartis prior to being provided to Consultant, shall remain the property of Novartis (the "Novartis Property"). Consultant shall have a license to use any Novartis Property supplied to it solely to the extent necessary to enable Consultant to perform the Services. Consultant shall acquire no other right, title or interest in the Novartis Property as a result of its entry into this Agreement or performance of the Services. Consultant shall return the Novartis Property to Novartis upon the expiration or termination of this Agreement.

7. Neither party will use, or authorize others to use, the name, symbols, or marks of the other party in any advertising or publicity material or make any form of representation or statement with regard to the Services which would constitute an express or implied endorsement by the other party of any commercial product or service without that other party's prior written approval.

8. Consultant agrees to indemnify, defend and save Novartis (including officers, directors, employees and agents of Novartis) harmless from and against any and all claims, suits, and liabilities (collectively, the "Claims"), to the extent such Claims arise out of or are attributable to (i) the willful misconduct of Consultant (including, but not limited to, Consultant's employees, subcontractors or agents) during the course of its performance of the Services pursuant to this Agreement; (ii) any material breach of this Agreement by Consultant; or (iii) any allegation that the Works or the Components infringe any trademark, copyright, or other third party proprietary interest (except to the extent the allegedly infringing material was provided to Consultant by Novartis, and Consultant did not act negligently or wrongfully in using such materials). In the defense or settlement of any claim under clause (iii) above, Consultant shall, at its expense, and subject to the prior written agreement of Novartis, either: (x) obtain the right to continue using the applicable intellectual property; or (y) replace or modify the applicable intellectual property so that the Works become non-infringing while giving equivalent performance.

9. Novartis shall have the right, upon reasonable notice, to review all records of Consultant related to the Services and any amounts invoiced to Novartis hereunder. Should such review disclose any overpayment by Novartis, then, at Novartis' option, Consultant shall either refund to Novartis the amount of such overpayment, or issue to Novartis a credit in the amount of such overpayment. Novartis shall pay all fees of any accountants or other personnel performing such verification unless it discloses any overstatement of amounts invoiced of more than two percent (2%), in which case Consultant shall bear all reasonable costs of the audit.

10. Should either party hereto commit a material breach of any of the terms and conditions of this Agreement, the other party may give to the party in default a written notice specifying the nature of such breach and calling upon the party in default to remedy the same within thirty (30) days from the date of receipt of such notice. If the party in default fails to remedy such breach within such thirty (30) day period, the party not in default may immediately terminate this Agreement by giving written notice to the party in default. In such

an event, (i) Novartis' obligations to make payments on obligations and amounts already appropriately incurred as of the effective date of any such termination, and (ii) Consultant's obligations under Sections 4, 5, 6, 7, 8, 9, 11, 13, and 14, shall survive and continue after the termination of this Agreement. Novartis shall have no obligation to pay any Fees for any services performed or activities undertaken in the period following the effective date of any such termination.

11. Consultant's Performance.

(a) Consultant shall perform the Services in a professional manner, in conformance with that level of care and skill ordinarily exercised by other professionals in Consultant's field, and with high ethical and moral business and personal integrity standards.

(b) Consultant shall keep Novartis fully informed of all significant activities undertaken in connection with this Agreement and the performance of the Services.

(c) Consultant warrants that Consultant is presently, and will remain, for the term of this Agreement and any extension thereof, free from any commitments that would create a conflict of interest which might impede the completion of Consultant's obligations hereunder.

(d) Consultant agrees to become familiar and comply in all respects with any and all applicable laws, rules and regulations regarding its conduct, including, but not limited to, all applicable laws, regulations and Novartis policies related to lobbying activities, to political contributions and gifts to public officials, and to anti-corruption. Consultant represents and warrants that there are no agreements, orders or other restrictions which would interfere or prevent Consultant from entering into this Agreement or performing the services and obligations contemplated hereunder. Consultant further agrees to familiarize itself and its personnel and comply with (to the extent applicable) Novartis' policies set forth in its Code of Conduct including, but not limited to, the safeguarding of confidential and proprietary information, the avoidance of any conflict of interest, the prohibition against payment of or receipt of gifts, meals, or entertainment that would violate gift laws, or other improper consideration, and/or the making of any investment which may compromise Consultant's obligations to Novartis; and in the Novartis Global Anti-Bribery Policy, as amended from time to time. Consultant agrees that it has read and understood the above mentioned Novartis' policies and guidelines. Consultant further agrees that in connection with its activities hereunder, it will not (i) buy or sell any security while in possession of material, non-public information about the issuer of such security or the market for such security, or (ii) disclose such information to any person. Consultant also agrees to comply with, and make the necessary filings required under, the applicable laws. Consultant shall inform Novartis if Consultant is required to make such lobbyist filings and shall also notify Novartis if such filing requirements are triggered for Novartis.

(e) Neither Consultant nor Consultant's partners, directors, officers, managers and employees (including Michael D. Cohen) shall, during the term of this Agreement, (i) make any political contributions or other payments, directly or indirectly, for the purpose of obtaining or retaining any type of business on behalf of Novartis; or (ii) enter into arrangements with third parties to share in any amounts paid hereunder without the prior written consent of Novartis. For purposes of this subparagraph (e), the term "political contribution" includes any payment, gift, subscription, loan, advance or deposit of money, as well as any contribution of services or facilities, if made in connection with any campaign for state or local office or for a state or local official running for federal office or in connection with a state or local party committee.

12. Novartis shall have the right to disapprove of any employee, subcontractor or sub-subcontractor retained or to be retained to assist Consultant in the performance of its obligations hereunder. Any such approval or disapproval shall not relieve Consultant of its

obligations under this Agreement. Consultant may not make use of the services of any employee, subcontractor or sub-subcontractor in the performance of the Services if Novartis has disapproved of that subcontractor or sub-subcontractor.

13. Any services Consultant may perform for Novartis under this Agreement are to be performed by Consultant in Consultant's capacity as an independent Contractor. Neither Consultant nor its employees, agents or representatives are employees of Novartis. Consultant retains the sole right to hire, discipline, evaluate and terminate its own employees and to set their hours, wages and terms and conditions of employment in accordance with law and Consultant's obligations herein. Novartis shall not withhold FICA or taxes of any kind from any payments which it owes Consultant. All income, employment and other similar taxes required to be withheld and/or paid with respect to all services provided hereunder will be timely paid by Consultant directly to the appropriate governmental agency. The employees, representatives or agents of Consultant are not entitled to and will not receive from Novartis in connection with the Services, any benefits normally provided by Novartis to its employees. Consultant agrees to defend, indemnify and hold Novartis harmless against any claim that Novartis is jointly or severally liable or obligated to Consultant's employees, agents, employees' representative, a benefit plan or a any governmental fund or entity on the basis of a statute, regulation or common law duty relating to employment.

14. This Agreement, including all exhibits and attachments hereto, represents the entire understanding of the parties with respect to the subject matter hereof. This Agreement shall not be modified except by a written agreement signed by the parties hereto. No waiver of any term, provision or condition of this Agreement whether by conduct or otherwise in any one or more instances shall be deemed to be or construed as a further or continuing waiver of any such term, provision or condition, or of any other term, provision or condition of this Agreement. The invalidity or unenforceability of any term or provision of this Agreement shall not affect the validity or enforceability of any other term or provision hereof. This Agreement shall be construed by and enforced in accordance with the laws of New York. Consultant may not assign, cede or transfer any of its rights or obligations under this Agreement without the written consent of Novartis.

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be executed by their respective duly authorized representatives as of the day and year first above written.

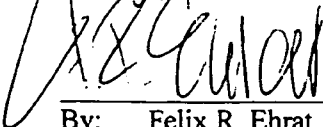
NOVARTIS INTERNATIONAL AG

ESSENTIAL CONSULTANTS LLC



By: Joseph Jimenez, CEO
Date: February 17, 2017

By: Michael D. Cohen
Date: February 17, 2017



By: Felix R. Ehrat
Group General Counsel
Date: February 17, 2017

Exhibit A

STATEMENT OF WORK

This Statement of Work sets forth the Services to be performed pursuant to the agreement ("Agreement") between Novartis International AG ("Novartis") and Essential Consultants, LLC (the "Consultant"). The Agreement will be effective as of March 1, 2017 (the "Effective Date").

Scope of Work

The Consultant will provide consulting and advisory services to Novartis on matters that relate to the repeal and replacement of the Affordable Care Act in the US and any other issues mutually agreeable to the Consultant and Novartis.

Deliverables

Novartis and the Consultant will communicate regularly about all relevant matters within the Scope of Work.



Exhibit B
Wire Transfer Instructions

Insert wire transfer instructions.

From: Rosenfeld, Barry
Sent: Friday, February 17, 2017 9:56 AM
To: Michael Cohen
Subject: FW: Services Agreement - better copy - eom
Attachments: Services Agreement.pdf

Michael –

Here is a better quality pdf. Perhaps use this version instead. –Barry

Barry Rosenfeld
Vice President &
General Counsel
Novartis Finance Corporation
230 Park Avenue
21st Floor
New York, NY 10169
USA
Phone +1 212 830-2414
barry.rosenfeld@novartis.com
www.novartis.com

From: [REDACTED]
Sent: Friday, February 17, 2017 9:50 AM
To: Rosenfeld, Barry
Subject: Services Agreement - better copy - eom

Services Agreement

This Agreement is entered into as of this 1st day of March, 2017 by and between Novartis International AG ("Novartis"), with an office at Novartis Campus, Lichtstrasse 35, CH-4056 Basel, Switzerland, and Essential Consultants, LLC ("Consultant"), with an office at 725 Fifth Avenue, New York, NY 10022.

1. Consultant hereby agrees to perform any and all services set forth in Exhibit A hereto (the "Services"), and to otherwise comply with the obligations set forth in Exhibit A. Consultant shall not perform any services beyond the scope of Exhibit A without the prior written approval of Novartis. Except as expressly agreed in Exhibit A, or as otherwise expressly agreed in advance in writing, Consultant shall provide the personal services of Michael D. Cohen to perform the Services. The personal services of this individual are of the essence of this Agreement.

2. Unless sooner terminated pursuant to Section 10 of this Agreement, this Agreement shall be deemed effective as of the date set forth above, and shall expire on February 28, 2018.

3. In consideration of the satisfactory performance of the Services, Novartis will pay Consultant a consulting fee of One Million Two Hundred Thousand (\$1,200,000.00) US dollars (the "Fee") which shall include VAT or similar taxes, if any. The Fee shall be paid to the Consultant at the end of each month, for the first time at the end of March 2017, by wire (instructions attached as Exhibit B) in the amount of One Hundred Thousand (\$100,000.00) US dollars and continuing in eleven (11) equal monthly installments thereafter. Novartis shall make payments against the invoice within thirty (30) days of its receipt. Novartis will reimburse Consultant for out-of-pocket expenses incurred by Consultant in performing this Agreement, provided that such expenses are reasonable and necessary to the performance of the work hereunder, and, to the extent any one expense exceeds \$2,500, have been approved in advance by Novartis. All such expenses shall be billed to Novartis at actual cost, and, must be supported by detailed expense statements and expense reports, receipts, vouchers or other supporting information as Novartis customarily may require. Novartis agrees that the Consultant shall be authorized to utilize "first class" travel and hotel arrangements.

4. Consultant shall not publish, disclose or use for any purpose other than as contemplated by this Agreement any and all information disclosed to or developed by Consultant in connection with this Agreement or with any Services performed hereunder (collectively "Information"). This obligation of non-disclosure shall not apply to the following: (i) Information at or after such time that it is or becomes publicly available through no fault of Consultant; (ii) Information that is already independently known to Consultant as shown by prior written or electronic records; (iii) Information at or after such time that it is disclosed to Consultant by a third party with the legal right to do so; (iv) Information required to be disclosed pursuant to judicial process, court order or administrative request, *provided that* Consultant shall so notify Novartis sufficiently prior to disclosing such Information as to permit Novartis to seek a protective order.

5. All information, data, writings, domain names, software, computer code, inventions and other work products, in any form whatsoever, both tangible and intangible, developed as a result of Consultant's performance of the Services (collectively, the "Works"), shall be considered works made for hire, and/or shall be the sole and exclusive property of Novartis. Novartis shall be the sole owner of all the rights to such Works in any form and in all fields of use known or hereafter existing. Notwithstanding the foregoing, intellectual property owned by or licensed to Consultant prior to the execution of this Agreement, and which is used by Consultant to develop any Works, shall remain the property of Consultant (the "Components"). Novartis agrees not to assert against Consultant and its licensees any

ownership interest in the Components. Notwithstanding the foregoing, to the extent any such Components are incorporated into the Works, Novartis shall have a non-exclusive, irrevocable, perpetual, non-transferable (except to affiliates and to other persons Novartis transfers or authorizes to use the Works), worldwide, royalty-free license to use such Components in conjunction with the Works. Consultant warrants that it has the authority to grant to Novartis the rights set forth herein, and that this Agreement and the rights granted herein do not violate any other party's rights or interests.

6. All information, data, writings, domain names, software, computer code, inventions and other work property, in any form whatsoever, both tangible and intangible, which is provided to Consultant by and/or on behalf of Novartis, or which is used by Consultant with respect to the performance of the Services, and which was owned by or licensed to Novartis prior to being provided to Consultant, shall remain the property of Novartis (the "Novartis Property"). Consultant shall have a license to use any Novartis Property supplied to it solely to the extent necessary to enable Consultant to perform the Services. Consultant shall acquire no other right, title or interest in the Novartis Property as a result of its entry into this Agreement or performance of the Services. Consultant shall return the Novartis Property to Novartis upon the expiration or termination of this Agreement.

7. Neither party will use, or authorize others to use, the name, symbols, or marks of the other party in any advertising or publicity material or make any form of representation or statement with regard to the Services which would constitute an express or implied endorsement by the other party of any commercial product or service without that other party's prior written approval.

8. Consultant agrees to indemnify, defend and save Novartis (including officers, directors, employees and agents of Novartis) harmless from and against any and all claims, suits, and liabilities (collectively, the "Claims"), to the extent such Claims arise out of or are attributable to (i) the willful misconduct of Consultant (including, but not limited to, Consultant's employees, subcontractors or agents) during the course of its performance of the Services pursuant to this Agreement; (ii) any material breach of this Agreement by Consultant; or (iii) any allegation that the Works or the Components infringe any trademark, copyright, or other third party proprietary interest (except to the extent the allegedly infringing material was provided to Consultant by Novartis, and Consultant did not act negligently or wrongfully in using such materials). In the defense or settlement of any claim under clause (iii) above, Consultant shall, at its expense, and subject to the prior written agreement of Novartis, either: (x) obtain the right to continue using the applicable intellectual property; or (y) replace or modify the applicable intellectual property so that the Works become non-infringing while giving equivalent performance.

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10. Should either party hereto commit a material breach of any of the terms and conditions of this Agreement, the other party may give to the party in default a written notice specifying the nature of such breach and calling upon the party in default to remedy the same within thirty (30) days from the date of receipt of such notice. If the party in default fails to remedy such breach within such thirty (30) day period, the party not in default may immediately terminate this Agreement by giving written notice to the party in default. In such

an event, (i) Novartis' obligations to make payments on obligations and amounts already appropriately incurred as of the effective date of any such termination, and (ii) Consultant's obligations under Sections 4, 5, 6, 7, 8, 9, 11, 13, and 14, shall survive and continue after the termination of this Agreement. Novartis shall have no obligation to pay any Fees for any services performed or activities undertaken in the period following the effective date of any such termination.

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(a) Consultant shall perform the Services in a professional manner, in conformance with that level of care and skill ordinarily exercised by other professionals in Consultant's field, and with high ethical and moral business and personal integrity standards.

(b) Consultant shall keep Novartis fully informed of all significant activities undertaken in connection with this Agreement and the performance of the Services.

(c) Consultant warrants that Consultant is presently, and will remain, for the term of this Agreement and any extension thereof, free from any commitments that would create a conflict of interest which might impede the completion of Consultant's obligations hereunder.

(d) Consultant agrees to become familiar and comply in all respects with any and all applicable laws, rules and regulations regarding its conduct, including, but not limited to, all applicable laws, regulations and Novartis policies related to lobbying activities, to political contributions and gifts to public officials, and to anti-corruption. Consultant represents and warrants that there are no agreements, orders or other restrictions which would interfere or prevent Consultant from entering into this Agreement or performing the services and obligations contemplated hereunder. Consultant further agrees to familiarize itself and its personnel and comply with (to the extent applicable) Novartis' policies set forth in its Code of Conduct including, but not limited to, the safeguarding of confidential and proprietary information, the avoidance of any conflict of interest, the prohibition against payment of or receipt of gifts, meals, or entertainment that would violate gift laws, or other improper consideration, and/or the making of any investment which may compromise Consultant's obligations to Novartis; and in the Novartis Global Anti-Bribery Policy, as amended from time to time. Consultant agrees that it has read and understood the above mentioned Novartis' policies and guidelines. Consultant further agrees that in connection with its activities hereunder, it will not (i) buy or sell any security while in possession of material, non-public information about the issuer of such security or the market for such security, or (ii) disclose such information to any person. Consultant also agrees to comply with, and make the necessary filings required under, the applicable laws. Consultant shall inform Novartis if Consultant is required to make such lobbyist filings and shall also notify Novartis if such filing requirements are triggered for Novartis.

(e) Neither Consultant nor Consultant's partners, directors, officers, managers and employees (including Michael D. Cohen) shall, during the term of this Agreement, (i) make any political contributions or other payments, directly or indirectly, for the purpose of obtaining or retaining any type of business on behalf of Novartis; or (ii) enter into arrangements with third parties to share in any amounts paid hereunder without the prior written consent of Novartis. For purposes of this subparagraph (e), the term "political contribution" includes any payment, gift, subscription, loan, advance or deposit of money, as well as any contribution of services or facilities, if made in connection with any campaign for state or local office or for a state or local official running for federal office or in connection with a state or local party committee.

12. Novartis shall have the right to disapprove of any employee, subcontractor or sub-subcontractor retained or to be retained to assist Consultant in the performance of its obligations hereunder. Any such approval or disapproval shall not relieve Consultant of its

obligations under this Agreement. Consultant may not make use of the services of any employee, subcontractor or sub-subcontractor in the performance of the Services if Novartis has disapproved of that subcontractor or sub-subcontractor.

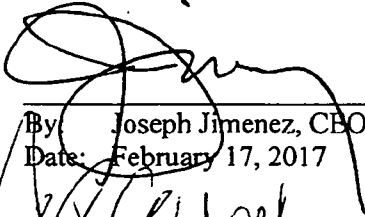
13. Any services Consultant may perform for Novartis under this Agreement are to be performed by Consultant in Consultant's capacity as an independent Contractor. Neither Consultant nor its employees, agents or representatives are employees of Novartis. Consultant retains the sole right to hire, discipline, evaluate and terminate its own employees and to set their hours, wages and terms and conditions of employment in accordance with law and Consultant's obligations herein. Novartis shall not withhold FICA or taxes of any kind from any payments which it owes Consultant. All income, employment and other similar taxes required to be withheld and/or paid with respect to all services provided hereunder will be timely paid by Consultant directly to the appropriate governmental agency. The employees, representatives or agents of Consultant are not entitled to and will not receive from Novartis in connection with the Services, any benefits normally provided by Novartis to its employees. Consultant agrees to defend, indemnify and hold Novartis harmless against any claim that Novartis is jointly or severally liable or obligated to Consultant's employees, agents, employees' representative, a benefit plan or a any governmental fund or entity on the basis of a statute, regulation or common law duty relating to employment.

14. This Agreement, including all exhibits and attachments hereto, represents the entire understanding of the parties with respect to the subject matter hereof. This Agreement shall not be modified except by a written agreement signed by the parties hereto. No waiver of any term, provision or condition of this Agreement whether by conduct or otherwise in any one or more instances shall be deemed to be or construed as a further or continuing waiver of any such term, provision or condition, or of any other term, provision or condition of this Agreement. The invalidity or unenforceability of any term or provision of this Agreement shall not affect the validity or enforceability of any other term or provision hereof. This Agreement shall be construed by and enforced in accordance with the laws of New York. Consultant may not assign, cede or transfer any of its rights or obligations under this Agreement without the written consent of Novartis.

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be executed by their respective duly authorized representatives as of the day and year first above written.

NOVARTIS INTERNATIONAL AG

ESSENTIAL CONSULTANTS LLC


By: Joseph Jimenez, CEO
Date: February 17, 2017

By: Michael D. Cohen
Date: February 17, 2017

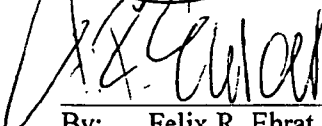

By: Felix R. Ehrat
Group General Counsel
Date: February 17, 2017

Exhibit A

STATEMENT OF WORK

This Statement of Work sets forth the Services to be performed pursuant to the agreement ("Agreement") between Novartis International AG ("Novartis") and Essential Consultants, LLC (the "Consultant"). The Agreement will be effective as of March 1, 2017 (the "Effective Date").

Scope of Work

The Consultant will provide consulting and advisory services to Novartis on matters that relate to the repeal and replacement of the Affordable Care Act in the US and any other issues mutually agreeable to the Consultant and Novartis.

Deliverables

Novartis and the Consultant will communicate regularly about all relevant matters within the Scope of Work.

A handwritten signature in black ink, appearing to be 'CA' or similar, located in the lower right quadrant of the page.

Exhibit B
Wire Transfer Instructions

Insert wire transfer instructions.

From: Rosenfeld, Barry
Sent: Friday, February 17, 2017 11:04 AM
To: Michael Cohen
Subject: RE: Services Agreement - better copy - eom
Attachments: Code of Conduct.pdf; Code of Conduct-US Supplement.pdf; Anti-Bribery Policy GIC.100.V2.EN.pdf

Michael –

As a follow up, here are the policies referred to in Section 12(d) of the agreement. –Barry

Barry Rosenfeld
Vice President &
General Counsel
Novartis Finance Corporation
230 Park Avenue
21st Floor
New York, NY 10169
USA
Phone +1 212 830-2414
barry.rosenfeld@novartis.com
www.novartis.com

From: Rosenfeld, Barry
Sent: Friday, February 17, 2017 9:56 AM
To: 'Michael Cohen'
Subject: FW: Services Agreement - better copy - eom

Michael –

Here is a better quality pdf. Perhaps use this version instead. –Barry

Barry Rosenfeld
Vice President &
General Counsel
Novartis Finance Corporation
230 Park Avenue
21st Floor
New York, NY 10169
USA
Phone +1 212 830-2414
barry.rosenfeld@novartis.com
www.novartis.com

From: [REDACTED]
Sent: Friday, February 17, 2017 9:50 AM
To: Rosenfeld, Barry
Subject: Services Agreement - better copy - eom

*Our commitment to
caring and curing*



Code of Conduct

Our five core principles:

- | | |
|----------------------------|--|
| Patients | Patient benefit and safety is at the heart of everything we do |
| Associates | We treat our associates fairly and respectfully |
| Shareholders | We are committed to outstanding and sustainable performance with integrity |
| Healthcare partners | We strive to be a trusted healthcare partner |
| Society | We aspire to be a good corporate citizen |

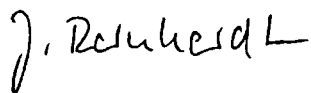
Our mission at Novartis is to discover, develop and successfully market innovative products to prevent and cure diseases, to ease suffering and to enhance the quality of life. We also want to provide a shareholder return that reflects outstanding performance and to adequately reward those who invest ideas and work in our company.

We aspire to be the world's most respected and successful healthcare company. We can only realize this aspiration if we earn and maintain the trust and support of our key stakeholder groups: our patients, our associates, our shareholders, our healthcare partners, and society at large.

Our Code of Conduct reflects our commitments to meet the expectations of our stakeholders as a responsible corporate citizen and contains the fundamental principles and rules concerning ethical business conduct. We believe that how we achieve our business results is as important as the achievement itself.

The Novartis Code of Conduct forms an integral part of the terms of employment of all associates of the Novartis Group. Novartis insists on full compliance and will not tolerate any misconduct.

We thank you for your continued support and commitment to our Novartis Code of Conduct. Our combined efforts will enable us to better meet the needs of patients, to deliver sustainable performance, and to strengthen our reputation.



Joerg Reinhardt
Chairman



Joseph Jimenez
CEO

When in doubt ask yourself

- ☐ Will my conduct allow us to maintain the trust of all our stakeholders?
- ☐ Would my family and friends think that my conduct was ethical?
- ☐ Have I thought about the impact on those who will be affected by my conduct?
- ☐ Would I be comfortable if someone treated me the same way?
- ☐ Would I be comfortable if my conduct appeared in the media?
- ☐ Is my conduct legal and compliant with Novartis policies?

Patient benefit and safety is at the heart of everything we do

Patient benefit and safety

We expect our associates in all areas of our business to focus on enabling better patient outcomes and providing innovative solutions to patient needs around the world, while adhering to the respective laws governing those activities. Compromising patient benefit or safety is not an option.

Research and development

In all our research activities we strive to ensure the rights, safety and well-being of all participants. We are committed to a global set of core ethical principles based on the Declaration of Helsinki and the principles of Good Clinical Practice.

When we have to use animals for research purposes we are committed to minimizing their discomfort and pain. We will use alternatives to animal research whenever possible.

Product quality and safety

We discover, develop and manufacture high-quality products that meet all regulatory requirements, and pursue quality beyond compliance in both our products and processes.

We protect patient safety by identifying, assessing, managing and reporting any product-related risks in a timely manner.

Access to healthcare

As a healthcare company, our primary responsibility is to discover and develop new products to prevent and cure diseases. With collaborators around the world, we also work to enhance access to healthcare for patients through medical research, new business models and actions to strengthen healthcare systems in both developing and advanced economies.

Associates



We treat our associates fairly and respectfully

Fair working conditions

We commit to provide our associates fair and competitive wages based on performance and ethical conduct.

We protect associates from unfair or unethical working conditions, including bonded, forced or child labor, or any unsafe working conditions.

Diversity and inclusion

We treat our associates fairly, equally and respectfully. We expect associates to demonstrate respect toward each other and we do not tolerate any form of harassment or discrimination.

We seek to create an inclusive work environment where associates regardless of their backgrounds can contribute fully. We appreciate the diversity and individuality of our associates and do not discriminate based on personal characteristics such as nationality, gender, age, ethnicity, religion, sexual orientation or disability.

We believe a diverse workforce that reflects the global community of our patients and customers is critical to our success. We therefore attract, develop and retain highly talented people with diverse backgrounds and inclusive mindsets.

Associate appraisal and development

The evaluation of an associate's performance considers both achievement on objectives as well as adherence to the Novartis Values and Behaviors.

Constructive dialogue between the associate and supervisor on goals, priorities and development needs is an essential part of the Novartis Performance Management Process.

We offer opportunities for our associates to develop, grow and continuously improve individual skills to strengthen the competencies of Novartis as a whole.

Freedom of opinion, speech and association

We respect the right of associates to choose to join an association, provided that local law is respected. Novartis engages in constructive dialogue with associates and their representatives.

We recognize that every associate is entitled to freedom of opinion, expression and speech, provided these do not interfere with the associate's ability to fulfill their job responsibilities or conflict with the Novartis Code of Conduct.

Shareholders



We are committed to outstanding and sustainable performance with integrity

Financial integrity

We do not compromise our financial integrity. Financial risks and operational measures must be appropriately reviewed and approved.

We provide timely, accurate and complete financial information to our shareholders and financial markets. We maintain effective controls over financial reporting to ensure a complete and accurate record of our financial transactions.

Associates must not trade shares or other securities on the basis of material non-public information.

Business continuity

We believe that business continuity management is critical for our patients, customers, associates and other stakeholders, and is part of responsible management practice. In the event of an emergency or significant business disruption, we are committed to doing our utmost to ensure uninterrupted supply of key products and services.

Safeguarding corporate assets

We work to protect assets of Novartis against threats. This applies to our associates, reputation, intellectual property, information, products, property and other assets.

We properly use and maintain assets of Novartis and ensure that they are protected from misuse, loss, theft and waste. All Novartis assets must be used for legitimate business purposes.

We protect our investments in intangible assets by obtaining, enforcing and defending intellectual property (IP) rights and by maintaining confidentiality of sensitive information. We also respect legitimate IP rights of others. IP created, developed or obtained by associates and related to their employment belongs to Novartis.

Information security

We protect the confidentiality, integrity and availability of critical information, regardless of its form and location.

Conflict of interest

Personal interests must not influence our business judgment or decision making.

Associates must disclose actual or potential conflicts of interest to their supervisor. Newly hired associates are requested to disclose any actual or potential conflicts of interest before they begin employment.

Healthcare partners



We strive to be a trusted healthcare partner

Customer satisfaction

We strive for the highest customer satisfaction. We listen to our customers and create solutions that add value and create mutual benefit for them and for Novartis.

Anti-bribery and corruption

We do not tolerate any form of bribery or corruption. We do not bribe any public official or private person and we do not accept any bribes.

Fair competition

We are committed to fair competition and will not breach competition laws and regulations.

Marketing practices

We market and sell our products in compliance with all applicable rules and regulations, and in line with high ethical standards.

This commitment also applies to all our other activities relating to the commercialization of our products, such as the collection and communication of medical and other information.

Commitment to all laws and regulations

We comply with all laws and regulations applicable to our activities. We also implement and comply with our internal policies.

Third party integrity

We expect third parties with whom we work to comply with the law, to adhere to ethical business practices, and to observe our standard requirements concerning labor, health, safety, environmental protection and management systems.



We aspire to be a good corporate citizen

Corporate citizenship

By actively contributing to social, ecological, cultural, and other projects and programs, we strive to contribute to the solution of societal problems.

We are committed to the United Nations Global Compact, the world's largest corporate citizenship initiative.

Transparency

We are open and transparent with respect to our business principles and practices and comply with applicable laws and regulations.

Human rights

We strive to ensure that activities within our sphere of influence do not negatively impact fundamental human rights, as set out by the United Nation's Bill of Rights and the core conventions of the International Labor Organization, either directly or through our business relations.

Health, safety and environment

We strive to be a leader in all aspects of occupational health, safety and environmental protection.

We systematically identify and manage health, safety and environmental risks in our activities and over the entire value chain of our products and services.

We proactively foster and encourage a strong culture of safe behavior.

We make efficient use of natural resources and minimize the environmental impact of our activities and products over their life cycle.

Data privacy

We respect the privacy rights of our associates, patients, physicians, and other stakeholders. We inform individuals of collection and processing of their personal data, allowing them to make informed decisions and exercise their rights. We collect and process personal data for specific and legitimate business purposes only and secure such data against unauthorized access.

How to report potential misconduct

Associates who report potential misconduct or who provide information or otherwise assist in any inquiry or investigation of potential misconduct will be protected against retaliatory action.

Misconduct is any conduct that violates the Novartis Code of Conduct and pertinent policies and/or external law or regulation.

All associates are required to bring potential misconduct to the attention of Novartis. Associates with knowledge of potential misconduct, or associates receiving a report of misconduct, must notify the Business Practices Officer (BPO) or report the issue via one of the other channels described below without further disseminating the information.

Associates can report potential misconduct to the BPO in person or by letter, fax, direct phone, e-mail or through integrity telephone and web-based confidential hotlines, which operate in more than 50 languages. The options for reporting are:

- The BPO at business.practicesofficer@novartis.com
- The supervisor
- The Human Resources representative
- The Country President
- Any member of the Legal Department
- Any Compliance Officer

Please refer to **www.novartis.intra/bpo** for further information and BPO telephone numbers.

Applicability

This Novartis Code of Conduct, which was approved by the Novartis AG Board of Directors on July 1, 2011, is to be implemented by all Novartis affiliates. It is applicable to all operations and associates of the Novartis Group. It replaces the Novartis Code of Conduct of August 26, 1999.

Breaches

Breaches of the Novartis Code of Conduct will not be tolerated and can lead to disciplinary action up to and including termination of employment.

Useful links

For further information on the Novartis Code of Conduct, please visit:
www.ourcodeofconduct.novartis.intra

Novartis International AG
P.O. Box, CH-4002 Basel, Switzerland
Tel: +41 61 324 11 11
www.novartis.com

*Our commitment to
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Code of Conduct

U.S. Supplemental Requirements



Introduction

These U.S. Supplemental Requirements to the Novartis Code of Conduct (the “Code”) are intended to assist associates of the Novartis Group based in the United States (“Novartis” or the “Company”), or associates based outside of the United States with responsibilities for activities in the U.S., in understanding and implementing the Code. The U.S. Supplemental Requirements reinforce the overarching principles of the Code and provide further information about the U.S. legal environment.

The guidance provided in these U.S. Supplemental Requirements does not cover all U.S. legal requirements. Each associate is responsible for knowing and complying with all relevant legal requirements and applicable Novartis policies and procedures. All associates must act with the highest level of ethics to ensure Novartis meets or exceeds its obligations.



Duties/Responsibilities of the Company

We Treat our Associates Fairly and Respectfully

Novartis will not tolerate discrimination or harassment based upon race, religion, national origin, sex, sexual orientation, disability, age, military status, or any other basis prohibited by law. The Company will fully observe obligations under affirmative action programs and other laws designed to protect associates. Federal and many state laws prohibit employment discrimination, including hiring, termination, promotion and training on the basis of race, religion, national origin, sexual orientation, age and disability, and other protected characteristics. Non-discrimination requirements also prohibit sexual harassment, discriminatory harassment or inappropriate conduct of a harassing nature directed against any individual on the basis of any characteristic protected by law.

All associates are expected to familiarize themselves with specific policies concerning equal employment opportunity and sexual and other harassment.

Duties/Responsibilities of our Associates

Understand and Comply with All Laws and Regulatory Requirements

Every associate must know the basic legal requirements that apply to his or her duties on the job and must strictly observe all laws, regulatory requirements and policies applicable to the Company. When in doubt about specific requirements or conduct, associates must ask their supervisor, compliance officer or company attorney for guidance. All associates must create complete and accurate business records needed to demonstrate compliance with applicable requirements. All associates also have a duty to cooperate in all legal matters and internal investigations.



Compliance with US Healthcare Laws

Novartis is committed to marketing, selling, promoting, researching, developing, providing information about, and advertising its products in full compliance with Federal healthcare program and FDA requirements. All associates must comply with Federal healthcare program and FDA requirements and Novartis policies and procedures. Certain of these requirements are highlighted below.

Regulation of Novartis Products

Novartis is committed to full compliance with the Federal Food, Drug and Cosmetic Act ("FDC & A"). Among other things, the FDC & A:

- (1) prohibits promotion and advertising that makes false or misleading claims or representations or fails to state material facts in light of other claims or representations made in a promotional piece or advertisement;
- (2) requires a reasonable scientific basis for all objective product claims, both express and implied, before the claims are made; and (3) prohibits "off-label" promotion.

Healthcare Fraud and Abuse

Healthcare "fraud and abuse" laws refer to the statutes and regulations designed to protect and prevent healthcare programs against claims for inappropriate or excessive payments for items and services. The Federal fraud and abuse laws include the Anti-Kickback Statute and the False Claims Act and apply to Medicare, Medicaid and other Federal healthcare programs. Many states have adopted similar laws that apply to state and local healthcare programs and, in some cases, to healthcare items and services reimbursed by private payers.

Novartis is committed to strict compliance with all Federal healthcare program requirements, including, but not limited to:

Anti-Kickback Statute. Associates may not offer anything of value to a healthcare provider in return for purchasing or prescribing its products. Examples of prohibited behavior include the offer or acceptance of gifts intended to generate business that is funded by government healthcare programs. Similarly, hiring a physician as a consultant with the intent to influence him or her by paying an honorarium rather than the intent to compensate him or her for bona fide services may violate this statute. There are limited exceptions to the general prohibition contained in the Anti-Kickback Statute. However, because the general prohibition is broad and the exceptions can be narrow, associates must take special care in this area and seek appropriate guidance from Company attorneys or the Compliance Officer if they are uncertain whether an activity is permitted.

Compliance with US Healthcare Laws

The False Claims Act (FCA). The FCA prohibits anyone from knowingly and willfully making, or causing to be made, any false statement or representation to obtain benefits or payments under a Federal healthcare program. The FCA also prohibits anyone from conspiring with or causing another person to submit false claims. Thus, companies can be liable even if the claims are actually submitted by another person. The FCA provides for civil penalties for each false claim submitted to the government.

Some activities that might violate the FCA include, but are not limited to, submitting or causing another to submit false claims for government payment, fraudulently reporting false pricing information to government agencies, making off-label claims, certain scientific misconduct and similar activities. The Federal FCA and some state FCAs also allow private individuals with evidence of fraud against the government to sue on behalf of the government to recover the lost funds. Retaliation against persons who file such lawsuits (also known as “whistleblower suits”) is prohibited by the FCA.

To help ensure prevention and detection of any potential misconduct, associates are obligated to immediately report to the Company all complaints of misconduct, including all known and suspected violations of any Federal healthcare program or FDA requirements or of Novartis' own policies and procedures. This obligation to report covers not only known violations but also extends to those instances in which an associate is uncertain about whether a violation has occurred or may be occurring. In addition, if an associate believes that adequate resources or training are not being provided so as to enable associates to comply with legal and ethical standards, he or she must inform the Company.

Associates must ask questions if they have any concerns or uncertainty about compliance with the law, any company policy, or the Code of Conduct.

The obligation to report misconduct may be satisfied by reporting to one of the following resources:

1. Business Practices Officer (BPO)
2. Supervisor
3. Human Resources representative
4. Any President or Vice President
5. Any member of the Legal department
6. The Compliance Officer and any member of the Ethics & Compliance department
7. Help Line at 888-436-7001

Additionally, misconduct may be reported by sending a written report to the BPO at:

Business Practices Officer
North America Region
Novartis Corporation
5 Airport Road
Morristown, NJ 07960

Calls to the Help Line or written reports may be made anonymously. While the Company is committed to anonymous reporting and anonymity will be respected, the Company encourages associates to identify themselves when making a report. In some instances, anonymity may affect the Company's ability to investigate the concern.

Reporting

Any manager who receives a complaint of misconduct, including all known and suspected violations of any Federal healthcare program or FDA requirements or of Novartis's own policies and procedures, is required to immediately report that complaint to the BPO. Managers may not exercise discretion regarding whether or not to report a complaint. However, managers shall remain responsible for performing coaching of individuals.

Every complaint or inquiry will be taken seriously. The BPO will ensure that all investigations are thorough and fair, and conducted on a confidential basis and with a high level of discretion. Information collected during the investigation will be kept confidential to the extent possible.

Breaches

Promise of Non-Retaliation

Although coming forward will not immunize an associate from the consequences of his or her own misconduct, the associate's act of coming forward will be protected from retaliation and will be considered in determining disciplinary action. An associate will not suffer retaliation by the Company as a consequence of coming forward under the Code, regardless of whether the misconduct is reported to the BPO, his or her supervisor, Human Resources representative, any president or vice president, any member of the Legal department, any member of the Ethics & Compliance department, any other person designated by the Company or the Help Line.

Any manager, supervisor or other associate who attempts to punish or otherwise retaliate against an associate for reporting a violation under the Code will be subject to disciplinary action, up to and including termination.

Consequences of Violations of the Code of Conduct or the U.S.

Supplemental Requirements

Any violation of an associate's obligations under the Code of Conduct or the U.S. Supplemental Requirements may subject the associate to disciplinary measures, including possible termination of the associate's employment. Additionally, employment with the Company and the Company's payment of any incentive and/or bonus compensation are conditioned on compliance with applicable laws and associated company policies.

Any associate found by the Company to be in violation of the law or any material provision of any Company Policy (including fraud, pattern of off-label promotion, pattern of offering kickbacks, antitrust, bribery, scientific misconduct, etc.) will not earn or receive any incentive bonus compensation for any period in which such violations occurred or were discovered.

Associates will be required to repay to the Company any such incentive or bonus compensation already paid during a period in which the associate violates the law or any material provision of any Company Policy or the period in which such violation was discovered.

In addition to any other remedy that the Company may have to recover damages, if an associate fails to repay any such incentive or bonus compensation already paid to him or her, the Company may institute a lawsuit to recover the amount of incentive or bonus compensation plus costs and fees incurred in pursuing the lawsuit.

Useful links

For further information on the Novartis Code of Conduct, please visit:

www.ourcodeofconduct.novartis.intra



Anti-Bribery Policy

Novartis Global Policy

July 1, 2016

Version GIC 100.V2.EN

1. Introduction

1.1 Purpose

Our Code of Conduct states that we do not bribe anyone. This Policy sets forth the respective principles and rules and how they must be implemented.

1.2 Scope and Applicability

This Policy applies to all Associates*.

This Policy addresses a variety of contexts in which bribery issues may arise. Other aspects of business ethics and corruption, including conflicts of interest and passive bribery (e.g. receipt of a bribe) as well as insider trading, are regulated separately.

This Policy contains Novartis global standards. In some countries, more stringent applicable laws, regulations or industry codes supersede the principles set out in this Policy. Divisions and local Novartis organizations may also establish more restrictive practices.

This Policy enters into force as of July 1, 2016, and must be implemented by all Novartis affiliates (taking into account local legal considerations). It replaces the previous version of the Anti-Bribery Policy dated March 1, 2012.

*Directors, officers, managers, and employees of Novartis AG and its affiliates

2. Principles and Rules

2.1 Basic Rules

Principles and Rules	<p>Associates must not bribe and they must not use intermediaries, such as agents, consultants, advisers, distributors or any other business partners to commit acts of bribery.</p> <p>Novartis does not distinguish between public officials and private persons so far as bribery is concerned: bribery is not tolerated, regardless of the status of the recipient.</p> <p>Always ask yourself before offering, giving, or promising anything of value to any person if what you are considering could be viewed as having an illegitimate purpose. If the answer is yes, you must not proceed.</p> <p>If you are in any doubt, consult a legal or compliance representative before proceeding.</p>
Definitions	<p>Bribery means offering, giving or promising (or authorizing someone to offer, give, or promise) an improper benefit, directly or indirectly, with the intention of influencing or rewarding the behavior of someone to obtain or retain a commercial advantage.</p> <p>Bribery can take a variety of forms – offering or giving money or anything else of value. In fact, even common business practices or social activities, such as the provision of gifts and hospitality, can constitute bribes in some circumstances.</p> <p>Situations when Associates receive, agree to receive, request or accept a financial benefit or anything else of value are regulated by the Conflicts of Interest Policy.</p>
References	<ul style="list-style-type: none">• Novartis Anti-Bribery Third Party Guideline• Novartis Conflicts of Interest Policy

2.2 Gifts, Hospitality, and Entertainment

Principles and Rules	<p>Gifts, hospitality, and entertainment must be modest, reasonable and infrequent so far as any individual recipient is concerned.</p> <p>Gifts, hospitality, and entertainment must never be promised, offered, or provided with the intent of causing the recipient to do something favoring Novartis, to reward such behavior, or to refrain from doing something disadvantaging Novartis.</p> <p>Cash and gifts that are cash equivalent (e.g., shopping coupons) must never be given.</p> <p>Do not provide entertainment to any participant to Novartis business meetings, congresses or comparable events, unless the entertainment is an appropriate and incidental part of such events. Do not pay for any side or extended trips.</p> <p>Do not pay for the entertainment, hospitality, or travel costs of anyone who accompanies an invitee to a Novartis business meeting, congress, or comparable event. In situations where an invitee is unable to travel alone (e.g., patients or minors), travel costs for an accompanying person (e.g., caregiver) can be paid for provided that the rationale for this support is legitimate, documented, and considers applicable data privacy requirements.</p> <p>Before giving a gift or providing hospitality or entertainment to anyone, consider whether the reputation of Novartis, yourself, or the recipient is likely to be damaged if news of the gift, hospitality, or entertainment appeared on the front page of a newspaper. If this would embarrass either Novartis or the recipient, do not proceed.</p>
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Definitions

Gifts are benefits of any kind given to someone as a sign of appreciation or friendship without expectation of receiving anything in return. They include 'courtesy gifts', which are small gifts given at culturally recognized occasions (e.g., weddings, funerals) or special times of the year (e.g., Christmas, New Year).

Hospitality generally includes refreshments, meals, and accommodation.

Entertainment generally includes attendance at plays, concerts, and sports events.

References

- Principles & practices for professionals or equivalent document of each Novartis Division (e.g., NP4, SP3, AP3)

2.3

Grants, Donations and Sponsoring

Principles and Rules

Grants and donations may only be given if Novartis does not receive (and is not perceived to receive) any tangible consideration in return. At the same time, grants and donations must never reward (or be perceived to reward) any tangible consideration.

Requests for grants or donations must be handled with special caution, in particular those from requesters who are able to affect the sales of Novartis or may benefit personally if the request is granted. For instance, grants or donations must not be given to obtain a marketing authorization or any other approval, or to directly increase the sales of a Novartis product in return.

Sponsoring must not be used (or perceived to be used) to receive an improper commercial advantage in return. At the same time, sponsoring must never reward (or be perceived to reward) an improper commercial advantage.

Grants, donations, and sponsoring may not be provided to individuals.

Definitions

Grants and donations are benefits given by Novartis in the form of money and/or in-kind contributions (e.g., the supply of a Novartis product for free or at a reduced price).

Novartis provides grants and makes donations for a variety of legitimate purposes, including funding research or measures to improve health care systems and supporting charitable projects.

The main difference between grants and donations is that grants are given for a specific purpose (e.g., research or education) while donations address humanitarian needs, including emergency and natural disaster situations (e.g., earthquake).

Sponsoring is an agreement with a reputable non-healthcare institution or company under which the institution or company will, for payment, take measures to enhance the general image or reputation of Novartis.

References

- Principles & practices for professionals or equivalent document of each Novartis Division (e.g., NP4, SP3, AP3)
- Sponsoring and Donations Review and Approval Procedure
- Management Authorization Levels, also known as MALs

2.4

Rules Relating to Public Officials

Principles and Rules

Novartis does not distinguish between public officials and employees of private sector organizations so far as bribery is concerned; however, it is important to recognize that public officials are often subject to rules and restrictions that do not apply to persons who operate in the private sector.

Any relationship with public officials must be in strict compliance with the rules and regulations to which they are subject (i.e., any applicable rules or regulations in the particular country relating to public officials or that have been imposed by their employer) and any benefit conveyed to a public official must be fully transparent, properly documented, and accounted for.

Definitions

The term 'public official' has been extensively interpreted by regulators and includes

- Any elected or appointed officer or employee of a government or government department, government agency, or of a company owned or partially owned by a government
- Any elected or appointed officers or employees of public international organizations, such as the United Nations
- Any person acting in an official capacity for or on behalf of a government or a government department, government agency, or of a public international organization
- Politicians and candidates for a political office
- Any other person who is considered to be a public official according to applicable laws, regulations and industry codes

Medical and scientific personnel qualify as public officials when they work at a hospital, clinic, university or other similar facility owned or partially owned by a government.

In some countries, doctors, pharmacists, clinical trials investigators, and nurses are public officials irrespective of whether they are working at a government institution.

2.5

Political Contributions

Principles and Rules

Generally, Novartis does not make political contributions. However, since public policy issues impact Novartis business, its employees, and the communities in which Novartis operates, in certain cases it may be appropriate to use its resources to make political contributions. For instance, Novartis may seek to support candidates, committees, or other organizations that are committed to economic development, recognize the importance of healthcare innovation, and improve patient access to therapies.

Political contributions must never be made with the expectation of a direct or immediate return for Novartis.

Novartis may make political contributions only where these are part of the political culture in a country and are seen as part of the corporate social responsibility of corporations.

Political contributions must meet all of the following requirements:

- Compliant with applicable laws, regulations, and industry codes
- Covered by a separate budget position, approved in the ordinary budget process
- Approved in advance by the relevant Novartis Country President

Definitions

Political contributions are monetary or non-monetary (e.g., resources, facilities) contributions to support political parties, politicians or political initiatives.

2.6 Lobbying

Principles and Rules

Novartis engages in lobbying activities to provide policy makers with data and insights to enable widely informed decision-making conducive to improving patient outcomes and sustainable business.

Lobbying should not be misused for any corrupt or illegal purposes, or to improperly influence any decision. Relevant functions (e.g., Public & Government Affairs) provide guidance on how lobbying should be conducted based on the values of transparency, honesty and integrity.

Definitions

'Lobbying' describes interactions with policy makers and other external stakeholders with the intent to represent Novartis' perspective in the policy making process. Active contribution to policy making is an integral part of the democratic process and a legitimate activity as it enables the representation of different societal interests.

References

- Code of Conduct
- Internal Guidance on Lobbying
- Novartis Anti-Bribery Third Party Guideline

2.7 Facilitation Payments

Principles and Rules

Novartis prohibits facilitation payments, irrespective of whether local law permits facilitation payments.

Definitions

Facilitation payments are payments to public officials to expedite the performance of duties of a non-discretionary nature. These payments are intended to influence only the timing of the public officials' actions (e.g., payments to expedite the issuance of a visa or clearing goods through customs), but not their outcome.

2.8 Third Parties

Principles and Rules

Novartis must only engage Third Parties if all of the following requirements are met:

- There is a legitimate need for the services or the goods that they provide
- The services and goods are priced at no more than market value
- The Third Party is suitable from an anti-bribery perspective after assessment in a robust Due Diligence process
- There is a written contract or other written document with a similar legal effect (e.g., Purchase Order)

The receipt of services or goods must be documented and in line with the requirements stipulated in Section 2.10 of this Policy.

Engagement of Third Parties – including healthcare professionals – must never be used to create an incentive, or to reward or to secure any improper business advantage for Novartis.

Definitions

A Third Party is any natural person or legal entity with whom Novartis interacts and who poses, due to the nature of their business, a particular level of bribery risk. Novartis affiliates and Associates are not considered Third Parties in this Policy.

References

- Novartis Anti-Bribery Third Party Guideline
- Anti-Bribery Guideline for New Businesses and Joint Ventures

2.9

New Business and Joint Ventures

Principles and Rules	Before entering into an agreement for new business or entering into a joint venture, adequate anti-bribery due diligence must be completed. In addition, a remediation plan should be developed and implemented to address identified issues.
Definitions	<p>New business means any transaction involving the takeover or acquisition of all or any part of a third party or business, or the merger of a Novartis business with another company or business.</p> <p>Joint venture means any type of joint agreement or arrangement between Novartis and one or more third parties to own and operate an enterprise as a separate business for the mutual benefit of Novartis and the third party or parties.</p>
References	<ul style="list-style-type: none"> • Anti-Bribery Guideline for New Business and Joint Ventures

2.10

Books and Records/Internal Controls

Principles and Rules	<p>Novartis must prepare and maintain books and records that accurately and in reasonable detail document the source and use of Novartis revenues and assets.</p> <p>'Off-the-books' accounts and false or deceptive entries in Novartis books and records are strictly prohibited. All financial transactions must be documented, regularly reviewed and properly accounted for in the books and records of the relevant Novartis entity.</p> <p>All relevant financial controls and approval procedures must be followed.</p> <p>The retention and archive of Novartis records must be consistent with Novartis standards and tax and other applicable laws and regulations.</p>
Definitions	Books and records include accounts, invoices, correspondence, papers, CDs, tapes, memoranda and any other document or transcribed information of any type.
References	<ul style="list-style-type: none"> • Management Authorization Levels, also known as MALs • Novartis Financial Controls Manual • Novartis Accounting Manual

3. Implementation

3.1 Training

Associates must familiarize themselves with this Policy. Associates must be trained per the Novartis-wide compliance training curriculum. Local Novartis organizations may define additional training requirements.

Training requirements for Third Parties are defined by the Novartis Anti-Bribery Third Party Guideline.

External contractors and external service providers other than Third Parties shall be trained according to the Framework Guideline.

3.2 Reporting Potential Misconduct/Non-Retaliation

Any Associate who learns of a potential violation of applicable laws or this Policy is required to report his or her suspicion promptly in accordance with the section of the Novartis Code of Conduct entitled 'How to report potential misconduct.'

See <http://www.novartis.net/Pages/CodeOfConduct/Index.aspx>.

Associates who, based on good faith, report potential misconduct or who provide information or otherwise assist in any inquiry or investigation of potential misconduct will be protected against retaliation.

3.3 Breach of this Policy

Breaches of this Policy will not be tolerated and can lead to disciplinary and other actions up to and including termination of employment.

3.4 Exceptions

No exceptions can be granted from compliance with applicable laws, regulations and industry codes.

The Chief Ethics & Compliance Officer and Head Litigation together with the Group General Counsel decide on anti-bribery related matters not addressed by this Policy.

3.5 Responsibilities and Implementation

It is the responsibility of every Novartis manager to implement this Policy within his or her area of functional responsibility, lead by example, and provide guidance to the Associates reporting to him or her. Novartis managers must also seek to structure incentives and conduct performance assessments accordingly.

All Associates are responsible for adhering to the principles and rules set out in this Policy.

The owner of this Anti-Bribery Policy is **Group Integrity & Compliance**.

From: Rosenfeld, Barry
Sent: Friday, February 17, 2017 3:50 PM
To: Michael Cohen
Subject: RE: Services Agreement - better copy - eom
Attachments: Essential Consultants Agmt (17-02-17 final corrected).docx

Michael –

As discussed, I have corrected your address. Let me know if there is anything more that I can do. Thanks, Barry

Barry Rosenfeld
Vice President &
General Counsel
Novartis Finance Corporation
230 Park Avenue
21st Floor
New York, NY 10169
USA
Phone +1 212 830-2414
barry.rosenfeld@novartis.com
www.novartis.com

From: Rosenfeld, Barry
Sent: Friday, February 17, 2017 11:03 AM
To: 'Michael Cohen'
Subject: RE: Services Agreement - better copy - eom

Michael –

As a follow up, here are the policies referred to in Section 12(d) of the agreement. –Barry

Barry Rosenfeld
Vice President &
General Counsel
Novartis Finance Corporation
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New York, NY 10169
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www.novartis.com

From: Rosenfeld, Barry
Sent: Friday, February 17, 2017 9:56 AM
To: 'Michael Cohen'
Subject: FW: Services Agreement - better copy - eom

Michael –

Here is a better quality pdf. Perhaps use this version instead. –Barry

Barry Rosenfeld
Vice President &
General Counsel
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barry.rosenfeld@novartis.com
www.novartis.com

From: [REDACTED]
Sent: Friday, February 17, 2017 9:50 AM
To: Rosenfeld, Barry
Subject: Services Agreement - better copy - eom

Services Agreement

This Agreement is entered into as of this 1st day of March, 2017 by and between Novartis International AG ("Novartis"), with an office at Novartis Campus, Lichtstrasse 35, CH-4056 Basel, Switzerland, and Essential Consultants, LLC ("Consultant"), with an office at 502 Park Avenue, Unit 10A, New York, NY 10022.

1. Consultant hereby agrees to perform any and all services set forth in Exhibit A hereto (the "Services"), and to otherwise comply with the obligations set forth in Exhibit A. Consultant shall not perform any services beyond the scope of Exhibit A without the prior written approval of Novartis. Except as expressly agreed in Exhibit A, or as otherwise expressly agreed in advance in writing, Consultant shall provide the personal services of Michael D. Cohen to perform the Services. The personal services of this individual are of the essence of this Agreement.

2. Unless sooner terminated pursuant to Section 10 of this Agreement, this Agreement shall be deemed effective as of the date set forth above, and shall expire on February 28, 2018.

3. In consideration of the satisfactory performance of the Services, Novartis will pay Consultant a consulting fee of One Million Two Hundred Thousand (\$1,200,000.00) US dollars (the "Fee") which shall include VAT or similar taxes, if any. The Fee shall be paid to the Consultant at the end of each month, for the first time at the end of March 2017, by wire (instructions attached as Exhibit B) in the amount of One Hundred Thousand (\$100,000.00) US dollars and continuing in eleven (11) equal monthly installments thereafter. Novartis shall make payments against the invoice within thirty (30) days of its receipt. Novartis will reimburse Consultant for out-of-pocket expenses incurred by Consultant in performing this Agreement, provided that such expenses are reasonable and necessary to the performance of the work hereunder, and, to the extent any one expense exceeds \$2,500, have been approved in advance by Novartis. All such expenses shall be billed to Novartis at actual cost, and, must be supported by detailed expense statements and expense reports, receipts, vouchers or other supporting information as Novartis customarily may require. Novartis agrees that the Consultant shall be authorized to utilize "first class" travel and hotel arrangements.

4. Consultant shall not publish, disclose or use for any purpose other than as contemplated by this Agreement any and all information disclosed to or developed by Consultant in connection with this Agreement or with any Services performed hereunder (collectively "Information"). This obligation of non-disclosure shall not apply to the following: (i) Information at or after such time that it is or becomes publicly available through no fault of Consultant; (ii) Information that is already independently known to Consultant as shown by prior written or electronic records; (iii) Information at or after such time that it is disclosed to Consultant by a third party with the legal right to do so; (iv) Information required to be disclosed pursuant to judicial process, court order or administrative request, *provided that* Consultant shall so notify Novartis sufficiently prior to disclosing such Information as to permit Novartis to seek a protective order.

5. All information, data, writings, domain names, software, computer code, inventions and other work products, in any form whatsoever, both tangible and intangible, developed as a result of Consultant's performance of the Services (collectively, the "Works"), shall be considered works made for hire, and/or shall be the sole and exclusive property of Novartis. Novartis shall be the sole owner of all the rights to such Works in any form and in all fields of use known or hereafter existing. Notwithstanding the foregoing, intellectual property owned by or licensed to Consultant prior to the execution of this Agreement, and which is used by Consultant to develop any Works, shall remain the property of Consultant (the "Components"). Novartis agrees not to assert against Consultant and its licensees any

ownership interest in the Components. Notwithstanding the foregoing, to the extent any such Components are incorporated into the Works, Novartis shall have a non-exclusive, irrevocable, perpetual, non-transferable (except to affiliates and to other persons Novartis transfers or authorizes to use the Works), worldwide, royalty-free license to use such Components in conjunction with the Works. Consultant warrants that it has the authority to grant to Novartis the rights set forth herein, and that this Agreement and the rights granted herein do not violate any other party's rights or interests.

6. All information, data, writings, domain names, software, computer code, inventions and other work property, in any form whatsoever, both tangible and intangible, which is provided to Consultant by and/or on behalf of Novartis, or which is used by Consultant with respect to the performance of the Services, and which was owned by or licensed to Novartis prior to being provided to Consultant, shall remain the property of Novartis (the "Novartis Property"). Consultant shall have a license to use any Novartis Property supplied to it solely to the extent necessary to enable Consultant to perform the Services. Consultant shall acquire no other right, title or interest in the Novartis Property as a result of its entry into this Agreement or performance of the Services. Consultant shall return the Novartis Property to Novartis upon the expiration or termination of this Agreement.

7. Neither party will use, or authorize others to use, the name, symbols, or marks of the other party in any advertising or publicity material or make any form of representation or statement with regard to the Services which would constitute an express or implied endorsement by the other party of any commercial product or service without that other party's prior written approval.

8. Consultant agrees to indemnify, defend and save Novartis (including officers, directors, employees and agents of Novartis) harmless from and against any and all claims, suits, and liabilities (collectively, the "Claims"), to the extent such Claims arise out of or are attributable to (i) the willful misconduct of Consultant (including, but not limited to, Consultant's employees, subcontractors or agents) during the course of its performance of the Services pursuant to this Agreement; (ii) any material breach of this Agreement by Consultant; or (iii) any allegation that the Works or the Components infringe any trademark, copyright, or other third party proprietary interest (except to the extent the allegedly infringing material was provided to Consultant by Novartis, and Consultant did not act negligently or wrongfully in using such materials). In the defense or settlement of any claim under clause (iii) above, Consultant shall, at its expense, and subject to the prior written agreement of Novartis, either: (x) obtain the right to continue using the applicable intellectual property; or (y) replace or modify the applicable intellectual property so that the Works become non-infringing while giving equivalent performance.

9. Novartis shall have the right, upon reasonable notice, to review all records of Consultant related to the Services and any amounts invoiced to Novartis hereunder. Should such review disclose any overpayment by Novartis, then, at Novartis' option, Consultant shall either refund to Novartis the amount of such overpayment, or issue to Novartis a credit in the amount of such overpayment. Novartis shall pay all fees of any accountants or other personnel performing such verification unless it discloses any overstatement of amounts invoiced of more than two percent (2%), in which case Consultant shall bear all reasonable costs of the audit.

10. Should either party hereto commit a material breach of any of the terms and conditions of this Agreement, the other party may give to the party in default a written notice specifying the nature of such breach and calling upon the party in default to remedy the same within thirty (30) days from the date of receipt of such notice. If the party in default fails to remedy such breach within such thirty (30) day period, the party not in default may immediately terminate this Agreement by giving written notice to the party in default. In such

an event, (i) Novartis' obligations to make payments on obligations and amounts already appropriately incurred as of the effective date of any such termination, and (ii) Consultant's obligations under Sections 4, 5, 6, 7, 8, 9, 11, 13, and 14, shall survive and continue after the termination of this Agreement. Novartis shall have no obligation to pay any Fees for any services performed or activities undertaken in the period following the effective date of any such termination.

11. Consultant's Performance.

(a) Consultant shall perform the Services in a professional manner, in conformance with that level of care and skill ordinarily exercised by other professionals in Consultant's field, and with high ethical and moral business and personal integrity standards.

(b) Consultant shall keep Novartis fully informed of all significant activities undertaken in connection with this Agreement and the performance of the Services.

(c) Consultant warrants that Consultant is presently, and will remain, for the term of this Agreement and any extension thereof, free from any commitments that would create a conflict of interest which might impede the completion of Consultant's obligations hereunder.

(d) Consultant agrees to become familiar and comply in all respects with any and all applicable laws, rules and regulations regarding its conduct, including, but not limited to, all applicable laws, regulations and Novartis policies related to lobbying activities, to political contributions and gifts to public officials, and to anti-corruption. Consultant represents and warrants that there are no agreements, orders or other restrictions which would interfere or prevent Consultant from entering into this Agreement or performing the services and obligations contemplated hereunder. Consultant further agrees to familiarize itself and its personnel and comply with (to the extent applicable) Novartis' policies set forth in its Code of Conduct including, but not limited to, the safeguarding of confidential and proprietary information, the avoidance of any conflict of interest, the prohibition against payment of or receipt of gifts, meals, or entertainment that would violate gift laws, or other improper consideration, and/or the making of any investment which may compromise Consultant's obligations to Novartis; and in the Novartis Global Anti-Bribery Policy, as amended from time to time. Consultant agrees that it has read and understood the above mentioned Novartis' policies and guidelines. Consultant further agrees that in connection with its activities hereunder, it will not (i) buy or sell any security while in possession of material, non-public information about the issuer of such security or the market for such security, or (ii) disclose such information to any person. Consultant also agrees to comply with, and make the necessary filings required under, the applicable laws. Consultant shall inform Novartis if Consultant is required to make such lobbyist filings and shall also notify Novartis if such filing requirements are triggered for Novartis.

(e) Neither Consultant nor Consultant's partners, directors, officers, managers and employees (including Michael D. Cohen) shall, during the term of this Agreement, (i) make any political contributions or other payments, directly or indirectly, for the purpose of obtaining or retaining any type of business on behalf of Novartis; or (ii) enter into arrangements with third parties to share in any amounts paid hereunder without the prior written consent of Novartis. For purposes of this subparagraph (e), the term "political contribution" includes any payment, gift, subscription, loan, advance or deposit of money, as well as any contribution of services or facilities, if made in connection with any campaign for state or local office or for a state or local official running for federal office or in connection with a state or local party committee.

12. Novartis shall have the right to disapprove of any employee, subcontractor or sub-subcontractor retained or to be retained to assist Consultant in the performance of its obligations hereunder. Any such approval or disapproval shall not relieve Consultant of its

obligations under this Agreement. Consultant may not make use of the services of any employee, subcontractor or sub-subcontractor in the performance of the Services if Novartis has disapproved of that subcontractor or sub-subcontractor.

13. Any services Consultant may perform for Novartis under this Agreement are to be performed by Consultant in Consultant's capacity as an independent Contractor. Neither Consultant nor its employees, agents or representatives are employees of Novartis. Consultant retains the sole right to hire, discipline, evaluate and terminate its own employees and to set their hours, wages and terms and conditions of employment in accordance with law and Consultant's obligations herein. Novartis shall not withhold FICA or taxes of any kind from any payments which it owes Consultant. All income, employment and other similar taxes required to be withheld and/or paid with respect to all services provided hereunder will be timely paid by Consultant directly to the appropriate governmental agency. The employees, representatives or agents of Consultant are not entitled to and will not receive from Novartis in connection with the Services, any benefits normally provided by Novartis to its employees. Consultant agrees to defend, indemnify and hold Novartis harmless against any claim that Novartis is jointly or severally liable or obligated to Consultant's employees, agents, employees' representative, a benefit plan or a any governmental fund or entity on the basis of a statute, regulation or common law duty relating to employment.

14. This Agreement, including all exhibits and attachments hereto, represents the entire understanding of the parties with respect to the subject matter hereof. This Agreement shall not be modified except by a written agreement signed by the parties hereto. No waiver of any term, provision or condition of this Agreement whether by conduct or otherwise in any one or more instances shall be deemed to be or construed as a further or continuing waiver of any such term, provision or condition, or of any other term, provision or condition of this Agreement. The invalidity or unenforceability of any term or provision of this Agreement shall not affect the validity or enforceability of any other term or provision hereof. This Agreement shall be construed by and enforced in accordance with the laws of New York. Consultant may not assign, cede or transfer any of its rights or obligations under this Agreement without the written consent of Novartis.

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be executed by their respective duly authorized representatives as of the day and year first above written.

NOVARTIS INTERNATIONAL AG

ESSENTIAL CONSULTANTS LLC

By: Joseph Jimenez
Date: February 17, 2017

By: Michael D. Cohen
Date: February 17, 2017

Ver. 08/2-1

Exhibit A

Exhibit B
Wire Transfer Instructions

[Insert wire transfer instructions.]

From: Rosenfeld, Barry
Sent: Friday, February 17, 2017 4:17 PM
To: Michael Cohen
Subject: Document received - thanks!

Barry Rosenfeld
Vice President &
General Counsel
Novartis Finance Corporation
230 Park Avenue
21st Floor
New York, NY 10169
USA
Phone +1 212 830-2414
barry.rosenfeld@novartis.com
www.novartis.com

From: Michael Cohen <mdcohen212@gmail.com>
Sent: Friday, February 17, 2017 4:27 PM
To: Rosenfeld, Barry
Subject: Re: Document received - thanks!

Can you please scan back to me for my computer file? Thank you.

On Fri, Feb 17, 2017 at 4:16 PM, Rosenfeld, Barry <barry.rosenfeld@novartis.com> wrote:

Barry Rosenfeld

Vice President &

General Counsel

Novartis Finance Corporation

230 Park Avenue

21st Floor

New York, NY 10169

USA

Phone +1 212 830-2414

barry.rosenfeld@novartis.com

www.novartis.com

From: Rosenfeld, Barry
Sent: Friday, February 17, 2017 4:46 PM
To: Michael Cohen
Subject: RE: Document received - thanks!
Attachments: Essential Consultants Agmt (17-02-17 final signed).pdf

Here you go. –Barry

Barry Rosenfeld
Vice President &
General Counsel
Novartis Finance Corporation
230 Park Avenue
21st Floor
New York, NY 10169
USA
Phone +1 212 830-2414
barry.rosenfeld@novartis.com
www.novartis.com

From: Michael Cohen [<mailto:mdcohen212@gmail.com>]
Sent: Friday, February 17, 2017 4:27 PM
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Barry Rosenfeld

Vice President &

General Counsel

Novartis Finance Corporation

230 Park Avenue

21st Floor

New York, NY 10169

USA

Phone +1 212 830-2414

barry.rosenfeld@novartis.com

www.novartis.com

Services Agreement

This Agreement is entered into as of this 1st day of March, 2017 by and between Novartis International AG ("Novartis"), with an office at Novartis Campus, Lichtstrasse 35, CH-4056 Basel, Switzerland, and Essential Consultants, LLC ("Consultant"), with an office at 502 Park Avenue, Unit 10A, New York, NY 10022.

1. Consultant hereby agrees to perform any and all services set forth in Exhibit A hereto (the "Services"), and to otherwise comply with the obligations set forth in Exhibit A. Consultant shall not perform any services beyond the scope of Exhibit A without the prior written approval of Novartis. Except as expressly agreed in Exhibit A, or as otherwise expressly agreed in advance in writing, Consultant shall provide the personal services of Michael D. Cohen to perform the Services. The personal services of this individual are of the essence of this Agreement.

2. Unless sooner terminated pursuant to Section 10 of this Agreement, this Agreement shall be deemed effective as of the date set forth above, and shall expire on February 28, 2018.

3. In consideration of the satisfactory performance of the Services, Novartis will pay Consultant a consulting fee of One Million Two Hundred Thousand (\$1,200,000.00) US dollars (the "Fee") which shall include VAT or similar taxes, if any. The Fee shall be paid to the Consultant at the end of each month, for the first time at the end of March 2017, by wire (instructions attached as Exhibit B) in the amount of One Hundred Thousand (\$100,000.00) US dollars and continuing in eleven (11) equal monthly installments thereafter. Novartis shall make payments against the invoice within thirty (30) days of its receipt. Novartis will reimburse Consultant for out-of-pocket expenses incurred by Consultant in performing this Agreement, provided that such expenses are reasonable and necessary to the performance of the work hereunder, and, to the extent any one expense exceeds \$2,500, have been approved in advance by Novartis. All such expenses shall be billed to Novartis at actual cost, and, must be supported by detailed expense statements and expense reports, receipts, vouchers or other supporting information as Novartis customarily may require. Novartis agrees that the Consultant shall be authorized to utilize "first class" travel and hotel arrangements.

4. Consultant shall not publish, disclose or use for any purpose other than as contemplated by this Agreement any and all information disclosed to or developed by Consultant in connection with this Agreement or with any Services performed hereunder (collectively "Information"). This obligation of non-disclosure shall not apply to the following: (i) Information at or after such time that it is or becomes publicly available through no fault of Consultant; (ii) Information that is already independently known to Consultant as shown by prior written or electronic records; (iii) Information at or after such time that it is disclosed to Consultant by a third party with the legal right to do so; (iv) Information required to be disclosed pursuant to judicial process, court order or administrative request, *provided that* Consultant shall so notify Novartis sufficiently prior to disclosing such Information as to permit Novartis to seek a protective order.

5. All information, data, writings, domain names, software, computer code, inventions and other work products, in any form whatsoever, both tangible and intangible, developed as a result of Consultant's performance of the Services (collectively, the "Works"), shall be considered works made for hire, and/or shall be the sole and exclusive property of Novartis. Novartis shall be the sole owner of all the rights to such Works in any form and in all fields of use known or hereafter existing. Notwithstanding the foregoing, intellectual property owned by or licensed to Consultant prior to the execution of this Agreement, and which is used by Consultant to develop any Works, shall remain the property of Consultant (the "Components"). Novartis agrees not to assert against Consultant and its licensees any

ownership interest in the Components. Notwithstanding the foregoing, to the extent any such Components are incorporated into the Works, Novartis shall have a non-exclusive, irrevocable, perpetual, non-transferable (except to affiliates and to other persons Novartis transfers or authorizes to use the Works), worldwide, royalty-free license to use such Components in conjunction with the Works. Consultant warrants that it has the authority to grant to Novartis the rights set forth herein, and that this Agreement and the rights granted herein do not violate any other party's rights or interests.

6. All information, data, writings, domain names, software, computer code, inventions and other work property, in any form whatsoever, both tangible and intangible, which is provided to Consultant by and/or on behalf of Novartis, or which is used by Consultant with respect to the performance of the Services, and which was owned by or licensed to Novartis prior to being provided to Consultant, shall remain the property of Novartis (the "Novartis Property"). Consultant shall have a license to use any Novartis Property supplied to it solely to the extent necessary to enable Consultant to perform the Services. Consultant shall acquire no other right, title or interest in the Novartis Property as a result of its entry into this Agreement or performance of the Services. Consultant shall return the Novartis Property to Novartis upon the expiration or termination of this Agreement.

7. Neither party will use, or authorize others to use, the name, symbols, or marks of the other party in any advertising or publicity material or make any form of representation or statement with regard to the Services which would constitute an express or implied endorsement by the other party of any commercial product or service without that other party's prior written approval.

8. Consultant agrees to indemnify, defend and save Novartis (including officers, directors, employees and agents of Novartis) harmless from and against any and all claims, suits, and liabilities (collectively, the "Claims"), to the extent such Claims arise out of or are attributable to (i) the willful misconduct of Consultant (including, but not limited to, Consultant's employees, subcontractors or agents) during the course of its performance of the Services pursuant to this Agreement; (ii) any material breach of this Agreement by Consultant; or (iii) any allegation that the Works or the Components infringe any trademark, copyright, or other third party proprietary interest (except to the extent the allegedly infringing material was provided to Consultant by Novartis, and Consultant did not act negligently or wrongfully in using such materials). In the defense or settlement of any claim under clause (iii) above, Consultant shall, at its expense, and subject to the prior written agreement of Novartis, either: (x) obtain the right to continue using the applicable intellectual property; or (y) replace or modify the applicable intellectual property so that the Works become non-infringing while giving equivalent performance.

9. Novartis shall have the right, upon reasonable notice, to review all records of Consultant related to the Services and any amounts invoiced to Novartis hereunder. Should such review disclose any overpayment by Novartis, then, at Novartis' option, Consultant shall either refund to Novartis the amount of such overpayment, or issue to Novartis a credit in the amount of such overpayment. Novartis shall pay all fees of any accountants or other personnel performing such verification unless it discloses any overstatement of amounts invoiced of more than two percent (2%), in which case Consultant shall bear all reasonable costs of the audit.

10. Should either party hereto commit a material breach of any of the terms and conditions of this Agreement, the other party may give to the party in default a written notice specifying the nature of such breach and calling upon the party in default to remedy the same within thirty (30) days from the date of receipt of such notice. If the party in default fails to remedy such breach within such thirty (30) day period, the party not in default may immediately terminate this Agreement by giving written notice to the party in default. In such

an event, (i) Novartis' obligations to make payments on obligations and amounts already appropriately incurred as of the effective date of any such termination, and (ii) Consultant's obligations under Sections 4, 5, 6, 7, 8, 9, 11, 13, and 14, shall survive and continue after the termination of this Agreement. Novartis shall have no obligation to pay any Fees for any services performed or activities undertaken in the period following the effective date of any such termination.

11. Consultant's Performance.

(a) Consultant shall perform the Services in a professional manner, in conformance with that level of care and skill ordinarily exercised by other professionals in Consultant's field, and with high ethical and moral business and personal integrity standards.

(b) Consultant shall keep Novartis fully informed of all significant activities undertaken in connection with this Agreement and the performance of the Services.

(c) Consultant warrants that Consultant is presently, and will remain, for the term of this Agreement and any extension thereof, free from any commitments that would create a conflict of interest which might impede the completion of Consultant's obligations hereunder.

(d) Consultant agrees to become familiar and comply in all respects with any and all applicable laws, rules and regulations regarding its conduct, including, but not limited to, all applicable laws, regulations and Novartis policies related to lobbying activities, to political contributions and gifts to public officials, and to anti-corruption. Consultant represents and warrants that there are no agreements, orders or other restrictions which would interfere or prevent Consultant from entering into this Agreement or performing the services and obligations contemplated hereunder. Consultant further agrees to familiarize itself and its personnel and comply with (to the extent applicable) Novartis' policies set forth in its Code of Conduct including, but not limited to, the safeguarding of confidential and proprietary information, the avoidance of any conflict of interest, the prohibition against payment of or receipt of gifts, meals, or entertainment that would violate gift laws, or other improper consideration, and/or the making of any investment which may compromise Consultant's obligations to Novartis; and in the Novartis Global Anti-Bribery Policy, as amended from time to time. Consultant agrees that it has read and understood the above mentioned Novartis' policies and guidelines. Consultant further agrees that in connection with its activities hereunder, it will not (i) buy or sell any security while in possession of material, non-public information about the issuer of such security or the market for such security, or (ii) disclose such information to any person. Consultant also agrees to comply with, and make the necessary filings required under, the applicable laws. Consultant shall inform Novartis if Consultant is required to make such lobbyist filings and shall also notify Novartis if such filing requirements are triggered for Novartis.

(e) Neither Consultant nor Consultant's partners, directors, officers, managers and employees (including Michael D. Cohen) shall, during the term of this Agreement, (i) make any political contributions or other payments, directly or indirectly, for the purpose of obtaining or retaining any type of business on behalf of Novartis; or (ii) enter into arrangements with third parties to share in any amounts paid hereunder without the prior written consent of Novartis. For purposes of this subparagraph (e), the term "political contribution" includes any payment, gift, subscription, loan, advance or deposit of money, as well as any contribution of services or facilities, if made in connection with any campaign for state or local office or for a state or local official running for federal office or in connection with a state or local party committee.

12. Novartis shall have the right to disapprove of any employee, subcontractor or sub-subcontractor retained or to be retained to assist Consultant in the performance of its obligations hereunder. Any such approval or disapproval shall not relieve Consultant of its

obligations under this Agreement. Consultant may not make use of the services of any employee, subcontractor or sub-subcontractor in the performance of the Services if Novartis has disapproved of that subcontractor or sub-subcontractor.

13. Any services Consultant may perform for Novartis under this Agreement are to be performed by Consultant in Consultant's capacity as an independent Contractor. Neither Consultant nor its employees, agents or representatives are employees of Novartis. Consultant retains the sole right to hire, discipline, evaluate and terminate its own employees and to set their hours, wages and terms and conditions of employment in accordance with law and Consultant's obligations herein. Novartis shall not withhold FICA or taxes of any kind from any payments which it owes Consultant. All income, employment and other similar taxes required to be withheld and/or paid with respect to all services provided hereunder will be timely paid by Consultant directly to the appropriate governmental agency. The employees, representatives or agents of Consultant are not entitled to and will not receive from Novartis in connection with the Services, any benefits normally provided by Novartis to its employees. Consultant agrees to defend, indemnify and hold Novartis harmless against any claim that Novartis is jointly or severally liable or obligated to Consultant's employees, agents, employees' representative, a benefit plan or a any governmental fund or entity on the basis of a statute, regulation or common law duty relating to employment.

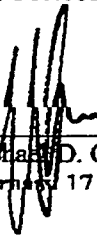
14. This Agreement, including all exhibits and attachments hereto, represents the entire understanding of the parties with respect to the subject matter hereof. This Agreement shall not be modified except by a written agreement signed by the parties hereto. No waiver of any term, provision or condition of this Agreement whether by conduct or otherwise in any one or more instances shall be deemed to be or construed as a further or continuing waiver of any such term, provision or condition, or of any other term, provision or condition of this Agreement. The invalidity or unenforceability of any term or provision of this Agreement shall not affect the validity or enforceability of any other term or provision hereof. This Agreement shall be construed by and enforced in accordance with the laws of New York. Consultant may not assign, cede or transfer any of its rights or obligations under this Agreement without the written consent of Novartis.

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be executed by their respective duly authorized representatives as of the day and year first above written.

NOVARTIS INTERNATIONAL AG

ESSENTIAL CONSULTANTS LLC

By:  Joseph Jimenez, CEO
Date: February 17, 2017

By:  Michael D. Cohen
Date: February 17, 2017


By:  Felix R. Ehrat
Group General Counsel
Date: February 17, 2017

Exhibit A**STATEMENT OF WORK**

This Statement of Work sets forth the Services to be performed pursuant to the agreement ("Agreement") between Novartis International AG ("Novartis") and Essential Consultants, LLC (the "Consultant"). The Agreement will be effective as of March 1, 2017 (the "Effective Date").

Scope of Work

The Consultant will provide consulting and advisory services to Novartis on matters that relate to the repeal and replacement of the Affordable Care Act in the US and any other issues mutually agreeable to the Consultant and Novartis.

Deliverables

Novartis and the Consultant will communicate regularly about all relevant matters within the Scope of Work.

Exhibit B

Detailed below are the wire transfer instructions for:

ESSENTIAL CONSULTANTS LLC

Beneficiary: ESSENTIAL CONSULTANTS LLC

Bank: First Republic Bank

575 Madison Avenue | New York, NY 10022

Account #: [REDACTED]

ABA/Routing: [REDACTED]

From: Ehrat, Felix
Sent: Thursday, February 23, 2017 12:34 PM
To: Michael Cohen
Subject: Novartis Consulting Agreement

Michael

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Best regards

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4002 Basel / Switzerland

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Joe Jimenez has asked me to finalize the consulting relationship which you discussed. In order to facilitate and accelerate the matter, you will be contacted by my colleague Barry Rosenfeld (cc'ed) from the Novartis US legal team.

Thanks and best regards

Felix

Felix R. Ehrat

Group General Counsel
Member of the Executive Committee

T +41 61 696 9511

M [REDACTED]

felix.ehrat@novartis.com

Novartis International AG

Fabrikstrasse 18.4

4002 Basel / Switzerland

From: Michael Cohen [<mailto:mdcohen212@gmail.com>]

Sent: Monday, February 13, 2017 3:55 PM

To: Jimenez, Joe

Subject: Novartis Consulting Agreement

Joe,

Please see attached my pro forma consulting agreement. Let me know if there are any changes, additions or deletions you might require.

Sent from my iPhone

Michael D. Cohen, Esq.
Personal Counsel to
President Donald J. Trump
Cellular: [REDACTED]
mdcohen212@gmail.com

--

Yours,

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mdcohen212@gmail.com

From: Michael Cohen <mdcohen212@gmail.com>
Sent: Friday, February 24, 2017 5:57 AM
To: Ehrat, Felix
Subject: Re: Novartis Consulting Agreement

No worries. I too look forward to meeting with you and your team.
On Fri, Feb 24, 2017 at 5:30 AM Ehrat, Felix <felix.ehrat@novartis.com> wrote:

Sorry, Michael. This was too fast. Next try:

I propose to meet on March 1, 2017 at 11am EST at our offices in New York. The address is Novartis Corp. Offices, 230 Park Avenue, 21st Floor (Helmsley Building), New York, N.Y. 10019. I suggest that we block our agenda until 2pm max so that we have enough time to discuss; we will provide for a light lunch.

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Sent: Freitag, 24. Februar 2017 11:21

To: 'Michael Cohen'
Subject: Novartis Consulting Agreement

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From: Ehrat, Felix
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Sent: Donnerstag, 23. Februar 2017 18:41

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Sent: Dienstag, 14. Februar 2017 12:21

To: Ehrat, Felix

Cc: Rosenfeld, Barry

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On Tue, Feb 14, 2017 at 4:24 AM Ehrat, Felix <felix.ehrat@novartis.com> wrote:

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Sounds great!
See you soon and have a good weekend.
Best
Felix

Felix R. Ehrat
Group General Counsel
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Sent from my iPhone

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Personal Counsel to
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Yours,

Michael D. Cohen, Esq.
Personal Attorney to
President Donald J. Trump
[REDACTED]
mdcohen212@gmail.com

Subject: Meeting re Consulting
Location: Novartis Corp. Offices, 230 Park Avenue, New York, NY 10019 (Board Room) (incl. light lunch)

Start: Wed 3/1/2017 11:00 AM
End: Wed 3/1/2017 2:00 PM
Show Time As: Tentative

Recurrence: (none)

Meeting Status: Not yet responded

Organizer: Ehrat, Felix
Required Attendees: Kendris, Thomas (thomas.kendris@novartis.com); Casserly, Dan; Michael D. Cohen (mdcohen212@gmail.com)

ModalityIsPrivateConference: True

Subject:04:45PM OR LATER: TC w. Michael Cohen - You will call him on his cell # [REDACTED]
[REDACTED]**Start:**

Tue 4/4/2017 10:30 AM

End:

Tue 4/4/2017 11:00 AM

Recurrence:

(none)

Organizer:

Jimenez, Joe

Categories:

Yellow Category

Subject: 03:00-04:00PM: TC w. Michael Cohen

Start: Fri 4/7/2017 9:00 AM

End: Fri 4/7/2017 9:15 AM

Recurrence: (none)

Organizer: Jimenez, Joe

From: Michael Cohen <michael@mdcpc.com>
Sent: Friday, May 5, 2017 1:23 PM
To: Michael Cohen
Subject: New Contact Information for Clients Only

Due to the overwhelming volume of phone calls and e-mails coming into my previous cellular number and e-mail address, I have elected to create for Clients Only the following. Kindly use this new information for all future contact and communications.

Thank you.

Yours,

Essential Consultants LLC.
Michael D. Cohen & Associates, PC.
30 Rockefeller Plaza
23rd Floor
New York, New York 10112
NYC Office: 1-212-872-9849
DC Office: 1-202-457-6117
Cellular: [REDACTED]
E-Mail: Michael@mdcpc.com

--

From: Michael D. Cohen <michael@mdcpc.com>
Sent: Monday, June 5, 2017 7:13 AM
To: Jimenez, Joe
Subject: Re: Drug Pricing Initiatives

Received and I will forward to you their suggestions.

Yours,
Michael D. Cohen, Esq.
Essential Consultants, LLC.
30 Rockefeller Plaza
23rd floor
New York, New York 10112
1-212-872-9849 (NYC Office)
1-202-457-6117 (DC Office)
[REDACTED] (Cellular)
michael@mdcpc.com

Sent from my iPhone

On Jun 5, 2017, at 4:31 AM, Jimenez, Joe <joe.jimenez@novartis.com> wrote:

Michael,
Based on our conversation last week, I am forwarding you some ideas to lower drug costs in the US.
Best regards,
Joe

<Drug Pricing Initiatives.docx>

Drug Pricing Cost Initiatives

The US has created the strongest, most innovative bio-pharmaceutical industry in the world. These companies spend over USD 70 billion per year in the US on Research and Development, and support 4.5 million high paying jobs. The following initiatives are designed to lower the cost of healthcare in the US, while protecting this crown jewel industry and maintaining US leadership. Drug discovery and development is a high risk proposition. It is critical that initiatives to lower total costs be market-based, in order to preserve the continued flow of innovation and the US lead in this industry.

1. Foster value-based contracting to allow more innovative payment models.

Promoting value-driven health care by removing existing regulatory barriers will enable value-based contracts. This will control drug costs by linking payment to patient outcomes and will help ensure our health care system is paying for value over volume. Today, current regulations make it challenging to expand value-based contracting for medicines. Some policies to address this issue include updating off-label promotion laws, exempting value-based arrangements from Medicaid Best Price and modernizing rules related to manufacturer communications with payers and providers.

By modernizing outdated regulations, we can lower the cost of drugs to patients. Using the power of market competition to achieve better negotiation will control costs by getting the right treatment to the right patient at the right time. Better bidding and better contracts can help ensure prescription drugs are being used effectively to reduce other health care costs and better patient access to medicines.

2. Ensuring patients pay less for prescription drugs when their insurers and PBMs negotiate savings.

Health plans and pharmacy benefit managers (PBMs) negotiate with drug manufacturers to secure discounts and rebates that lower the cost of prescription drugs. However, in some cases when a patient pays for a medicine (*e.g.*, within their deductible or when they pay coinsurance), they are charged based on the list price, not the discounted, negotiated price. This is unfair for patients. It is time to begin delivering savings to patients at the pharmacy counter by requiring insurance companies to pass along at least some of the savings they negotiate with drug companies.

Discounts on brand medicines in particular can be significant. In Medicare Part D rebates have grown considerably, yet patients face rising out-of-pocket costs. Using authority that already exists, the Administration could call upon Part D plan sponsors to pass along a greater share of the savings they negotiate on prescription drugs to reduce beneficiaries' spending at the pharmacy counter. If implemented this summer, potential savings for Part D beneficiaries could be visible on the Medicare plan finder web site this year.

3. Lowering out of pocket costs at point of sale for Medicare Part D beneficiaries

It is important that Medicare beneficiaries have continued access to the medicines prescribed by their physicians. Today, Medicare beneficiaries currently have no limit on their out-of-pocket (OOP) costs in the Medicare Part D program and would need to exceed \$8,000 out-of-pocket spending before they are eligible for catastrophic drug coverage. Current policies prohibit biopharmaceutical manufacturers to provide direct financial assistance to patients to reduce their total out of pocket (OOP) costs for these medicines. Allowing a policy change to permit biopharmaceutical manufacturers to offer financial assistance will ensure that Medicare Part D patients can better afford their prescription drugs. This would be an extremely popular move, appreciated by millions of patients in the US.

Reduction in OOP costs could improve public health. Improvements in medication adherence/persistence in turn can lead to lower total healthcare costs as even noted by the Congressional Budget Office.

4. Eliminating or updating outdated regulations that prevent efficiency in the private market.

Today's health care system is filled with outdated regulations and regulatory barriers. For example, the FDA has significantly increased regulation that extends the time and cost associated with developing a new drug. Finding regulatory relief that ensures the United States is still the world leader in innovation and delivering safe treatments to patients is critical. Reducing the time and cost it takes to develop a medicine and get it approved will enhance the competitive market for biopharmaceuticals, driving greater efficiency in drug development and discovery and holding down costs for payers and consumers.

5. Boosting competition and deterring future bad actors by accelerating government approval of generic medicines.

We need to speed U.S. Food and Drug Administration (FDA) approval of generic medicines so 'bad actors' cannot game the system by significantly increasing prices of older, off-patent medicines that lack competition. This can be done through a range of new regulatory and economic incentives to increase competition and lower costs of bringing products into the market, in circumstances where no patent or regulatory barriers stand in the way. Ways to speed new low cost generics to market include tax credits, waiving application fees, creating priority review vouchers for future applications, creating new exclusivity periods for first generic competitors and providing FDA technical assistance.

These policies will increase competition in areas of unmet patient need and prevent bad actors from acquiring off-patent drugs that have been widely used for decades and dramatically increasing prices. Together, these policies can increase competition, patient access to affordable medicines and reduce the overall cost of health care in the United States.

6. Negotiating stronger trade agreements and ensuring better enforcement.

Foreign governments often discriminate against innovation and the development of new medicines, to the detriment of American consumers and industry. Today, U.S. trade policy has not adequately addressed this imbalance in policies, including those that artificially undervalue innovative biopharmaceutical products through their pricing and reimbursement (P&R) systems. Inadequate intellectual property protection and lax enforcement in other countries also undermines innovation. Effectively addressing such practices and ensuring due process to innovators in foreign P&R regimes would spur the creation of U.S. jobs, innovation and the development of new medicines for patients.

The Administration can enforce and improve trade agreements to support American jobs, innovation and patients through the following steps:

- The U.S. Government must enforce existing trade deals with Korea and Australia, and other developed economies under GATT and WTO rules, to ensure that their systems are valuing innovation and they are not getting a free ride on the back of US funding the innovation.
- Negotiate new trade deals that contain strong pricing and reimbursement language that requires our trading partners to value innovation, as required under the President's Trade Promotion Authority. Strong IP provisions, a closely-linked cornerstone for industry, will also be essential.
- The U.S. Government must identify and address the worst practices abroad, including through updating the 2004 Commerce Report and developing a strategy to address this important issue. Existing tools, including Section 301 and Special 301, are sufficient to ensure a strong U.S. Government approach and send a strong enforcement message from the Administration.

From: Jimenez, Joe
Sent: Tuesday, June 13, 2017 12:54 AM
To: Michael Cohen
Subject: RE: Drug Pricing Initiatives

Thank you Michael.
Joe

From: Michael Cohen [mailto:michael@mdcpc.com]
Sent: Monday, June 12, 2017 8:23 PM
To: Jimenez, Joe
Subject: Re: Drug Pricing Initiatives

Joe,
The information you provided was a great beginning. I am expecting to receive in a few days their version and will scan to you under privileged and confidential communication.

Yours,

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Michael D. Cohen & Associates, PC.
30 Rockefeller Plaza
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NYC Office: 1-212-872-9849
DC Office: 1-202-457-6117
Cellular: [REDACTED]
E-Mail: Michael@mdcpc.com

From: "Jimenez, Joe" <joe.jimenez@novartis.com>
Date: Monday, June 5, 2017 at 4:31 AM
To: "Michael@mdcpc.com" <Michael@mdcpc.com>
Subject: Drug Pricing Initiatives

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Best regards,
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From: Michael D. Cohen <michael@mdcpc.com>
Sent: Wednesday, June 28, 2017 6:17 AM
To: Jimenez, Joe
Subject: Re: Drug Pricing Initiatives

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I am getting the report on Friday and will send to you by Monday. We should find a time to speak thereafter.

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Subject: RE: Drug Pricing Initiatives

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From: Michael D. Cohen <michael@mdcpc.com>
Sent: Thursday, August 24, 2017 11:42 AM
To: Jimenez, Joe
Subject: Fwd:

Joe,
As per our conversation, it appears here have been some communication with Novartis regarding the autism product...(see attached communication). Can you check to see if it was handled properly because I have seen real time video showing amazing success. I will also send you the proposal they came to your NY representative. Please let me know and I plan on being in London at the end of September so I hope to see you there.

Yours,
Michael D. Cohen, Esq.
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1-212-872-9849 (NYC Office)
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[REDACTED] (Cellular)
michael@mdcpc.com

Sent from my iPhone

Begin forwarded message:

From: Michael Cohen <mdcohen212@gmail.com>
Date: August 24, 2017 at 11:36:54 AM EDT
To: michael@mdcpc.com



Michael, we spoke on 8/2 to [REDACTED] at Novartis in the US team. We reviewed the attached slides with he and a couple other colleagues who joined him on the VC. He recommended we speak to Novartis Ventures about an investment in Yamo around part of the \$5M we are seeking today. I heard from him again yesterday morning that the research and NVF team were not interested at this point. They asked that we come back to them later after our current trial data is completed. That is the contact we have had to date.

YAMO

DIAGNOSTICS

From: Michael D. Cohen <michael@mdcpc.com>
Sent: Thursday, August 24, 2017 11:43 AM
To: Jimenez, Joe
Attachments: August 2017 Non-Confidential Short Yamo Presentation.pptx

Proposal referenced in previous e-mail.

Yours,
Michael D. Cohen, Esq.
Essential Consultants, LLC.
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YAMO

PHARMACEUTICALS

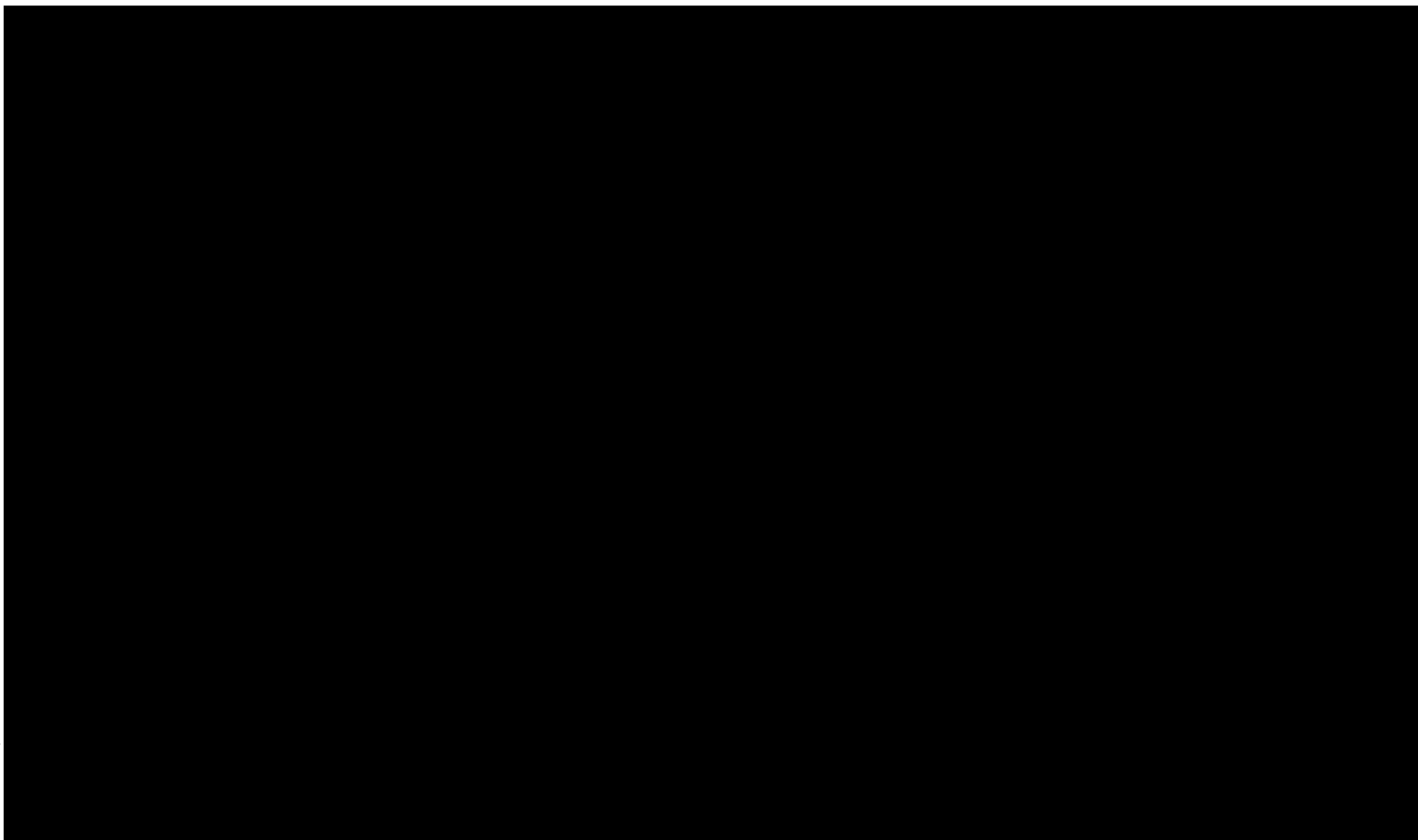
Investment Opportunity Discussion

August 2017

Investment Opportunity

- Yamo Pharmaceuticals (“Yamo”), a New Jersey-based company, has developed L1-79, the first therapy observed to reduce the core symptoms of the Autism Spectrum Disorder (“ASD” or “Autism”), as assessed by commonly accepted and validated psychometric tests

Uses of Cash

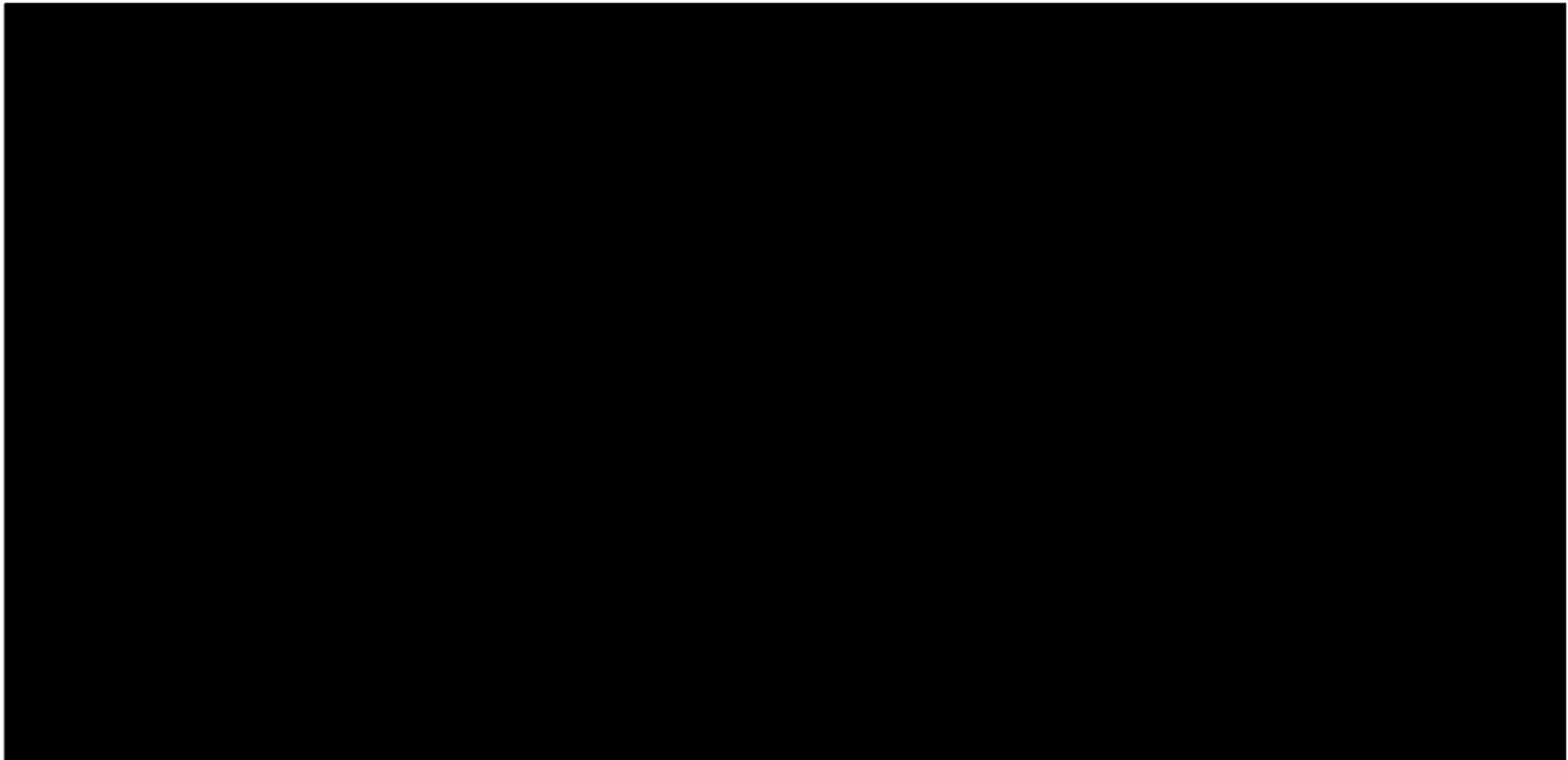




YAMO
PHARMACEUTICALS

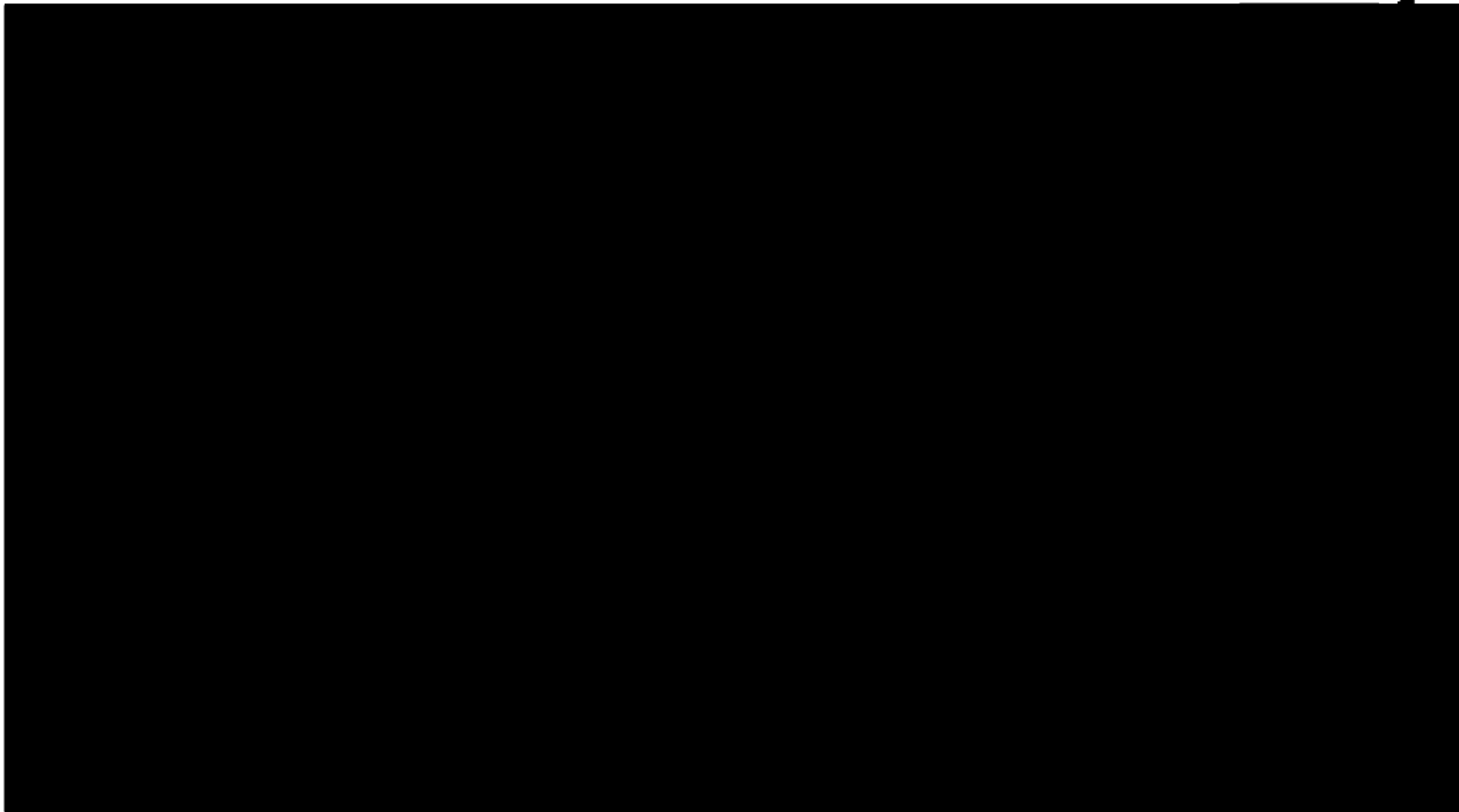
Yamo Treatment for Autism

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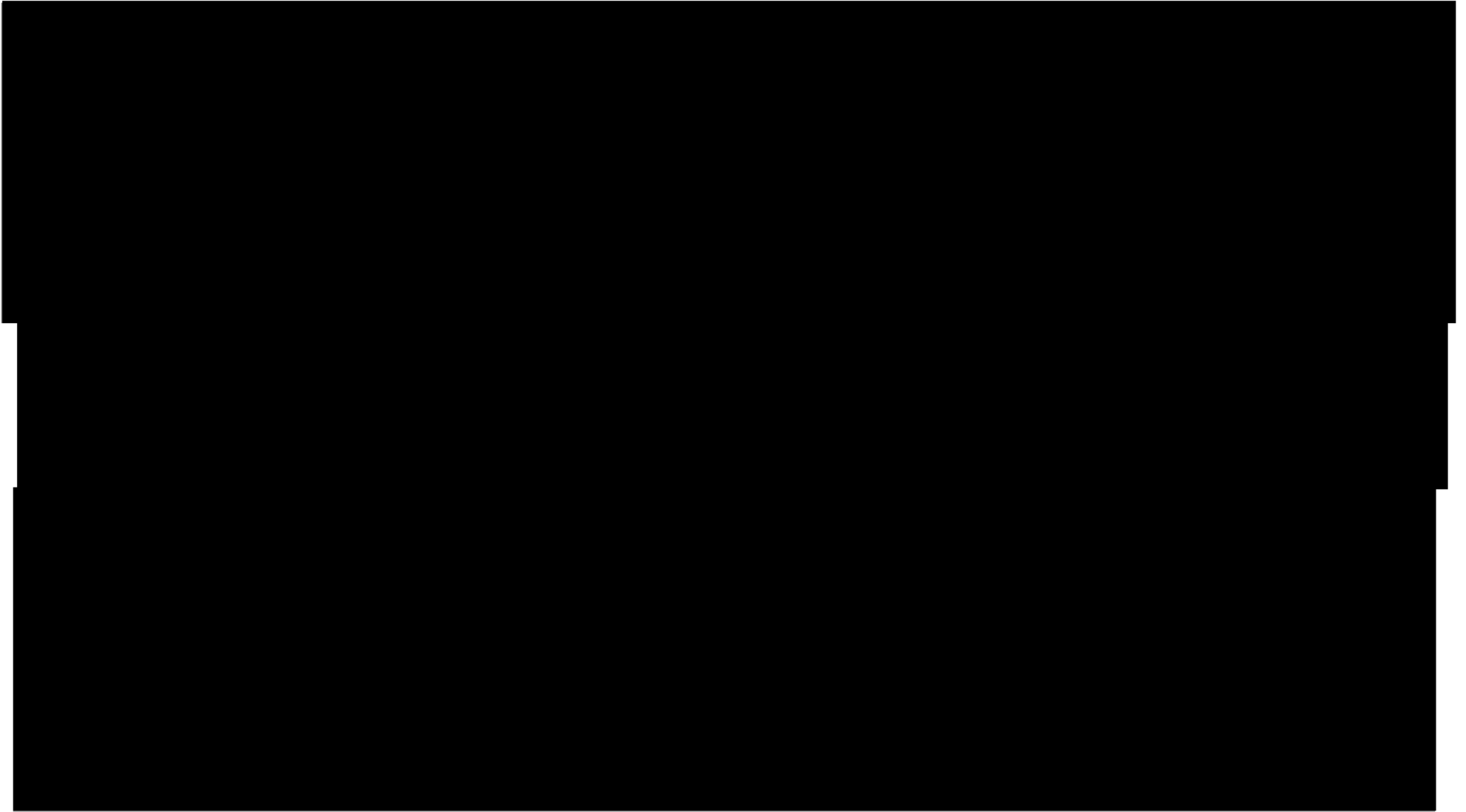
About Autism

YAMO
PHARMACEUTICALS



Current Status & Next Steps

YAMO
PHARMACEUTICALS



Yamo Team

YAMO
PHARMACEUTICALS

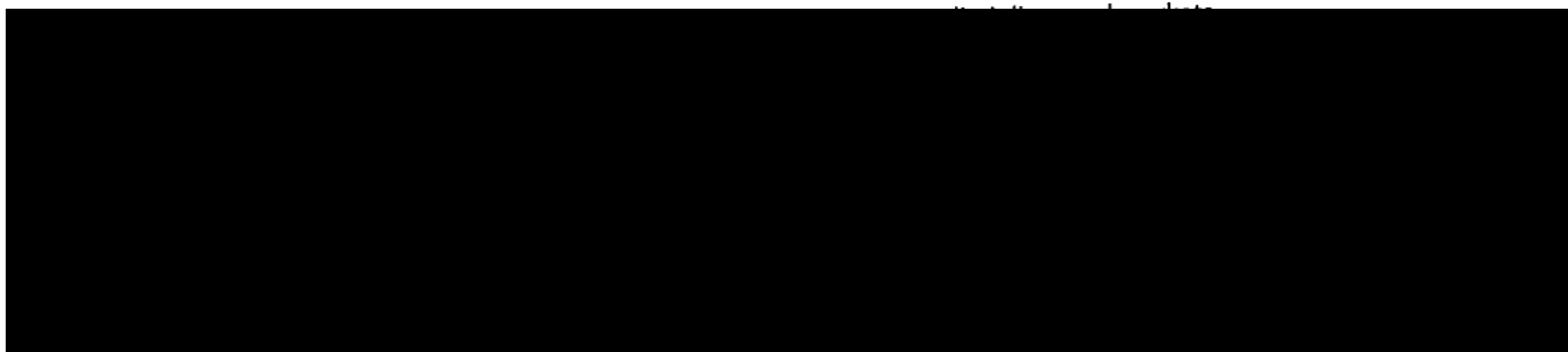


Chuck Bramlage, Chief Executive Officer

- Mr. Bramlage was the Chief Executive Officer of Pearl Therapeutics from 2011 through 2016 which was sold in 2013 to Astra Zeneca for up to \$1.15 billion
- Previous positions included: COO of Pharmaceutical Products at Covidien plc., President of European operations at Valeant Pharmaceuticals International, President/CEO of BattellePharma, Inc., Vice President of Respiratory Global Commercial Development and Vice President of U.S. respiratory and cardiovascular marketing for GlaxoSmithKline
- Chuck has been involved in 28 product launches in 15 therapeutic areas
- Mr. Bramlage holds an MBA from the University of Dayton and a BS Administrative Science in Marketing from The Ohio State University



Dr. John Rothman, Chief Operating Officer



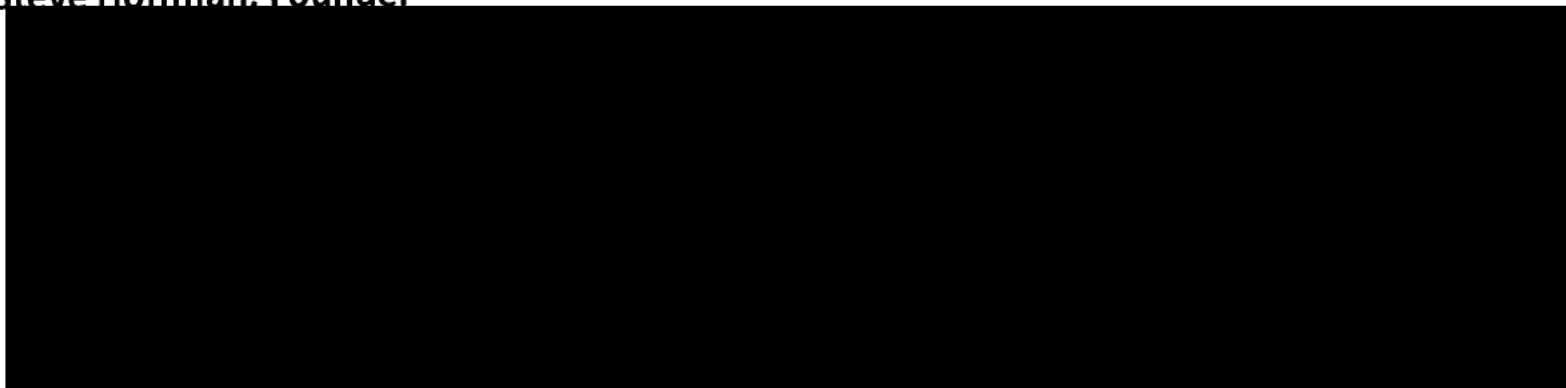
Eugene Prahin, Chief Financial Officer

- Since 2008, Mr. Prahin has been with Columbus Nova, a multi-strategy investment firm, as the Senior Vice President of Finance, with responsibilities including operations, planning and analysis, management reporting, performance analysis, investor relations and investment management
- From 2005 to 2008, he was a Manager in the Structured Finance Group of GSC Group where he built and managed the Group's operations; prior to his MBA, Mr. Prahin worked with the Fixed Income Derivatives Group at Lehman Brothers
- Mr. Prahin holds an MBA from the London Business School (2005) and a B.Sc. in management, with a focus in finance and international business, from the State University of New York at Binghamton (1998)

Key Shareholders



Steve Hoffman, Founder

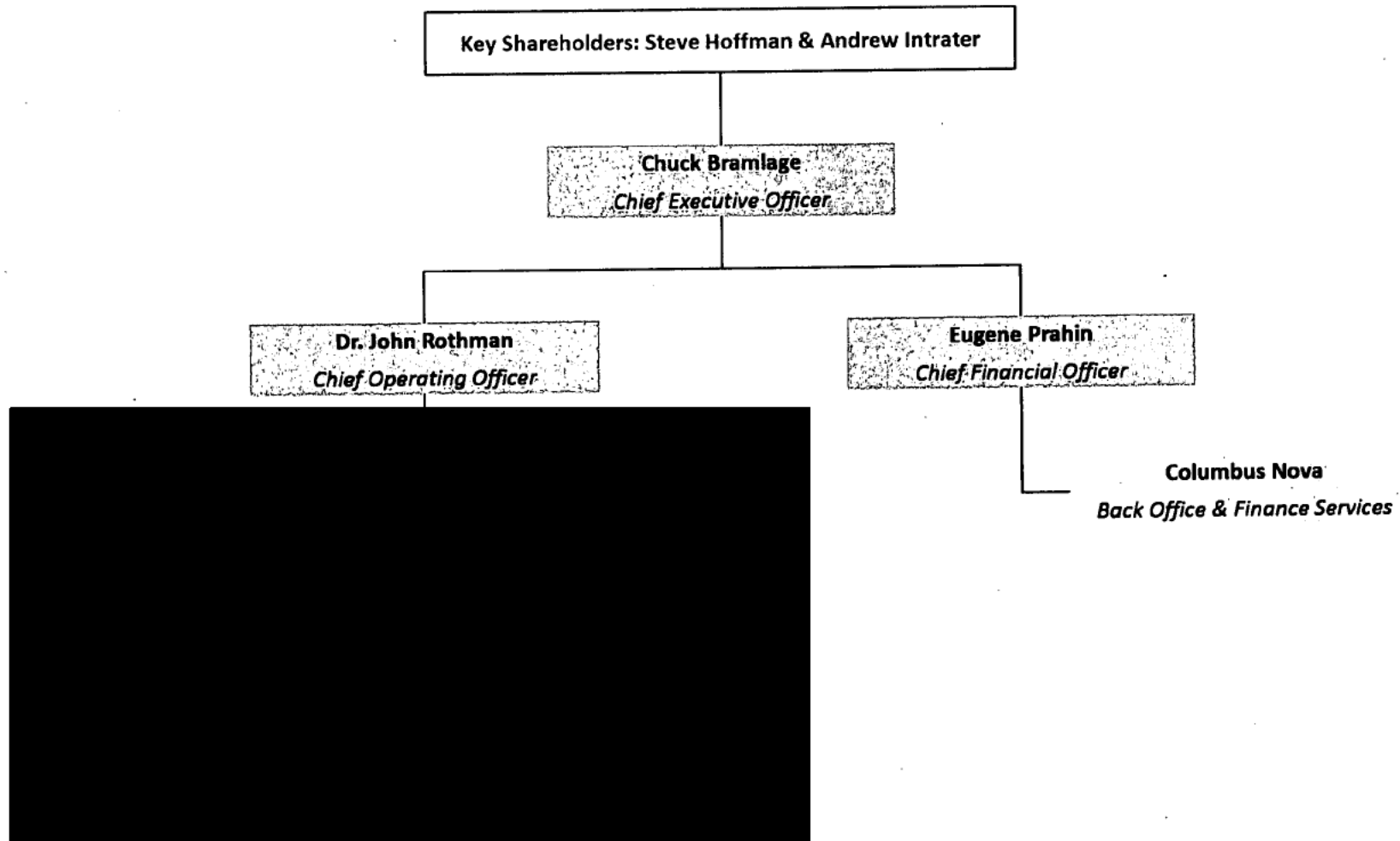


Andrew Intrater, Investor and Business Advisor

- Mr. Intrater has over 30 years of general management and transaction experience obtained through leadership roles in the technology and asset management sectors, as well as over 20 years of service on the boards of directors of public companies
- Mr. Intrater is currently the Chief Executive Officer of Columbus Nova, a multi-strategy investment firm he founded in 2000; his activities at Columbus Nova include serving as the Managing Director of Columbus Technology Partners (CNTP), a global, multi-stage, technology investment firm he co-founded in 2013 and a Partner of Columbus Nova MB (CNMB), a real estate investment management, financial advisory and alternative asset platform
- Mr. Intrater started his career in 1985 when he founded ATI, the predecessor of Oryx Technology Corp., which, as its President and Chief Operating Officer, he grew into a respected manufacturer of semiconductor test equipment; he led the company's IPO in 1994 and oversaw two strategic acquisitions, including the purchase of Zenith's power converter division; he also introduced a transportable, secondary ion mass spectrometer to QA groups in the hard disk and magnetic read/write head markets
- Mr. Intrater's Board memberships include Cyalume Technologies (CYLU), Rhapsody International and Eccentex Corporation. Mr. Intrater also serves on advisory committees of Core Capital Partners, RSV Venture Partners and i2BF Global Ventures, as well as on the executive committee of the USC Shoah Foundation. Mr. Intrater is also a former Director and Member of the Executive Board of the Renova Group, a multi-national, Zurich-based industrial holding with interests in energy, base metals and mining industries
- Mr. Intrater holds a B.S. in Chemical Engineering from Rutgers University and performed graduate studies in Materials Science at Columbia University

Yamo Organizational Structure

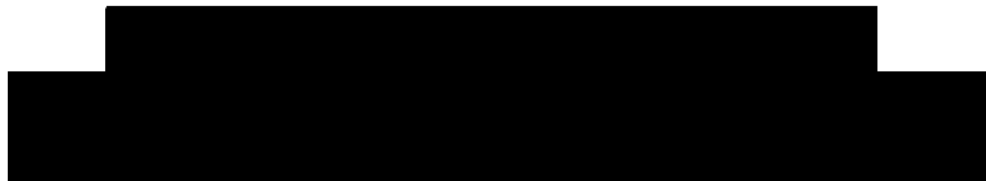
YAMO
PHARMACEUTICALS



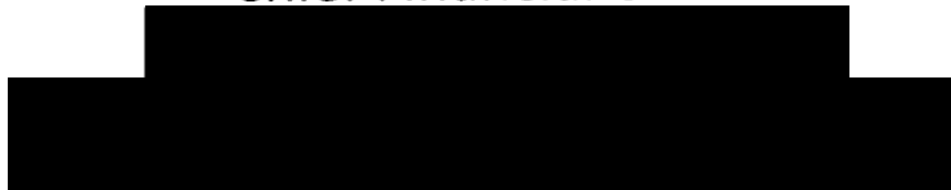
Contact Information

YAMO
PHARMACEUTICALS

Chuck Bramlage
Chief Executive Officer



Eugene Prahin
Chief Financial Officer



From: Michael D. Cohen <michael@mdcpc.com>
Sent: Thursday, August 24, 2017 11:47 AM
To: Jimenez, Joe
Subject: Re: Fwd:

Sorry for all the earlier e-mail auto correct spelling errors. Speak to you soon!

Yours,
Michael D. Cohen, Esq.
Essential Consultants, LLC.
30 Rockefeller Plaza
23rd floor
New York, New York 10112
1-212-872-9849 (NYC Office)
1-202-457-6117 (DC Office)
[REDACTED] (Cellular)
michael@mdcpc.com

Sent from my iPhone

On Aug 24, 2017, at 11:41 AM, Michael D. Cohen <michael@mdcpc.com> wrote:

Joe,
As per our conversation, it appears here have been some communication with Novartis regarding the autism product...(see attached communication). Can you check to see if it was handled properly because I have seen real time video showing amazing success. I will also send you the proposal they came to your NY representative.
Please let me know and I plan on being in London at the end of September so I hope to see you there.

Yours,
Michael D. Cohen, Esq.
Essential Consultants, LLC.
30 Rockefeller Plaza
23rd floor
New York, New York 10112
1-212-872-9849 (NYC Office)
1-202-457-6117 (DC Office)
[REDACTED] (Cellular)
michael@mdcpc.com

Sent from my iPhone

Begin forwarded message:

From: Michael Cohen <mdcohen212@gmail.com>
Date: August 24, 2017 at 11:36:54 AM EDT
To: michael@mdcpc.com

<IMG-5971.PNG>

From: joe.jimenez@novartis.com
Sent: Thursday, August 24, 2017 12:25 PM
To: Michael D. Cohen
Subject: Re: Fwd:

Michael,
I will look into this. Our key champion for autism is not on this list, so I will discuss with him personally.
Best regards,
Joe

On Aug 24, 2017, at 5:41 PM, Michael D. Cohen <michael@mdcpc.com> wrote:

Joe,
As per our conversation, it appears here have been some communication with Novartis regarding the autism product...(see attached communication). Can you check to see if it was handled properly because I have seen real time video showing amazing success. I will also send you the proposal they came to your NY representative.
Please let me know and I plan on being in London at the end of September so I hope to see you there.

Yours,
Michael D. Cohen, Esq.
Essential Consultants, LLC.
30 Rockefeller Plaza
23rd floor
New York, New York 10112
1-212-872-9849 (NYC Office)
1-202-457-6117 (DC Office)
[REDACTED] (Cellular)
michael@mdcpc.com

Sent from my iPhone

Begin forwarded message:

From: Michael Cohen <mdcohen212@gmail.com>
Date: August 24, 2017 at 11:36:54 AM EDT
To: michael@mdcpc.com

<IMG-5971.PNG>

From: Jimenez, Joe
Sent: Friday, August 25, 2017 1:34 AM
To: Michael D. Cohen
Subject: RE:

Michael,
I spoke to [REDACTED], and he would be happy to connect with the CEO and learn more about the data and the molecule. Please connect him to : [REDACTED]@novartis.com

Thank you. Joe

From: Michael D. Cohen [mailto:michael@mdcpc.com]
Sent: Thursday, August 24, 2017 5:43 PM
To: Jimenez, Joe
Subject:

Proposal referenced in previous e-mail.

Yours,
Michael D. Cohen, Esq.
Essential Consultants, LLC.
30 Rockefeller Plaza
23rd floor
New York, New York 10112
1-212-872-9849 (NYC Office)
1-202-457-6117 (DC Office)
[REDACTED] (Cellular)
michael@mdcpc.com

Sent from my iPhone

Subject: 03:00-03:30PM: TC w. Michael Cohen - We will call him on his cell # [REDACTED]

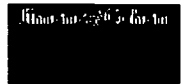
Start: Fri 9/15/2017 9:00 AM

End: Fri 9/15/2017 9:30 AM

Recurrence: (none)

Organizer: Jimenez, Joe

Categories: Yellow Category



From: Michael D. Cohen <michael@mdcpc.com>
Sent: Friday, September 22, 2017 8:06 PM
To: Jimenez, Joe
Subject: Fwd: Beshear hires law firms to sue drug companies for opioid crisis | Lexington Herald Leader

An example of what we spoke about.

Yours,
Michael D. Cohen, Esq.
Essential Consultants, LLC.
30 Rockefeller Plaza
23rd floor
New York, New York 10112
1-212-872-9849 (NYC Office)
1-202-457-6117 (DC Office)
[REDACTED] (Cellular)
michael@mdcpc.com

Sent from my iPhone

Begin forwarded message:

<http://www.kentucky.com/news/politics-government/article174832491.html>

Services Agreement

This Agreement is entered into as of this 1st day of March, 2017 by and between Novartis International AG ("Novartis"), with an office at Novartis Campus, Lichtstrasse 35, CH-4056 Basel, Switzerland, and Essential Consultants, LLC ("Consultant"), with an office at 502 Park Avenue, Unit 10A, New York, NY 10022.

1. Consultant hereby agrees to perform any and all services set forth in Exhibit A hereto (the "Services"), and to otherwise comply with the obligations set forth in Exhibit A. Consultant shall not perform any services beyond the scope of Exhibit A without the prior written approval of Novartis. Except as expressly agreed in Exhibit A, or as otherwise expressly agreed in advance in writing, Consultant shall provide the personal services of Michael D. Cohen to perform the Services. The personal services of this individual are of the essence of this Agreement.

2. Unless sooner terminated pursuant to Section 10 of this Agreement, this Agreement shall be deemed effective as of the date set forth above, and shall expire on February 28, 2018.

3. In consideration of the satisfactory performance of the Services, Novartis will pay Consultant a consulting fee of One Million Two Hundred Thousand (\$1,200,000.00) US dollars (the "Fee") which shall include VAT or similar taxes, if any. The Fee shall be paid to the Consultant at the end of each month, for the first time at the end of March 2017, by wire (instructions attached as Exhibit B) in the amount of One Hundred Thousand (\$100,000.00) US dollars and continuing in eleven (11) equal monthly installments thereafter. Novartis shall make payments against the invoice within thirty (30) days of its receipt. Novartis will reimburse Consultant for out-of-pocket expenses incurred by Consultant in performing this Agreement, provided that such expenses are reasonable and necessary to the performance of the work hereunder, and, to the extent any one expense exceeds \$2,500, have been approved in advance by Novartis. All such expenses shall be billed to Novartis at actual cost, and, must be supported by detailed expense statements and expense reports, receipts, vouchers or other supporting information as Novartis customarily may require. Novartis agrees that the Consultant shall be authorized to utilize "first class" travel and hotel arrangements.

4. Consultant shall not publish, disclose or use for any purpose other than as contemplated by this Agreement any and all information disclosed to or developed by Consultant in connection with this Agreement or with any Services performed hereunder (collectively "Information"). This obligation of non-disclosure shall not apply to the following: (i) Information at or after such time that it is or becomes publicly available through no fault of Consultant; (ii) Information that is already independently known to Consultant as shown by prior written or electronic records; (iii) Information at or after such time that it is disclosed to Consultant by a third party with the legal right to do so; (iv) Information required to be disclosed pursuant to judicial process, court order or administrative request, *provided that* Consultant shall so notify Novartis sufficiently prior to disclosing such Information as to permit Novartis to seek a protective order.

5. All information, data, writings, domain names, software, computer code, inventions and other work products, in any form whatsoever, both tangible and intangible, developed as a result of Consultant's performance of the Services (collectively, the "Works"), shall be considered works made for hire, and/or shall be the sole and exclusive property of Novartis. Novartis shall be the sole owner of all the rights to such Works in any form and in all fields of use known or hereafter existing. Notwithstanding the foregoing, intellectual property owned by or licensed to Consultant prior to the execution of this Agreement, and which is used by Consultant to develop any Works, shall remain the property of Consultant (the "Components"). Novartis agrees not to assert against Consultant and its licensees any

ownership interest in the Components. Notwithstanding the foregoing, to the extent any such Components are incorporated into the Works, Novartis shall have a non-exclusive, irrevocable, perpetual, non-transferable (except to affiliates and to other persons Novartis transfers or authorizes to use the Works), worldwide, royalty-free license to use such Components in conjunction with the Works. Consultant warrants that it has the authority to grant to Novartis the rights set forth herein, and that this Agreement and the rights granted herein do not violate any other party's rights or interests.

6. All information, data, writings, domain names, software, computer code, inventions and other work property, in any form whatsoever, both tangible and intangible, which is provided to Consultant by and/or on behalf of Novartis, or which is used by Consultant with respect to the performance of the Services, and which was owned by or licensed to Novartis prior to being provided to Consultant, shall remain the property of Novartis (the "Novartis Property"). Consultant shall have a license to use any Novartis Property supplied to it solely to the extent necessary to enable Consultant to perform the Services. Consultant shall acquire no other right, title or interest in the Novartis Property as a result of its entry into this Agreement or performance of the Services. Consultant shall return the Novartis Property to Novartis upon the expiration or termination of this Agreement.

7. Neither party will use, or authorize others to use, the name, symbols, or marks of the other party in any advertising or publicity material or make any form of representation or statement with regard to the Services which would constitute an express or implied endorsement by the other party of any commercial product or service without that other party's prior written approval.

8. Consultant agrees to indemnify, defend and save Novartis (including officers, directors, employees and agents of Novartis) harmless from and against any and all claims, suits, and liabilities (collectively, the "Claims"), to the extent such Claims arise out of or are attributable to (i) the willful misconduct of Consultant (including, but not limited to, Consultant's employees, subcontractors or agents) during the course of its performance of the Services pursuant to this Agreement; (ii) any material breach of this Agreement by Consultant; or (iii) any allegation that the Works or the Components infringe any trademark, copyright, or other third party proprietary interest (except to the extent the allegedly infringing material was provided to Consultant by Novartis, and Consultant did not act negligently or wrongfully in using such materials). In the defense or settlement of any claim under clause (iii) above, Consultant shall, at its expense, and subject to the prior written agreement of Novartis, either: (x) obtain the right to continue using the applicable intellectual property; or (y) replace or modify the applicable intellectual property so that the Works become non-infringing while giving equivalent performance.

9. Novartis shall have the right, upon reasonable notice, to review all records of Consultant related to the Services and any amounts invoiced to Novartis hereunder. Should such review disclose any overpayment by Novartis, then, at Novartis' option, Consultant shall either refund to Novartis the amount of such overpayment, or issue to Novartis a credit in the amount of such overpayment. Novartis shall pay all fees of any accountants or other personnel performing such verification unless it discloses any overstatement of amounts invoiced of more than two percent (2%), in which case Consultant shall bear all reasonable costs of the audit.

10. Should either party hereto commit a material breach of any of the terms and conditions of this Agreement, the other party may give to the party in default a written notice specifying the nature of such breach and calling upon the party in default to remedy the same within thirty (30) days from the date of receipt of such notice. If the party in default fails to remedy such breach within such thirty (30) day period, the party not in default may immediately terminate this Agreement by giving written notice to the party in default. In such

an event, (i) Novartis' obligations to make payments on obligations and amounts already appropriately incurred as of the effective date of any such termination, and (ii) Consultant's obligations under Sections 4, 5, 6, 7, 8, 9, 11, 13, and 14, shall survive and continue after the termination of this Agreement. Novartis shall have no obligation to pay any Fees for any services performed or activities undertaken in the period following the effective date of any such termination.

11. Consultant's Performance.

(a) Consultant shall perform the Services in a professional manner, in conformance with that level of care and skill ordinarily exercised by other professionals in Consultant's field, and with high ethical and moral business and personal integrity standards.

(b) Consultant shall keep Novartis fully informed of all significant activities undertaken in connection with this Agreement and the performance of the Services.

(c) Consultant warrants that Consultant is presently, and will remain, for the term of this Agreement and any extension thereof, free from any commitments that would create a conflict of interest which might impede the completion of Consultant's obligations hereunder.

(d) Consultant agrees to become familiar and comply in all respects with any and all applicable laws, rules and regulations regarding its conduct, including, but not limited to, all applicable laws, regulations and Novartis policies related to lobbying activities, to political contributions and gifts to public officials, and to anti-corruption. Consultant represents and warrants that there are no agreements, orders or other restrictions which would interfere or prevent Consultant from entering into this Agreement or performing the services and obligations contemplated hereunder. Consultant further agrees to familiarize itself and its personnel and comply with (to the extent applicable) Novartis' policies set forth in its Code of Conduct including, but not limited to, the safeguarding of confidential and proprietary information, the avoidance of any conflict of interest, the prohibition against payment of or receipt of gifts, meals, or entertainment that would violate gift laws, or other improper consideration, and/or the making of any investment which may compromise Consultant's obligations to Novartis; and in the Novartis Global Anti-Bribery Policy, as amended from time to time. Consultant agrees that it has read and understood the above mentioned Novartis' policies and guidelines. Consultant further agrees that in connection with its activities hereunder, it will not (i) buy or sell any security while in possession of material, non-public information about the issuer of such security or the market for such security, or (ii) disclose such information to any person. Consultant also agrees to comply with, and make the necessary filings required under, the applicable laws. Consultant shall inform Novartis if Consultant is required to make such lobbyist filings and shall also notify Novartis if such filing requirements are triggered for Novartis.

(e) Neither Consultant nor Consultant's partners, directors, officers, managers and employees (including Michael D. Cohen) shall, during the term of this Agreement, (i) make any political contributions or other payments, directly or indirectly, for the purpose of obtaining or retaining any type of business on behalf of Novartis; or (ii) enter into arrangements with third parties to share in any amounts paid hereunder without the prior written consent of Novartis. For purposes of this subparagraph (e), the term "political contribution" includes any payment, gift, subscription, loan, advance or deposit of money, as well as any contribution of services or facilities, if made in connection with any campaign for state or local office or for a state or local official running for federal office or in connection with a state or local party committee.

12. Novartis shall have the right to disapprove of any employee, subcontractor or sub-subcontractor retained or to be retained to assist Consultant in the performance of its obligations hereunder. Any such approval or disapproval shall not relieve Consultant of its

obligations under this Agreement. Consultant may not make use of the services of any employee, subcontractor or sub-subcontractor in the performance of the Services if Novartis has disapproved of that subcontractor or sub-subcontractor.

13. Any services Consultant may perform for Novartis under this Agreement are to be performed by Consultant in Consultant's capacity as an independent Contractor. Neither Consultant nor its employees, agents or representatives are employees of Novartis. Consultant retains the sole right to hire, discipline, evaluate and terminate its own employees and to set their hours, wages and terms and conditions of employment in accordance with law and Consultant's obligations herein. Novartis shall not withhold FICA or taxes of any kind from any payments which it owes Consultant. All income, employment and other similar taxes required to be withheld and/or paid with respect to all services provided hereunder will be timely paid by Consultant directly to the appropriate governmental agency. The employees, representatives or agents of Consultant are not entitled to and will not receive from Novartis in connection with the Services, any benefits normally provided by Novartis to its employees. Consultant agrees to defend, indemnify and hold Novartis harmless against any claim that Novartis is jointly or severally liable or obligated to Consultant's employees, agents, employees' representative, a benefit plan or a any governmental fund or entity on the basis of a statute, regulation or common law duty relating to employment.

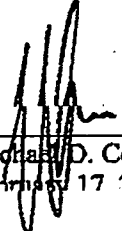
14. This Agreement, including all exhibits and attachments hereto, represents the entire understanding of the parties with respect to the subject matter hereof. This Agreement shall not be modified except by a written agreement signed by the parties hereto. No waiver of any term, provision or condition of this Agreement whether by conduct or otherwise in any one or more instances shall be deemed to be or construed as a further or continuing waiver of any such term, provision or condition, or of any other term, provision or condition of this Agreement. The invalidity or unenforceability of any term or provision of this Agreement shall not affect the validity or enforceability of any other term or provision hereof. This Agreement shall be construed by and enforced in accordance with the laws of New York. Consultant may not assign, cede or transfer any of its rights or obligations under this Agreement without the written consent of Novartis.

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be executed by their respective duly authorized representatives as of the day and year first above written.

NOVARTIS INTERNATIONAL AG

ESSENTIAL CONSULTANTS LLC

By: 
Date: February 17, 2017

By: 
Date: February 17, 2017


By: 
Felix R. Ehrat
Group General Counsel
Date: February 17, 2017

Exhibit A**STATEMENT OF WORK**

This Statement of Work sets forth the Services to be performed pursuant to the agreement ("Agreement") between Novartis International AG ("Novartis") and Essential Consultants, LLC (the "Consultant"). The Agreement will be effective as of March 1, 2017 (the "Effective Date").

Scope of Work

The Consultant will provide consulting and advisory services to Novartis on matters that relate to the repeal and replacement of the Affordable Care Act in the US and any other issues mutually agreeable to the Consultant and Novartis.

Deliverables

Novartis and the Consultant will communicate regularly about all relevant matters within the Scope of Work.

Exhibit B

Detailed below are the wire transfer instructions for:

ESSENTIAL CONSULTANTS LLC

Beneficiary: ESSENTIAL CONSULTANTS LLC

Bank: First Republic Bank

575 Madison Avenue | New York, NY 10022

Account #: [REDACTED]

ABA/Routing: [REDACTED]



Thomas N. Kendris
President,
Novartis Corporation

Novartis Corporation
One Health Plaza, 200/732
East Hanover, NJ 07936
Tel: 862-778-3802

June 5, 2018

The Honorable Patty Murray
United States Senate
154 Russell Senate Office Building
Washington, D.C. 20510

Dear Senator Murray:

Set forth below are responses to the letter dated May 11, 2018 from Senator Patty Murray to Dr. Vasant Narasimhan, the Chief Executive Officer ("CEO") of Novartis AG, and Dr. Fabrice Chouraqui, the President of Novartis Pharmaceutical Corporation (together "Novartis" or the "Company").

I. Question 1.

Please provide a copy of the contract between Novartis and Essential Consultants.

Attached as Exhibit 1 is the contract, dated February 17, 2017, between Novartis International AG and Essential Consultants LLC ("Essential Consultants").

II. Questions 2 and 3.

Question 2: Please provide a detailed timeline of the relationship between Novartis and Michael Cohen/Essential Consultants since November 9, 2016. This timeline should include engagement on behalf of Novartis by any affiliated consultants or lobbyists and on behalf of Michael Cohen and Essential Consultants by any of their employees.

Question 3: Please provide a detailed list of meetings and calls that took place between Novartis and Michael Cohen/Essential Consultants since November 9, 2016. For each meeting or call, please include the date, time, and location at which such communications took place, as well as a list of individuals who participated.

Michael Cohen was introduced to Joe Jimenez, the then CEO of Novartis, on November 29, 2016 by Irwin Simon, a friend and business colleague of Mr. Jimenez. Messrs. Jimenez and Simon were having dinner, during which Mr. Jimenez expressed concern about finding a consultant who could advise the Company as to how the Trump Administration would approach U.S. healthcare policy matters such as the Affordable Care Act. Novartis historically has engaged consultants, both in the U.S. and around the world, to advise on important healthcare issues. In light of the rhetoric on healthcare during the 2016 election campaign, Novartis felt it was important to understand how the Trump Administration would evaluate these issues, as well as to gain insight into which



members of the Trump Administration Novartis should seek to meet with in connection with these issues.

The challenge in late 2016 and early 2017, and the issue Mr. Jimenez raised with Mr. Simon, was that the consultants Novartis had used historically were unfamiliar with the individuals likely to be appointed by President Trump. The individuals being considered (and the individuals ultimately appointed) were newcomers to government, and thus their stance on healthcare-related policy matters was unknown.

Mr. Simon suggested that Mr. Jimenez speak with Michael Cohen. Mr. Simon described Mr. Cohen as someone who previously had worked for President Trump but had decided he was not going to join the Trump Administration and planned to open a consulting firm. Mr. Simon called Mr. Cohen from the dinner, and Mr. Jimenez and Mr. Cohen spoke briefly. On that initial call, Mr. Cohen reiterated that he had worked on the Trump campaign but had decided not to take a position in the Trump Administration. Mr. Cohen said he planned to set up a consulting firm to provide advice and insight to corporations with respect to persons in the Trump Administration. Mr. Cohen was clear on the initial call that he was not a lobbyist. Mr. Jimenez told Mr. Cohen that they should schedule another call to discuss the scope and terms of a potential engagement in more detail.

Mr. Jimenez next spoke with Mr. Cohen, again by telephone, on February 10, 2017. During that call, Mr. Cohen represented that he had knowledge of persons likely to be appointed to the relevant positions in the White House and could provide the Company with information as to how these individuals would approach the healthcare-related issues Novartis was focused on. (Mr. Cohen also explained that he had been President Trump's lawyer prior to the election, but was no longer in that role.) Because this was precisely the type of information and guidance Novartis was seeking, and in light of the fact that the Company's other consultants were unable to provide such information and guidance, Mr. Jimenez determined retaining Mr. Cohen could be useful. He believed Mr. Cohen's knowledge of the personalities in the Administration, together with Novartis's knowledge of healthcare policy issues, could be a strong combination.

Mr. Jimenez and Mr. Cohen agreed to the broad business terms of the agreement on that call.

On February 13, 2017, Mr. Cohen sent Mr. Jimenez a draft form services contract for him to review. Mr. Jimenez sent the draft to Felix Ehrat, the then General Counsel of Novartis, and asked him to review and modify the draft to ensure it complied with Novartis policies.



Between February 14, 2017 and February 17, 2017, Mr. Ehrat (who is a Swiss lawyer based in Basel) together with a U.S.-based Novartis lawyer (Barry Rosenfeld) negotiated the contract with Mr. Cohen. Among other things, Messrs. Ehrat and Rosenfeld incorporated into the agreement the broad compliance-related provisions that are standard in Novartis's contracts with third parties such as consultants, including, among other things, a requirement that the consultant abide by all applicable laws, rules and regulations, Novartis's Code of Conduct, Novartis's Global Anti-Bribery Policy and Novartis's policies related to lobbying activities and political contributions and gifts. The final contract was executed on February 17, 2017. Mr. Rosenfeld sent Mr. Cohen the Novartis policies referenced for his review.

The parties to the contract are Novartis International AG and Essential Consultants, LLC (defined in the contract as the "Consultant"), Mr. Cohen's consulting firm. However, Novartis made clear in the contract that it was retaining the services of Mr. Cohen: "Except as expressly agreed . . . Consultant shall provide the personal services of Michael D. Cohen to perform the Services".

Immediately after the retainer agreement was executed, Mr. Jimenez asked Mr. Ehrat, Thomas Kendris (U.S. Country President and U.S. Head of Legal) and Daniel Casserly (U.S. Country Head Government Affairs) to meet with Mr. Cohen in person in order to discuss in more detail the services he would perform under the contract.

The meeting with Mr. Cohen took place on March 1, 2017 at Novartis's offices in New York City. Messrs. Ehrat, Kendris and Casserly were present for the approximately 90 minute session.

During the meeting, although Mr. Cohen demonstrated his knowledge of the people who were being named to key positions in the Administration, the Novartis executives began to realize that Mr. Cohen had made no effort to learn anything about Novartis, or the policy issues that were of concern to Novartis specifically, or the pharmaceutical industry generally. And while it was clear Mr. Cohen knew certain members of the Trump Administration, it was also clear that he was not able to provide guidance as to how those individuals would evaluate and respond to the relevant policy issues. Each of the executives felt by the end of the meeting that Mr. Cohen was not able to deliver the substantive consulting advice and insight that was the basis for Mr. Jimenez's decision to retain him.

Following the March 1 meeting, Mr. Ehrat reported the group's concerns and impressions to Mr. Jimenez, together with their collective conclusion that it was very unlikely Mr. Cohen could perform the services Novartis had contracted him to perform. Mr. Jimenez was disappointed that Mr. Cohen had presented himself inaccurately. He accepted the advice of his General Counsel and senior U.S. executives, and while Mr. Jimenez, in April and May 2017, raised internally on one or two occasions whether it



made sense to see if Mr. Cohen could set up meetings for Mr. Jimenez during an upcoming trip to Washington, D.C., the decision was made not to do so. Neither Mr. Jimenez, nor anyone else at Novartis, ever asked Mr. Cohen to set up any meetings on their behalf. Indeed, Mr. Cohen never performed any services for Novartis under the contract, and the only additional contact with Mr. Cohen occurred when Mr. Cohen contacted Mr. Jimenez on two or three occasions to ask about matters such as whether Novartis was interested in investing in a small pharma company (it was not), and for information about various proposals that were being considered as ways to reduce the cost of pharmaceuticals.

III. Question 4.

Please provide all documents and communications between (a) Novartis and any affiliated agents, consultants, or lobbyists and (b) Michael D. Cohen and any other agents or employees of Essential Consultants, since November 9, 2016. Such communications should include, but not be limited to, emails, letters, faxes and any other written materials.

Attached as Exhibit 2 to this submission are copies of all communications between Novartis and Michael Cohen/Essential Consultants.

IV. Question 5.

Please provide a detailed list of meetings and calls that took place between Novartis and Trump Administration officials since January 20, 2017. Trump Administration officials include federal employees within the White House and the Department of Health and Human Services and its sub-agencies. For each meeting or call, please include the date, time, and location at which such communications took place, as well as a list of individuals who participated.

Novartis has participated in communications and meetings with staff in the Department of Health and Human Services ("HHS") and its sub agencies over the course of the last year and half of the Trump Administration. Novartis has participated in these meetings and communications both on its own behalf and as part of broader multi-company industry meetings. The issues covered during these communications and meetings include the value of prescription drugs, outcomes based contracting and cost-saving biosimilars. This engagement is the same type and level of engagement Novartis has had with relevant agencies, as well as Congress, in both Democratic and Republican Administrations.



V. Question 6.

Please provide all documents and communications between (a) Novartis and any affiliated agents, consultants, or lobbyists and (b) Trump Administration officials, including federal employees within the White House and the Department of Health and Human Services and its sub-agencies, since January 20, 2017. Such communications should include, but not be limited to, emails, letters, faxes and any other written materials.

As described in the response to Question 5, Novartis staff from various internal divisions has engaged in communications with HHS and its sub-agencies during the course of this Administration. While we do not have detailed records of these communications, the issues discussed in these communications included the value of prescription drugs, outcomes based contracting and cost-saving biosimilars. Again, this engagement is the same type and level of engagement Novartis has had with relevant agencies, as well as Congress, in both Democratic and Republican Administrations.

VI. Question 7.

Did Novartis enter into any other contracts over \$1 million with consultants to gain access to and insight into the White House or the Department of Health and Human Services and its sub-agencies at any point between November 2006 and February 2017? If so, please provide a list of all entities or individuals with whom Novartis contracted for this purpose.

In connection with prior administrations, Novartis has entered into a contract with another strategic consultant in an amount greater than \$1 million for similar services.

Sincerely,

A handwritten signature in black ink that reads 'Thomas N. Kendris'.

Thomas N. Kendris
President, Novartis Corporation,
US Country Head

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Thomas N. Kendris
President,
Novartis Corporation

Novartis Corporation
One Health Plaza, 200/732
East Hanover, NJ 07936
Tel: 862-778-3802

June 5, 2018

The Honorable Ron Wyden
United States Senate
221 Dirksen Senate Office Building
Washington, D.C. 20510

Dear Senator Wyden:

Set forth below are responses to the letter dated May 11, 2018 from Senator Wyden to Thomas Kendris, President of Novartis Corporation and U.S. Country President. We have organized the responses into two sections. The first section addresses questions that seek a narrative response. The second section addresses requests for documents.

I. Narrative Responses.

A. Question 1.

Please provide any contract and any statement of work between Novartis and Mr. Cohen, Essential Consultants, LLC, and/or any other entities owned, managed, or controlled by Mr. Cohen or through which Mr. Cohen provided services.

Attached as Exhibit 1 is the contract, dated February 17, 2017, between Novartis International AG and Essential Consultants LLC ("Essential Consultants"). This is the only contract and statement of work between Novartis AG ("Novartis" or the "Company") or any of its subsidiaries and affiliates, and Mr. Cohen, Essential Consultants and/or any other entities owned, managed or controlled by Mr. Cohen, or through which Mr. Cohen provided services to the Company or its subsidiaries and affiliates.

B. Question 3.

Please provide copies of any other lobbying contracts between Novartis and any U.S.-based lobbyists, as well as any other agreements entered into by Novartis seeking advice or consultation as to how the Trump administration might approach certain U.S. healthcare policy matters.

As an initial matter, the February 2017 contract between Novartis and Essential Consultants was not a contract for lobbying services. Mr. Cohen was retained to provide consulting and advisory services on healthcare policy issues, including the repeal and replacement of the Affordable Care Act. Mr. Cohen was not retained to



provide lobbying services on behalf of Novartis, and this was a mutual and explicit understanding between the parties.

There are no contracts between Novartis and U.S.-based lobbyists with respect to the Trump Administration.

C. Question 4.

Please explain the internal approval process for the contract with Mr. Cohen, Essential Consultants, LLC, and/or related entities. In so doing, please provide a list of all Novartis personnel who approved the business relationship between Novartis and Mr. Cohen's firm(s). Please also provide a copy of any Novartis guidance document outlining the approval process for lobbying, consulting, or any similar contract, including but not limited to any document that describes different approval thresholds based on the size of the contract, and any documents memorializing the completion of this approval process.

Joseph Jimenez, the then Chief Executive Officer ("CEO") of Novartis, agreed to the business terms of the contract. Felix Ehrat, the then General Counsel of Novartis based in Basel, together with a U.S.-based Novartis lawyer (Barry Rosenfeld), negotiated the contract itself. Mr. Jimenez and Mr. Ehrat then co-signed the contract. This was well within Mr. Jimenez's and Mr. Ehrat's contract authorization level.

Novartis has a financial procurement process ("Procurement SOP") which applies to all third-party contracts. The process includes a list of steps, such as ensuring that there is a formal written contract, a purchase order and that persons from the Company's procurement function evaluate the contract, its compliance with the procurement process and note any deviations. The contract with Essential Consultants was treated consistently with this process. The Procurement SOP is attached as Exhibit 2.

Novartis also has a vendor registration process, pursuant to which it identifies vendors which potentially warrant additional due diligence in accordance with its Anti-Bribery Policies. The contract with Essential Consultants was appropriately entered into the vendor system, but it was not marked for additional due diligence. In hindsight, based on the nature of the consulting services Essential Consultants was retained to provide, there should have been more thorough consideration as to whether additional due diligence was warranted. Novartis currently is enhancing its procedures in that regard.



D. Question 5.

Why did Novartis decide to engage Mr. Cohen and/or his firm(s)? What deliverables was the company seeking to gain?

Novartis historically has engaged consultants, both in the U.S. and around the world, to advise on important healthcare issues. In light of the rhetoric on healthcare during the 2016 election campaign, Novartis felt it was important to understand how the Trump Administration would evaluate these issues, as well as to gain insight into which members of the Trump Administration Novartis should seek to meet with in connection with these issues.

The challenge in late 2016 and early 2017, was that the consultants Novartis had used historically were unfamiliar with the individuals likely to be appointed by President Trump. The individuals being considered (and the individuals ultimately appointed) were newcomers to government, and thus their stance on healthcare-related policy matters was unknown.

In late November 2016, a few weeks after the election, Mr. Jimenez was introduced to Mr. Cohen over the telephone by Irwin Simon, a friend and business colleague, as someone who previously had worked for President Trump but had decided he was not going to join the Trump Administration and planned to open a consulting firm. During a call in early February 2017, Mr. Cohen represented to Mr. Jimenez that he was knowledgeable about the individuals President Trump was likely to appoint and could provide the Company with information as to how these individuals would approach the healthcare-related issues Novartis was focused on. Because this was precisely the type of information and guidance Novartis was seeking, and in light of the fact that the Company's other consultants were unable to provide such information and guidance, Mr. Jimenez decided to retain Mr. Cohen on behalf of the Company.

With respect to deliverables, in addition to information and guidance as to how the relevant persons in the Trump Administration would approach certain healthcare issues, Mr. Jimenez also considered, consistent with the Company's historical practice when using other consultants, asking Mr. Cohen to help set up meetings between Novartis and these persons. Ultimately, Mr. Cohen did not provide information or guidance regarding how the Trump Administration would approach healthcare issues. Nor did Mr. Jimenez or anyone else at Novartis ask Mr. Cohen to arrange meetings for Novartis executives.

As set forth above, Mr. Cohen was not retained to himself participate in any meetings on Novartis's behalf, or to perform any other lobbying services.



II. Document Requests.

Attached as Exhibit 3 to this submission is a table of payments between Novartis and Essential Consultants and the associated details.

Exhibit 4 to this submission contains copies of all communications between Novartis and Michael Cohen/Essential Consultants.

There are no documents responsive to requests 8 and 9. Novartis did not receive any information from Mr. Cohen, Essential Consultants and/or any other entities owned, managed or controlled by Mr. Cohen or through which Mr. Cohen provided services to the Company. Nor did Novartis engage in any communications with third parties -- including the third parties described in Questions 8 and 9 -- in which it referenced Mr. Cohen, Essential Consultants and/or any other entities owned, managed or controlled by Mr. Cohen or through which Mr. Cohen provided services to the Company.

Sincerely,

A handwritten signature in black ink, appearing to read 'Thomas N. Kendris'.

Thomas N. Kendris
President, Novartis Corporation,
US Country Head

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Thomas N. Kendris
President,
Novartis Corporation

Novartis Corporation
One Health Plaza, 200732
East Hanover, NJ 07936
Tel: 862-778-3802

June 5, 2018

The Honorable Richard Blumenthal
United States Senate
706 Hart Senate Office Building
Washington, D.C. 20510

The Honorable Elizabeth Warren
United States Senate
317 Hart Senate Office Building
Washington, D.C. 20510

Dear Senators Blumenthal and Warren:

Set forth below are responses to the letter dated May 14, 2018 from Senators Warren and Blumenthal to Dr. Vasant Narasimhan, the Chief Executive Officer ("CEO") of Novartis AG ("Novartis" or the "Company"). We have organized the responses into two sections. The first section addresses questions that seek a narrative response. The second section addresses requests for documents.

I. Narrative Responses.

A. Questions 1, 2 and 3.

Question 1: Which individuals at Novartis discussed, arranged, and approved the contract with Essential Consultants?

Question 2: What was the timeframe of all discussions to the contract? Please indicate when and how the initial contacts and all other contacts were made, and which individuals at Novartis and Essential Consultants (or other entities related to Mr. Cohen) were involved.

Question 3: Explain Novartis's decision to consider Essential Consultants and the determination that Mr. Cohen was qualified to advise on healthcare policy matters?

Michael Cohen was introduced to Joe Jimenez, the then CEO of Novartis, on November 29, 2016 by Irwin Simon, a friend and business colleague of Mr. Jimenez. Messrs. Jimenez and Simon were having dinner, during which Mr. Jimenez expressed concern about finding a consultant who could advise the Company as to how the Trump Administration would approach U.S. healthcare policy matters such as the Affordable Care Act. Novartis historically has engaged consultants, both in the U.S. and around the world, to advise on important healthcare issues. In light of the rhetoric on healthcare during the 2016 election campaign, Novartis felt it was important to understand how the Trump Administration would evaluate these issues, as well as to gain insight into which members of the Trump Administration Novartis should seek to meet with in connection with these issues.



The challenge in late 2016 and early 2017, and the issue Mr. Jimenez raised with Mr. Simon, was that the consultants Novartis had used historically were unfamiliar with the individuals likely to be appointed by President Trump. The individuals being considered (and the individuals ultimately appointed) were newcomers to government, and thus their stance on healthcare-related policy matters was unknown.

Mr. Simon suggested that Mr. Jimenez speak with Michael Cohen. Mr. Simon described Mr. Cohen as someone who previously had worked for President Trump but had decided he was not going to join the Trump Administration and planned to open a consulting firm. Mr. Simon called Mr. Cohen from the dinner, and Mr. Jimenez and Mr. Cohen spoke briefly. On that initial call, Mr. Cohen reiterated that he had worked on the Trump campaign but had decided not to take a position in the Trump Administration. Mr. Cohen said he planned to set up a consulting firm to provide advice and insight to corporations with respect to persons in the Trump Administration. Mr. Cohen was clear on the initial call that he was not a lobbyist. Mr. Jimenez told Mr. Cohen that they should schedule another call to discuss the scope and terms of a potential engagement in more detail.

Mr. Jimenez next spoke with Mr. Cohen, again by telephone, on February 10, 2017. During that call, Mr. Cohen represented that he had knowledge of persons likely to be appointed to the relevant positions in the White House and could provide the Company with information as to how these individuals would approach the healthcare-related issues Novartis was focused on. (Mr. Cohen also explained that he had been President Trump's lawyer prior to the election, but was no longer in that role.) Because this was precisely the type of information and guidance Novartis was seeking, and in light of the fact that the Company's other consultants were unable to provide such information and guidance, Mr. Jimenez determined it could be useful to retain Mr. Cohen. He believed Mr. Cohen's knowledge of the personalities in the Administration, together with Novartis's knowledge of healthcare policy issues, could be a strong combination.

Mr. Jimenez and Mr. Cohen agreed to the broad business terms of the agreement on that call.

On February 13, 2017, Mr. Cohen sent Mr. Jimenez a draft form services contract for him to review. Mr. Jimenez sent the draft to Felix Ehrat, the then General Counsel of Novartis, and asked him to review and modify the draft to ensure it complied with Novartis policies.

Between February 14, 2017 and February 17, 2017, Mr. Ehrat (who is a Swiss lawyer based in Basel) together with a U.S.-based Novartis lawyer (Barry Rosenfeld) negotiated the contract with Mr. Cohen. Among other things, Messrs. Ehrat and Rosenfeld incorporated into the agreement the broad compliance-related provisions that are standard in Novartis's contracts with third parties such as consultants, including,



among other things, a requirement that the consultant abide by all applicable laws, rules and regulations, Novartis's Code of Conduct, Novartis's Global Anti-Bribery Policy and Novartis's policies related to lobbying activities and political contributions and gifts. The final contract was executed on February 17, 2017. Mr. Rosenfeld sent Mr. Cohen the Novartis policies referenced for his review.

The parties to the contract are Novartis International AG and Essential Consultants, LLC (defined in the contract as the "Consultant"), Mr. Cohen's consulting firm. However, Novartis made clear in the contract that it was retaining the services of Mr. Cohen: "Except as expressly agreed . . . Consultant shall provide the personal services of Michael D. Cohen to perform the Services".

B. Question 4.

Why did Novartis determine after a single meeting that "Essential Consultants would be unable to provide the services that Novartis had anticipated"? Specifically, what information became known to Novartis at that meeting that was not, or could not have been, known before entering the contract? Which individuals at Novartis made this determination?

Immediately after the retainer agreement was executed, Mr. Jimenez asked Mr. Ehrat, Thomas Kendris (U.S. Country President and U.S. Head of Legal) and Daniel Casserly (U.S. Country Head Government Affairs) to meet with Mr. Cohen in person in order to discuss in more detail the services he would perform under the contract.

The meeting with Mr. Cohen took place on March 1, 2017 at Novartis's offices in New York City. Messrs. Ehrat, Kendris and Casserly were present for the approximately 90 minute session.

During the meeting, although Mr. Cohen demonstrated his knowledge of the people who were being named to key positions in the Administration, the Novartis executives began to realize that Mr. Cohen had made no effort to learn anything about Novartis, or the policy issues that were of concern to Novartis specifically, or the pharmaceutical industry generally. And while it was clear Mr. Cohen knew certain members of the Trump Administration, it was also clear that he was not able to provide guidance as to how those individuals would evaluate and respond to the relevant policy issues. Each of the executives felt by the end of the meeting that Mr. Cohen was not able to deliver the substantive consulting advice and insight that was the basis for Mr. Jimenez's decision to retain him.

Following the March 1 meeting, Mr. Ehrat reported the group's concerns and impressions to Mr. Jimenez, together with their collective conclusion that it was very unlikely Mr. Cohen could perform the services Novartis had contracted him to perform.



Mr. Jimenez was disappointed that Mr. Cohen had presented himself inaccurately. He accepted the advice of his General Counsel and senior U.S. executives, and while Mr. Jimenez, in April and May 2017, raised internally on one or two occasions whether it made sense to see if Mr. Cohen could set up meetings for Mr. Jimenez during an upcoming trip to Washington, D.C., the decision was made not to do so. Neither Mr. Jimenez, nor anyone else at Novartis, ever asked Mr. Cohen to set up any meetings on their behalf. Indeed, Mr. Cohen never performed any services for Novartis under the contract, and the only additional contact with Mr. Cohen occurred when Mr. Cohen contacted Mr. Jimenez on two or three occasions to ask about matters such as whether Novartis was interested in investing in a small pharma company (it was not), and for information about various proposals that were being considered as ways to reduce the cost of pharmaceuticals.

C. Question 5.

Detail the amounts and dates of all payments by Novartis to Essential Consultants. How was the amount of Novartis's contractual payments set? Was the amount and payment structure based on a proposal by Mr. Cohen or by Novartis officials?

As set forth above, Mr. Cohen informed Mr. Jimenez on the February 10 call, after some discussion, that he would perform the services for \$100,000 per month, consistent with what he was charging his other clients. The amounts and dates of all payments are set forth in the table attached as Exhibit 1.

D. Question 6.

Why did Novartis enter a \$1.2 million contract that could only be terminated for cause? Is this a typical arrangement for Novartis contracts for lobbying or public policy advice? Following the meeting mentioned above, did Novartis seek the ability to pay the remaining required payments as a lump sum and early terminate the contract?

Novartis has no one way it structures the economic or business terms of its contracts. In this case, the original draft contract from Mr. Cohen provided that the contract was for a period of one year but "shall renew automatically for successive one (1) year periods, unless terminated by [Essential Consultants] on not less than sixty (60) days prior written notice". The draft did not provide for Novartis's ability to terminate.

In revising the agreement, Messrs. Ehrat and Rosenfeld replaced the automatic renewal with a provision that stated the contract "shall expire on February 28, 2018". Because the contract was for a one-year fixed term, it was structured as one where either party could terminate for a material breach of the contract, but not at will.



E. Question 7.

Did you or any other Novartis official request or direct any contacts between Mr. Cohen and President Trump (either before or after the Presidential inauguration) or any other official working for the Administration or on the Presidential Transition? Are you aware of any such contacts? If so, please list and describe them.

At no point in time did anyone at Novartis ever ask Mr. Cohen to meet with President Trump -- or any other official working for the Administration or on the Presidential Transition. Nor is Novartis aware of any such contacts. As described above, Mr. Cohen was not engaged to provide lobbying services or to himself meet with anyone on Novartis's behalf.

F. Question 8.

When Novartis signed the contract, or during the term of the contract, did Novartis at any time make a determination of whether the relationship with and payments to Mr. Cohen were required to be reported to the FEC, any other campaign finance officials, or any other federal or state authorities? If so, please provide copies of all documents and communications related to this discussion.

This is not an issue Mr. Jimenez or anyone else at the Company considered prior to entering the contract, or during the term of the contract. As mentioned above, Mr. Jimenez understood from Mr. Cohen that he no longer worked for President Trump or the Trump Administration in any capacity. Mr. Cohen also was not retained to provide lobbying services.

G. Question 9.

Do you or do any other current or former Novartis officials have any knowledge of the disposition of the \$1.2 million that Novartis paid to Essential Consultants? Were any of these funds ultimately received by Mr. Trump, or any member of the Trump family, or the Trump Organization, or were they used to pay debts or liabilities of President Trump, his family, or the Trump Organization? Did any Novartis official believe, or have reason to believe, that any payments made to Mr. Cohen would be provided, in full or in part, to Mr. Trump or to any legal entity in which Mr. Trump or his immediate family had an ownership interest?

Novartis, including its current and former employees, has no knowledge of the disposition of the money it paid to Essential Consultants under the service agreement,



including whether any of the funds were ultimately received by President Trump, his family or the Trump Organization or used to pay their debts or liabilities. No one at Novartis believed, or had reason to believe, that payments made to Essential Consultants would be provided in any manner to President Trump or any legal entity in which he or his family have an ownership interest.

Again, Mr. Jimenez understood from Mr. Cohen that he no longer worked for President Trump or the Trump Administration in any capacity. Moreover, the contract between Novartis and Essential Consultants explicitly precludes Mr. Cohen from making any political contributions or payments, directly or indirectly, in whatever form, on Novartis's behalf.

H. Question 10.

Did Novartis, or any of its affiliates, have any contractual relationship or pay any funds to any other entity or individual affiliated with, associated with, or represented by Mr. Cohen? If so, please list all such relationships or payments.

To the best of its knowledge, Novartis did not (and does not) have any contractual relationship with any individual or entity affiliated, associated with or represented by Mr. Cohen, other than Essential Consultants. Nor to the best of its knowledge has it made payments to any such individuals or entities. The same is true for its affiliates.

I. Question 14.

Did or does Novartis have any other contractual relationship with or pay any funds to any other entity or individual affiliated with, associated with, the Trump Organization? If so, please list all such relationships or payments, including relevant dates.

To the best of its knowledge, Novartis does not have any other contractual relationship with — nor does it pay any funds to — any other entity or individual affiliated or associated with the Trump Organization.

J. Question 15.

Is Novartis fully cooperating with any and all federal or state law enforcement inquiries related to Essential Consulting or Mr. Cohen?

Novartis has cooperated, and will continue to cooperate as requested, fully with any and all federal or state law enforcement inquiries related to Essential Consulting or Mr. Cohen.



II. Document Requests.

Exhibit 2 to this submission contains copies of all communications between Novartis and Michael Cohen/Essential Consultants.

Exhibit 3 to this submission contains copies of the relevant guidance documents.

Sincerely,

A handwritten signature in black ink, appearing to read 'Thomas N. Kendris'.

Thomas N. Kendris
President, Novartis Corporation,
US Country Head

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June 18, 2018

The Honorable Richard Blumenthal
United States Senate
706 Hart Senate Office Building
Washington, D.C. 20510

The Honorable Elizabeth Warren
United States Senate
317 Hart Senate Office Building
Washington, D.C. 20510

The Honorable Patty Murray
United States Senate
154 Russell Senate Office Building
Washington, D.C. 20510

The Honorable Ron Wyden
United States Senate
221 Dirksen Senate Office Building
Washington, D.C. 20510

RE: Your inquiry of June 8, 2018

Dear Senators Wyden, Murray, Warren and Blumenthal,

Set forth below are responses to the June 8, 2018 follow-up questions sent on behalf of Senators Wyden, Murray, Warren and Blumenthal to Novartis AG ("Novartis" or the "Company").

I. Question 1.

Our requests asked for communications (a) between Novartis and Mr. Cohen, and for (b) internal communications regarding Mr. Cohen. The documents we received appear to only be those in category (a). Did Novartis identify any documents or communications in category (b)? If so, why were those documents withheld?

In addition to the communications between Novartis and Mr. Cohen, which the Company provided to you on June 5, 2018, Novartis has identified internal communications regarding Mr. Cohen. Novartis did not provide these internal materials because many contain business sensitive information, including advice, assessments, non-public information and other material necessary to the full consideration of matters within Novartis. The Company has significant confidentiality interests in these internal communications, which is, again, why it provided communications between Novartis and Mr. Cohen, but did not provide materials solely internal to the Company.

With respect to communications between Novartis and Mr. Cohen (and consistent with the Company's June 5, 2018 responses), attached as Exhibit A are a small number of additional materials from the early 2018 time period that Novartis identified



after its responses were submitted. These communications reflect further examples of Mr. Cohen proactively reaching out to Mr. Jimenez; however, Mr. Jimenez had already retired from the Company by 2018 — something Mr. Cohen apparently was not aware of — and therefore Mr. Cohen asks to speak with the Company's new CEO, Vasant Narasimhan. Mr. Narasimhan has never communicated with Mr. Cohen, something that is demonstrated by the materials in which Mr. Narasimhan does not respond to Mr. Cohen; instead, Mr. Cohen is told by an individual in the Novartis procurement office that his services are not needed. (And, as explained further below, Mr. Cohen's claims in the emails that he had been "working with" Mr. Jimenez "for the past months" are not accurate.)

II. Questions 2, 3 and 4.

Question 2: In the June 5, 2017 email from Michael Cohen to Joe Jimenez, Cohen states "I will forward to you their suggestions." To whom is he referring? Does Novartis have any documents that could contain any such forwarded suggestions? Were these documents withheld from the response to our request? If so, why?

Question 3: In the June 12, 2017 email from Michael Cohen to Joe Jimenez, Cohen refers to sending "their version, and will scan to you under privileged and confidential communication." Has Novartis identified the document he is referring to? Has Novartis identified who "they" were? Was this document withheld from the response to our request? If so, why?

Question 4: In the June 28, 2017 email from Michael Cohen to Joe Jimenez, Cohen states "I am getting the report on Friday and will send to you by Monday." Has Novartis identified the report Cohen is referring to? Was this document withheld from the response to our request? If so, why?

As described in our June 5, 2018 responses, Mr. Cohen was never asked to perform any services for Novartis under the contract, and the only additional communication with Mr. Cohen following the March 1, 2017 meeting occurred when Mr. Cohen contacted Mr. Jimenez by telephone on a few occasions to ask about matters of interest to Mr. Cohen (and when Mr. Cohen attempted to email Mr. Jimenez in 2018 as reflected in Exhibit A). The June 2017 correspondence referenced in Questions 2, 3 and 4 is an example of one of these occasions when Mr. Cohen contacted Mr. Jimenez.

Specifically, in late May/early June 2017, Mr. Cohen called Mr. Jimenez and told him that a friend with experience in the pharmaceutical industry was putting together ideas on how to lower drug prices for discussion with persons in the Trump



Administration. Mr. Cohen asked Mr. Jimenez if he had any thoughts on ways to lower drug prices in the U.S. that Mr. Cohen could share with his friend.

As a courtesy, and because finding ways to lower drug prices without undermining innovation was, and continues to be, a critical issue for Novartis and the pharmaceutical industry generally, Mr. Jimenez on June 5, 2017 sent Mr. Cohen a list of ideas that Novartis and other pharmaceutical companies had been discussing, including publicly. (That list was provided to the Senators as part of the production the Company made in its initial responses and includes six potential cost lowering initiatives, such as requiring insurance companies to pass along a greater share of the discount savings they receive from drug manufacturers to patients.)

With respect to the reference in Mr. Cohen's June 5, 2017 email to "their" suggestions, Mr. Cohen never told Mr. Jimenez the name of his friend or any other person his friend was working with. Nor did Mr. Cohen ever send Mr. Jimenez any "suggestions", or any other response to the list of initiatives. Similarly, Novartis has not identified any documents containing forwarded suggestions. (Mr. Jimenez never followed up to ask for a response, because this was not an issue Novartis raised, or was pursuing, with Mr. Cohen.)

The same is true with respect to Mr. Cohen's June 12 and 28, 2017 emails. Mr. Cohen never forwarded any "report" or other document to Mr. Jimenez, nor did he and Mr. Cohen ever discuss the topic further. Mr. Cohen also never identified who he was speaking to, or who was supposedly creating a report.

No additional documents have been identified or withheld on this topic.

III. Question 5.

Did Novartis have any communications with administration officials on any subject they also discussed with Michael Cohen? For example, according to reports, Jimenez had a meeting with administration officials in May 2017, and shortly thereafter shared a document titled "Drug Pricing Initiatives" with Cohen. Was the same information discussed in the May meeting? Please describe any other relevant instances of communications with White House officials.

As stated in the Company's June 5, 2018 responses, Novartis never asked Mr. Cohen to perform any services under the contract, and therefore the Company did not engage in any substantive discussions with Mr. Cohen of issues it has raised with the Trump Administration.

With respect to lowering drug prices in the U.S., Mr. Jimenez did meet with Administration officials on this topic in May 2017. However, that meeting was unrelated



to the request from Mr. Cohen several weeks later for a list of drug pricing initiatives being discussed by pharmaceutical companies to share with his friend. And, as set forth above, Mr. Jimenez and Mr. Cohen never themselves discussed these pricing initiatives.

IV. Question 6.

In the February 14, 2017 email from Barry Rosenfeld to Michael Cohen and Felix Ehrat, Rosenfeld forwards a services agreement he describes as “our standard form agreement when we retain consultants.” Cohen was later able to make significant changes to the agreement that were accepted by Novartis. Please describe the process for approving these changes. Has Novartis allowed similar changes in other circumstances?

As described in the Company’s June 5 responses, Mr. Cohen sent an initial draft contract on February 13, 2017, which provided, among other things, that the contract “shall renew automatically [] for successive one (1) year periods, unless terminated by [Essential Consultants]”. On February 14, 2017, Mr. Rosenfeld responded with a draft that included substantial changes to the one sent by Mr. Cohen. For example, in revising the agreement, Mr. Rosenfeld replaced the automatic renewal with a provision stating that the contract “shall expire on February 28, 2018”. Mr. Rosenfeld also incorporated into the agreement the broad compliance-related provisions that are standard in Novartis’s contracts with third parties.

Mr. Cohen made very few changes to this February 14 draft from Mr. Rosenfeld. (See February 16, 2017 email from M. Cohen to B. Rosenfeld attaching revisions.) Notably, Mr. Cohen did not make changes to the removal of the automatic renewal provision or to any of the compliance requirements included by Mr. Rosenfeld. Both Mr. Rosenfeld and Mr. Ehrat, who had authority to enter contracts of this amount, reviewed the changes to the contract language Mr. Cohen requested and agreed to them.

As for other third party contracts, Novartis routinely negotiates such contracts and, where appropriate and approved by the relevant supervisors and lawyers, makes changes as a result of those negotiations.

V. Question 7.

Please describe any further action taken by Novartis with respect Yamo Pharmaceuticals following Michael Cohen’s August 2017 emails on the subject.

Novartis never took any action with respect to Yamo Pharmaceuticals following the August 2017 emails from Mr. Cohen. As noted in the communications, Yamo previously had reached out to persons at Novartis seeking an investment, which Novartis declined. Mr. Cohen’s subsequent communications on the subject did not change Novartis’s views in any way. Novartis never made an investment in Yamo.



VI. Question 8.

The documents provided indicate that Cohen and Jimenez had a number of meetings. Please confirm whether the two had any in person meetings, including the dates and locations, or if all meetings were conducted via telephone.

Mr. Jimenez has never met Mr. Cohen in person. Indeed, the only time anyone from Novartis ever met with Mr. Cohen in person was the March 1, 2017 meeting described in the Company's prior responses.

VII. Question 9.

In the September 22, 2017 email from Michael Cohen to Joe Jimenez, Cohen states "An example of what we spoke about," and included a link to a Lexington Herald Leader news article from that day about Kentucky AG Andy Beshear's announcement that he planned to investigate and potentially sue drug manufacturers, distributors and retailers that contributed to Kentucky's opioid abuse epidemic. One week prior to this email, the FDA approved a first-of-its-kind Prescription Digital Therapeutic, "reSET" by Pear Therapeutics, to help treat substance abuse disorder. In October, Pear Therapeutics announced it had received an Expedited Access Pathway Designation from the FDA for "reSET-O," designed for treating Opioid Use Disorder. In April of this year, Novartis announced that it was partnering with Pear Therapeutics to develop and commercialize these products. Did Novartis withhold any documents related to this email or to Michael Cohen and opioids?

In September 2017, Mr. Cohen contacted Mr. Jimenez and told him that he believed opioid abuse in the U.S. was going to be the next "big crisis", one that would envelop pharmaceutical companies and make them the target of investigations and product liability litigation. Mr. Cohen told Mr. Jimenez that he believed it was important for Novartis to "get out in front" of the issue. Mr. Jimenez explained to Mr. Cohen that Novartis was not a significant manufacturer of opioids — in fact, the Company no longer manufactures opioids at all — and therefore the Company was unlikely to become involved in this issue.

Despite Mr. Jimenez's explanation, Mr. Cohen forwarded the Lexington Herald Leader news article referenced in Question 9 on September 22, 2017. Mr. Jimenez did not respond to this email, nor did he ever speak to Mr. Cohen about this topic again. No documents related to this topic have been withheld.

In April 2018, Novartis's Sandoz division entered into an agreement with Pear Therapeutics to develop and commercialize reSET®, a digital therapeutic for the treatment of Substance Use Disorder. Pursuant to the agreement, if Pear Therapeutics receives clearance from the FDA for reSET-O(TM), a digital therapeutic for the treatment of Opioid Use Disorder, Sandoz will help develop and commercialize that product as well.



The agreement between Sandoz and Pear Therapeutics has nothing to do with Mr. Cohen or any discussions with Mr. Cohen. No one from Novartis ever discussed Pear Therapeutics with Mr. Cohen at any time.

VIII. Question 10.

Ranking Member Wyden's letter requested information about any other advisory or consulting agreements regarding the how the Trump administration might approach U.S. health care policy matters. Your response states that there are "no contracts between Novartis and U.S.-based lobbyists with respect to the Trump administration." Do any such agreements exist with any other individuals?

No — Novartis does not have any contracts for lobbying services with respect to the Trump Administration. As set forth in the Company's June 5 responses, Novartis retained Mr. Cohen as a consultant to provide information and guidance with respect to healthcare issues important to Novartis. He was not retained to provide lobbying services, nor has Novartis retained anyone else to provide lobbying services in connection with the current Administration.

IX. Question 11.

Ranking Member Wyden's letter requested any documentation to memorialize the completion of the procurement SOP. Novartis provided a signature sheet with regard to the SOP. Were any other documents withheld from the response to this request?

The documents attached as Exhibit B further memorialize that the Company's contract with Essential Consultants complied with its internal procurement SOP. Specifically, Section 5.9 of the SOP guideline (which was included in the June 5, 2018 production) requires that all exceptions to the standard competitive bidding process be documented. Here, there was no competitive bidding process because the contract was authorized by the CEO (as well as the General Counsel), something that was noted in the attached documents, which were included in the procurement files, consistent with procedure.

X. Question 12.

Ranking Member Wyden's letter requested copies of any documents supplied by Novartis to the Department of Justice or any law enforcement agency related to this matter. Do any such documents exist that were withheld from the Novartis response?

As set forth above in response to Question 1, Novartis withheld from its production internal communications regarding Mr. Cohen. Although these internal materials were provided to certain law enforcement agencies which are conducting what Novartis understands to be confidential and non-public investigations, Novartis did not



As set forth above in response to Question 1, Novartis withheld from its production internal communications regarding Mr. Coheh. Although these internal materials were provided to certain law enforcement agencies which are conducting what Novartis understands to be confidential and non-public investigations, Novartis did not provide them here because many contain business sensitive information, including advice, assessments, non-public information and other material necessary to the full consideration of matters within Novartis.

Sincerely,

A handwritten signature in cursive script, appearing to read 'Thomas N. Kendris'.

Thomas N. Kendris
President, Novartis Corporation,
US Country Head

TNK:enf

\\phuseh-s1802\\unexcel1\\data\\senators letter june 18 2018 tkendris.doc

EXHIBIT A

Tab 1

To: Michael D. Cohen[michael@mdcpc.com]
From: [REDACTED]
Sent: Fri 1/26/2018 4:19:53 PM
Subject: RE: RE: RE:

Please send your request to the address mentioned below. There might be a delay in reply as Vas & his office are currently travelling extensively. Regards

From: Michael D. Cohen [mailto:michael@mdcpc.com]
Sent: Freitag, 26. Januar 2018 17:16
To: [REDACTED]
Subject: Re: RE: RE:

Can you set up a call between us on Monday or Tuesday?

Yours,

Michael D. Cohen, Esq.

Essential Consultants, LLC.

30 Rockefeller Plaza

23rd floor

New York, New York 10112

1-212-872-9849 (NYC Office)

1-202-457-6117 (DC Office)

[REDACTED] (Cellular)

michael@mdcpc.com

Sent from my iPhone

On Jan 26, 2018, at 9:13 AM, [REDACTED] wrote:

Sure – our new CEO can be reached via [REDACTED] narasimhan.office@novartis.com / +41 [REDACTED] –
Best, [REDACTED]

From: Michael D. Cohen [<mailto:michael@mdcpc.com>]

Sent: Freitag, 26. Januar 2018 15:05

To: [REDACTED]

Subject: Re: RE:

Can you forward to me the new acting CEO's contact information as well as set up a quick call?

Yours,

Michael D. Cohen, Esq.

Essential Consultants, LLC.

30 Rockefeller Plaza

23rd floor

New York, New York 10112

1-212-872-9849 (NYC Office)

1-202-457-6117 (DC Office)

[REDACTED] (Cellular)

michael@mdcpc.com

Sent from my iPhone

On Jan 26, 2018, at 9:00 AM, [REDACTED] wrote:

Dear Mr. Cohen,

Kindly note that Mr. Jimenez has retired and is no longer with the company.

Regards,

[REDACTED]

[REDACTED]

[REDACTED]

T [REDACTED]

M [REDACTED]

[REDACTED]

Novartis International AG

Novartis Campus

Fabrikstrasse 18.4.130.01

4002 Basel

Switzerland

From: "Michael D. Cohen" <michael@mdcpc.com>

Date: 26 January 2018 at 14:05:30 CET

To: [REDACTED]

[REDACTED]

Can you please place me on the calendar to speak with Joe? Need 5 minutes.
Thank you.

Yours,

Michael D. Cohen, Esq.

Essential Consultants, LLC.

30 Rockefeller Plaza

23rd floor

New York, New York 10112

1-212-872-9849 (NYC Office)

1-202-457-6117 (DC Office)

[REDACTED] (Cellular)

michael@mdcpc.com

Sent from my iPhone

Tab 2

From: Michael D. Cohen [mailto:michael@mdcpc.com]
Sent: Samstag, 3. Februar 2018 12:20
To: Office, Vas Narasimhan (Gen) <[REDACTED]@novartis.com>
Subject: Re: Request for call

Vasant,

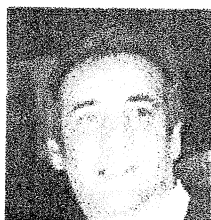
As I'm sure you are exceptionally busy filling your new role, I ask that you have your assistant provide me with a time for us to speak.

I have worked for the past year with Novartis and Joe and would like to discuss several items with you. Thank you.

Michael D. Cohen
475 630 1234

Michael D. Cohen is a former Novartis executive who has been a consultant to the company since 2017. He is currently a Senior Advisor to the company and is responsible for the company's global strategy. He is also a member of the company's Board of Directors. He is a former President of the company and has been a member of the company's Board of Directors since 2017. He is a former President of the company and has been a member of the company's Board of Directors since 2017. He is a former President of the company and has been a member of the company's Board of Directors since 2017.

Michael Cohen



Yours,
Michael D. Cohen, Esq.
Essential Consultants, LLC.
30 Rockefeller Plaza
23rd floor
New York, New York 10112
1-212-872-9849 (NYC Office)
1-202-457-6117 (DC Office)
[REDACTED] (Cellular)
michael@mdcpc.com

Sent from my iPhone

> On Jan 29, 2018, at 2:46 PM, Michael D. Cohen <michael@mdcpc.com> wrote:
>
> Mr. Narasimhan.
> Congratulations on your appointment as the new CEO. I have been working with Joe for the past months and wanted to open up a chain of communication with you in the same capacity.
> Please let me know when would be a convenient time for us to speak.
> Looking forward.
>
> Yours.
> Michael D. Cohen, Esq.
> Essential Consultants, LLC.
> 30 Rockefeller Plaza
> 23rd floor
> New York, New York 10112
> 1-212-872-9849 (NYC Office)
> 1-202-457-6117 (DC Office)
> [REDACTED] (Cellular)
> michael@mdcpc.com
>
> Sent from my iPhone

Tab 3

To: [REDACTED]
From: Michael Cohen
Sent: Tue 1/30/2018 6:52:02 PM
Subject: invoice

[REDACTED]

Thank you for providing me with Mr. Narasimhan's contact information.

I forwarded an e-mail yesterday to him to speak. Any assistance would be greatly appreciated.

Thank you.

Yours,

Essential Consultants LLC.

Michael D. Cohen & Associates, PC.

30 Rockefeller Plaza

23rd Floor

New York, New York 10112

NYC Office: 1-212-872-9849

DC Office: 1-202-457-6117

Cellular: [REDACTED]

E-Mail: Michael@mdcpc.com

--

Tab 4

To: [REDACTED]
From: Michael D. Cohen
Sent: Mon 2/19/2018 4:35:48 AM

https://urldefense.proofpoint.com/v2/url?u=https-3A__www.nytimes.com_2018_02_18_us_politics_michael-2Dcohen-2Dtrump.html&d=DwlCAg&c=ZbgFmJjg4pdtrnL2HUJUDw&r=WTJsdA-O5A171Kd2WjlxFMd-MnFW3sSKOJbCa9gCzEI&m=2tzhnzSGkg-zhjAneEhX11G9uNG9oFn_0fZmuKCznQk&s=XCTdSQ-fScVjFILpLeZBp264K03hK0LzJDtG3u1P6gU&e=

Yours,
Michael D. Cohen, Esq.
Essential Consultants, LLC.
30 Rockefeller Plaza
23rd floor
New York, New York 10112
1-212-872-9849 (NYC Office)
1-202-457-6117 (DC Office)
[REDACTED] (Cellular)
michael@mdcpc.com

Sent from my iPhone

Tab 5

Dear Michael, as said, I guess it does not make sense to discuss right now. I would allow to reach out to you if need be
Take care

From: Michael D. Cohen [mailto:michael@mdcpc.com]
Sent: Tuesday, February 27, 2018 3:14 PM
To: [REDACTED]
Subject: Re: Novartis - Essential Consultants: Service agreement not extended

Yours,
Michael D. Cohen, Esq.
Essential Consultants, LLC.
30 Rockefeller Plaza
23rd floor
New York, New York 10112
1-212-872-9849 (NYC Office)
1-202-457-6117 (DC Office)
[REDACTED] (Cellular)
michael@mdcpc.com

> On Feb 27, 2018, at 9:11 AM, [REDACTED] wrote:

>

> Dear Michael,

>

> Thank you very much for reaching out.

> I support Vas from a Procurement perspective. The service agreement between Essential Consultants LLC and Novartis will expire tomorrow.

>

> Unfortunately we currently do not have a need for your companies services going forward.

> Should we require your support in the future I would contact you personally.

>

> Thank you very much for your services in the last months

>

> Sincerely

> [REDACTED]

> [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

> Novartis Business Services
> Procurement Switzerland
> Novartis Campus
> Forum 1- 2.25

> 4002 Basel
> Switzerland

>
>

> -----Original Message-----

> From: Michael D. Cohen [mailto:michael@mdcpc.com]

> Sent: Monday, February 26, 2018 4:33 PM

> To: [REDACTED]

> Subject:

>

> [REDACTED]

> May I impose on you for a moment and ask that you give me a quick call? I appreciate your consideration.

>

> Yours,

> Michael D. Cohen, Esq.

> Essential Consultants, LLC.

> 30 Rockefeller Plaza

> 23rd floor

> New York, New York 10112

> 1-212-872-9849 (NYC Office)

> 1-202-457-6117 (DC Office)

> [REDACTED] (Cellular)

> michael@mdcpc.com

>

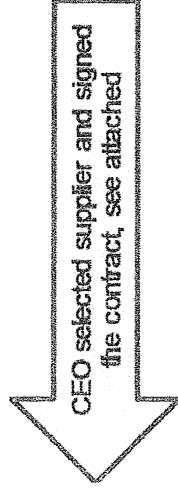
> Sent from my iPhone

EXHIBIT B

Tab 1

5.9. Valid deviations/exceptions to conducting a competitive process are:

- Procurement Out-of-Scope Spend (see Appendix 13.6).
- An active contract resulting from a competitive bidding process already exists for the same goods or services
- Novartis has designated a supplier as an exclusive supplier for a defined product/service, (e.g. a Tier 1 supplier as defined in Appendix 13.10) and a local entity has signed on to that agreement via an affiliate/equivalent agreement or has been given the ability to purchase goods/services under the Novartis agreement using an agreed call-off mechanism
- Only one supplier can provide the required goods and services (single sourcing)
- Specific instructions received via a directive of the Executive Committee Novartis (ECN) to use a specific supplier
- Technical and Quality protocols require a specific supplier



Tab 2

1. Equivalent document (email text) when competitive bidding did not take place

Dear XXX,

Please find below "*and attached (if needed)*" the business rationale related the good(s) / service(s) in scope of this Shopping Cart.

- ☐ Procurement out of scope spend/NCCs.
- ☐ The supplier was designed by Novartis as an exclusive supplier (Tier1/Tier 2) for the good(s)/service(s) in scope. Local entity affiliate/equivalent document attached (or Contract database reference number) OR call-off mechanism in place.
- ☒ Specific instruction(s) received by the Executive Committee of Novartis (ECN) via a directive / communication. Here attached.
- ☐ Emergency purchase which has to be made immediately due to an emergency situation to keep operational activity and business continuity running.
- ☐ Goods/services cannot be reasonably bid in the market place due to their specifications
- ☐ Single sourcing (only this supplier can provide the required good(s)/service(s)).
- ☐ Technical and/or Quality protocols require this specific supplier.
- ☐ Original Equipment Manufacturer (OEM) spare parts and/or services contractually agreed.
- ☐ Already in place a non-expired and signed (by 2 Novartis Representatives) Agreement resulting from a competitive bidding process for the same goods/services. Here below / attached Contract database ref. number or confirmation that the attached Agreement will be included in the in the database.
- ☐ Same goods and services were ordered within the past 12 months (where not covered by an active contract) or justification is provided by Procurement that a period longer than 12 months is acceptable.

2. Equivalent document (email text) when competitive bidding took place via e-sourcing platform

Dear XXX,

Please find below *"and attached (if needed)"* the business rationale related the good(s) / service(s) in scope of this Shopping Cart.

Based on the analyzed offer(s), "Z" was selected because better meeting Novartis requirements (incl. adherence to Novartis Policy(is) and Guideline(s)) as specified below:

The event was performed via e-sourcing platform: *"include event name"* where it is possible to find all related documentations (i.e. supplier bids, quotes, correspondence, etc.).

Please, find enclosed the final agreed offer and *"add any other relevant document as need/applicable, i.e. Contract data base ref. number, Emptoris bid summary analysis, etc."*.

2a) Equivalent document (email text) when competitive bidding took place via e-sourcing platform

+

Advanced bid summary report can be generated

Dear XXX,

Please, find attached the final agreed offer and the e-sourcing platform bid summary analysis and *" add any other relevant document as need/applicable, i.e. Contract, or Contact Database ref. number, etc."*.

Based on the analyzed offer(s), "Z" was selected because better meeting Novartis requirements (incl. adherence to Novartis Policy(is) and Guideline(s)) as specified below:

Example of Advanced bid summary Report



PH_CH_Construction
_AUERCH2_WSJ-386

3. Equivalent document (email text) when competitive bidding took place outside e-sourcing platform

Dear XXX

Please find below *and attached (if needed)* the business rationale related the good(s) / service(s) in scope of this Shopping Cart.

Based on the analyzed offer(s), "Z" was selected because better meeting Novartis requirements (incl. adherence to Novartis Policy(is) and Guideline(s)) as specified below:

Please find below / attached an high level summary and the final offer related to the awarded Supplier and "*add any other relevant document as need/applicable, i.e. Contract, or Contact Database ref. number, communications, etc.*".

	Supplier X	Supplier Y	Supplier Z
--	------------	------------	------------

Overall Ranking

Reason(s) for selected /
deselected

July 11, 2018

Daniel Goshorn
Investigative Counsel
U.S. Senate Committee on Finance
219 Dirksen Senate Office Building
Washington, DC 20510-6200

Dear Mr. Goshorn,

Thank you for your email on July 9, 2018 to our client Yamo Pharmaceuticals. We appreciate the opportunity to respond to your inquiry.

First by way of background, Yamo Pharmaceuticals is developing L1-79, the first therapy observed to reduce the core symptoms of autism. L1-79 is a novel, well-tolerated mechanism that targets the central nervous system and metabolic symptoms of autism.

Childhood autism is more prevalent than childhood cancer, juvenile diabetes, and pediatric acquired immunodeficiency syndrome (AIDS) combined, with an estimated prevalence of 1.5 million in the United States. Autism also represents a substantial economic burden in both children and adults. The lifetime cost of supporting an individual with autism and intellectual disability is as high as \$2.4 million. Lastly, there are currently no approved medications that address the core symptoms of autism. Autism is a serious disease that represents an area of significant economic burden and unmet medical need.

Yamo has recently completed a Phase II safety study of L1-79 for the treatment of autism and on May 9th, 2018, based on the results of this study, was granted the Fast Track Designation by the U.S. Food and Drug Administration. Please note that Yamo is currently raising funds to execute an FDA-mandated 250-patient Phase IIb study that is scheduled to commence treating patients in early 2019.

Given the extremely urgent need to identify a treatment for autism and the current media environment surrounding Michael Cohen, we strongly ask for your help and support in making sure that this inquiry does not unjustly complicate or delay our client's core mission – securing regulatory approval for L1-79, a potential treatment for millions of autism patients in United States and around the world.

With this in mind, please see below responses to your questions and statements:

As you note in your email to Chuck Bramlage on Monday July 9, 2018, *"Michael Cohen provided information to and spoke to the Novartis CEO and other Novartis employees in an effort to obtain Novartis backing for Yamo."*

As you know, Michael Cohen had a business relationship with Andrew Intrater, the CEO of Columbus Nova. Mr. Intrater is a minority investor in Hoffman Technologies LLC, the controlling shareholder of Yamo Pharmaceuticals.

Mr. Intrater appraised Mr. Cohen of the Yamo project and asked him if he knew anyone who would be interested in partnering with the company, advocacy groups and/or attract pharmaceutical industry partners. Mr. Cohen provided a Yamo presentation about L1-79 to Novartis' CEO.

Please note that Yamo, as a start-up company developing a treatment for autism, reached out to anyone they thought could be interested in providing support, including 50+ pharmaceutical companies and 200+ individuals and investment companies. In that vein, we wish to note that outreach to Novartis would have occurred with or without any involvement by Michael Cohen.

As you also note in your July 9, 2018 email, "*Columbus Nova, the investment company, provided back office services for Yamo, and several key Columbus Nova executive were also executives at Yamo.*"

Columbus Nova has a Services Agreement between its management company, Renova U.S. Management, and Yamo Pharmaceuticals through which Columbus Nova provides day-to-day finance, accounting and legal support to Yamo, including payment settlement, cash and bank account reconciliation, documentation, record keeping, accounting, bookkeeping, human resource management and legal advisory services. It is important for Yamo, which does not have any product-related income, to partner with someone to provide these back offices services because it allows them to focus all their time, attention, and limited resources on the development, testing, and approval of this promising autism therapy. To this end, Yamo's Chief Financial Officer, Eugene Prahin, is also Chief Operating Office of Columbus Nova.

1. *What was the exact nature of the relationship between Mr. Cohen and Yamo?*
There was no relationship between Mr. Cohen and Yamo.
2. *Was Mr. Cohen formally hired by Yamo pharmaceuticals to represent the company or obtain investments in the company?*
Mr. Cohen was not hired by Yamo.
3. *When did the relationship begin and end?*
There was no relationship between Mr. Cohen and Yamo.
4. *What exact services did Mr. Cohen provide to Yamo?*
Mr. Cohen provided a Yamo presentation about L1-79 to Novartis' CEO for the purpose of determining if Novartis was interested in supporting Yamo's L1-79 development efforts.
5. *Does Yamo have a list of companies and government entities Mr. Cohen contacted on behalf of Yamo? If so, please provide.*
The contact made on behalf of Yamo by Mr. Cohen was with Novartis. To the best of our knowledge, this was the only contact made by Mr. Cohen regarding Yamo.
6. *How much was he paid by Yamo?*
Mr. Cohen was not paid by Yamo.
7. *If there is any written contract between Yamo and Mr. Cohen, please provide a copy of this contract.*
There has never been a contract between Yamo and Mr. Cohen.

Thank you for your attention to this letter. Please don't hesitate to contact me about this matter.

Sincerely,



Alfred E. Mottur