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

Form 10-Q

(Mark One)

☑ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 30, 2013

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Commission file number 000-12477

Amgen Inc.
(Exact name of registrant as specified in its charter)

Delaware	**95-3540776**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
One Amgen Center Drive, Thousand Oaks, California	**91320-1799**
(Address of principal executive offices)	(Zip Code)

(805) 447-1000
(Registrant’s telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or Section 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☑ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☑ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of “large accelerated filer,” “accelerated filer” and “smaller reporting company” in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer ☑	Accelerated filer ☐	Non-accelerated filer ☐ (Do not check if a smaller reporting company)	Smaller reporting company ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act) Yes ☐ No ☑

As of October 22, 2013, the registrant had 754,126,197 shares of common stock, $0.0001 par value, outstanding.

AMGEN INC.

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PART I — FINANCIAL INFORMATION

Item 1. FINANCIAL STATEMENTS

AMGEN INC.
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(In millions, except per share data)
(Unaudited)

	Three months ended September 30,		Nine months ended September 30,	
	2013	2012	2013	2012
Revenues:				
Product sales	$ 4,647	$ 4,201	$ 13,393	$ 12,302
Other revenues	101	118	272	542
Total revenues	4,748	4,319	13,665	12,844
Operating expenses:				
Cost of sales	788	775	2,317	2,277
Research and development	989	880	2,834	2,442
Selling, general and administrative	1,249	1,131	3,663	3,441
Other	34	110	171	195
Total operating expenses	3,060	2,896	8,985	8,355
Operating income	1,688	1,423	4,680	4,489
Interest expense, net	257	271	761	762
Interest and other income, net	72	111	332	359
Income before income taxes	1,503	1,263	4,251	4,086
Provision for income taxes	135	156	191	529
Net income	$ 1,368	$ 1,107	$ 4,060	$ 3,557
Earnings per share:				
Basic	$ 1.81	$ 1.44	$ 5.40	$ 4.57
Diluted	$ 1.79	$ 1.41	$ 5.31	$ 4.51
Shares used in calculation of earnings per share:				
Basic	754	771	752	779
Diluted	766	783	764	789
Dividends paid per share	$ 0.47	$ 0.36	$ 1.41	$ 1.08

See accompanying notes.

AMGEN INC.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In millions)
(Unaudited)

	Three months ended September 30,		Nine months ended September 30,	
	2013	**2012**	**2013**	**2012**
Net income	$ 1,368	$ 1,107	$ 4,060	$ 3,557
Other comprehensive income (loss), net of reclassification adjustments and taxes:				
Foreign currency translation gains (losses)	12	22	(36)	(20)
Effective portion of cash flow hedges	(84)	(117)	13	(92)
Net unrealized gains (losses) on available-for-sale securities	48	88	(219)	85
Other	(2)	3	(1)	3
Other comprehensive loss, net of tax	(26)	(4)	(243)	(24)
Comprehensive income	$ 1,342	$ 1,103	$ 3,817	$ 3,533

See accompanying notes.

AMGEN INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(In millions, except per share data)
(Unaudited)

	September 30, 2013	December 31, 2012
ASSETS		
Current assets:		
Cash and cash equivalents	$ 8,281	$ 3,257
Marketable securities	14,277	20,804
Receivable from sale of investments	560	—
Trade receivables, net	2,670	2,518
Inventories	2,838	2,744
Other current assets	2,049	1,886
Total current assets	30,675	31,209
Property, plant and equipment, net	5,283	5,326
Intangible assets, net	3,682	3,968
Goodwill	12,572	12,662
Restricted investments	3,411	—
Other assets	1,450	1,133
Total assets	$ 57,073	$ 54,298
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 895	$ 905
Accrued liabilities	3,937	4,791
Current portion of long-term debt	11	2,495
Total current liabilities	4,843	8,191
Long-term debt	27,178	24,034
Other noncurrent liabilities	3,324	3,013
Contingencies and commitments		
Stockholders' equity:		
Common stock and additional paid-in capital; $0.0001 par value; 2,750.0 shares authorized; outstanding - 754.1 shares in 2013 and 756.3 shares in 2012	29,665	29,337
Accumulated deficit	(7,840)	(10,423)
Accumulated other comprehensive (loss) income	(97)	146
Total stockholders' equity	21,728	19,060
Total liabilities and stockholders' equity	$ 57,073	$ 54,298

See accompanying notes.

AMGEN INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In millions)
(Unaudited)

	Nine months ended September 30,	
	2013	**2012**
Cash flows from operating activities:		
Net income	$ 4,060	$ 3,557
Depreciation and amortization	842	815
Stock-based compensation expense	304	271
Other items, net	119	(72)
Changes in operating assets and liabilities, net of acquisitions:		
Trade receivables, net	(132)	198
Inventories	(71)	(175)
Other assets	(174)	213
Accounts payable	6	189
Accrued income taxes	(483)	(85)
Other liabilities	(15)	159
Net cash provided by operating activities	4,456	5,070
Cash flows from investing activities:		
Purchases of property, plant and equipment	(492)	(489)
Cash paid for acquisitions, net of cash acquired	—	(1,990)
Purchases of marketable securities	(17,878)	(18,864)
Proceeds from sales of marketable securities	15,743	12,544
Proceeds from maturities of marketable securities	4,846	878
Restriction of investments	(526)	—
Other	(44)	(38)
Net cash provided by (used in) investing activities	1,649	(7,959)
Cash flows from financing activities:		
Repayment of debt	(2,500)	(102)
Net proceeds from issuance of debt	3,074	4,933
Repurchases of common stock	(832)	(3,390)
Dividends paid	(1,061)	(844)
Net proceeds from issuance of common stock in connection with the Company’s equity award programs	268	1,129
Other	(30)	40
Net cash (used in) provided by financing activities	(1,081)	1,766
Increase (decrease) in cash and cash equivalents	5,024	(1,123)
Cash and cash equivalents at beginning of period	3,257	6,946
Cash and cash equivalents at end of period	$ 8,281	$ 5,823

See accompanying notes.

AMGEN INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
September 30, 2013
(Unaudited)

1. Summary of significant accounting policies

Business

Amgen Inc. (including its subsidiaries, referred to as “Amgen,” “the Company,” “we,” “our” or “us”) is a global biotechnology pioneer that discovers, develops, manufactures and delivers innovative human therapeutics. We operate in one business segment: human therapeutics.

Basis of presentation

The financial information for the three and nine months ended September 30, 2013 and 2012, is unaudited but includes all adjustments (consisting of only normal recurring adjustments, unless otherwise indicated), which Amgen considers necessary for a fair presentation of its condensed consolidated results of operations for those periods. Interim results are not necessarily indicative of results for the full fiscal year.

Prior-period amounts for amortization of certain acquired intangible assets have been reclassified within Operating expenses in our Condensed Consolidated Statements of Income to conform to the current-period presentation.

The condensed consolidated financial statements should be read in conjunction with our consolidated financial statements and the notes thereto contained in our Annual Report on Form 10-K for the year ended December 31, 2012 and in our Quarterly Reports on Form 10-Q for the periods ended March 31, 2013, and June 30, 2013.

Principles of consolidation

The condensed consolidated financial statements include the accounts of Amgen as well as its majority-owned subsidiaries. We do not have any significant interests in any variable interest entities. All material intercompany transactions and balances have been eliminated in consolidation.

Use of estimates

The preparation of condensed consolidated financial statements in conformity with accounting principles generally accepted in the United States (GAAP) requires management to make estimates and assumptions that affect the amounts reported in the condensed consolidated financial statements and accompanying notes. Actual results may differ from those estimates.

Product sales for U.S. federal government stockpiles

Amgen recognizes revenue from the sales of product to the U.S. federal government for stockpile in accordance with Securities and Exchange Commission (SEC) Interpretation, *Commission Guidance Regarding Accounting for Sales of Vaccines and Bioterror Countermeasures to the Federal Government for Placement into the Pediatric Vaccine Stockpile or the Strategic National Stockpile* (SNS). We recognized $155 million of revenue for NEUPOGEN® (filgrastim) during the three months ended September 30, 2013, for purchases by the government for the SNS. We are contracted to manage this inventory of product until the government requests shipment.

Property, plant and equipment, net

Property, plant and equipment is recorded at historical cost, net of accumulated depreciation and amortization of $6.8 billion and $6.6 billion as of September 30, 2013, and December 31, 2012, respectively.

Restricted investments

We have restricted investments on our Condensed Consolidated Balance Sheet that are owned by ATL Holdings Limited (ATL Holdings), a wholly-owned subsidiary. ATL Holdings is an entity distinct from the Company and its other subsidiaries, with separate assets and liabilities. Because a third party owns Class A preferred shares of ATL Holdings, this entity is required to hold restricted cash or investments. See Note 7, Financing arrangements. On September 30, 2013, $2,881 million of marketable securities, $526 million of cash and cash equivalents and $4 million of related interest receivable were reclassified to Restricted investments on our Condensed Consolidated Balance Sheet.

Comprehensive income

In January 2013, we adopted a new accounting standard that requires additional disclosures regarding amounts that are reclassified out of accumulated other comprehensive income (AOCI). In accordance with the requirements of the standard, the effects of significant reclassifications out of AOCI, by component, on the respective lines in the Condensed Consolidated Statements of Income are presented in Note 8, Stockholders' equity. The standard was required to be applied prospectively beginning January 1, 2013.

Cost savings initiatives

Included in Other operating expenses for the three and nine months ended September 30, 2013, are charges for certain costs savings initiatives of $35 million and $46 million, respectively, compared with $36 million and $106 million for the corresponding periods of the prior year.

2. Business combinations

deCODE Genetics

On December 10, 2012, we acquired all of the outstanding stock of deCODE Genetics (deCODE), a privately held company that is a global leader in human genetics, for total consideration of $401 million in cash. The transaction, which was accounted for as a business combination, provides us with an opportunity to enhance our efforts to identify and validate human disease targets. deCODE's operations, which are not material, have been included in our consolidated financial statements commencing on the acquisition date.

We allocated the consideration to acquire deCODE to finite-lived intangible assets of $465 million comprised of discovery capacity in the genetics of human diseases with an estimated useful life of 10 years, $47 million to goodwill which is not deductible for tax purposes, deferred tax liabilities of $93 million and other net liabilities of $18 million. These amounts reflect adjustments recognized during the nine months ended September 30, 2013, to the acquisition date fair values of assets acquired and liabilities assumed in this acquisition which did not have a material effect on our current or prior period financial statements. These adjustments reduced goodwill by $46 million due primarily to a revision which increased the acquisition date fair value of finite-lived intangible assets by $64 million.

Our accounting for the acquisition is preliminary and will be finalized upon completion of our analysis to determine the acquisition date fair values of certain tax-related items and residual impact on goodwill.

3. Income taxes

The effective tax rates for the three and nine months ended September 30, 2013 were 9.0% and 4.5%, respectively, compared with 12.4% and 12.9% for the corresponding periods of the prior year. The effective rates are different from the federal statutory rates primarily as a result of indefinitely invested earnings of our foreign operations. We do not provide for U.S. income taxes on undistributed earnings of our foreign operations that are intended to be invested indefinitely outside of the United States. In addition, the effective tax rates were reduced by foreign tax credits associated with the Puerto Rico excise tax described below. The effective tax rate for the nine months ended September 30, 2013, was further reduced by two significant events that occurred during the three months ended March 31, 2013. First, we settled our examination with the Internal Revenue Service (IRS) for the years ended December 31, 2007, 2008 and 2009 in which we agreed to certain adjustments proposed by the IRS and remeasured our unrecognized tax benefits (UTBs) accordingly. Second, the American Taxpayer Relief Act of 2012, enacted during the first quarter of 2013, reinstated the federal research and development (R&D) tax credit for 2012 and 2013. Therefore, our effective tax rate for the nine months ended September 30, 2013, includes a benefit for the full-year 2012 R&D tax credit, recorded as a discrete item in the first quarter.

As of January 1, 2011, Puerto Rico began imposing a temporary excise tax on the purchase of goods and services from a related manufacturer in Puerto Rico. The excise tax is imposed on the gross intercompany purchase price of the goods and services and was initially effective for a six-year period beginning in 2011, with the excise tax rate declining in each year (from 4% in 2011 to 1% in 2016). During the three months ended March 31, 2013, the Puerto Rico government enacted an amendment to the excise tax legislation which increased the excise tax rate to a flat 4% effective July 1, 2013 through December 31, 2017. We account for the excise tax as a manufacturing cost that is capitalized in inventory and expensed in cost of sales when the related products are sold. For U.S. income tax purposes, the excise tax results in foreign tax credits that are generally recognized in our provision for income taxes when the excise tax is incurred. Excluding the impact of the Puerto Rico excise tax, our effective tax rates for the three and nine months ended September 30, 2013, would have been 13.8% and 9.8%, respectively, compared with 17.7% and 18.3% for the corresponding periods of the prior year.

Several of our legal entities file income tax returns in the U.S. federal jurisdiction, various U.S. state jurisdictions and certain foreign jurisdictions. Our income tax returns are routinely audited by the tax authorities in those jurisdictions. Significant

disputes may arise with these tax authorities involving issues of the timing and amount of deductions, the use of tax credits and allocations of income among various tax jurisdictions because of differing interpretations of tax laws and regulations. The U.S. federal income tax examinations for years ended on or before December 31, 2009, and the California state income tax examinations for years ended on or before December 31, 2005, have been completed.

During the three and nine months ended September 30, 2013, the gross amount of our UTBs increased by approximately $85 million and $240 million, respectively, as a result of tax positions taken during the current year. Also, our UTBs decreased by approximately $200 million in the nine months ended September 30, 2013, due to settlement of federal and state tax matters in the first and second quarter. The settlements resulted in recognition of net tax benefits of approximately $195 million for the nine months ended September 30, 2013 including interest, penalties and the federal benefit of state taxes. Substantially all of the UTBs as of September 30, 2013, if recognized, would affect our effective tax rate. As of September 30, 2013, we believe it is reasonably possible that our gross liabilities for UTBs may decrease by approximately $70 million within the succeeding 12 months due to the resolution of state audits.

4. Earnings per share

The computation of basic earnings per share (EPS) is based on the weighted-average number of our common shares outstanding. The computation of diluted EPS is based on the weighted-average number of our common shares outstanding and dilutive potential common shares, which include principally shares that may be issued under: our stock option, restricted stock and performance unit awards, determined using the treasury stock method; and our convertible notes and warrants while outstanding, as discussed below (collectively, “dilutive securities”). The convertible note hedges purchased in connection with the issuance of our convertible notes, which terminated in February 2013, are excluded from the calculation of diluted EPS because their impact is always anti-dilutive.

Prior to the conversion/maturity of our 0.375% 2013 Convertible Notes in February 2013 which were cash settled, the excess of the notes' conversion value, as defined, over their principal amount were considered dilutive potential common shares for purposes of calculating diluted EPS. Warrants sold concurrent with the issuance of our 0.375% 2013 Convertible Notes were cash settled in May 2013. While outstanding, the 0.375% 2013 Convertible Notes and warrants did not have a significant impact on the number of shares used for purposes of computing diluted EPS for any periods presented. See Note 7, Financing arrangements.

The computation for basic and diluted EPS was as follows (in millions, except per share data):

	Three months ended September 30,		**Nine months ended September 30,**	
	2013	**2012**	**2013**	**2012**
Income (Numerator):				
Net income for basic and diluted EPS	$ 1,368	$ 1,107	$ 4,060	$ 3,557
Shares (Denominator):				
Weighted-average shares for basic EPS	754	771	752	779
Effect of dilutive securities	12	12	12	10
Weighted-average shares for diluted EPS	766	783	764	789
Basic EPS	$ 1.81	$ 1.44	$ 5.40	$ 4.57
Diluted EPS	$ 1.79	$ 1.41	$ 5.31	$ 4.51

For the three and nine months ended September 30, 2013, the number of anti-dilutive shares of our common stock excluded from the computation of diluted EPS were not material. For the three and nine months ended September 30, 2012, there were employee stock-based awards, calculated on a weighted-average basis, to acquire 1 million and 8 million shares of our common stock, respectively, that are not included in the computation of diluted EPS because their impact would have been anti-dilutive.

5. Available-for-sale investments

The amortized cost, gross unrealized gains, gross unrealized losses and estimated fair values of available-for-sale investments by type of security were as follows (in millions):

Type of security as of September 30, 2013	Amortized cost	Gross unrealized gains	Gross unrealized losses	Estimated fair value
U.S. Treasury securities	$ 6,172	$ 5	$ (4)	$ 6,173
Other government-related debt securities:				
U.S.	1,130	—	(8)	1,122
Foreign and other	1,234	12	(38)	1,208
Corporate debt securities:				
Financial	3,455	30	(25)	3,460
Industrial	3,457	29	(28)	3,458
Other	335	4	(2)	337
Residential mortgage-backed securities	1,410	3	(16)	1,397
Other mortgage- and asset-backed securities	1,491	—	(39)	1,452
Money market mutual funds	6,907	—	—	6,907
Total interest-bearing securities	25,591	83	(160)	25,514
Equity securities	72	19	—	91
Total available-for-sale investments	$ 25,663	$ 102	$ (160)	$ 25,605

Type of security as of December 31, 2012	Amortized cost	Gross unrealized gains	Gross unrealized losses	Estimated fair value
U.S. Treasury securities	$ 4,443	$ 15	$ —	$ 4,458
Other government-related debt securities:				
U.S.	1,018	12	—	1,030
Foreign and other	1,549	60	(1)	1,608
Corporate debt securities:				
Financial	3,266	96	(1)	3,361
Industrial	4,283	100	(3)	4,380
Other	441	11	—	452
Residential mortgage-backed securities	1,828	9	(8)	1,829
Other mortgage- and asset-backed securities	1,769	7	(9)	1,767
Money market mutual funds	2,620	—	—	2,620
Other short-term interest-bearing securities	2,186	—	—	2,186
Total interest-bearing securities	23,403	310	(22)	23,691
Equity securities	52	2	—	54
Total available-for-sale investments	$ 23,455	$ 312	$ (22)	$ 23,745

The fair values of available-for-sale investments by classification in the Condensed Consolidated Balance Sheets were as follows (in millions):

Classification in the Condensed Consolidated Balance Sheets	September 30, 2013	December 31, 2012
Cash and cash equivalents	$ 7,830	$ 2,887
Marketable securities	14,277	20,804
Other assets — noncurrent	91	54
Restricted investments	3,407	—
Total available-for-sale investments	$ 25,605	$ 23,745

Cash and cash equivalents in the table above excludes cash of $451 million and $370 million as of September 30, 2013, and December 31, 2012, respectively. Restricted investments in the table above excludes $4 million of interest receivable related to ATL Holdings as of September 30, 2013.

The fair values of available-for-sale interest-bearing security investments by contractual maturity, except for mortgage- and asset- backed securities that do not have a single maturity date, were as follows (in millions):

Contractual maturity	September 30, 2013	December 31, 2012
Maturing in one year or less	$ 10,820	$ 7,175
Maturing after one year through three years	4,671	5,014
Maturing after three years through five years	5,742	6,286
Maturing after five years through ten years	1,432	1,620
Mortgage- and asset-backed securities	2,849	3,596
Total interest-bearing securities	$ 25,514	$ 23,691

For the three months ended September 30, 2013 and 2012, realized gains totaled $24 million and $31 million, respectively, and realized losses totaled $26 million and $11 million, respectively. For the nine months ended September 30, 2013 and 2012, realized gains totaled $142 million and $147 million, respectively, and realized losses totaled $70 million and $41 million, respectively. The cost of securities sold is based on the specific identification method. Substantially all of our available-for-sale investments that were in an unrealized loss position, which totaled $160 million as of September 30, 2013, have been in a continuous unrealized loss position for less than 12 months. These investments had an aggregate fair value of $8.5 billion as of September 30, 2013.

The primary objective of our investment portfolio is to enhance overall returns in an efficient manner while maintaining safety of principal, prudent levels of liquidity and acceptable levels of risk. Our investment policy limits interest-bearing security investments to certain types of debt and money market instruments issued by institutions with primarily investment grade credit ratings and places restrictions on maturities and concentration by asset class and issuer.

We review our available-for-sale investments for other-than-temporary declines in fair value below our cost basis each quarter and whenever events or changes in circumstances indicate that the cost basis of an asset may not be recoverable. This evaluation is based on a number of factors, including the length of time and the extent to which the fair value has been below our cost basis and adverse conditions related specifically to the security, including any changes to the credit rating of the security. As of September 30, 2013, and December 31, 2012, we believe the cost bases for our available-for-sale investments were recoverable in all material respects.

6. Inventories

Inventories consisted of the following (in millions):

	September 30, 2013	December 31, 2012
Raw materials	$ 218	$ 192
Work in process	1,807	1,723
Finished goods	813	829
Total inventories	$ 2,838	$ 2,744

7. Financing arrangements

The carrying values and the fixed contractual coupon rates of our long-term borrowings were as follows (in millions):

	September 30, 2013	December 31, 2012
0.375% convertible notes due 2013 (0.375% 2013 Convertible Notes)	$ —	$ 2,488
1.875% notes due 2014 (1.875% 2014 Notes)	1,000	1,000
4.85% notes due 2014 (4.85% 2014 Notes)	1,000	1,000
2.30% notes due 2016 (2.30% 2016 Notes)	749	749
2.50% notes due 2016 (2.50% 2016 Notes)	999	999
2.125% notes due 2017 (2.125% 2017 Notes)	1,248	1,248
5.85% notes due 2017 (5.85% 2017 Notes)	1,099	1,099
6.15% notes due 2018 (6.15% 2018 Notes)	500	499
Master Repurchase Agreement obligation due 2018	3,100	—
4.375% euro-denominated notes due 2018 (4.375% 2018 euro Notes)	741	723
5.70% notes due 2019 (5.70% 2019 Notes)	999	999
2.125% euro-denominated notes due 2019 (2.125% 2019 euro Notes)	910	887
4.50% notes due 2020 (4.50% 2020 Notes)	300	300
3.45% notes due 2020 (3.45% 2020 Notes)	898	897
4.10% notes due 2021 (4.10% 2021 Notes)	998	998
3.875% notes due 2021 (3.875% 2021 Notes)	1,746	1,745
3.625% notes due 2022 (3.625% 2022 Notes)	747	747
5.50% pound-sterling-denominated notes due 2026 (5.50% 2026 pound sterling Notes)	763	763
4.00% pound-sterling-denominated notes due 2029 (4.00% 2029 pound sterling Notes)	1,118	1,117
6.375% notes due 2037 (6.375% 2037 Notes)	899	899
6.90% notes due 2038 (6.90% 2038 Notes)	499	499
6.40% notes due 2039 (6.40% 2039 Notes)	996	996
5.75% notes due 2040 (5.75% 2040 Notes)	697	697
4.95% notes due 2041 (4.95% 2041 Notes)	596	595
5.15% notes due 2041 (5.15% 2041 Notes)	2,232	2,232
5.65% notes due 2042 (5.65% 2042 Notes)	1,244	1,244
5.375% notes due 2043 (5.375% 2043 Notes)	1,000	1,000
Other notes	111	109
Total debt	27,189	26,529
Less current portion	(11)	(2,495)
Total noncurrent debt	$ 27,178	$ 24,034

In connection with the acquisition of Onyx Pharmaceuticals, Inc. (Onyx), we entered into a Master Repurchase Agreement and a Term Loan Credit Facility described below. See Note 12, Subsequent event.

Master Repurchase Agreement

We entered into a Master Repurchase Agreement (Repurchase Agreement) pursuant to which Amgen sold 34,097 Class A preferred shares of one of its wholly-owned subsidiaries, ATL Holdings, to the counterparty on September 30, 2013. The Class A preferred shares have a liquidation preference of $100,000 per share. Pursuant to the Repurchase Agreement, we are obligated to repurchase the Class A preferred shares from the counterparty for the aggregate sale price of $3.1 billion, plus any accrued and unpaid payment obligations described below, on September 28, 2018. The $3.1 billion obligation to repurchase the preferred shares is accounted for as long-term debt on our Condensed Consolidated Balance Sheet. Debt issuance costs of $26 million incurred with respect to this transaction will be amortized over the life of the Repurchase Agreement.

Under the Repurchase Agreement, we are obligated to make payments to the counterparty based on the sale price of the outstanding preferred shares at a floating interest rate based on the London Interbank Offered Rate (LIBOR) plus 1.1%. The Repurchase Agreement contains customary events of default, and we have the right to repurchase all or a portion of the Class A preferred shares at any time prior to September 28, 2018, the required repurchase date for the Class A preferred shares.

Term Loan Credit Facility

On October 1, 2013, we borrowed $5.0 billion under a Term Loan Credit Facility which bears interest at a floating rate based on LIBOR plus additional interest, initially 1%, which can vary based on the credit ratings assigned to our long-term debt by Standard & Poor’s Financial Services LLC (S&P) and Moody’s Investor Service, Inc. (Moody’s). A portion of the principal amount of this debt is to be repaid at the end of each quarter equal to 2.5% of the original amount of the loan, or $125 million, with the balance due on October 1, 2018. The outstanding balance of this loan may be prepaid in whole or in part at any time without penalty. This credit facility includes the same financial covenant as our revolving credit facility with respect to our level of borrowings in relation to our equity, as defined.

Convertible notes

In February 2013, our 0.375% 2013 Convertible Notes matured/converted, and accordingly, the $2.5 billion principal amount was settled in cash. We also elected to pay the note holders who converted their notes $99 million of cash for the conversion value that exceeded the principal amount of the notes, as allowed under the original terms of the notes. As a result of this conversion, we received $99 million of cash from the counterparty to the related convertible note hedge to offset the corresponding payment to the convertible note holders. In addition, on May 1, 2013, warrants to acquire 32 million shares of our common stock at an exercise price of $104.80 originally sold in connection with the issuance of the 0.375% 2013 Convertible Notes were exercised, resulting in a net cash payment of $100 million.

8. Stockholders’ equity

Stock repurchase program

Activity under our stock repurchase program was as follows (in millions):

	2013		2012	
	Shares	Dollars	Shares	Dollars
First quarter	9.1	$ 771	21.0	$ 1,429
Second quarter	—	—	17.4	1,203
Third quarter	—	—	9.7	797
Total stock repurchases	9.1	$ 771	48.1	$ 3,429

As of September 30, 2013, $1.6 billion remained available under our Board of Directors-approved stock repurchase program.

Dividends

On December 13, 2012, the Board of Directors declared a quarterly cash dividend of $0.47 per share of common stock, which was paid on March 7, 2013. On March 6, 2013, the Board of Directors declared a quarterly cash dividend of $0.47 per share of common stock, which was paid on June 7, 2013. On July 26, 2013, the Board of Directors declared a quarterly cash dividend of $0.47 per share of common stock, which was paid on September 6, 2013. On October 16, 2013, the Board of Directors declared a quarterly cash dividend of $0.47 per share of common stock, which will be paid on December 6, 2013 to all stockholders of record as of the close of business on November 14, 2013.

Accumulated other comprehensive income

The components of AOCI were as follows (in millions):

	Foreign currency translation	Cash flow hedges	Available-for-sale securities	Other	AOCI
Balance as of December 31, 2012	$ 12	$ (35)	$ 183	$ (14)	$ 146
Foreign currency translation adjustments	(36)	—	—	—	(36)
Unrealized gains (losses)	—	(25)	(32)	1	(56)
Reclassification adjustments to income	—	144	(67)	—	77
Income taxes	13	(44)	37	—	6
Balance as of March 31, 2013	(11)	40	121	(13)	137
Foreign currency translation adjustments	(39)	—	—	—	(39)
Unrealized gains (losses)	—	53	(318)	—	(265)
Reclassification adjustments to income	—	(18)	(7)	—	(25)
Income taxes	14	(13)	120	—	121
Balance as of June 30, 2013	(36)	62	(84)	(13)	(71)
Foreign currency translation adjustments	18	—	—	—	18
Unrealized gains (losses)	—	26	74	(2)	98
Reclassification adjustments to income	—	(159)	2	—	(157)
Income taxes	(6)	49	(28)	—	15
Balance as of September 30, 2013	$ (24)	$ (22)	$ (36)	$ (15)	$ (97)

The reclassifications out of AOCI to Net income were as follows (in millions):

	Amounts reclassified out of AOCI		
Components of AOCI	**Three months ended September 30, 2013**	**Nine months ended September 30, 2013**	**Line item affected in the Statements of Income**
Cash flow hedges:			
Foreign currency contract gains	$ 6	$ 9	Product sales
Cross-currency swap contract gains	153	25	Interest and other income, net
Forward interest rate contract losses	—	(1)	Interest expense, net
	159	33	Total before income tax
	(59)	(13)	Tax (expense)/benefit
	$ 100	$ 20	Net of taxes
Available-for-sale securities:			
Net realized gains (losses)	$ (2)	$ 72	Interest and other income, net
	1	(27)	Tax (expense)/benefit
	$ (1)	$ 45	Net of taxes

9. Fair value measurement

To estimate the fair value of our financial assets and liabilities we use valuation approaches within a hierarchy that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that observable inputs be used when available. Observable inputs are inputs that market participants would use in pricing the asset or liability based on market data obtained from sources independent of the Company. Unobservable inputs are inputs that reflect the Company’s assumptions about the inputs that market participants would use in pricing the asset or liability and are developed based on the best information available in the circumstances. The fair value hierarchy is divided into three levels based on the source of inputs as follows:

Level 1	—	Valuations based on unadjusted quoted prices in active markets for identical assets or liabilities that the Company has the ability to access
Level 2	—	Valuations for which all significant inputs are observable, either directly or indirectly, other than level 1 inputs
Level 3	—	Valuations based on inputs that are unobservable and significant to the overall fair value measurement

The availability of observable inputs can vary among the various types of financial assets and liabilities. To the extent that the valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. In certain cases, the inputs used for measuring fair value may fall into different levels of the fair value hierarchy. In such cases, for financial statement disclosure purposes, the level in the fair value hierarchy within which the fair value measurement is categorized is based on the lowest level of input used that is significant to the overall fair value measurement.

The fair value of each major class of the Company's financial assets and liabilities measured at fair value on a recurring basis was as follows (in millions):

Fair value measurement as of September 30, 2013, using:	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Assets:				
Available-for-sale investments:				
U.S. Treasury securities	$ 6,173	$ —	$ —	$ 6,173
Other government-related debt securities:				
U.S.	—	1,122	—	1,122
Foreign and other	—	1,208	—	1,208
Corporate debt securities:				
Financial	—	3,460	—	3,460
Industrial	—	3,458	—	3,458
Other	—	337	—	337
Residential mortgage-backed securities	—	1,397	—	1,397
Other mortgage- and asset-backed securities	—	1,452	—	1,452
Money market mutual funds	6,907	—	—	6,907
Equity securities	91	—	—	91
Derivatives:				
Foreign currency contracts	—	36	—	36
Cross-currency swap contracts	—	133	—	133
Interest rate swap contracts	—	13	—	13
Total assets	$ 13,171	$ 12,616	$ —	$ 25,787
Liabilities:				
Derivatives:				
Foreign currency contracts	$ —	$ 71	$ —	$ 71
Cross-currency swap contracts	—	7	—	7
Interest rate swap contracts	—	97	—	97
Contingent consideration obligations in connection with a business combination	—	—	332	332
Total liabilities	$ —	$ 175	$ 332	$ 507

Fair value measurement as of December 31, 2012, using:	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Assets:				
Available-for-sale investments:				
U.S. Treasury securities	$ 4,458	$ —	$ —	$ 4,458
Other government-related debt securities:				
U.S.	—	1,030	—	1,030
Foreign and other	—	1,608	—	1,608
Corporate debt securities:				
Financial	—	3,361	—	3,361
Industrial	—	4,380	—	4,380
Other	—	452	—	452
Residential mortgage-backed securities	—	1,829	—	1,829
Other mortgage- and asset-backed securities	—	1,767	—	1,767
Money market mutual funds	2,620	—	—	2,620
Other short-term interest-bearing securities	—	2,186	—	2,186
Equity securities	54	—	—	54
Derivatives:				
Foreign currency contracts	—	46	—	46
Cross-currency swap contracts	—	65	—	65
Total assets	$ 7,132	$ 16,724	$ —	$ 23,856
Liabilities:				
Derivatives:				
Foreign currency contracts	$ —	$ 59	$ —	$ 59
Cross-currency swap contracts	—	6	—	6
Contingent consideration obligations in connection with a business combination	—	—	221	221
Total liabilities	$ —	$ 65	$ 221	$ 286

The fair values of our U.S. Treasury securities, money market mutual funds and equity securities are based on quoted market prices in active markets with no valuation adjustment.

Most of our other government-related and corporate debt securities are investment grade with maturity dates of five years or less from the balance sheet date. Our other government-related debt securities portfolio is composed of securities with weighted-average credit ratings of A+ by S&P, AA- or equivalent by Moody's or Fitch, Inc. (Fitch); and our corporate debt securities portfolio has a weighted-average credit rating of A- or equivalent by S&P, BBB+ by Moody's or Fitch. We estimate the fair values of these securities by taking into consideration valuations obtained from third-party pricing services. The pricing services utilize industry standard valuation models, including both income- and market-based approaches, for which all significant inputs are observable, either directly or indirectly, to estimate fair value. These inputs include reported trades of and broker/dealer quotes on the same or similar securities; issuer credit spreads; benchmark securities; and other observable inputs.

Our residential mortgage-, other mortgage- and asset-backed securities portfolio is composed entirely of senior tranches, with credit ratings of AAA by S&P, Moody's or Fitch. We estimate the fair values of these securities by taking into consideration valuations obtained from third-party pricing services. The pricing services utilize industry standard valuation models, including both income- and market-based approaches, for which all significant inputs are observable, either directly or indirectly, to estimate fair value. These inputs include reported trades of and broker/dealer quotes on the same or similar securities; issuer credit spreads; benchmark securities; prepayment/default projections based on historical data; and other observable inputs.

We value our other short-term interest-bearing securities at amortized cost, which approximates fair value given their near term maturity dates.

All of our foreign currency forward and option derivatives contracts have maturities of three years or less and all are with counterparties that have minimum credit ratings of A- or equivalent by S&P, Moody’s or Fitch. We estimated the fair values of these contracts by taking into consideration valuations obtained from a third-party valuation service that utilizes an income-based

industry standard valuation model for which all significant inputs are observable, either directly or indirectly. These inputs include foreign currency rates, LIBOR cash and swap rates and obligor credit default swap rates. In addition, inputs for our foreign currency option contracts also include implied volatility measures. These inputs, where applicable, are at commonly quoted intervals. See Note 10, Derivative instruments.

Our cross-currency swap contracts are with counterparties that have minimum credit ratings of A- or equivalent by S&P, Moody’s or Fitch. We estimated the fair values of these contracts by taking into consideration valuations obtained from a third-party valuation service that utilizes an income-based industry standard valuation model for which all significant inputs are observable either directly or indirectly. These inputs include foreign currency exchange rates, LIBOR, swap rates, obligor credit default swap rates and cross-currency basis swap spreads. See Note 10, Derivative instruments.

Our interest rate swap contracts are with counterparties that have minimum credit ratings of A- or equivalent by S&P, Moody’s or Fitch. We estimated the fair values of these contracts by using an income-based industry standard valuation model for which all significant inputs were observable either directly or indirectly. These inputs included LIBOR, swap rates and obligor credit default swap rates. See Note 10, Derivative instruments.

As a result of our acquisition of BioVex Group, Inc. in March 2011, we are obligated to pay its former shareholders up to $575 million of additional consideration contingent upon achieving up to eight separate regulatory and sales-related milestones with regard to talimogene laherparepvec, which was acquired in the acquisition and is currently in phase 3 clinical development for the treatment of melanoma. The three largest of these potential payments are $125 million each, including the amount due if a Biologics License Application (BLA) is filed with the U.S. Food and Drug Administration (FDA). Potential payments are also due upon the first commercial sale in each of the United States and the European Union (EU) following receipt of marketing approval which includes use of the product in specified patient populations and upon achievement of specified levels of sales within specified periods of time.

These contingent consideration obligations are recorded at their estimated fair values with any changes in fair value recognized in earnings. The fair value measurements of these obligations are based on significant unobservable inputs, including the estimated probabilities and timing of achieving the related regulatory and commercial events in connection with these milestones and, as applicable, estimated annual sales. Significant changes (increases or decreases) in these inputs would result in corresponding changes in the fair values of the contingent consideration obligations.

We revalue these contingent consideration obligations each reporting period until the related contingencies are resolved. We estimate the fair values of these obligations by using a combination of probability-adjusted discounted cash flows, option pricing techniques and a simulation model of expected annual sales. Quarterly, management in our R&D and commercial sales organizations review key assumptions used in the fair value measurements of these obligations. In the absence of any significant changes in key assumptions, the changes in fair values of these contingent consideration obligations reflect the passage of time and changes in our credit risk adjusted rate used to discount obligations to present value. During the three months ended June 30, 2013, there were increases in management's estimates of the probabilities of completing the BLA filing and receiving approval to market talimogene laherparepvec in specified patient populations in the United States and EU. Due primarily to these changes in key assumptions, the estimated aggregate fair value of the contingent consideration obligations increased $111 million during the nine months ended September 30, 2013. There was no change in the estimated aggregate fair value of the contingent consideration obligations during the three months ended September 30, 2013. During the three and nine months ended September 30, 2012, the estimated aggregate fair value of the contingent consideration obligations increased $2 million and $5 million, respectively. Changes in contingent consideration obligations were recorded in Other operating expenses in the Condensed Consolidated Statements of Income.

There have been no transfers of assets or liabilities between the fair value measurement levels, and there were no material remeasurements to fair value during the nine months ended September 30, 2013 and 2012, of assets and liabilities that are not measured at fair value on a recurring basis.

Summary of the fair value of other financial instruments

Cash equivalents

The estimated fair values of cash equivalents approximate their carrying values due to the short-term nature of these financial instruments.

Borrowings

We estimated the fair values of our long-term notes (Level 2) by taking into consideration indicative prices obtained from a third-party financial institution that utilizes industry standard valuation models, including both income- and market-based approaches, for which all significant inputs are observable either directly or indirectly. These inputs include reported trades of and

broker/dealer quotes on the same or similar securities; credit spreads; benchmark yields; foreign currency exchange rates, as applicable; and other observable inputs. As of September 30, 2013, and December 31, 2012, the aggregate fair values of our long-term debt were $28.3 billion and $29.9 billion, respectively, and the carrying values were $27.2 billion and $26.5 billion, respectively.

10. Derivative instruments

The Company is exposed to foreign currency exchange rate and interest rate risks related to its business operations. To reduce our risks related to these exposures, we utilize or have utilized certain derivative instruments, including foreign currency forward, foreign currency option, cross-currency swap, forward interest rate and interest rate swap contracts. We do not use derivatives for speculative trading purposes.

Cash flow hedges

We are exposed to possible changes in the values of certain anticipated foreign currency cash flows resulting from changes in foreign currency exchange rates, associated primarily with our euro-denominated international product sales. Increases and decreases in the cash flows associated with our international product sales due to movements in foreign currency exchange rates are offset partially by the corresponding increases and decreases in our international operating expenses resulting from these foreign currency exchange rate movements. To further reduce our exposure to foreign currency exchange rate fluctuations on our international product sales, we enter into foreign currency forward and option contracts to hedge a portion of our projected international product sales primarily over a three-year time horizon, with, at any given point in time, a higher percentage of nearer-term projected product sales being hedged than in successive periods. As of September 30, 2013, and December 31, 2012, we had open foreign currency forward contracts with notional amounts of $3.8 billion and $3.7 billion, respectively, and open foreign currency option contracts with notional amounts of $210 million and $200 million, respectively. These foreign currency forward and option contracts, primarily euro based, have been designated as cash flow hedges, and accordingly, the effective portions of the unrealized gains and losses on these contracts are reported in AOCI in the Condensed Consolidated Balance Sheets and reclassified to earnings in the same periods during which the hedged transactions affect earnings.

To hedge our exposure to foreign currency exchange rate risk associated with certain of our long-term notes denominated in foreign currencies, we entered into cross-currency swap contracts. Under the terms of these contracts, we paid euros/pounds sterling and received U.S. dollars for the notional amounts at the inception of the contracts, and we exchange interest payments based on these notional amounts at fixed rates over the lives of the contracts in which we pay U.S. dollars and receive euros/pounds sterling. In addition, we will pay U.S. dollars to and receive euros/pounds sterling from the counterparties at the maturities of the contracts for these same notional amounts. The terms of these contracts correspond to the related hedged notes, effectively converting the interest payments and principal repayment on these notes from euros/pounds sterling to U.S. dollars. These cross-currency swap contracts have been designated as cash flow hedges, and accordingly, the effective portions of the unrealized gains and losses on these contracts are reported in AOCI and reclassified to earnings in the same periods during which the hedged debt affects earnings. The notional amounts and interest rates of our cross-currency swaps are as follows (notional amounts in millions):

	Foreign currency			U.S. dollars		
Hedged notes	**Notional Amount**		**Interest rate**	**Notional Amount**		**Interest rate**
2.125% 2019 euro Notes	€	675	2.125%	$	864	2.6%
5.50% 2026 pound sterling Notes	£	475	5.50%	$	748	5.8%
4.00% 2029 pound sterling Notes	£	700	4.00%	$	1,122	4.3%

In connection with the anticipated issuance of long-term fixed-rate debt, we occasionally enter into forward interest rate contracts in order to hedge the variability in cash flows due to changes in the applicable Treasury rate between the time we enter into these contracts and the time the related debt is issued. Gains and losses on such contracts, which are designated as cash flow hedges, are reported in AOCI and amortized into earnings over the lives of the associated debt issuances.

The effective portion of the unrealized gain/(loss) recognized in other comprehensive income for our derivative instruments designated as cash flow hedges was as follows (in millions):

	Three months ended September 30,		Nine months ended September 30,	
Derivatives in cash flow hedging relationships	**2013**	**2012**	**2013**	**2012**
Foreign currency contracts	$ (137)	$ (127)	$ (16)	$ (25)
Cross-currency swap contracts	163	38	70	11
Forward interest rate contracts	—	—	—	(7)
Total	$ 26	$ (89)	$ 54	$ (21)

The location in the Condensed Consolidated Statements of Income and the effective portion of the gain/(loss) reclassified out of AOCI into earnings for our derivative instruments designated as cash flow hedges were as follows (in millions):

		Three months ended September 30,		Nine months ended September 30,	
Derivatives in cash flow hedging relationships	**Statements of Income location**	**2013**	**2012**	**2013**	**2012**
Foreign currency contracts	Product sales	$ 6	$ 38	$ 9	$ 67
Cross-currency swap contracts	Interest and other income, net	153	58	25	54
Forward interest rate contracts	Interest expense, net	—	—	(1)	(1)
Total		$ 159	$ 96	$ 33	$ 120

No portions of our cash flow hedge contracts are excluded from the assessment of hedge effectiveness, and the gains and losses on the ineffective portions of these hedging instruments were not material for the three and nine months ended September 30, 2013 and 2012. As of September 30, 2013, the amounts expected to be reclassified out of AOCI into earnings over the next 12 months are approximately $20 million of net losses on our foreign currency and cross-currency swap contracts and approximately $1 million of losses on forward interest rate contracts.

Fair value hedges

To achieve a desired mix of fixed and floating interest rates on our long-term debt, we entered into interest rate swap contracts, which qualified and were designated as fair value hedges. The terms of these interest rate swap contracts corresponded to the related hedged debt instruments and effectively converted a fixed interest rate coupon to a floating LIBOR-based coupon over the lives of the respective notes. Due to historically low interest rates, during the three months ended June 30, 2012, we terminated our interest rate swap contracts with an aggregate notional amount of $3.6 billion with respect to our 4.85% 2014 Notes, 5.85% 2017 Notes, 6.15% 2018 Notes and 5.70% 2019 Notes with rates that ranged from LIBOR plus 0.3% to LIBOR plus 2.6%.

During the three months ended March 31, 2013, we entered into interest rate swap contracts with an aggregate notional amount of $2.5 billion with respect to our 3.875% 2021 Notes and our 3.625% 2022 Notes. During the three months ended June 30, 2013, we entered into interest rate swap contracts with an aggregate notional amount of $1.9 billion with respect to our 3.45% 2020 Notes and our 4.10% 2021 Notes. The contracts have rates that range from three-month LIBOR plus 1.1% to three-month LIBOR plus 2.0%.

For derivative instruments that are designated and qualify as fair value hedges, the unrealized gain or loss on the derivative resulting from the change in fair value during the period as well as the offsetting unrealized loss or gain of the hedged item resulting from the change in fair value during the period attributable to the hedged risk is recognized in current earnings. For the three and nine months ended September 30, 2013, we included the unrealized losses on the hedged debt of $7 million and gains of $84 million, respectively, in the same line item, Interest expense, net, in the Condensed Consolidated Statements of Income, as the offsetting unrealized gains of $7 million and losses of $84 million, respectively, on the related interest rate swap contracts. For the nine months ended September 30, 2012, we included the unrealized losses on the hedged debt of $20 million in the same line item, Interest expense, net, in the Condensed Consolidated Statements of Income, as the offsetting unrealized gains of $20 million on the related interest rate swap contracts.

Derivatives not designated as hedges

We enter into foreign currency forward contracts that are not designated as hedging transactions to reduce our exposure to foreign currency fluctuations of certain assets and liabilities denominated in foreign currencies. These exposures are hedged on a month-to-month basis. As of September 30, 2013, and December 31, 2012, the total notional amounts of these foreign currency forward contracts were $694 million and $629 million, respectively.

The location in the Condensed Consolidated Statements of Income and the amount of gain/(loss) recognized in earnings for our derivative instruments not designated as hedging instruments were as follows (in millions):

		Three months ended September 30,		Nine months ended September 30,	
Derivatives not designated as hedging instruments	**Statements of Income location**	**2013**	**2012**	**2013**	**2012**
Foreign currency contracts	Interest and other income, net	$ 15	$ 3	$ 10	$ 13

The fair values of derivatives included in the Condensed Consolidated Balance Sheets were as follows (in millions):

	Derivative assets		Derivative liabilities	
September 30, 2013	**Balance Sheet location**	**Fair value**	**Balance Sheet location**	**Fair value**
Derivatives designated as hedging instruments:				
Cross-currency swap contracts	Other current assets/ Other noncurrent assets	$ 133	Accrued liabilities/ Other noncurrent liabilities	$ 7
Foreign currency contracts	Other current assets/ Other noncurrent assets	36	Accrued liabilities/ Other noncurrent liabilities	71
Interest rate swap contracts	Other current assets/ Other noncurrent assets	13	Accrued liabilities/ Other noncurrent liabilities	97
Total derivatives designated as hedging instruments		182		175
Derivatives not designated as hedging instruments:				
Foreign currency contracts	Other current assets	—	Accrued liabilities	—
Total derivatives not designated as hedging instruments		—		—
Total derivatives		$ 182		$ 175

December 31, 2012	Derivative assets		Derivative liabilities	
	Balance Sheet location	Fair value	Balance Sheet location	Fair value
Derivatives designated as hedging instruments:				
Cross-currency swap contracts	Other current assets/ Other noncurrent assets	$ 65	Accrued liabilities/ Other noncurrent liabilities	$ 6
Foreign currency contracts	Other current assets/ Other noncurrent assets	45	Accrued liabilities/ Other noncurrent liabilities	58
Total derivatives designated as hedging instruments		110		64
Derivatives not designated as hedging instruments:				
Foreign currency contracts	Other current assets	1	Accrued liabilities	1
Total derivatives not designated as hedging instruments		1		1
Total derivatives		$ 111		$ 65

Our derivative contracts that were in liability positions as of September 30, 2013, contain certain credit-risk-related contingent provisions that would be triggered if: (i) we were to undergo a change in control and (ii) our or the surviving entity's creditworthiness deteriorates, which is generally defined as having either a credit rating that is below investment grade or a materially weaker creditworthiness after the change in control. If these events were to occur, the counterparties would have the right, but not the obligation, to close the contracts under early-termination provisions. In such circumstances, the counterparties could request immediate settlement of these contracts for amounts that approximate the then current fair values of the contracts. In addition, our derivative contracts are not subject to any type of master netting arrangement, and amounts due to or from a counterparty under these contracts may only be offset against other amounts due to or from the same counterparty if an event of default or termination, as defined, were to occur.

The cash flow effects of our derivatives contracts for the nine months ended September 30, 2013 and 2012, are included within Net cash provided by operating activities in the Condensed Consolidated Statements of Cash Flows.

11. Contingencies and commitments

Contingencies

In the ordinary course of business, we are involved in various legal proceedings and other matters, including those discussed in this Note, that are complex in nature and have outcomes that are difficult to predict. See Note 18, Contingencies and commitments to our consolidated financial statements in our Annual Report on Form 10-K for the year ended December 31, 2012, and Note 11, Contingencies and commitments to our condensed consolidated financial statements in our Quarterly Reports on Form 10-Q for the periods ended March 31, 2013 and June 30, 2013 for further discussion of certain of our legal proceedings and other matters.

We record accruals for loss contingencies to the extent that we conclude that it is probable that a liability has been incurred and the amount of the related loss can be reasonably estimated. We evaluate, on a quarterly basis, developments in legal proceedings and other matters that could cause an increase or decrease in the amount of the liability that has been accrued previously.

Our legal proceedings range from cases brought by a single plaintiff to class actions with thousands of putative class members. These legal proceedings, as well as other matters, involve various aspects of our business and a variety of claims (including but not limited to patent infringement, marketing, pricing and trade practices and securities law), some of which present novel factual allegations and/or unique legal theories. In each of the matters described in this filing, in Note 18 to our consolidated financial statements in our Annual Report on Form 10-K for the year ended December 31, 2012, or in Note 11 to our condensed consolidated financial statements in our Quarterly Reports on Form 10-Q for the periods ended March 31, 2013, and June 30, 2013, plaintiffs seek an award of a not-yet-quantified amount of damages or an amount that is not material. In addition, a number of the matters pending against us are at very early stages of the legal process (which in complex proceedings of the sort faced by us often extend for several years). As a result, none of the matters described in these filings have progressed sufficiently through discovery and/or development of important factual information and legal issues to enable us to estimate a range of possible loss, if any, or such amounts are not material. While it is not possible to accurately predict or determine the eventual outcomes of these items, an adverse determination in one or more of these items currently pending could have a material adverse effect on our consolidated results of operations, financial position or cash flows.

Certain recent developments concerning our legal proceedings and other matters are discussed below:

Sandoz Patent Litigation

As previously disclosed, Sandoz, Inc. filed a complaint against Amgen and Hoffman-La Roche, Inc. (Roche) alleging that U.S. Patent Nos. 8,063,182 and 8,163,522 are invalid and seeking a declaratory judgment of non-infringement, invalidity and unenforceability of the '182 and '522 patents. On August 16, 2013, Amgen and Roche filed a motion to dismiss Sandoz's complaint for lack of subject matter jurisdiction. A hearing on the motion to dismiss is set for November 15, 2013.

Onyx Litigation

Between August 28, 2013 and September 16, 2013, nine plaintiffs filed purported class action lawsuits against Onyx, its directors, Amgen and Arena Acquisition Company, and unnamed "John Doe" defendants in connection with Amgen's acquisition of Onyx. Seven of those purported class actions were brought in the Superior Court of the State of California for the County of San Mateo, captioned *Lawrence I. Silverstein and Phil Rosen v. Onyx Pharmaceuticals, Inc., et al.* (August 28, 2013) ("*Silverstein*"), *Laura Robinson v. Onyx Pharmaceuticals, Inc., et al.* (originally filed in the Superior Court for the County of San Francisco on August 28, 2013, and re-filed in the Superior Court for the County of San Mateo on August 29, 2013) ("*Robinson*"), *John Solak v. Onyx Pharmaceuticals, Inc., et al.* (August 30, 2013), *Louisiana Municipal Police Employees' Retirement System and Hubert Chow v. Onyx Pharmaceuticals, Inc., et al.* (September 3, 2013) ("*Louisiana Municipal*"), *Laurine Jonopulos v. Onyx Pharmaceuticals, Inc., et al.* (September 4, 2013) ("*Jonopulos*"), *Clifford G. Martin v. Onyx Pharmaceuticals, Inc., et al*. (September 9, 2013) ("*Martin*") and *Merrill L. Magowan v. Onyx Pharmaceuticals, Inc. et al.* (September 9, 2013) ("*Magowan*"). The eighth and ninth purported class actions were brought in the Court of Chancery of the State of Delaware, captioned *Mark D. Smilow, IRA v. Onyx Pharmaceuticals Inc., et al.* (August 29, 2013) and *William L. Fitzpatric v. Onyx Pharmaceuticals, Inc., et al.* (September 16, 2013) ("*Fitzpatric*"). On September 5, 2013, the plaintiff in the *John Solak* case filed a request for dismissal of the case without prejudice. On September 10, 2013, the plaintiff in the *Mark D. Smilow, IRA* case filed a notice and proposed order of voluntary dismissal of the case without prejudice. On September 10, 2013, plaintiffs in the *Silverstein* and *Louisiana Municipal* cases filed an amended complaint alleging substantially the same claims and seeking substantially the same relief as in their individual purported class action lawsuits. Each of the lawsuits alleges that the Onyx director defendants breached their fiduciary duties to Onyx shareholders, and that the other defendants aided and abetted such breaches, by seeking to sell Onyx through an allegedly unfair process and for an unfair price and on unfair terms. The *Magowan* and *Fitzpatric* complaints and the amended complaint filed in the *Silverstein* and *Louisiana Municipal* cases also allege that the individual defendants breached their fiduciary duties with respect to the contents of the tender offer solicitation material. Each of the lawsuits seeks, among other things, equitable relief that would enjoin the consummation of the proposed merger, rescission of the merger agreement (to the extent it has already been implemented), and attorneys' fees and costs, and certain of the lawsuits seek other relief. The *Silverstein*, *Robinson*, *Louisiana Municipal* and *Jonopulos* cases were designated as "complex" and assigned to the Honorable Marie S. Weiner, who subsequently entered an order consolidating the *Silverstein*, *Robinson*, *Louisiana Municipal*, *Jonopulos*, *Martin* and *Magowan* cases.

Federal Securities Litigation - In re Amgen Inc. Securities Litigation

The trial date for this securities class action lawsuit pending against Amgen has been set by the U.S. District Court for the Central District of California for June 1, 2015.

Government Investigations and Qui Tam Actions

As previously disclosed, Amgen accrued an immaterial amount to resolve the last remaining Original Qui Tam Action (as defined in Note 18, Contingencies and commitments to our consolidated financial statements in our Annual Report on Form 10-K for the year ended December 31, 2012). In September 2013, the U.S. District Court for the Eastern District of New York granted the government's motion to dismiss the complaint of the relator plaintiffs based on prosecutorial discretion.

12. Subsequent event

On October 1, 2013, we completed our acquisition of Onyx, a publicly held biopharmaceutical company engaged in the development and commercialization of innovative therapies for improving the lives of people with cancer, which became a wholly owned subsidiary of Amgen. This transaction, which was accounted for as a business combination, provides us with an important and growing multiple myeloma franchise, with Kyprolis® (carfilzomib) for Injection already approved in the United States, and with oprozomib being evaluated in clinical trials for patients with hematologic malignancies. In addition, Onyx has collaborations with Bayer HealthCare Pharmaceuticals, Inc., for two of Bayer's marketed oncology products: Nexavar® (sorafenib) tablets, for which Onyx and Bayer have a profit-sharing relationship, and Stivarga® (regorafenib) tablets, for which Onyx receives sales-based royalties from Bayer. Onyx also has a collaboration with Pfizer related to palbociclib, an oncology product being developed by Pfizer for which Onyx will receive sales-based royalties.

The net cash consideration to acquire Onyx totaled approximately $9.7 billion which equals a price of $125 per share of common stock.

Given the timing of the closing of this transaction, we are currently in the process of valuing the assets acquired and liabilities assumed in the business combination. As a result, we are not yet able to provide the amounts to be recognized as of the acquisition date for the major classes of assets acquired and liabilities assumed and other related disclosures. We will include this and other related information in our 2013 Annual Report on Form 10-K.

We financed the transaction with approximately $1.6 billion cash on hand, $3.1 billion in bank debt issued on September 30, 2013, and $5.0 billion in bank debt issued on October 1, 2013. See Note 7, Financing arrangements.

Item 2. MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Forward-looking statements

This report and other documents we file with the SEC contain forward-looking statements that are based on current expectations, estimates, forecasts and projections about us, our future performance, our business, our beliefs and our management’s assumptions. In addition, we, or others on our behalf, may make forward-looking statements in press releases or written statements or in our communications and discussions with investors and analysts in the normal course of business through meetings, webcasts, phone calls and conference calls. Such words as “expect,” “anticipate,” “outlook,” “could,” “target,” “project,” “intend,” “plan,” “believe,” “seek,” “estimate,” “should,” “may,” “assume,” and “continue,” as well as variations of such words and similar expressions, are intended to identify such forward-looking statements. These statements are not guarantees of future performance and involve certain risks, uncertainties and assumptions that are difficult to predict. We describe our respective risks, uncertainties and assumptions that could affect the outcome or results of operations in Part I, Item 1A, of our Annual Report on Form 10-K for the fiscal year ended December 31, 2012. We have based our forward-looking statements on our management’s beliefs and assumptions based on information available to our management at the time the statements are made. We caution you that actual outcomes and results may differ materially from what is expressed, implied or forecast by our forward-looking statements. Reference is made in particular to forward-looking statements regarding product sales, regulatory activities, clinical trial results, reimbursement, expenses, EPS, liquidity and capital resources, trends and planned dividends and stock repurchases. Except as required under the federal securities laws and the rules and regulations of the SEC, we do not have any intention or obligation to update publicly any forward-looking statements after the distribution of this report, whether as a result of new information, future events, changes in assumptions or otherwise.

Overview

The following Management’s Discussion and Analysis of Financial Condition and Results of Operations (MD&A) is intended to assist the reader in understanding Amgen’s business. MD&A is provided as a supplement to, and should be read in conjunction with, our Annual Report on Form 10-K for the year ended December 31, 2012 and our Quarterly Reports on Form 10-Q for the periods ended March 31, 2013, and June 30, 2013. Our results of operations discussed in MD&A are presented in conformity with GAAP.

Amgen discovers, develops, manufactures, and delivers innovative human therapeutics. A biotechnology pioneer since 1980, Amgen was one of the first companies to realize the new science's promise by bringing safe, effective medicines from lab to manufacturing plant to patient. Amgen therapeutics have changed the practice of medicine, helping people around the world in the fight against serious illnesses. With a deep and broad pipeline of potential new medicines, Amgen remains committed to advancing science to dramatically improve people's lives. Amgen operates in one business segment: human therapeutics. Therefore, our results of operations are discussed on a consolidated basis.

Currently, we market primarily recombinant protein therapeutics for supportive cancer care, inflammation, nephrology and bone disease. Our principal products are Neulasta® (pegfilgrastim), NEUPOGEN® (filgrastim), Enbrel® (etanercept), XGEVA® (denosumab), Prolia® (denosumab) and our erythropoiesis-stimulating agents: Aranesp® (darbepoetin alfa) and EPOGEN® (epoetin alfa). Our product sales outside the United States consist principally of sales in Europe. For the three and nine months ended September 30, 2013, our principal products represented 89% and 88% of worldwide product sales, respectively, compared with 89% for the corresponding periods of the prior year. Our other marketed products include principally Sensipar®/Mimpara® (cinacalcet), Vectibix® (panitumumab) and Nplate® (romiplostim).

Significant developments

Following is a summary of selected significant developments affecting our business that have occurred since June 30, 2013. For additional developments or for a more comprehensive discussion of certain developments discussed below, see our Annual Report on Form 10-K for the year ended December 31, 2012 and our Quarterly Reports on Form 10-Q for the periods ended March 31, 2013, and June 30, 2013.

Acquisition

- In October 2013, we acquired Onyx, a biopharmaceutical company engaged in the development and commercialization of innovative therapies for improving the lives of people with cancer. Onyx has an important and growing multiple myeloma franchise, with Kyprolis® (carfilzomib) for Injection already approved in the United States, and with oprozomib being evaluated in clinical trials for patients with hematologic malignancies. In addition, Onyx has collaborations with Bayer HealthCare Pharmaceuticals, Inc., for two of Bayer's marketed oncology products: Nexavar® (sorafenib) tablets, for which Onyx and Bayer have a profit-sharing relationship, and Stivarga® (regorafenib) tablets, for which Onyx receives sales-based royalties from Bayer. Onyx also has a collaboration with Pfizer related to palbociclib, an oncology product being developed by Pfizer for which Onyx will receive sales-based royalties. See Note 12, Subsequent event to the condensed consolidated financial statements.

  We believe there is a significant opportunity to grow Kyprolis®. Ongoing studies to support and extend the position of Kyprolis® in multiple myeloma include:

  - The FOCUS trial, which could support the EU filing for the indication of relapsed/refractory multiple myeloma, is expected to read out in the first half of 2014.
  - The ASPIRE trial is the confirmatory trial for full U.S. approval as well as a registration-enabling study for relapsed multiple myeloma in the United States and the EU. The Independent Data Monitoring Committee review of interim analysis is projected to occur in the first half of 2014.
  - The ENDEAVOR trial compares Kyprolis® with Velcade® (bortezomib) in patients with relapsed multiple myeloma who have received one to three prior therapies.
  - The CLARION trial compares Kyprolis® with Velcade® in patients with newly diagnosed multiple myeloma.

Products/Pipeline

Vectibix®

- In September 2013, we presented results from the phase 3 ASPECCT ('763) trial comparing Vectibix® with Erbitux® (cetuximab) for the treatment of wild-type KRAS metastatic colorectal cancer in patients who have not responded to chemotherapy. The study met its primary endpoint, demonstrating that panitumumab was non-inferior to cetuximab for overall survival. In Europe, the ASPECCT trial is a Specific Obligation for Vectibix® as part of the European Medicine Agency's conditional marketing authorization.

Trebananib

- In October 2013, we announced that the primary analysis of the event-driven overall survival secondary endpoint from the ongoing pivotal phase 3 study in recurrent ovarian cancer (TRINOVA-1) is projected to occur in the second half of 2014.
- In October 2013, we announced that enrollment has been closed in a phase 3 study in recurrent ovarian cancer (TRINOVA-2) due to DOXIL® (doxorubicin HCl liposome injection) supply issues.
- In October 2013, we discussed that enrollment will be reduced in the phase 3 study in first-line ovarian cancer (TRINOVA-3) while maintaining the integrity of the primary endpoint (progression-free survival).

Evolocumab (AMG 145)

- In October 2013, we announced that all of the pivotal lipid lowering studies of evolocumab have completed enrollment and that data are expected in the first quarter of 2014.

Brodalumab

- In October 2013, we announced that all phase 3 studies in subjects with psoriasis have completed enrollment and that data are expected in 2014.

Ivabradine

- In August 2013, we obtained the commercial rights in the United States to Servier's novel oral drug ivabradine. Ivabradine is approved in the EU for chronic heart failure and stable angina in patients with elevated heart rates, as well as approved in more than 100 other countries, excluding the United States.

Biosimilars

- In October 2013, we announced that we commenced a pivotal study in subjects with psoriasis for our biosimilar Humira® (adalimumab).

Selected financial information

The following is an overview of our results of operations (in millions, except percentages and per share data):

	Three months ended September 30,			Nine months ended September 30,		
	2013	2012	Change	2013	2012	Change
Product sales:						
U.S.	$ 3,625	$ 3,248	12 %	$ 10,358	$ 9,500	9 %
Rest-of-the-world (ROW)	1,022	953	7 %	3,035	2,802	8 %
Total product sales	4,647	4,201	11 %	13,393	12,302	9 %
Other revenues	101	118	(14)%	272	542	(50)%
Total revenues	$ 4,748	$ 4,319	10 %	$ 13,665	$ 12,844	6 %
Operating expenses	$ 3,060	$ 2,896	6 %	$ 8,985	$ 8,355	8 %
Operating income	$ 1,688	$ 1,423	19 %	$ 4,680	$ 4,489	4 %
Net income	$ 1,368	$ 1,107	24 %	$ 4,060	$ 3,557	14 %
Diluted EPS	$ 1.79	$ 1.41	27 %	$ 5.31	$ 4.51	18 %
Diluted shares	766	783	(2)%	764	789	(3)%

The increases in global product sales for the three and nine months ended September 30, 2013, were driven by ENBREL, Neulasta®, XGEVA® and Prolia®. Product sales included a $155-million order for NEUPOGEN® from the U.S. government in the third quarter. Product sales for the nine months ended September 30, 2013, also included a positive adjustment of $164 million to previous years' estimates for managed Medicaid rebates based on recent claims experience. In the United States, we pay rebates to the states for our products that are covered and reimbursed by state Medicaid programs. One of the provisions of the Affordable Care Act—a U.S. healthcare reform law that became effective in 2010—was the extension of the Medicaid drug rebate program to patients in Medicaid managed care insurance plans for whom rebates were not previously required. As we sell product, we estimate the amount of Medicaid rebate that will be paid by us based on the product sold, contractual terms, estimated patient population, historical experience and wholesaler inventory levels, and we accrue these rebates in the period the related sale is recorded. We then adjust the rebate accruals as more information becomes available and to reflect actual claims experience. Estimating such rebates is complicated, in part, due to the limited availability of actual claims data as a result of the time delay between the date of sale and the actual settlement of the liability, which can take more than one year.

Other revenues for the three months ended September 30, 2013, decreased slightly. The decrease in other revenues for the nine months ended September 30, 2013, was due primarily to revenue recognized in the prior year related to changes in our motesanib collaboration with Takeda and milestone payments received in the prior year from AstraZeneca and Astellas Pharma Inc.

The increases in operating expenses for the three and nine months ended September 30, 2013, were driven primarily by R&D and Selling, general & administrative (SG&A) spending.

Net income for the three months ended September 30, 2013, increased due primarily to higher operating income. The increase in net income for the nine months ended September 30, 2013, was due primarily to a lower effective income tax rate driven by tax benefits recognized in the first quarter as well as higher operating income.

The increases in diluted EPS for the three and nine months ended September 30, 2013, were driven primarily by an increase in net income and, to a lesser extent, by the favorable impact of our stock repurchase program in 2012 and the first quarter of 2013, which reduced the number of shares used to compute diluted EPS. We did not repurchase any shares during the second or third quarter of 2013.

Results of operations

Product sales

Worldwide product sales were as follows (dollar amounts in millions):

	Three months ended September 30,			Nine months ended September 30,		
	2013	2012	Change	2013	2012	Change
Neulasta®/NEUPOGEN®	$ 1,601	$ 1,355	18 %	$ 4,383	$ 4,046	8 %
ENBREL	1,155	1,079	7 %	3,351	3,075	9 %
Aranesp®	449	497	(10)%	1,441	1,551	(7)%
EPOGEN®	491	491	— %	1,428	1,462	(2)%
XGEVA®	261	201	30 %	733	533	38 %
Prolia®	178	110	62 %	508	318	60 %
Other products	512	468	9 %	1,549	1,317	18 %
Total product sales	$ 4,647	$ 4,201	11 %	$ 13,393	$ 12,302	9 %

Future sales of our products are influenced by a number of factors, some of which may impact sales of certain of our products more significantly than others. Such factors are discussed below and in the Overview, Item 1. Business — Marketed Products, Item 1A. Risk Factors and Item 7 — Product Sales in our Annual Report on Form 10-K for the year ended December 31, 2012.

Neulasta®/NEUPOGEN®

Total Neulasta®/NEUPOGEN® sales by geographic region were as follows (dollar amounts in millions):

	Three months ended September 30,			Nine months ended September 30,		
	2013	2012	Change	2013	2012	Change
Neulasta®— U.S.	$ 905	$ 824	10 %	$ 2,629	$ 2,432	8 %
Neulasta®— ROW	230	220	5 %	665	666	— %
Total Neulasta®	1,135	1,044	9 %	3,294	3,098	6 %
NEUPOGEN®— U.S.	409	249	64 %	918	756	21 %
NEUPOGEN®— ROW	57	62	(8)%	171	192	(11)%
Total NEUPOGEN®	466	311	50 %	1,089	948	15 %
Total Neulasta®/NEUPOGEN®	$ 1,601	$ 1,355	18 %	$ 4,383	$ 4,046	8 %

The increase in global Neulasta® sales for the three months ended September 30, 2013, was driven by an increase in the average net sales price. The increase in global Neulasta® sales for the nine months ended September 30, 2013, was driven by an increase in the average net sales price, offset partially by a decline in units.

The increases in global NEUPOGEN® sales for the three and nine months ended September 30, 2013, were driven by a $155-million order from the U.S. government. Excluding the special order, sales for the three and nine months ended September 30, 2013, reflected decreases in unit demand, offset partially by increases in the average net sales price.

Our outstanding material U.S. patents for filgrastim (NEUPOGEN®) expire in December 2013. We expect to face competition in the United States beginning in the fourth quarter of 2013, which may have a material adverse impact over time on sales of NEUPOGEN® and Neulasta®.

ENBREL

Total ENBREL sales by geographic region were as follows (dollar amounts in millions):

	Three months ended September 30,			Nine months ended September 30,		
	2013	2012	Change	2013	2012	Change
ENBREL — U.S.	$ 1,073	$ 1,012	6%	$ 3,136	$ 2,881	9%
ENBREL — Canada	82	67	22%	215	194	11%
Total ENBREL	$ 1,155	$ 1,079	7%	$ 3,351	$ 3,075	9%

The increases in ENBREL sales for the three and nine months ended September 30, 2013, were driven primarily by increases in the average net sales price, offset partially by slight unit declines.

Aranesp®

Total Aranesp® sales by geographic region were as follows (dollar amounts in millions):

	Three months ended September 30,			Nine months ended September 30,		
	2013	2012	Change	2013	2012	Change
Aranesp® — U.S.	$ 171	$ 178	(4)%	$ 567	$ 595	(5)%
Aranesp® — ROW	278	319	(13)%	874	956	(9)%
Total Aranesp®	$ 449	$ 497	(10)%	$ 1,441	$ 1,551	(7)%

The decreases in global Aranesp® sales for the three and nine months ended September 30, 2013, were driven by a decline in units and we expect sales to continue trending slightly downward.

EPOGEN®

Total EPOGEN® sales were as follows (dollar amounts in millions):

	Three months ended September 30,			Nine months ended September 30,		
	2013	2012	Change	2013	2012	Change
EPOGEN® — U.S.	$ 491	$ 491	—%	$ 1,428	$ 1,462	(2)%

EPOGEN® sales for the three months ended September 30, 2013, were flat. EPOGEN® sales for the nine months ended September 30, 2013, declined 2%.

The Centers for Medicare & Medicaid Services was directed to reduce the dialysis services and the related end stage renal disease payment bundle amount effective January 1, 2014, under the American Taxpayer Relief Act enacted in January 2013. This change may have an adverse impact on EPOGEN® sales. A final ruling is expected in November.

XGEVA® and Prolia®

Total XGEVA® and total Prolia® sales by geographic region were as follows (dollar amounts in millions):

	Three months ended September 30,			Nine months ended September 30,		
	2013	2012	Change	2013	2012	Change
XGEVA® — U.S.	$ 194	$ 171	13%	$ 561	$ 466	20%
XGEVA® — ROW	67	30	*	172	67	*
Total XGEVA®	261	201	30%	733	533	38%
Prolia® — U.S.	109	68	60%	314	197	59%
Prolia® — ROW	69	42	64%	194	121	60%
Total Prolia®	178	110	62%	508	318	60%
Total XGEVA®/Prolia®	$ 439	$ 311	41%	$ 1,241	$ 851	46%

* Change in excess of 100%

The increases in global XGEVA® and Prolia® sales for the three and nine months ended September 30, 2013, were driven by unit growth reflecting increased segment share.

Sequentially, global XGEVA® sales increased 5% in the quarter ended September 30, 2013, compared with the quarter ended June 30, 2013, reflecting increased segment share. Global Prolia® sales decreased 5% during that same period, impacted by seasonality.

Other products

Other product sales by geographic region were as follows (dollar amounts in millions):

	Three months ended September 30,			Nine months ended September 30,		
	2013	2012	Change	2013	2012	Change
Sensipar® — U.S.	$ 183	$ 172	6 %	$ 540	$ 462	17 %
Sensipar®/Mimpara® — ROW	76	71	7 %	242	232	4 %
Vectibix® — U.S.	32	30	7 %	90	92	(2)%
Vectibix® — ROW	75	58	29 %	197	176	12 %
Nplate® — U.S.	58	53	9 %	175	157	11 %
Nplate® — ROW	48	38	26 %	132	110	20 %
Other — ROW	40	46	(13)%	173	88	97 %
Total other products	$ 512	$ 468	9 %	$ 1,549	$ 1,317	18 %
Total U.S. — other products	$ 273	$ 255	7 %	$ 805	$ 711	13 %
Total ROW — other products	239	213	12 %	744	606	23 %
Total other products	$ 512	$ 468	9 %	$ 1,549	$ 1,317	18 %

Operating expenses

Operating expenses were as follows (dollar amounts in millions):

	Three months ended September 30,			Nine months ended September 30,		
	2013	2012	Change	2013	2012	Change
Cost of sales	$ 788	$ 775	2 %	$ 2,317	$ 2,277	2 %
% of product sales	17.0%	18.4%		17.3%	18.5%	
Research and development	$ 989	$ 880	12 %	$ 2,834	$ 2,442	16 %
% of product sales	21.3%	20.9%		21.2%	19.9%	
Selling, general and administrative	$ 1,249	$ 1,131	10 %	$ 3,663	$ 3,441	6 %
% of product sales	26.9%	26.9%		27.4%	28.0%	
Other	$ 34	$ 110	(69)%	$ 171	$ 195	(12)%

Cost of sales

Cost of sales decreased to 17.0% and 17.3% of product sales for the three and nine months ended September 30, 2013, respectively, driven by lower royalties and higher average net sales prices, offset partially by changes in product mix. The excise tax imposed by Puerto Rico on the gross intercompany purchase price of goods and services from our manufacturer in Puerto Rico also slightly contributed to the decreases as the tax rate declined from 4.0% in 2011 to 3.75% in 2012 and 2.75% in 2013. However, changes to the law have increased the rate effective July 1, 2013, back to 4.0%.

Excluding the impact of the excise tax, cost of sales would have been 15.0% and 15.4% of product sales for the three and nine months ended September 30, 2013, respectively, compared with 16.4% and 16.5% for the corresponding periods of the prior year.

See Note 3, Income taxes, to the condensed consolidated financial statements for further discussion of the Puerto Rico excise tax.

Research and development

The increase in R&D expenses for the three months ended September 30, 2013, was driven primarily by increased costs associated with supporting later-stage clinical programs of $133 million, particularly evolocumab and the $50 million upfront payment to Servier for the U.S. rights to ivabradine. These expenses were offset partially by reduced expenses associated with marketed product support of $24 million. Expenses related to Discovery Research and Translational Sciences activities were flat compared with the prior year.

The increase in R&D expenses for the nine months ended September 30, 2013, was driven primarily by increased costs associated with supporting later-stage clinical programs of $364 million, including evolocumab, and increases in Discovery Research and Translational Sciences activities of $65 million. These expenses were offset partially by reduced expenses associated with marketed product support of $37 million.

Selling, general and administrative

The increases in SG&A expenses for the three and nine months ended September 30, 2013, were driven by higher ENBREL profit share expenses of $46 million and $154 million, respectively; as well as $39 million and $88 million, respectively, related primarily to favorable changes to the estimated U.S. healthcare reform federal excise fee in the prior year.

Under our ENBREL collaboration agreement, we currently pay Pfizer a percentage of annual gross profits on our ENBREL sales in the United States and Canada attributable to all approved indications for ENBREL on a scale that increases as gross profits increase; however, we maintain a majority share of ENBREL profits. For the three and nine months ended September 30, 2013, expenses associated with the ENBREL profit share were $432 million and $1,235 million, respectively, compared with $386 million and $1,081 million for the corresponding periods of the prior year. After expiration of the co-promotion term on October 31, 2013, we will be required to pay Pfizer residual royalties on a declining percentage of net Enbrel sales in the United States and Canada of 12% through October 31, 2014, 11% through October 31, 2015 and 10% through October 31, 2016.

Other

Other operating expenses for the three and nine months ended September 30, 2013, included certain charges related to our cost savings initiatives, primarily severance, of $35 million and $46 million, respectively.

Based on analysis of the results from the phase 3 trial for talimogene laherparepvec in melanoma, which met its primary endpoint, there were increases in management's estimates of the probabilities of completing the BLA filing and receiving approval to market talimogene laherparepvec in specified patient populations in the United States and the EU. Due primarily to these changes in key assumptions, the estimated aggregate fair value of the contingent consideration obligations increased during the nine months ended September 30, 2013, by $111 million and was recorded in Other operating expenses.

Other operating expenses for the three and nine months ended September 30, 2012, included certain charges related to our cost savings initiatives of $36 million and $106 million, due primarily to lease abandonment expenses, and legal proceedings charges of $53 million and $65 million, respectively.

Non-operating expenses/income and income taxes

Non-operating expenses/income and income taxes were as follows (dollar amounts in millions):

	Three months ended September 30,		Nine months ended September 30,	
	2013	**2012**	**2013**	**2012**
Interest expense, net	$ 257	$ 271	$ 761	$ 762
Interest and other income, net	$ 72	$ 111	$ 332	$ 359
Provision for income taxes	$ 135	$ 156	$ 191	$ 529
Effective tax rate	9.0%	12.4%	4.5%	12.9%

Interest expense, net

The decrease in interest expense, net for the three months ended September 30, 2013, was due primarily to the settlement of the 0.375% 2013 Convertible Notes in February 2013, offset partially by financing fees paid in association with the acquisition of Onyx. Interest expense, net for the nine months ended September 30, 2013, was essentially flat as the decrease resulting from the settlement of our 0.375% 2013 Convertible Notes was offset by increases resulting from the higher average debt balance on other outstanding debt and financing fees paid in association with the acquisition of Onyx.

Interest and other income, net

The decrease in interest and other income, net for the three months ended September 30, 2013, was due primarily to higher net gains on sales of investments recognized in the prior year and lower portfolio investment returns. The decrease in interest and other income, net for the nine months ended September 30, 2013, was due primarily to higher net gains on sales of investments recognized in the prior year.

Income taxes

Our effective tax rates for the three and nine months ended September 30, 2013, were 9.0% and 4.5%, respectively, compared with 12.4% and 12.9% for the corresponding periods of the prior year. The decrease in our effective tax rate for the three months ended September 30, 2013, was due primarily to the current year reinstatement of the federal R&D tax credit and changes in the jurisdictional mix of income and expenses in 2013.

For the nine months ended September 30, 2013, the effective tax rate was reduced by two significant events that occurred during the three months ended March 31, 2013. First, the rate was reduced by the federal and state tax impacts of the settlement of our examination with the IRS related to years ended December 31, 2007, 2008 and 2009. The settlement resulted in a net tax benefit of approximately $185 million. Second, the rate was reduced by the reinstatement of the federal R&D tax credit for 2012 and 2013. The retroactive extension of the federal R&D tax credit for 2012 resulted in a net tax benefit of approximately $60 million.

Excluding the impact of the Puerto Rico excise tax, our effective tax rates for the three and nine months ended September 30, 2013, would have been 13.8% and 9.8%, respectively, compared with 17.7% and 18.3% for the corresponding periods of the prior year.

See Note 3, Income taxes, to the condensed consolidated financial statements for further discussion.

Financial condition, liquidity and capital resources

Selected financial data was as follows (in millions):

	September 30, 2013	December 31, 2012
Cash, cash equivalents and marketable securities	$ 22,558	$ 24,061
Receivable from sale of investments	560	—
Restricted investments	3,411	—
Total assets	57,073	54,298
Current portion of long-term debt	11	2,495
Long-term debt	27,178	24,034
Stockholders' equity	21,728	19,060

The Company intends to continue to return capital to stockholders through the payment of cash dividends, reflecting our confidence in the future cash flows of our business. Whether and when we declare dividends and the size of any dividend could be affected by a number of factors. (See our Annual Report on Form 10-K for the year ended December 31, 2012, Item 1A. Risk Factors—There can be no assurance that we will continue to declare cash dividends or repurchase stock.) In December 2012, March 2013 and July 2013, the Board of Directors declared quarterly cash dividends of $0.47 per share of common stock, which were paid on March 7, June 7 and September 6, 2013, respectively. On October 16, 2013, the Board of Directors declared a quarterly cash dividend of $0.47 per share of common stock, which will be paid on December 6, 2013. During the nine months ended September 30, 2013, we repurchased 9.1 million shares of our common stock at an aggregate cost of $771 million at an average price of $85.03 per share. As of September 30, 2013, $1.6 billion remained available under our stock repurchase program; however, we do not expect to make any significant repurchases of our common stock during the remainder of 2013, 2014 and 2015.

We entered into a Repurchase Agreement pursuant to which Amgen sold 34,097 Class A preferred shares of one of its wholly-owned subsidiaries, ATL Holdings, to a counterparty on September 30, 2013. Pursuant to the Repurchase Agreement, we are obligated to repurchase the Class A preferred shares from the counterparty on or before September 28, 2018, for the aggregate sale price of $3.1 billion. Under the Repurchase Agreement, which is accounted for as long-term debt, we are obligated to make payments to the counterparty based on the sale price of the outstanding preferred shares at a floating interest rate of LIBOR plus 1.1%.

On October 1, 2013, we borrowed $5.0 billion under a Term Loan Credit Facility which bears interest at a floating rate based on LIBOR plus additional interest, initially 1%, which can vary based on the credit ratings assigned to our long-term debt by S&P and Moody's. A portion of the principal amount of this debt is to be repaid at the end of each quarter equal to 2.5% of the original amount of the loan, or $125 million, with the balance due on October 1, 2018. This credit facility includes the same financial covenant as our revolving credit facility with respect to our level of borrowings in relation to our equity, as defined. For a discussion of the Repurchase Agreement and the Term Loan Credit Facility, see Note 7, Financing arrangements to the condensed consolidated financial statements.

The $8.1 billion of proceeds received under the Repurchase Agreement and the Term Loan Credit Facility and additional available cash was used to purchase Onyx on October 1, 2013. See Note 12, Subsequent event to the condensed consolidated financial statements.

In February 2013, our 0.375% 2013 Convertible Notes matured/converted, and accordingly, the $2.5 billion principal amount was settled in cash. We also elected to pay the note holders who converted their notes $99 million of cash for the excess conversion value, as allowed under the original terms of the notes, which was offset by our receipt of the same amount of cash from the counterparty to the related convertible note hedge. In addition, in May 2013, warrants to acquire 32 million shares of our common stock at an exercise price of $104.80 originally sold in connection with the issuance of the 0.375% 2013 Convertible Notes were exercised resulting in a net cash payment of $100 million. See Note 7, Financing arrangements, to the condensed consolidated financial statements for a discussion of these transactions.

We believe that existing funds, cash generated from operations and existing sources of and access to financing are adequate, for the foreseeable future, to satisfy: our needs for working capital; capital expenditure and debt service requirements; our plans to pay dividends; and other business initiatives we may strategically pursue, including acquisitions and licensing activities. We anticipate that our liquidity needs can be met through a variety of sources, including cash provided by operating activities, sales of marketable securities, borrowings through commercial paper and/or syndicated credit facilities and access to other domestic and foreign debt markets and equity markets. With respect to our U.S. operations, we believe that existing funds intended for use in the United States; cash generated from our U.S. operations, including intercompany payments and receipts; and existing sources

of and access to financing (collectively referred to as U.S. funds) are adequate to continue to meet our U.S. obligations (including our plans to pay dividends with U.S. funds) for the foreseeable future. See our Annual Report on Form 10-K for the year ended December 31, 2012, Item 1A. Risk Factors – Global economic conditions may negatively affect us and may magnify certain risks that affect our business.

A significant portion of our operating cash flows is dependent on the timing of payments from our customers located in the United States and, to a lesser extent, our customers outside the United States, which include government-owned or -supported healthcare providers (government healthcare providers). Payments from these government healthcare providers are dependent in part on the economic stability and creditworthiness of their applicable country. Historically, some payments from a number of European government healthcare providers have extended beyond the contractual terms of sale, and regional economic uncertainty continues. In particular, credit and economic conditions in Southern Europe, particularly in Spain, Italy, Greece and Portugal, continue to adversely impact the timing of collections of our trade receivables in this region. As of September 30, 2013, accounts receivable in these four countries totaled $453 million, of which $352 million was past due. Although economic conditions in this region may continue to affect the average length of time it takes to collect payments, to date we have not incurred any significant losses related to these receivables; and the timing of payments in these countries has not had nor is it currently expected to have a material adverse impact on our overall operating cash flows. However, if government funding for healthcare were to become unavailable in these countries or if significant adverse adjustments to past payment practices were to occur, we might not be able to collect the entire balance of these receivables. We will continue working closely with these customers, monitoring the economic situation and taking appropriate actions as necessary.

Of our total cash, cash equivalents, marketable securities, receivable from sale of investments and restricted investments balances totaling $26.5 billion as of September 30, 2013, approximately $20.0 billion was generated from operations in foreign tax jurisdictions and is intended to be invested indefinitely outside of the United States. Under current tax laws, if these funds were repatriated for use in our U.S. operations, we would be required to pay additional U.S. federal and state income taxes at the applicable marginal tax rates.

Certain of our financing arrangements contain non-financial covenants. In addition, our revolving credit agreement includes a financial covenant with respect to the level of our borrowings in relation to our equity, as defined. We were in compliance with all applicable covenants under these arrangements as of September 30, 2013.

Cash flows

Our cash flow activities were as follows (in millions):

	Nine months ended September 30,	
	2013	**2012**
Net cash provided by operating activities	$ 4,456	$ 5,070
Net cash provided by (used in) investing activities	1,649	(7,959)
Net cash (used in) provided by financing activities	(1,081)	1,766

Operating

Cash provided by operating activities has been and is expected to continue to be our primary recurring source of funds. Cash provided by operating activities during the nine months ended September 30, 2013, decreased due primarily to the receipt of $397 million of cash in the prior year period in connection with the termination of interest rate swap agreements and the timing of receipts from customers, including the impact of $197 million received under a government-funded program in Spain during the prior year period.

Investing

Cash provided by investing activities during the nine months ended September 30, 2013, was due primarily to net sales of marketable securities of $2.7 billion, offset partially by a restriction of investments of $526 million and capital expenditures of $492 million. Cash used in investing activities during the nine months ended September 30, 2012, was due primarily to net purchases of marketable securities of $5.4 billion, acquisitions of businesses, net of cash acquired of $2.0 billion and capital expenditures of $489 million. Capital expenditures during the nine months ended September 30, 2013 and 2012 were associated primarily with manufacturing capacity expansions in Ireland and Puerto Rico, as well as other site developments. We currently estimate 2013 spending on capital projects and equipment to be approximately $700 million.

Financing

Cash used in financing activities during the nine months ended September 30, 2013, was due primarily to the cash settlement of the $2.5 billion principal amount of the 0.375% 2013 Convertible Notes which matured/converted, repurchases of our common stock of $832 million and the payment of dividends of $1.1 billion, offset partially by the net proceeds from issuance of debt of $3.1 billion and net proceeds from issuance of common stock in connection with the Company's equity award programs of $268 million.

Cash provided by financing activities during the nine months ended September 30, 2012, was due primarily to the net proceeds from issuance of long-term debt of $4.9 billion and the net proceeds from issuance of common stock in connection with the Company's equity award programs of $1.1 billion, offset partially by repurchases of our common stock of $3.4 billion and the payment of dividends of $844 million.

See Note 7, Financing arrangements, and Note 8, Stockholders' equity, to the condensed consolidated financial statements for further discussion.

Critical accounting policies

The preparation of our condensed consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and the notes to the financial statements. Some of those judgments can be subjective and complex, and therefore, actual results could differ materially from those estimates under different assumptions or conditions. A summary of our critical accounting policies is presented in Part II, Item 7, of our Annual Report on Form 10-K for the year ended December 31, 2012. There have been no material changes to our critical accounting policies during the nine months ended September 30, 2013.

Item 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Information about our market risk is disclosed in Part II, Item 7A, of our Annual Report on Form 10-K for the fiscal year ended December 31, 2012, and is incorporated herein by reference. Except as discussed below, there have been no material changes during the nine months ended September 30, 2013, to the information provided in Part II, Item 7A, of our Annual Report on Form 10-K for the fiscal year ended December 31, 2012.

Interest rate sensitive financial instruments

To achieve a desired mix of fixed and floating rate debt, we entered into interest rate swap contracts with aggregate notional amounts of $2.5 billion and $1.9 billion during the three months ended March 31, 2013 and June 30, 2013, respectively, for an aggregate notional amount of $4.4 billion in contracts outstanding as of September 30, 2013. These derivative contracts qualify and have been designated for accounting purposes as fair value hedges and effectively convert a fixed rate interest coupon to a floating rate LIBOR-based coupon over the remaining lives of the hedged notes. A hypothetical 100 basis point increase in interest rates relative to interest rates at September 30, 2013, would have resulted in a reduction in fair value of approximately $310 million on our interest rate swap contracts on this date and would not result in a material effect on the related income or cash flows in the ensuing year.

Item 4. CONTROLS AND PROCEDURES

We maintain "disclosure controls and procedures," as such term is defined under Exchange Act Rule 13a-15(e), that are designed to ensure that information required to be disclosed in Amgen's Exchange Act reports is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to Amgen's management, including its Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosures. In designing and evaluating the disclosure controls and procedures, Amgen's management recognized that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives and, in reaching a reasonable level of assurance, Amgen's management necessarily was required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures. We have carried out an evaluation under the supervision and with the participation of our management, including Amgen's Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of Amgen's disclosure controls and procedures. Based upon their evaluation and subject to the foregoing, the Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective as of September 30, 2013.

Management determined that, as of September 30, 2013, there were no changes in our internal control over financial reporting that occurred during the fiscal quarter then ended that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II — OTHER INFORMATION

Item 1. LEGAL PROCEEDINGS

See Note 11, Contingencies and commitments, to the condensed consolidated financial statements included in our Quarterly Reports on Form 10-Q for the periods ended September 30, 2013, June 30, 2013, and March 31, 2013, for discussions that are limited to certain recent developments concerning our legal proceedings. Those discussions should be read in conjunction with Note 18, Contingencies and commitments, to our consolidated financial statements in Part IV of our Annual Report on Form 10-K for the year ended December 31, 2012.

Item 1A. RISK FACTORS

This report and other documents we file with the SEC contain forward-looking statements that are based on current expectations, estimates, forecasts and projections about us, our future performance, our business, our beliefs and our management's assumptions. These statements are not guarantees of future performance and involve certain risks, uncertainties and assumptions that are difficult to predict. You should carefully consider the risks and uncertainties facing our business. We have described in our Annual Report on Form 10-K for the fiscal year ended December 31, 2012, the primary risks related to our business and periodically update those risks for material developments. Those risks are not the only ones facing us. Our business is also subject to the risks that affect many other companies, such as employment relations, general economic conditions, geopolitical events and international operations. Further, additional risks not currently known to us or that we currently believe are immaterial may in the future materially and adversely affect our business, operations, liquidity and stock price.

Below, we are providing, in supplemental form, the material changes to our risk factors that occurred during the past quarter. Our risk factors disclosed in Part I, Item 1A, of our Annual Report on Form 10-K for the fiscal year ended December 31, 2012, provide additional disclosure and context for these supplemental risks and are incorporated herein by reference.

Our efforts to acquire other companies or products and to integrate their operations may not be successful, and may result in costs, delays or failures to realize the benefits of the transactions.

We have an ongoing process of evaluating potential merger, acquisition, partnering and in-license opportunities that we expect will contribute to our future growth and expand our geographic footprint, product offerings and/or our R&D pipeline. For example, on October 1, 2013, we acquired Onyx, a biopharmaceutical company with several currently marketed products as well as pipeline candidates going through the development process. Acquisitions may result in unanticipated costs, delays or other operational or financial problems related to integrating the acquired company and business with our company, which may result in the diversion of our management's attention from other business issues and opportunities. Failures or difficulties in integrating the operations of the businesses that we acquire, including their personnel, technology, compliance programs, financial systems, distribution and general business operations and procedures, while preserving important R&D, distribution, marketing, promotion and other relationships, may affect our ability to grow and may result in our incurring asset impairment or restructuring charges.

Item 5. OTHER INFORMATION

As previously disclosed, on August 24, 2013, the Company entered into a Repurchase Agreement with Bank of America, N.A. (BANA), pursuant to which the Company subsequently sold to BANA 34,097 shares of Class A Preferred Stock (the Purchased Securities) of its wholly owned subsidiary ATL Holdings for an aggregate purchase price of $3.1 billion in cash. Under the Repurchase Agreement, the Company is obligated to repurchase from BANA, and BANA is obligated to resell to the Company, the Purchased Securities on the repurchase date, which is scheduled to be the date occurring five years after the initial sale of the Purchased Securities, for an aggregate repurchase price equal to the aggregate purchase price paid by BANA for such Purchased Securities (plus any accrued and unpaid interest equivalent). In connection with the Repurchase Agreement, the Company entered into an ancillary agreement (the Ancillary Agreement) with BANA, which contains a number of representations and covenants of the Company, including agreements by the Company intended to maintain the status of ATL Holdings as an entity distinct from the Company and its other subsidiaries. The material terms of the Repurchase Agreement and the Ancillary Agreement were disclosed in the Company's current report on Form 8-K filed on August 26, 2013 (the August 26th 8-K).

On October 28, 2013, BANA transferred by novation to SMBC Repo Pass-Thru Trust 2013-1, an affiliate of Sumitomo Mitsui Banking Corporation, (SMBC) all of its rights and obligations under the Repurchase Agreement and the Ancillary Agreement related to the portion of the Purchased Securities represented by 10,230 shares of Class A Preferred Stock of ATL Holdings (the SMBC Novated Purchased Securities). To effect the novation, the Company entered into a novation agreement (the SMBC Novation Agreement) with BANA and SMBC, and a new master repurchase agreement (the SMBC Repo Agreement) and a new ancillary agreement (the SMBC Ancillary Agreement) with SMBC related to the SMBC Novated Purchased Securities and otherwise on terms substantially identical to the Repurchase Agreement and Ancillary Agreement, respectively. BANA transferred the SMBC Novated Purchased Securities to SMBC as part of the novation.

On October 29, 2013, BANA transferred by novation to HSBC Bank USA, N.A. (HSBC) all of its rights and obligations under the Repurchase Agreement and the Ancillary Agreement related to the portion of the Purchased Securities represented by 6,660 shares of Class A Preferred Stock of ATL Holdings (the HSBC Novated Purchased Securities). To effect the novation, the Company entered into a novation agreement (the HSBC Novation Agreement) with BANA and HSBC, and a new master repurchase agreement (the HSBC Repo Agreement) and a new ancillary agreement (the HSBC Ancillary Agreement) with HSBC related to the HSBC Novated Purchased Securities and otherwise on terms substantially identical to the Repurchase Agreement and Ancillary Agreement, respectively. BANA transferred the HSBC Novated Purchased Securities to HSBC as part of the novation.

The foregoing summaries of the SMBC Novation Agreement, the SMBC Repo Agreement, the SMBC Ancillary Agreement, the HSBC Novation Agreement, the HSBC Repo Agreement and the HSBC Ancillary Agreement do not purport to be complete and are subject to, and qualified in their entirety by, the full text of the agreements. The SMBC Repo Agreement and the HSBC Repo Agreement are filed herewith as Exhibits 10.61 and 10.62, respectively, which are incorporated herein by reference. The material terms of the SMBC Novation Agreement and the HSBC Novation Agreement are substantially the same as the form of novation agreement included as an exhibit to the Repurchase Agreement, and the material terms of the SMBC Ancillary Agreement and the HSBC Ancillary Agreement are substantially the same as the form of ancillary agreement included as an exhibit to the Repurchase Agreement. The Repurchase Agreement was filed as an exhibit to the August 26th 8-K and is incorporated herein by reference.

Item 6. EXHIBITS

Reference is made to the Index to Exhibits included herein.

SIGNATURES

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

Amgen Inc.
(Registrant)

Date:	October 29, 2013	By:	/s/ Jonathan M. Peacock
			Jonathan M. Peacock
			Executive Vice President and Chief Financial Officer

AMGEN INC.

INDEX TO EXHIBITS

Exhibit No.	Description
2.1	Agreement and Plan of Merger, dated as of August 24, 2013, by and among Onyx Pharmaceuticals, Inc., Amgen Inc. and Arena Acquisition Company. (Filed as an exhibit to Form 8-K on August 26, 2013 and incorporated herein by reference.)
3.1	Restated Certificate of Incorporation of Amgen Inc. (As Restated March 6, 2013.) (Filed as an exhibit to Form 10-Q for the quarter ended March 31, 2013 on May 3, 2013 and incorporated herein by reference.)
3.2	Amended and Restated Bylaws of Amgen Inc. (As Amended and Restated March 6, 2013). (Filed as an exhibit to Form 8-K on March 6, 2013 and incorporated herein by reference.)
3.3	First Amendment to the Amended and Restated Bylaws of Amgen Inc. (As Amended and Restated March 6, 2013). (Filed as an exhibit to Form 8-K on October 16, 2013 and incorporated herein by reference.)
4.1	Form of stock certificate for the common stock, par value $.0001 of the Company. (Filed as an exhibit to Form 10-Q for the quarter ended March 31, 1997 on May 13, 1997 and incorporated herein by reference.)
4.2	Form of Indenture, dated January 1, 1992. (Filed as an exhibit to Form S-3 Registration Statement filed on December 19, 1991 and incorporated herein by reference.)
4.3	Agreement of Resignation, Appointment and Acceptance dated February 15, 2008. (Filed as an exhibit to Form 10-K for the year ended December 31, 2007 on February 28, 2008 and incorporated herein by reference.)
4.4	First Supplemental Indenture, dated February 26, 1997. (Filed as an exhibit to Form 8-K on March 14, 1997 and incorporated herein by reference.)
4.5	8-1/8% Debentures due April 1, 2097. (Filed as an exhibit to Form 8-K on April 8, 1997 and incorporated herein by reference.)
4.6	Officer's Certificate, dated as of January 1, 1992, as supplemented by the First Supplemental Indenture, dated as of February 26, 1997, establishing a series of securities entitled "8 1/8% Debentures due April 1, 2097." (Filed as an exhibit to Form 8-K on April 8, 1997 and incorporated herein by reference.)
4.7	Indenture, dated as of August 4, 2003. (Filed as an exhibit to Form S-3 Registration Statement on August 4, 2003 and incorporated herein by reference.)
4.8	Officers' Certificate, dated November 18, 2004, including forms of the 4.00% Senior Notes due 2009 and 4.85% Senior Notes due 2014. (Filed as an exhibit to Form 8-K on November 19, 2004 and incorporated herein by reference.)
4.9	Corporate Commercial Paper - Master Note between and among Amgen Inc., as Issuer, Cede & Co., as Nominee of The Depository Trust Company, and Citibank, N.A., as Paying Agent. (Filed as an exhibit to Form 10-Q for the quarter ended March 31, 1998 on May 13, 1998 and incorporated herein by reference.)
4.10	Officers' Certificate of Amgen Inc., dated as of May 30, 2007, including forms of the Company's Senior Floating Rate Notes due 2008, 5.85% Senior Notes due 2017 and 6.375% Senior Notes due 2037. (Filed as an exhibit to Form 8-K on May 30, 2007 and incorporated herein by reference.)
4.11	Officers' Certificate of Amgen Inc., dated as of May 23, 2008, including forms of the Company's 6.15% Senior Notes due 2018 and 6.90% Senior Notes due 2038. (Filed as exhibit to Form 8-K on May 23, 2009 and incorporated herein by reference.)
4.12	Officers' Certificate of Amgen Inc., dated as of January 16, 2009, including forms of the Company's 5.70% Senior Notes due 2019 and 6.40% Senior Notes due 2039. (Filed as exhibit to Form 8-K on January 16, 2009 and incorporated herein by reference.)
4.13	Officers' Certificate of Amgen Inc., dated as of March 12, 2010, including forms of the Company's 4.50% Senior Notes due 2020 and 5.75% Senior Notes due 2040. (Filed as exhibit to Form 8-K on March 15, 2010 and incorporated herein by reference.)
4.14	Officers' Certificate of Amgen Inc., dated as of September 16, 2010, including forms of the Company's 3.45% Senior Notes due 2020 and 4.95% Senior Notes due 2041. (Filed as an exhibit to Form 8-K on September 17, 2010 and incorporated herein by reference.)

Exhibit No.	Description
4.15	Officers' Certificate of Amgen Inc., dated as of June 30, 2011, including forms of the Company's 2.30% Senior Notes due 2016, 4.10% Senior Notes due 2021 and 5.65% Senior Notes due 2042. (Filed as an exhibit to Form 8-K on June 30, 2011 and incorporated herein by reference.)
4.16	Officers' Certificate of Amgen Inc., dated as of November 10, 2011, including forms of the Company's 1.875% Senior Notes due 2014, 2.50% Senior Notes due 2016, 3.875% Senior Notes due 2021 and 5.15% Senior Notes due 2041. (Filed as an exhibit to Form 8-K on November 10, 2011 and incorporated herein by reference.)
4.17	Officers' Certificate of Amgen Inc., dated as of December 5, 2011, including forms of the Company's 4.375% Senior Notes due 2018 and 5.50% Senior Notes due 2026. (Filed as an exhibit to Form 8-K on December 5, 2011 and incorporated herein by reference.)
4.18	Officers' Certificate of Amgen Inc., dated as of May 15, 2012, including forms of the Company's 2.125% Senior Notes due 2017, 3.625% Senior Notes due 2022 and 5.375% Senior Notes due 2043. (Filed as an exhibit to Form 8-K on May 15, 2012 and incorporated herein by reference.)
4.19	Officers' Certificate of Amgen Inc., dated as of September 13, 2012, including forms of the Company's 2.125% Senior Notes due 2019 and 4.000% Senior Notes due 2029. (Filed as an exhibit to Form 8-K on September 13, 2012 and incorporated herein by reference.)
10.1+	Amgen Inc. Amended and Restated 2009 Equity Incentive Plan. (Filed as Appendix C to the Definitive Proxy Statement on Schedule 14A on April 8, 2013 and incorporated herein by reference.)
10.2+	Form of Stock Option Agreement for the Amgen Inc. 2009 Equity Incentive Plan. (As Amended on March 6, 2013.) (Filed as an exhibit to Form 10-Q for the quarter ended March 31, 2013 on May 3, 2013 and incorporated herein by reference.)
10.3+	Form of Restricted Stock Unit Agreement for the Amgen Inc. 2009 Equity Incentive Plan. (As Amended on March 6, 2013.) (Filed as an exhibit to Form 10-Q for the quarter ended March 31, 2013 on May 3, 2013 and incorporated herein by reference.)
10.4+	Amgen Inc. 2009 Performance Award Program. (As Amended on March 6, 2013.) (Filed as an exhibit to Form 10-Q for the quarter ended March 31, 2013 on May 3, 2013 and incorporated herein by reference.)
10.5+	Form of Performance Unit Agreement for the Amgen Inc. 2009 Performance Award Program. (As Amended on March 6, 2013.) (Filed as an exhibit to Form 10-Q for the quarter ended March 31, 2013 on May 3, 2013 and incorporated herein by reference.)
10.6+	Amgen Inc. 2009 Director Equity Incentive Program. (As Amended on March 6, 2013.) (Filed as an exhibit to Form 10-Q for the quarter ended March 31, 2013 on May 3, 2013 and incorporated herein by reference.)
10.7+	Form of Grant of Non-Qualified Stock Option Agreement for the Amgen Inc. 2009 Director Equity Incentive Program. (Filed as an exhibit to Form 8-K on May 8, 2009 and incorporated herein by reference.)
10.8+	Form of Restricted Stock Unit Agreement for the Amgen Inc. 2009 Director Equity Incentive Program. (As Amended on March 6, 2013.) (Filed as an exhibit to Form 10-Q for the quarter ended March 31, 2013 on May 3, 2013 and incorporated herein by reference.)
10.9+	Amgen Inc. Supplemental Retirement Plan. (As Amended and Restated effective January 1, 2009.) (Filed as an exhibit to Form 10-Q for the quarter ended September 30, 2008 on November 7, 2008 and incorporated herein by reference.)
10.10+	First Amendment to the Amgen Inc. Supplemental Retirement Plan, effective April 11, 2011. (Filed as an exhibit to Form 10-Q for the quarter ended June 30, 2011 on August 8, 2011 and incorporated herein by reference.)
10.11+	Second Amendment to the Amgen Inc. Supplemental Retirement Plan, effective October 12, 2011. (Filed as an exhibit to Form 10-K for the year ended December 31, 2011 on February 29, 2012 and incorporated herein by reference.)
10.12+	Third Amendment to the Amgen Inc. Supplemental Retirement Plan, effective January 1, 2012. (Filed as an exhibit to Form 10-K for the year ended December 31, 2011 on February 29, 2012 and incorporated herein by reference.)
10.13+	Fourth Amendment to the Amgen Inc. Supplemental Retirement Plan, effective June 18, 2012. (Filed as an exhibit to Form 10-Q for the quarter ended June 30, 2012 on August 8, 2012 and incorporated herein by reference.)
10.14+	Fifth Amendment to the Amgen Inc. Supplemental Retirement Plan, effective August 27, 2012. (Filed as an exhibit to Form 10-Q for the quarter ended September 30, 2012 on November 6, 2012 and incorporated herein by reference.)

Exhibit No.	Description
10.15+	Amended and Restated Amgen Change of Control Severance Plan. (As Amended and Restated effective December 9, 2010 and subsequently amended effective March 2, 2011.) (Filed as an exhibit to Form 10-Q for the quarter ended March 31, 2011 on May 10, 2011 and incorporated herein by reference.)
10.16+	Amgen Inc. Executive Incentive Plan. (As Amended and Restated effective January 1, 2009.) (Filed as an exhibit to Form 10-Q for the quarter ended September 30, 2008 on November 7, 2008 and incorporated herein by reference.)
10.17+	First Amendment to the Amgen Inc. Executive Incentive Plan, effective December 13, 2012. (Filed as an exhibit to Form 10-K for the year ended December 31, 2012 on February 27, 2013 and incorporated herein by reference.)
10.18+	Amgen Inc. Executive Nonqualified Retirement Plan. (As Amended and Restated effective January 1, 2009.) (Filed as an exhibit to Form 10-Q for the quarter ended September 30, 2008 on November 7, 2008 and incorporated herein by reference.)
10.19+	First Amendment to the Amgen Inc. Executive Nonqualified Retirement Plan, effective July 21, 2010. (Filed as an exhibit to Form 10-Q for the quarter ended June 30, 2010 on August 9, 2010 and incorporated herein by reference.)
10.20+	Amgen Nonqualified Deferred Compensation Plan. (As Amended and Restated effective January 1, 2009.) (Filed as an exhibit to Form 10-Q for the quarter ended September 30, 2008 on November 7, 2008 and incorporated herein by reference.)
10.21+	First Amendment to the Amgen Nonqualified Deferred Compensation Plan, effective April 11, 2011. (Filed as an exhibit to Form 10-Q for the quarter ended June 30, 2011 on August 8, 2011 and incorporated herein by reference.)
10.22+	Second Amendment to the Amgen Nonqualified Deferred Compensation Plan, effective October 12, 2011. (Filed as an exhibit to Form 10-K for the year ended December 31, 2011 on February 29, 2012 and incorporated herein by reference.)
10.23+	Third Amendment to the Amgen Nonqualified Deferred Compensation Plan, effective June 18, 2012. (Filed as an exhibit to Form 10-Q for the quarter ended June 30, 2012 on August 8, 2012 and incorporated herein by reference.)
10.24+	Fourth Amendment to the Amgen Nonqualified Deferred Compensation Plan, effective August 27, 2012. (Filed as an exhibit to Form 10-Q for the quarter ended September 30, 2012 on November 6, 2012 and incorporated herein by reference.)
10.25+	Agreement between Amgen Inc. and Mr. Jonathan M. Peacock, dated July 5, 2010. (Filed as an exhibit to Form 10-Q for the quarter ended September 30, 2010 on November 8, 2010 and incorporated herein by reference.)
10.26+	Agreement between Amgen Inc. and Mr. Anthony C. Hooper, dated October 12, 2011. (Filed as an exhibit to Form 10-K for the year ended December 31, 2011 on February 29, 2012 and incorporated herein by reference.)
10.27+	Consulting Services Agreement, entered into as of January 25, 2013, by and between Amgen Inc. and Fabrizio Bonanni. (Filed as an exhibit to Form 10-Q for the quarter ended March 31, 2013 on May 3, 2013 and incorporated herein by reference.)
10.28+	Restricted Stock Unit Agreement, dated April 27, 2012, between Amgen Inc. and Kevin W. Sharer. (Filed as an exhibit to Form 10-Q for the quarter ended June 30, 2012 on August 8, 2012 and incorporated herein by reference.)
10.29+	Performance Unit Agreement, dated April 27, 2012, between Amgen Inc. and Kevin W. Sharer. (Filed as an exhibit to Form 10-Q for the quarter ended June 30, 2012 on August 8, 2012 and incorporated herein by reference.)
10.30	Product License Agreement, dated September 30, 1985, and Technology License Agreement, dated, September 30, 1985 between Amgen and Ortho Pharmaceutical Corporation. (Filed as an exhibit to Form 10-Q for the quarter ended June 30, 2000 on August 1, 2000 and incorporated herein by reference.)
10.31	Shareholders' Agreement, dated May 11, 1984, among Amgen, Kirin Brewery Company, Limited and Kirin-Amgen, Inc. (Filed as an exhibit to Form 10-K for the year ended December 31, 2000 on March 7, 2001 and incorporated herein by reference.)
10.32	Amendment No. 1 dated March 19, 1985, Amendment No. 2 dated July 29, 1985 (effective July 1, 1985), and Amendment No. 3, dated December 19, 1985, to the Shareholders' Agreement dated May 11, 1984. (Filed as an exhibit to Form 10-Q for the quarter ended June 30, 2000 on August 1, 2000 and incorporated herein by reference.)

Exhibit No.	Description
10.33	Amendment No. 4 dated October 16, 1986 (effective July 1, 1986), Amendment No. 5 dated December 6, 1986 (effective July 1, 1986), Amendment No. 6 dated June 1, 1987, Amendment No. 7 dated July 17, 1987 (effective April 1, 1987), Amendment No. 8 dated May 28, 1993 (effective November 13, 1990), Amendment No. 9 dated December 9, 1994 (effective June 14, 1994), Amendment No. 10 effective March 1, 1996, and Amendment No. 11 effective March 20, 2000 to the Shareholders' Agreement, dated May 11, 1984. (Filed as exhibits to Form 10-K for the year ended December 31, 2000 on March 7, 2001 and incorporated herein by reference.)
10.34	Amendment No. 12 to the Shareholders' Agreement, dated January 31, 2001. (Filed as an exhibit to Form 10-Q for the quarter ended June 30, 2005 on August 8, 2005 and incorporated herein by reference.)
10.35	Amendment No. 13 to the Shareholders' Agreement, dated June 28, 2007 (portions of the exhibit have been omitted pursuant to a request for confidential treatment). (Filed as an exhibit to Form 10-Q for the quarter ended June 30, 2007 on August 9, 2007 and incorporated herein by reference.)
10.36	Product License Agreement, dated September 30, 1985, and Technology License Agreement, dated September 30, 1985, between Kirin-Amgen, Inc. and Ortho Pharmaceutical Corporation. (Filed as an exhibit to Form 10-Q for the quarter ended June 30, 2000 on August 1, 2000 and incorporated herein by reference.)
10.37	Research, Development Technology Disclosure and License Agreement: PPO, dated January 20, 1986, by and between Kirin Brewery Co., Ltd. and Amgen Inc. (Filed as an exhibit to Amendment No. 1 to Form S-1 Registration Statement on March 11, 1986 and incorporated herein by reference.)
10.38	Assignment and License Agreement, dated October 16, 1986 (effective July 1, 1986), between Amgen and Kirin-Amgen, Inc. (Filed as an exhibit to Form 10-K for the year ended December 31, 2000 on March 7, 2001 and incorporated herein by reference.)
10.39	G-CSF United States License Agreement, dated June 1, 1987 (effective July 1, 1986), Amendment No. 1, dated October 20, 1988, and Amendment No. 2, dated October 17, 1991 (effective November 13, 1990), between Kirin-Amgen, Inc. and Amgen Inc. (Filed as exhibits to Form 10-K for the year ended December 31, 2000 on March 7, 2001 and incorporated herein by reference.)
10.40	G-CSF European License Agreement, dated December 30, 1986, between Kirin-Amgen and Amgen, Amendment No. 1 to Kirin-Amgen, Inc. / Amgen G-CSF European License Agreement, dated June 1, 1987, Amendment No. 2 to Kirin-Amgen, Inc. / Amgen G-CSF European License Agreement, dated March 15, 1998, Amendment No. 3 to Kirin-Amgen, Inc. / Amgen G-CSF European License Agreement, dated October 20, 1988, and Amendment No. 4 to Kirin-Amgen, Inc. / Amgen G-CSF European License Agreement, dated December 29, 1989, between Kirin-Amgen, Inc. and Amgen Inc. (Filed as exhibits to Form 10-K for the year ended December 31, 2000 on March 7, 2001 and incorporated herein by reference.)
10.41	Amended and Restated Promotion Agreement, dated as of December 16, 2001, by and among Immunex Corporation, American Home Products Corporation and Amgen Inc. (portions of the exhibit have been omitted pursuant to a request for confidential treatment). (Filed as an exhibit to Amendment No. 1 to Form S-4 Registration Statement on March 22, 2002 and incorporated herein by reference.)
10.42	Description of Amendment No. 1 to Amended and Restated Promotion Agreement, effective as of July 8, 2003, among Wyeth, Amgen Inc. and Immunex Corporation (portions of the exhibit have been omitted pursuant to a request for confidential treatment). (Filed as an exhibit to Form 10-K for the year ended December 31, 2003 on March 11, 2004 and incorporated herein by reference.)
10.43	Description of Amendment No. 2 to Amended and Restated Promotion Agreement, effective as of April 20, 2004, by and among Wyeth, Amgen Inc. and Immunex Corporation. (Filed as an exhibit to Amendment No. 1 to Form S-4 Registration Statement on June 29, 2004 and incorporated herein by reference.)
10.44	Amendment No. 3 to Amended and Restated Promotion Agreement, effective as of January 1, 2005, by and among Wyeth, Amgen Inc. and Immunex Corporation (portions of the exhibit have been omitted pursuant to a request for confidential treatment). (Filed as an exhibit to Form 10-Q for the quarter ended March 31, 2005 on May 4, 2005 and incorporated herein by reference.)
10.45	Credit Agreement, dated as of December 2, 2011, among Amgen Inc., with Citibank, N.A., as administrative agent, JPMorgan Chase Bank, N.A., as syndication agent, Citigroup Global Markets Inc. and J.P. Morgan Securities LLC as joint lead arrangers and joint book runners, and the other banks party thereto. (Filed as an exhibit to Form 8-K on December 2, 2011 and incorporated herein by reference.)
10.46	Collaboration and License Agreement between Amgen Inc. and Celltech R&D Limited dated May 10, 2002 (portions of the exhibit have been omitted pursuant to a request for confidential treatment) and Amendment No. 1, effective as of June 9, 2003, to Collaboration and License Agreement between Amgen Inc. and Celltech R&D Limited (portions of the exhibit have been omitted pursuant to a request for confidential treatment). (Filed as an exhibit to Form 10-K/A for the year ended December 31, 2012 on July 31, 2013 and incorporated herein by reference.)

Exhibit No.	Description
10.47	Integrated Facilities Management Services Agreement, dated February 4, 2009, between Amgen Inc. and Jones Lang LaSalle Americas, Inc. (portions of the exhibit have been omitted pursuant to a request for confidential treatment) (Previously filed as an exhibit to Form 10-K for the year ended December 31, 2008 on February 27, 2009.), as amended by Amendment Number 1 dated March 31, 2010 (portions of the exhibit have been omitted pursuant to a request for confidential treatment), Amendment Number 2 dated May 12, 2011 (as corrected by the Letter Agreement) (portions of the exhibit have been omitted pursuant to a request for confidential treatment), and Letter Agreement dated July 19, 2011. (Filed as an exhibit to Form 10-Q for the quarter ended June 30, 2011 on August 8, 2011 and incorporated herein by reference.)
10.48	Amendment Number 3, dated July 1, 2011, to the Integrated Facilities Management Services Agreement, dated February 4, 2009, between Amgen Inc. and Jones Lang LaSalle Americas, Inc. (Filed as an exhibit to Form 10-Q for the quarter ended September 30, 2011 on November 4, 2011 and incorporated herein by reference.)
10.49	Amendment Number 4, dated March 20, 2013, to the Integrated Facilities Management Services Agreement, dated February 4, 2009, between Amgen Inc. and Jones Lang LaSalle Americas, Inc. (Filed as an exhibit to Form 10-Q for the quarter ended March 31, 2013 on May 3, 2013 and incorporated herein by reference.)
10.50*	Amendment Number 5, entered into as of September 1, 2013, to the Integrated Facilities Management Services Agreement, dated February 4, 2009, between Amgen Inc. and Jones Lang LaSalle Americas, Inc.
10.51	Collaboration Agreement dated July 27, 2009 between Amgen Inc. and Glaxo Group Limited, a wholly owned subsidiary of GlaxoSmithKline plc (portions of the exhibit have been omitted pursuant to a request for confidential treatment). (Filed as an exhibit to Form 10-Q for the quarter ended September 30, 2009 on November 6, 2009 and incorporated herein by reference.)
10.52	Amendment Number 1, dated as of January 24, 2012, to Collaboration Agreement dated July 27, 2009 between Amgen Inc. and Glaxo Group Limited, a wholly owned subsidiary of GlaxoSmithKline plc. (Filed as an exhibit to Form 10-K for the year ended December 31, 2012 on February 27, 2013 and incorporated herein by reference.)
10.53	Expansion Agreement dated July 27, 2009 between Amgen Inc. and Glaxo Group Limited, a wholly owned subsidiary of GlaxoSmithKline plc (portions of the exhibit have been omitted pursuant to a request for confidential treatment). (Filed as an exhibit to Form 10-Q for the quarter ended September 30, 2009 on November 6, 2009 and incorporated herein by reference.)
10.54	Amendment Number 1, dated September 20, 2010, to Expansion Agreement dated July 27, 2009 between Amgen Inc. and Glaxo Group Limited, a wholly owned subsidiary of GlaxoSmithKline plc (portions of the exhibit have been omitted pursuant to a request for confidential treatment). (Filed as an exhibit to Form 10-Q for the quarter ended September 30, 2010 on November 8, 2010 and incorporated herein by reference.)
10.55	Amendment Number 2, dated as of January 24, 2012, to Expansion Agreement dated July 27, 2009 between Amgen Inc. and Glaxo Group Limited, a wholly owned subsidiary of GlaxoSmithKline plc. (Filed as an exhibit to Form 10-K for the year ended December 31, 2012 on February 27, 2013 and incorporated herein by reference.)
10.56	Sourcing and Supply Agreement, dated November 15, 2011, by and between Amgen USA Inc, a wholly owned subsidiary of Amgen Inc., and DaVita Inc. (portions of the exhibit have been omitted pursuant to a request for confidential treatment). (Filed as an exhibit to Form 10-K for the year ended December 31, 2011 on February 29, 2012 and incorporated herein by reference.)
10.57	Amendment Number 1 to Sourcing and Supply Agreement, effective as of January 1, 2013, by and between Amgen USA Inc., a wholly owned subsidiary of Amgen Inc., and DaVita Healthcare Partners Inc. f/k/a DaVita Inc. (portions of the exhibit have been omitted pursuant to a request for confidential treatment). (Filed as an exhibit to Form 10-K for the year ended December 31, 2012 on February 27, 2013 and incorporated herein by reference.)
10.58	Collaboration Agreement dated March 30, 2012 by and between Amgen Inc. and AstraZeneca Collaboration Ventures, LLC, a wholly owned subsidiary of AstraZeneca Pharmaceuticals LP (portions of the exhibit have been omitted pursuant to a request for confidential treatment). (Filed as an exhibit to Form 10-Q for the quarter ended March 31, 2012 on May 8, 2012 and incorporated herein by reference.)
10.59	Commitment Letter, dated August 24, 2013, among Amgen Inc., Bank of America, N.A., Merrill Lynch, Pierce, Fenner & Smith Incorporated, JPMorgan Chase Bank, N.A., J.P. Morgan Securities LLC and Barclays Bank PLC. (Filed as an exhibit to Form 8-K on August 26, 2013 and incorporated herein by reference.)
10.60	Master Repurchase Agreement, dated August 24, 2013, between Amgen Inc. and Bank of America, N.A. (Filed as an exhibit to Form 8-K on August 26, 2013 and incorporated herein by reference.)
10.61*	Master Repurchase Agreement, dated October 28, 2013, between Amgen Inc. and SMBC Repo Pass-Thru Trust, 2013-1.

Exhibit No.	Description
10.62*	Master Repurchase Agreement, dated October 29, 2013, between Amgen Inc. and HSBC Bank USA, N.A.
10.63	Term Loan Facility Credit Agreement, dated as of September 20, 2013, among Amgen Inc., the Banks therein named, Bank of America, N.A., as Administrative Agent, and Barclays Bank PLC and JP Morgan Chase Bank, N.A., as Syndication Agents. (Filed as an exhibit to Form 8-K on September 20, 2013 and incorporated herein by reference.)
31*	Rule 13a-14(a) Certifications.
32**	Section 1350 Certifications.
101.INS*	XBRL Instance Document.
101.SCH*	XBRL Taxonomy Extension Schema Document.
101.CAL*	XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF*	XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB*	XBRL Taxonomy Extension Label Linkbase Document.
101.PRE*	XBRL Taxonomy Extension Presentation Linkbase Document.

(* = filed herewith)
(** = furnished herewith and not “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended)
(+ = management contract or compensatory plan or arrangement)

AMENDMENT NUMBER 5
TO THE INTEGRATED FACILITIES MANAGEMENT SERVICES AGREEMENT
BETWEEN JONES LANG LASALLE AMERICAS, INC. AND AMGEN INC.

This Amendment Number 5 (**"Amendment 5"**) is entered into as of September 1, 2013 by and between Jones Lang LaSalle Americas, Inc. (**"Provider"**) and Amgen Inc. (**"Company"**).

RECITALS

A. Company and Provider entered into that certain agreement titled Integrated Facilities Management Services Agreement effective as of February 4, 2009 and identified by contract number CSV-09-51444 pursuant to which Provider is to be performing integrated facilities services with respect to facilities operations and maintenance and general services as set forth therein (**"Original Agreement"**).

B. Thereafter, Company and Provider amended the Original Agreement through that certain Amendment Number 1 entered into as of March 31, 2010, Amendment Number 2 entered into as of May 12, 2011, Amendment Number 3 entered into as of Jul 1, 2011, and Amendment Number 4 entered into as of Mar 20, 2013 (the Original Agreement together with the above-referenced amendments shall be referred to hereinafter as the **"Agreement"**).

C. Company and Provider desire, and are willing, to amend the Agreement as set forth herein.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises, covenants, conditions and provisions contained or referenced herein, the parties have reviewed and accepted all referenced material and any appendices, exhibits or other attachments hereto and agree to be bound by the terms and conditions set forth in the Agreement as modified herein as follows:

1. **DEFINITIONS**

1.1 Capitalized Terms. All capitalized terms not defined herein shall have the meaning ascribed to them in the Agreement. In the event of a conflict between the capitalized terms defined and set forth in this Amendment 5 and the defined terms of the Agreement, the definitions set forth in this Amendment 5 shall control.

2. **AMENDMENTS TO THE AGREEMENT**

2.1 Amendment to Section 17.1 of the Agreement. Section 17.1 (Term) of the Agreement is deleted in its entirety and replaced with the following:

"The term of this Agreement shall commence on the Effective Date and, unless extended or earlier terminated pursuant to the terms of this Agreement, continue through December 31, 2015."

2.2 Amendment to Section 23.2 of the Agreement. Section 23.2 (Safety Exhibit) of the Agreement is deleted in its entirety and replaced with the following:

"23.2 Safety. Provider shall meet the obligations set forth in the safety documents included in the Safety Appendix ("Contractor Handbook") which shall be provided by Company, upon Providers' request, and any safety requirements specified in an Order. The Contractor Handbook may be revised by Company from time to time."

2.3 Amendment to Exhibit C (Key Performance Indicators/Service Level Agreements). For the period on and after January 1, 2014, Exhibit C of the Agreement is deleted in its entirety and replaced with revised Exhibit C Rev. 1 attached hereto.

2.4 Amendment to Sub-section 3.4 (Potential Management Fee Rate) of Exhibit D (Pricing) of the Agreement. Sub-section 3.4 of Exhibit D of the Agreement is deleted and replaced in its entirety with the following:

"Potential Management Fee Rate. The "**Potential Management Fee Rate**" shall be per the table below, and if the budgeted Managed Costs for any Fiscal Year are or have been increased based upon New Services, Changes or otherwise, the Potential Management Fee Rate will be adjusted as set forth below. Any such change in the Potential Management Fee Rate shall be prorated for purposes of calculating Base Management Fee, Management Fee at Risk, or Incentive Compensation for any partial Fiscal Year or Measurement Period applicable to the Management Fee based upon the effective date of the New Order or Change. Pursuant to the terms of Section 3 of Exhibit D (Provider Compensation) of the Agreement, Company shall pay Provider a minimum Potential Management Fee ("Fee Floor for Budget Tier") for each Potential Management Fee Rate bracket as defined in the table below. The Potential Management Fee payout shall be equal to the greater of the Fee Floor for Budget Tier or the Budgeted Costs for a Fiscal Year multiplied by the Potential Management Fee Rate."

Budgeted Costs for a Fiscal Year	Potential Management Fee Rate	Fee Floor for Budget Tier
Less than $100,000,000	2.50%	$0
Equal to or greater than $100,000,000 and less than $150,000,000	2.25%	$2,500,000
Equal to or greater than $150,000,000 and less than $200,000,000	2.125%	$3,375,000
Equal to or greater than $200,000,000 and less than $250,000,000	2.00%	$4,250,000
Equal to or greater than $250,000,000 and less than $300,000,000	1.85%	$5,000,000
Equal to or greater than $300,000,000	1.70%	$5,550,000

2.5 Amendment to Sub-section 2.1 (Certain Definitions) of Exhibit D (Pricing) of the Agreement. Section 2.1 of Exhibit D of the Agreement is amended to add the following definitions at the end of the section:

(pp) *"Assigned Costs - no Guaranteed Savings" shall have the meaning similar to Assigned Costs, however, due to nature of those expenses (typically demand driven), no savings are guaranteed. These items (e.g., Praxair gases) shall be specifically identified in the Cost Baselines. Management Fee for Assigned Costs - no Guaranteed Savings shall be calculated and paid to Provider in accordance with the terms of the Agreement.*

(qq) *"Managed Spend" represents the category of services that Provider does not have control of spend levels, but manages service delivery. The Managed Spend is not subject to Guaranteed Savings, and are excluded from Cost Baselines. The Managed Spend expenses can be incurred either under a Provider PO or a Company PO. The Managed Spend items shall be specifically identified in the Cost Baselines. Management Fee for Managed Spend shall be calculated and paid to Provider in accordance with the terms of the Agreement.*

2.6 Amendment to Sub-section 3.9 (c) (3) (Special Project Services Costs) of Exhibit D (Pricing) of the Agreement. Section 3.9 (c) (3) of Exhibit D of the Agreement is amended to add the following at the end of the section:

Upon Company's written request, under the Special Project Services Provider manages and pays subcontractors expenses and/or self perform certain labor activities. Company shall direct work

activities related to Special Project Services Costs. Special Project Services Costs are not included in the integrated facilities management reporting structure. Management Fee for Special Project Services Cost shall be calculated and paid to Provider in accordance with the terms of the Agreement.

2.7 Amendment to Sub-section 3.10(b) (Shared Savings) of Exhibit D (Pricing) of the Agreement. Section 3.10(b) of Exhibit D of the Agreement is amended to add the following at the end of the section:

(i) Shared Savings at Term: Company shall pay Provider the Shared Savings at Term ("Shared Savings at Term"), which is a portion of the Savings over the 2015 Cost Guaranty by site, as set forth in Exhibit D Attachment D2 ("Incremental Savings at Term").The Shared Savings at Term shall be equal to the amount of the Incremental Savings at Term, reduced by any Incremental Savings at Term achieved in the prior year (if applicable,) multiplied by the applicable Shared Savings Multiplier set forth in the Shared Savings at Term Payout Table at section 2.7(iii) below.

(ii) Early Savings. If prior year Actual Cost less current year Actual Cost ("Actual Savings") exceed the prior year Cost Guaranty less the current year Cost Guaranty, then Company will pay to Provider a portion of this savings ("Early Savings"), which shall be equal to five percent (5%) multiplied by the Early Savings amount ("Early Shared Savings").

(iii) Shared Savings at Term Payout Table:

Weighted Average Aggregate Annual KPI Score for Applicable Measurement Year	Shared Savings Multiplier
Less than 2.5	0%
Equal to or greater than 2.5 and less than 3.0	20%
Equal to or greater than 3.0 and less than 3.5	35%
Equal to or greater than 3.5 and less than 4.0	40%
Equal to or greater than 4.0	45%

The Shared Savings Multiplier shall be determined based upon the Weighted Average Aggregate Annual KPI Score applicable to the Measurement Year and shall be the percentage set forth in the table in the section (iii) below

(iv) Provider's Shared Savings: Provider's Shared Savings at Term and Provider's Early Shared Savings combined are defined as Provider's Shared Savings ("Provider's Shared Savings")

2.8 Amendment to Exhibit D Attachment D.1 (Cost Baseline) of the Agreement. For the period on and after January 1, 2014, Exhibit D Attachment D.1 of the Agreement is deleted in its entirety and replaced with revised Exhibit D Attachment D.1 Rev. 1 attached hereto. Subject to the provisions in Exhibit D Attachment D.2, section 5, CCR's approved during a year will impact both the Cost Baseline and the Cost Guaranty equally, with no associated savings.

2.9 Amendment to Exhibit D Attachment D.2 (Minimum Savings Summary) of the Agreement. For the period on and after January 1, 2014, Exhibit D Attachment D.2 of the Agreement is deleted in its entirety and replaced with revised Exhibit D Attachment D.2 Rev. 1 attached hereto. Subject to the provisions in Exhibit D Attachment D.2, section 5, CCR's approved during a year will impact both the Cost Baseline and the Cost Guaranty equally, with no associated savings.

2.10 Amendment to Exhibit D Attachment D.4 (Transition Costs). As of the Effective Date of this Amendment, the Exhibit D Attachment D.4 of the Agreement is deleted in its entirety and replaced with the following: "No

transition costs shall be paid by Company for any new or existing services carried out as of the Effective Date of the Amendment".

2.11 Amendment to Exhibit D Attachment D.6 (Example Calculations of Management Fees, Shared Savings and Cost Guaranty Adjustment) of the Agreement. For the period on and after January 1, 2014, Exhibit D Attachment D.6 of the Agreement is deleted in its entirety and replaced with revised Exhibit D Attachment D.6 Rev. 1 attached hereto.

2.12 Amendment to Sub-section 1.6(d) (Fiscal Year End Invoices) of Exhibit Q (Invoicing and Accounting Requirements) of the Agreement. As of the Effective Date of this Amendment, Sub-section 1.6(d) of Exhibit Q of the Agreement is deleted in its entirety and replaced with the following:

> "Fiscal Year End Accruals and Invoices. Provider shall submit an accrual file for the anticipated Reimbursable Costs, Management Fees and Incentive Compensation on date specified by Company (i) that are expected to be accrued through the end of such Fiscal Year and (ii) for which Provider has not yet delivered an invoice. Provider shall, using it best efforts and to the extent reasonable, include expenses from different Fiscal Years in separate Invoices, and those Invoices shall be charged to the Purchase Orders open for the respective Fiscal year."

2.13 Amendment to Sub-section 3 (Timing of Payments) of Exhibit Q (Invoicing and Accounting Requirements) of the Agreement. As of the Effective Date of this Amendment, Section 3 of Exhibit Q of the Agreement is deleted in its entirety and replaced with the following:

> "Timing of Payments. Company shall pay all undisputed invoice amounts, submitted for Company's approval weekly, within sixty (60) days after Company's receipt thereof from the total invoiced amount. Such payment shall be deemed to be made when Company initiates an EDI transfer of funds to Provider. Company shall make payments to Provider in the currency in which the invoiced amounts were incurred by Provider. Provider should direct its payment status inquiries to XXXXXXXXXXXXXXXXX@amgen.com (email) or (805) 447-XXXX (telephone)."

3. CONCLUSION

Except as amended and supplemented hereby, all of the terms and conditions of the Agreement shall remain and continue in full force and effect and apply hereto.

IN WITNESS THEREOF, the authorized representatives of the parties have executed this Amendment 5 to the Agreement as of the date first set forth above.

JONES LANG LASALLE AMERICAS, INC.	**AMGEN INC.**
By: /s/ Roger Humphrey	By: /s/ William Reis
Name: Roger Humphrey	Name: William Reis
Title: Executive Vice President	Title: VP, Sourcing
Date: October 14, 2013	Date: October 16, 2013

EXHIBIT C Rev. 1
KEY PERFORMANCE INDICATORS/SERVICE LEVEL AGREEMENTS

1. **GENERAL**

1.1 Introduction

This Exhibit C provides certain terms and commitments with respect to the Key Performance Indicators that Provider shall meet or exceed in performing the Services during the Term and describes the methodology for calculating the portion of the Management Fee at Risk earned and payable to Provider based upon Provider's performance with respect to the Key Performance Indicators for each quarterly Measurement Period.

1.2 Definitions

The following defined terms as used in this Exhibit C, the Attachments hereto or elsewhere in the Agreement, shall have the meanings set forth below.

Aggregate KPI Score. **"Aggregate KPI Score"** means the aggregate weighted sum of all KPI Scores for the KPIs for a given Measurement Period.

Aggregate SLA Score. **"Aggregate SLA Score"** means the aggregate weighted sum of all SLA Scores for the SLAs for a given Measurement Period. The Aggregate SLA Score is the Service Performance KPI.

Allocated MFAR Portion. "**Allocated MFAR Portion**" means the portion of the Management Fee at Risk allocated by Company to each KPI in accordance with Section 2.1 ii.

Disqualifying Event. **"Disqualifying Event**" has the meaning set forth in Section 6.

Key Performance Indicators or KPIs**. "Key Performance Indicators"** or **"KPIs"** mean the respective key performance indicators established by Company from time to time to measure Provider's performance of the Services under the Agreement. The initial KPIs are set forth on Attachment C.1 and more fully described and explained in Attachment C.2 (Supplementary Information for KPI Scorecard).

KPI Default. "**KPI Default**" means (i) Provider has a KPI Failure for the same KPI for three (3) consecutive Measurement Periods or (ii) Provider has an aggregate of eight (8) individual KPI Failures within any span of four (4) consecutive Measurement Periods (i.e., counting each KPI Failure for a single KPI for any one Measurement Period and each repeated KPI Failure for the same KPI in different Measurement Periods).

KPI Failure**. "KPI Failure"** means the failure to meet or exceed a score of 2.0 for any KPI during a Measurement Period.

KPI Multiplier. "**KPI Multiplier**" means the multiplier attributable to each KPI Score for each KPI pursuant to Section 2.1 viii and the KPI Score Card.

KPI Score. "**KPI Score**" has the meaning given in Section 2.1 vii.

KPI Scorecard. **"KPI Scorecard**" means the spreadsheet for calculation of the MFAR Amounts Earned for the KPIs and the Management Fee at Risk Earned for each Measurement Period. There will be one KPI Scorecard for each manufacturing site (AML, ARI, and ACO), and one for all remaining US and Canada sites and ATO Clinical ("GFO & Other Sites"), which shall be in the form of Attachment C.1.

KPI Table. "**KPI Table**" has the meaning given in Section 2.

KPI Target. **"KPI Target"** means Provider performance with respect to the KPI that results in a KPI Score of "3" for the respective KPI for any Measurement Period.

Management Fee at Risk. "**Management Fee at Risk**" has the meaning set forth in Exhibit D.

Management Fee at Risk Earned. "**Management Fee at Risk Earned**" has the meaning set given in Section 1.4.2

Measurement Period. "**Measurement Period**" means each quarter in Company's Fiscal Year, which fiscal year is currently the calendar year ended December 31.

MFAR Amount at Risk. **"MFAR Amount at Risk"** has the meaning given in Section 2.1 iii

MFAR Amount Earned. "**MFAR Amount Earned**" has the meaning given in Section 2.1 ix.

Service Level Agreements (SLAs). "**Service Level Agreements"** or "**SLAs**" mean the service level agreements against which Provider will be measured in accordance with Section 5 of the Agreement. The initial SLAs and the metrics for measurement of such SLAs are set forth in the Attachment C.3.

SLA Failures. "**SLA Failure**" means the failure to meet a score of 2.0 or greater for any SLA, component of any SLA, or with respect to each site, an SLA or component thereof for any site.

SLA Scorecard. "**SLA Scorecard**" means the spreadsheet for calculation of the SLA Score for each Measurement Period for each manufacturing site (AML, ARI, and ACO), and one for all remaining GFO & Other Sites, which spreadsheet shall be in the form of Attachment C.2.

SLA Target. **"SLA Target"** means Provider performance with respect to the SLA that results in a SLA Score of 3 for the respective SLA for any Measurement Period.

Any other capitalized terms used and not defined in this Exhibit C shall have the meanings ascribed to them in the Agreement.

1.3 Commencement of Obligations

1.3.1 Provider shall be responsible for measuring, reporting, and achieving the KPIs beginning on the Effective Date.

1.4 Management Fee at Risk

1.4.1 The Management Fee at Risk for the applicable Measurement Period shall be established in accordance with Exhibit D. Provider's Management Fee at Risk shall be contingent and at risk during each Measurement Period, and shall be earned based upon performance of KPIs as provided in this Exhibit C.

1.4.2 For each Measurement Period, Provider will earn a portion of the Management Fee at Risk equal to the aggregate of the MFAR Amounts Earned for all of the KPIs, not to be less than 0 or more than 100% of the Management Fee at Risk for such measure Period (also referred to as the "Management Fee at Risk Earned").

1.5 Company Right to Reallocate Management Fee at Risk.

1.5.1 Company, in its sole discretion, may allocate and reallocate the respective Allocated MFAR Portions of the Management Fee at Risk among the KPIs. Company's initial allocation of Allocated MFAR Portions to the initial KPIs are set forth in the KPI Scorecard attached as Attachment C.1. Company may change Allocated MFAR Portions of the Management Fee at Risk at any time by providing written notice to Provider, provided such changes will not

go into effect until the Measurement Period immediately following that Measurement Period in which the delivery of notice of such change took place.

1.5.2 Company, in its sole discretion, may change the weightings of the KPI Scores attributable to respective KPI performance levels in the KPI Scorecard at any time, provided that the weighting of any KPI is reasonably balanced to business needs, by providing written notice to Provider, provided such changes will not go into effect until the Measurement Period immediately following that Measurement Period in which the delivery of notice of such change took place.

1.6 Measurement and Reporting Tools

1.6.1 Unless otherwise specified in the KPI Scorecard, Provider shall have operational, administrative, maintenance, and financial responsibility for all tools required to measure and report its performance against the KPIs.

1.6.2 Provider will develop reports that meet the requirements as specified by Company and provide an accurate account of Provider's performance against KPIs and use the latest technology in producing reports. If Company is not satisfied with the reporting process and/or report format, Provider will make commercially reasonable efforts to accommodate Company's reporting request(s) and desired format.

1.6.3 Provider shall implement and utilize the measurement and monitoring tools and procedures described in the KPIs outlined in Attachment C.1 to measure and report its performance against the KPIs. All performance measurement and monitoring shall permit reporting at a level of detail sufficient to verify compliance with the KPI metrics, and the data underlying the reports and Provider's performance shall be subject to audit by Company. Provider shall provide Company with information and access to such tools and procedures upon request.

1.6.4 If, after the Effective Date, Provider desires to use a different measuring tool or procedure for any KPI, Provider shall provide written notice to Company, proposing the new tool and any reasonable adjustments to the KPI s that are necessary to account for any increased or decreased sensitivity in the new measuring tools or procedures. Provider may utilize such different measuring tools or procedures only to the extent the tools or procedures, and any associated KPI adjustments, are approved in advance and in writing by Company.

1.6.5 Where a KPI includes multiple conditions or components (e.g., components x, y and z), satisfaction of all such conditions or components is necessary to meet the corresponding KPI.

1.7 Reports and Supporting Information.

1.7.1 Provider shall provide Company with mutually agreed upon reports as outlined in this document and in any relevant attachments and exhibits to this document. At a minimum, the KPI Scorecard reports shall include the following:

i. Performance reports for each individual KPI metric in Attachment C.1
ii. Identification of any individual KPI Target that Provider failed to meet.

1.7.2 Upon Company's request, Provider shall provide supporting information as requested by Company to verify the accuracy of each KPI measurement.

2. KPI SCORING METHODOLOGY

2.1 Scoring Methodology. The Parties have prepared the initial KPIs, together with their respective weightings and scoring methodology, set forth in Attachment C.1 attached hereto and made a part hereof (the initial "KPI Table"), and will prepare subsequent KPI Tables annually, with the aim that they be clear, concise, measurable, reflect Company's business needs and provide an incentive for Provider to provide the best service possible. Each KPI Table will include the following basic components:

i. **KPI Name.** Column 1 sets forth the name of the KPI.

ii. **Allocated MFAR Portion.** Column 2 sets forth the Allocated MFAR Portion for each manufacturing site (AML, ARI, and ACO) and for all remaining GFO & Other Sites. Company shall have 100 percentage points of Management Fee at Risk to allocate to the respective Allocated MFAR Portions for the KPIs. Company, in its sole discretion, may reallocate these 100 percentage points among the individual KPIs by providing Provider with written notice, provided that the weighting of any KPI is reasonably balanced to business needs. Such reallocations shall go into effect in the next Measurement Period following the Measurement Period in which Company provides such notice.

iii. **MFAR Amount at Risk.** Column 3 sets forth the Allocated MFAR Amount at Risk. For each KPI, the "MFAR Amount at Risk" is an amount equal to the Allocated MFAR Portion for such KPI multiplied times the Provider Management Fee at Risk for the applicable Measurement Period. This is the portion of the Management Fee at Risk allocated to the respective KPI for the applicable Measurement Period.

iv. **KPI Target**. Column 4 sets forth the KPI Target for the applicable KPI, expressed as a KPI Score of 3.0.

v. **Performance Results Scoring Table.** Column 5 sets forth a table indicating the range of potential performance results that Provider may achieve with respect to each KPI and the KPI Score corresponding to each potential range of result.

vi. **Performance Result.** Column 6 sets forth Provider's actual performance result, as measured for each KPI.

vii. **KPI Score.** Column 7 sets forth the score (on a scale of 1 to 5, with increments of 0.1) for each KPI that corresponds to the actual performance result for the KPI for the Measurement Period (the "KPI Score") is set forth in the KPI Scorecard. If Provider's performance with respect to any particular KPI creates a result that falls between two KPI Score increments, the KPI Score will be rounded up or down to the nearest 0.1 as appropriate (for example any score between 1.01 - 1.04 shall be rounded down to 1.0 while any score from 1.05 to 1.09 shall be rounded up to 1.1).

viii. **KPI Multiplier.** Each possible KPI Score for a KPI will correspond to a percentage multiplier (the "KPI Multiplier"), which will be multiplied by the MFAR Amount at Risk for such KPI to determine the MFAR Amount Earned for the KPI. The KPI Multipliers for each potential KPI Score increment are set forth in the KPI Multiplier Table set forth in the KPI Scorecard.

ix. **MFAR Amount Earned.** Column 9 sets forth the MFAR Amount Earned for the respective KPI. For each KPI for each Measurement Period, the "MFAR Amount Earned" is the product of the KPI Multiplier corresponding to the actual KPI Score achieved for the respective KPI, multiplied by the Allocated MFAR Portion for such KPI

x. **Method.** Column 10 sets forth the method of scoring by site. "Site" means actual KPI Performance Result at each individual manufacturing site (AML, ARI, and ACO) and one for all remaining GFO & Other Sites. "Portfolio" means actual Aggregate KPI Performance Result of all sites (AML, ARI, ACO, and GFO & Other Sites).

3. TERMINATION FOR KPI DEFAULT

3.1 Termination for KPI default. Upon a KPI Default, Company shall have the right to terminate the Agreement, in accordance with the Term and Termination article of the Agreement.

4. QUALITY ASSURANCE AND IMPROVEMENT PROGRAMS

4.1 KPI Failure Corrective Action. Without limiting Company remedies for a KPI Failure pursuant to the terms of the Agreement, following each KPI Failure, Provider shall:

i. investigate, assemble and preserve pertinent information with respect to, and report on the causes of, the failure;
ii. prepare and deliver to Company within 30 days of the reporting of the applicable KPI Failure a written plan to setting forth remedial and corrective measures to improve Provider's performance and correct the KPI Failure;
iii. advise Company, as and to the extent requested by Company, of the status of remedial efforts being undertaken with respect to correcting the KPI Failure;
iv. minimize the impact of and correct the KPI Failure and begin meeting the KPI Target; and
v. take appropriate preventive measures so that the KPI Failure does not recur.

4.2 Quality Assurance. Provider shall provide continuous quality assurance and quality improvement with respect to the KPIs through: (a) the identification and implementation of proven techniques and tools from other installations within Provider's operations (i.e., "Best Practices"); (b) the identification and application of fast-path implementation and detailed timelines for implementation of the Services; and (c) the implementation of Provider programs, practices and measures designed to improve performance with respect to KPIs. Such procedures will include checkpoint reviews, testing, and other procedures for Company to confirm the quality of Provider's performance. Provider will utilize project management tools, including productivity aids and project management systems, as appropriate in performing the Services. KPI performance measurements for determining KPI Scores shall be appropriately revised upward by Company from time to time in order to measure and give effect to such continuous quality improvement.

4.3 Adjusting KPIs. Without limiting Company's right to adjust KPIs from time to time, as part of the annual budgeting process, in response to changes in Company's business needs, or to reflect changes in or evolution of the Services, when requested by Company the Parties shall add and/or modify the KPIs so that they provide a fair, accurate and consistent measurement of the full range of Provider's performance of the Services.

5. SERVICE LEVEL AGREEMENTS

5.1 SLA. Provider shall meet or exceed the SLAs during the Term. The Parties have identified and agreed upon the SLAs set forth in this Exhibit C, with the aim that they be clear, concise and measurable, reflect Company's business needs and encourage Provider to provide the best Services possible. Attachment C.2 provides the individual SLA metrics against which Provider's performance shall be measured.

5.2 Commencement of Obligations. Provider shall be responsible for measuring, reporting, and achieving the SLAs in accordance with this **Exhibit C** beginning on the Effective Date.

5.3 Adjusting SLAs. As part of the annual budgeting process, in response to changes in Company's business needs, or to reflect changes in or evolution of the Services, when requested by Company the Parties shall add and/or modify the SLAs so that they provide a fair, accurate and consistent measurement of the full range of Provider's performance of the Services.

5.4 SLA Weightings. Company shall have 100 percentage points to allocate among the SLAs. Company, in its sole discretion, may reallocate these 100 percentage points among the individual SLAs by site or at the

summary level at any time by providing written notice to Provider, *provided that the weighting of any SLA is reasonably balanced to business needs and* provided such changes will not go into effect until the Measurement Period following the delivery of notice of such change.

5.5 SLA Measurement and Reporting Tools.

i. Unless otherwise specified in the SLA Scorecard, Provider shall have operational, administrative, maintenance, and financial responsibility for all tools required to measure and report its performance against the SLAs.

ii. Provider will develop reports to the requirements as specified by Company and use the latest technology in producing reports. If Company is not satisfied with the reporting process and/or report format, Provider will make commercially reasonable efforts to accommodate Company's reporting request(s) and desired format.

iii. Provider shall implement and utilize the measurement and monitoring tools and procedures described in the SLAs to measure and report its performance against the SLAs. All performance measurement and monitoring shall permit reporting at a level of detail sufficient to verify compliance with the SLA performance metrics, and shall be subject to audit by Company. Provider shall provide Company with information and access to such tools and procedures upon request.

iv. If, after the Effective Date, Provider desires to use a different measuring tool or procedure for any SLA, Provider shall provide written notice to Company, proposing the new tool and any reasonable adjustments to the SLA s that are necessary to account for any increased or decreased sensitivity in the new measuring tools or procedures. Provider may utilize such different measuring tools or procedures only to the extent the tools or procedures, and any associated SLA adjustments, are approved in advance in writing by Company.

v. Where an SLA includes multiple conditions or components (e.g., components x, y and z), satisfaction of all such conditions or components is necessary to meet the corresponding SLA.

5.6 Reports and Supporting Information

i. Provider shall provide Company with mutually agreed upon reports as outlined in this Exhibit C and in any relevant Attachments. At a minimum, the SLA Scorecard reports shall include the following:

- Performance reports for each individual SLA metric in the SLA Scorecard; and
- Identification of any SLA Failures during the applicable Measurement Period.

ii. Upon Company's request, Provider shall provide supporting information as requested by Company to verify the accuracy of each SLA measurement.

5.7 SLA Evaluation process. Provider's SLA adherence / performance will be evaluated on a site-by-site basis each Measurement Period.

i. Each site will have an SLA Scorecard that will track Provider's performance.

ii. The initial SLA Scorecard is provided as Attachment C.3. Sites are given a weighting by budgeted Reimbursable Costs for that site relative to the overall budgeted Reimbursable Costs for the scope of Services, and individual SLA scores are calculated and averaged according to that weighting. Individual SLAs are also weighted according to importance. These weighting are used to calculate the overall score for SLA adherence.

iii. These scores will then roll-up into a master SLA Scorecard. Provider shall provide Company with a summary SLA Scorecard each Measurement Period in a format that is mutually agreed upon by both Parties.

iv. The following rating scale shall be used by Company to evaluate Provider satisfaction of SLAs:

- 5 - Service is Exceptional
- 4 - Service Exceeds Expectations
- 3 - Service Meets Expectations
- 2 - Service Partially Meets Expectations
- 1 - Service Fails Expectations/Needs Improvement

v. If Provider scores less than 2.0 for an SLA at any GFO & Other Site, that will be the score for SLA adherence for that particular SLA for GFO & Other Sites.

vi. If Provider scores less than 2.0 for total site SLA adherence at any one site, that will become the score for the Aggregate SLA Score.

vii. The initial site weightings, SLA weightings, and an example of the calculations are provided in the initial SLA Scorecard attached hereto as Attachment C.2.

viii. The Aggregate SLA Score for each Measurement Period shall be a KPI performance score in accordance with the KPI Scorecard.

ix. For SLA 1.1 and SLA 1.3, a SLA Failure at any GFO & Other Site will fail the entire SLA component for all GFO & Other Sites. For SLAs 1.1, 1.3 and 3.1, if a GFO & Other Site does not have scope in the SLA components, and if any other GFO & Other Site has an SLA Failure in that SLA component, then that site SLA Failure will not cascade to the GFO & Other Sites not in scope. The decision to cascade SLA component Failures across GFO & Other Sites in that SLA component for SLA 3.1 will be subjective. The decision to cascade that single site SLA Failure across GFO & Other Sites will be based on (a) severity and/or impact to business and (b) frequency and/or repetition.

6. **QUALIFYING CONDITIONS**

6.1 Disqualifying Event. There are minimum levels of safety and performance required to qualify for any portion of the Management Fee at Risk for the Measurement Period. Notwithstanding anything to the contrary in this Exhibit or elsewhere in the Agreement, if any of the Disqualifying Events set forth below occur during a Measurement Period, Provider shall receive no portion of the Management Fee at Risk for the applicable Measurement Period, regardless of KPI Scores, and the Aggregate Management Fee at Risk Earned for all KPIs shall equal zero for such Measurement Period. Any of the following shall constitute a "Disqualifying Event":

i. Provider Services result in a safety incident resulting in any fatality or serious injury caused by Provider or Provider Personnel. If an individual has three or more hospitalizations due to a single incident, such incident shall constitute a "serious injury" hereunder.

ii. Provider's performance of the Services results in a major incident or a serious compliance infraction, including, without limitation, major community or Company public relations impact; community evacuation; release of hazardous substances in amount equal to or greater than the reportable quantity; damage to infrastructure, Company product or property in excess of $500,000 in the aggregate; major internal infrastructure outage causing Company loss or loss of production in excess of $500,000 in the aggregate; or Federal Drug Administration or other governmental investigation, violation of Applicable Law that results in material adverse impact on the Services, the Company or Company operations; or corrective action or penalties costing in excess of $500,000 in the aggregate.

iii. Provider has an Aggregate SLA Score of 2.0 or less for two consecutive Measurement Periods.

iv. Provider has an Aggregate KPI Score of 2.5 or less for two consecutive Measurement Periods.

v. Company terminates the Agreement for cause.

6.2 For clauses 6.1 iii and 6.1 iv above, the failure shall constitute a Disqualifying Event for all of the consecutive failure periods, including the first Measurement Period. If any Management Fee at Risk Earned has been paid prior to determination of a Disqualifying Event applicable to a Measurement Period, Provider shall promptly refund the applicable payment.

Exhibit D Attachment D.1 Rev 1
Cost Baseline

Notwithstanding the provisions of the Agreement and its Orders, in the baselines development process, Provider shall consider the following assumptions:

1. **Baseline Parameters:**

1.1 Preliminary Cost Baselines are listed in Exhibit D Attachment D1.a. Preliminary Cost Baselines provided by Company shall be validated by Provider no later than March 31, 2014 for the GFO & Other Sites. Manufacturing Sites timelines will be developed on individual basis. During the validation period, if an annualized variance of over + / - $25,000 cumulative for a site is discovered; the Preliminary Cost Baseline(s) shall be adjusted in the same proportion of the annualized variance. To the extent that Preliminary Cost Baselines impact scope or cost assumptions, this adjustment will also impact the value of the Minimum Guaranteed Savings. The analysis of any baseline variance will also include the impact of Puerto Rico Tax law changes, and the AML baseline will be adjusted to reflect those changes.

1.2 Preliminary Cost Baselines calculations shall not include Managed Contracts, Food Services and Janitorial Services spend.

1.3 Four individual Cost Baselines shall be developed and approved, subject to the provisions in 1.1 above. One baseline for each manufacturing site (AML, ARI, and ACO,) and one baseline for all remaining GFO & Other Sites.

Exhibit D Attachment D.1a
Preliminary Cost Baseline

SUMMARY ALL SITES

	2014				2015		
Existing Scope							
	Baseline	Forecast	Annual Save	Svgs %	Forecast	Annual Save	Svgs %
Approved 2013 Budget	75,236,372						
CCR Impacts	(3,591,801)						
Existing Scope	71,644,572						
Less: Specialty Lab Gases to Managed	(1,755,000)						
Total Existing Scope	69,889,572	67,703,678	2,185,894	3.13%	66,847,250	856,428	1.23%
New Scope							
Internal Scope	Baseline	Forecast	Annual Save	Svgs %	Forecast	Annual Save	Svgs %
Total Internal Scope	6,070,181	5,240,750	829,431	13.66%	5,050,094	190,656	3.14%
External Scope	Baseline	Forecast	Annual Save	Svgs %			
Total External Scope	7,151,479	6,377,506	773,973	10.82%	6,257,290	120,216	1.68%
Central Team	-	118,000	(118,000)	-100.00%	118,000	-	
G&A	-	26,700	(26,700)	-100.00%	26,700	-	
Travel	-	6,000	(6,000)	-100.00%	6,000	-	
Mgmt Fee - New Assigned Scope	-	264,802	(264,802)	-100.00%	257,807	6,710	
Mgmt Fee - New Managed Scope		-			-		
Total New Scope	13,221,659	12,033,757	1,187,902	8.98%	11,715,891	317,582	2.40%
	Baseline	Forecast	Annual Save	Svgs %	Forecast	Annual Save	Svgs %
Assigned Total - Savings Guaranteed	83,111,231	79,737,435	3,373,796	4.06%	78,563,141	1,174,294	1.41%
No Guaranteed Savings	Baseline	Forecast			Forecast	Annual Save	
Total - No Guaranteed Savings	9,939,992	9,939,992			9,939,992		
	Baseline	Forecast	Annual Save		Forecast	Annual Save	
IFM GRAND TOTAL	93,051,223	89,677,427	3,373,796		88,503,133	1,174,294	

Exhibit D1a represents an estimate or forecast by Company of goods or services that may be furnished by Provider during the Term, and it does not constitute a commitment of any kind.

Exhibit D Attachment D.2 Rev 1
Minimum Savings Summary

1. **Definitions:**

   Cost Baseline. Cost Baseline for each site as set forth in Exhibit D Attachment D1.

   Actual Cost. The sum of the actual Controllable Costs accrued and Management Fee for such Measurement Year

2. **Minimum Savings:**

   2.1 The Preliminary Minimum % Savings "Minimum % Savings" guaranteed by Provider is equal to the blended rate shown below:

Minimum % Savings	2014 Savings %	2015 Savings %
Existing Scope	3.13%	1.23%
New Scope	8.98%	2.4%
Blended rate	4.06%	1.41%

   2.2 In case the Budgeted Costs for a Fiscal Year set forth in the section 2.4 of the Amendment 5 is less than $100,000,000 the Blended Rate shall be decrease by 0.27%

   2.3 The Guaranteed % Savings for a specific Site shall be revised if the Cost Baseline for such Site increases or decreases by more than $3,000,000.

   2.4 At a portfolio level, Provider shall guarantee the Minimum Savings set forth in 2.1 above. Minimum Savings shall be calculated by the sum of each site Cost Baseline set forth in Exhibit D Attachment D1, multiplied by the Minimum % Savings.

   2.5 In addition to the requirements described in 2.1 above, Provider shall guarantee a site-by-site Minimum Savings, which shall be calculated by multiplying each site Minimum % Savings ("Site Minimum % Savings") by each site Cost Baseline set forth in Exhibit D Attachment D1. For AML, ACO, and ARI the Site Minimum % Savings shall be 75% of Minimum % Savings; and for GFO & Other Sites the Site Minimum % Savings shall be equal to the Minimum % Savings set forth in 2.1.

3. For any additional Services as a result of a new Order(s), with Cost Baseline higher USD $ 3,000,000, the Minimum Savings for such additional Services shall equal at least 10% of the respective additional Service Cost Baseline, with the 10% prorated to adjust to the number of months left on the Agreement or 10% savings over the 24 months following the Cost Baseline adjustment.

   3.1 In the event Company does not accept Provider's proposal on a viable Labor Model, as part of USD $3,000,000 aggregate cost above, the Minimum Savings guaranteed by Provider shall be adjusted based on the Labor Model contained in the approved strategy.

4. In the event Company overrides Provider's recommendation on a Major Vendor sourcing initiative with annual savings higher than USD 25,000, the Minimum Savings guaranteed by Provider shall be adjusted in the same proportion of the savings NOT achieved as a result of Company's revised recommendation.

Exhibit D Attachment D.6 Rev. 1

Example Calculations of Management Fees, Shared Savings and Cost Guaranty Adjustment

1. GENERAL.

1.1 This Attachment D.6 is for illustrative purposes only. In the event of a conflict between this Attachment D.6 and Exhibit D, the terms of Exhibit D will control.

2. Summary Example Calculations

	2014	2015	
Baseline $	$ 136,000,000	$ 123,760,000	*for example only - see Exhibit D Att D1.a for baseline / savings numbers*
Minimum Savings %	9.0%	5.0%	
Minimum Savings $	$ 12,240,000	$ 6,800,000	
Cost Guaranty	$ 123,760,000	$ 116,960,000	
WAAKPI Score	3.4	3.4	
KPI OPB Multiplier	7.00%	7.00%	*Exhibit D 3.10 (c)*
Management Fee Rate	2.25%	2.25%	*Amendment 5 section 2.4*
Base Management Fee Rate	1.125%	1.125%	*50% of Mgmt Fee*
MFAR Rate	1.125%	1.125%	*50% of Mgmt Fee*
BMF	1,392,300	1,315,800	*= Fee rate x Cost Guaranty (budget)*
MFAR Potential Fee	1,392,300	1,315,800	*= Fee rate x Cost Guaranty (budget)*
Early Savings %	5.00%	5.00%	*Amendment 5 section 2.7 (ii)*
Shared Savings Cap	1,294,839	1,223,694	*100% minus KPI OPB multiplier (in this example, 100% minus 7% = 93%)*
Shared Savings Multiplier	35.0%	35.0%	*Amendment 5 section 2.7 (iii)*

- The key elements of the pricing model used in the following examples are summarized in the table above.

2.1. The terms below designate the meaning of each abbreviated element in the table and shall have the meanings given in Exhibit D.

i. **WAAAKPI** is the Weighted Average Aggregate Annual Key Performance Indicator Score
ii. **KPI OPB** is the Key Performance Indicator Out Performance Bonus
iii. **BMF** is the Base Management Fee portion of the Potential Management Fee
iv. **MFAR** is the Management Fee at Risk portion of the Potential Management Fee

2.2. For the purposes of calculating total annual Shared Savings and KPI Out-Performance Bonus (collectively, Incentive Compensation), the Incentive Compensation Cap for the Measurement Year shall not exceed an amount equal to 1 (one) times the amount of the Management Fee at Risk for the applicable Fiscal Year Prior to Measurement Year. Incentive Compensation is in addition to the MFAR.

2.3. Defined terms used in this Attachment D.6 that are not otherwise defined in this Attachment shall have the meanings as described to such terms in the Agreement, Exhibit C (Key Performance Indicators/Service Level Agreements) or Exhibit D (Pricing) to the Agreement, as applicable.

3. Example 1: Early Savings, no Term Savings, no CCRs

Early Savings, no Term Savings, no CCRs:					
		2014		2015	
Cost Guaranty	$	123,760,000	$	116,960,000	
Actual Cost	$	123,000,000	$	116,960,000	
Minimum Savings Shortfall					
Cost Guaranty	$	123,760,000	$	116,960,000	
Actuals	$	123,000,000	$	116,960,000	
Shortfall	$	-	$	-	Actuals - Cost Guaranty
Cost Guaranty Adjustment	**$**	**-**	**$**	**-**	
Shared Savings					
Incremental Savings at Term	$	-	$	-	lesser of: (2015 CG - Current Year Actuals) or Zero
Shared Savings Multiplier		35%		35%	Amendment 5 section 2.7 (iii)
Shared Savings at Term	**$**	**-**	**$**	**-**	
Early YOY Savings					
Actual YoY Savings		13,000,000		6,040,000	Yr 1: BL - Act; Yr 2: Py Act - Cy Act
Planned YoY Savings		12,240,000		6,800,000	Yr 1: BL - CG; Yr 2: Py CG - Cy CG
Net YoY Savings		760,000		(760,000)	Actual YOY Sav - Planned YOY Sav
					Note: If actuals are greater than CG, use CG for YoY calculations
Early Savings %		5.0%		0.0%	
Early Shared Savings	**$**	**38,000**	**$**	**-**	Net YoY Savings * Early Savings %
Total Shared Savings	**$**	**38,000**	**$**	**-**	Shared Savings at Term + Early Shared Savings
Shared Savings Cap	*$*	*1,294,839*	*$*	*1,223,694*	
Base Mgmt Fee	$	1,392,300	$	1,315,800	Cost Guaranty x BMF rate
MFAR	$	1,392,300	$	1,315,800	Cost Guaranty x MFAR rate
KPI OPB	$	97,461	$	92,106	KPI OPB Multiplier x MFAR

3.1 In this example, Early Savings is generated in 2014 since Actual 2014 Cost < Cost Guaranty. Savings is shared at 5% for 2014. No term savings have been generated since 2015 Actual cost is equal to 2015 Guaranty.

4. Example 2: Early Savings, Term Savings in 2014, no CCRs

Early Savings, Term Savings in 2014, no CCRs:	2014	2015	
Cost Guaranty	$ 123,760,000	$ 116,960,000	
Actual Cost	$ 116,500,000	$ 116,500,000	
Minimum Savings Shortfall			
Cost Guaranty	$ 123,760,000	$ 116,960,000	
Actuals	$ 116,500,000	$ 116,500,000	
Shortfall	$ -	$ -	Actuals - Cost Guaranty
Cost Guaranty Adjustment	**$ -**	**$ -**	
Shared Savings			
Incremental Savings at Term	$ 460,000	$ -	lesser of: (2015 CG - Current Year Actuals, reduced by PY term savings) or Zero
Shared Savings Multiplier	35%	35%	Amendment 5 section 2.7 (iii)
Shared Savings at Term	**$ 161,000**	**$ -**	
Early YOY Savings			
Actual YoY Savings	19,500,000	-	Yr 1: BL - Act; Yr 2: Py Act - Cy Act
Planned YoY Savings	12,240,000	6,800,000	Yr 1: BL - CG; Yr 2: Py CG - Cy CG
Net YoY Savings	7,260,000	(6,800,000)	Actual YOY Sav - Planned YOY Sav
			Note: If actuals are greater than CG, use CG for YoY calculations
Early Savings %	5.0%	0.0%	
Early Shared Savings	**$ 363,000**	**$ -**	Net YoY Savings * Early Savings %
Total Shared Savings	**$ 524,000**	**$ -**	Shared Savings at Term + Early Shared Savings
Shared Savings Cap	*$ 1,294,839*	*$ 1,223,694*	
Base Mgmt Fee	$ 1,392,300	$ 1,315,800	Cost Guaranty x BMF rate
MFAR	$ 1,392,300	$ 1,315,800	Cost Guaranty x MFAR rate
KPI OPB	$ 97,461	$ 92,106	KPI OPB Multiplier x MFAR

4.1 In this example, there are both Early Savings and Savings at Term. Early Savings exists in 2014, as Actual 2014 costs < Cost Guaranty. In addition, 2014 Actual Costs are below the 2015 Cost Guaranty (end of term), and Shared Savings at Term results in 2014. Note for 2015, the Actual Costs are also below Term, but no Shared Savings at Term are created since that amount was recognized and paid out in 2014.

5. Example 3: Early Savings, with CCRs

Early Savings,with CCRs:

	2014	2015	
Baseline $	$ 136,000,000	$ 123,760,000	
Minimum Savings $	$ 12,240,000	$ 6,800,000	
Cost Guaranty	$ 123,760,000	$ 116,960,000	
CCR	$ 2,000,000	$ -	$2M CCR added to 2014
Revised Baseline	$ 138,000,000	$ 125,760,000	CCR added to Baseline and Cost Guaranty at same amount
Minimum Savings $	$ 12,240,000	$ 6,800,000	No change in Minimum Savings
Cost Guaranty	$ 125,760,000	$ 118,960,000	CCR added to Baseline and Cost Guaranty at same amount
Cost Guaranty			
Actual Cost	$ 125,000,000	$ 118,960,000	
Minimum Savings Shortfall			
Cost Guaranty	$ 125,760,000	$ 118,960,000	
Actuals	$ 125,000,000	$ 118,960,000	
Shortfall	$ -	$ -	Actuals - Cost Guaranty
Cost Guaranty Adjustment	$ -	$ -	
Shared Savings			
Incremental Savings at Term	$ -	$ -	lesser of: (2015 CG - Current Year Actuals, reduced by PY term savings) or Zero
Shared Savings Multiplier	35%	35%	Amendment 5 section 2.7 (iii)
Shared Savings at Term	$ -	$ -	
Early YOY Savings			
Actual YoY Savings	13,000,000	6,040,000	Yr 1: BL - Act; Yr 2: Py Act - Cy Act (BL adj for CCR)
Planned YoY Savings	12,240,000	6,800,000	Yr 1: BL - CG; Yr 2: Py CG - Cy CG
Net YoY Savings	760,000	(760,000)	Actual YOY Sav - Planned YOY Sav
			Note: If actuals are greater than CG, use CG for YoY calculations
Early Savings %	5.0%	0.0%	
Early Shared Savings	**$ 38,000**	$ -	Net YoY Savings * Early Savings %
Total Shared Savings	**$ 38,000**	$ -	Shared Savings at Term + Early Shared Savings
Shared Savings Cap	*$ 1,294,839*	*$ 1,223,694*	
Base Mgmt Fee	$ 1,414,800	$ 1,338,300	Cost Guaranty x BMF rate (note: CCR has increased fee)
MFAR	$ 1,414,800	$ 1,338,300	Cost Guaranty x MFAR rate
KPI OPB	$ 99,036	$ 93,681	KPI OPB Multiplier x MFAR

5.1. In this example, a CCR was added in 2014. The CCR increases both Baseline and Cost Guaranty at the same amount, with no change in Minimum Savings. Note that MFAR and Base Management Fee are increased to reflect higher Cost Guaranty.

6. Example 4: Actual cost > Cost Guaranty

Actuals above Cost Guaranty	2014	2015	
Cost Guaranty	$ 123,760,000	$ 116,960,000	
Actual Cost	$ 124,000,000	$ 116,660,000	
Minimum Savings Shortfall			
Cost Guaranty	$ 123,760,000	$ 116,960,000	
Actuals	$ 124,000,000	$ 116,660,000	
Shortfall	$ 240,000	$ -	Actuals - Cost Guaranty
Cost Guaranty Adjustment	**$ 240,000**	**$ -**	If GFO: Payout of $240k to Amgen, if other sites, only payout if Min Savings x 75% is not achieved
Shared Savings			
Incremental Savings at Term	$ -	$ 300,000	lesser of: (2015 CG - Current Year Actuals) or Zero
Shared Savings Multiplier	35%	35%	Amendment 5 section 2.7 (iii)
Shared Savings at Term	**$ -**	**$ 105,000**	
Early YOY Savings			
Actual YoY Savings	12,000,000	7,100,000	Yr 1: BL - Act; Yr 2: Py Act - Cy Act
Planned YoY Savings	12,240,000	6,800,000	Yr 1: BL - CG; Yr 2: Py CG - Cy CG
Net YoY Savings	(240,000)	300,000	Actual YOY Sav - Planned YOY Sav
			Note: If actuals are greater than CG, use CG for YoY calculations
Early Savings %	0.0%	5.0%	
Early Shared Savings	**$ -**	**$ 15,000**	Net YoY Savings * Early Savings %
Total Shared Savings	**$ -**	**$ 120,000**	Shared Savings at Term + Early Shared Savings
Shared Savings Cap	*$ 1,294,839*	*$ 1,223,694*	
Base Mgmt Fee	$ 1,392,300	$ 1,315,800	Cost Guaranty x BMF rate
MFAR	$ 1,392,300	$ 1,315,800	Cost Guaranty x MFAR rate
KPI OPB	$ 97,461	$ 92,106	KPI OPB Multiplier x MFAR

6.1 In this example, Actual 2014 Costs are > Cost Guaranty, resulting in a potential payment to Company by Provider. There are several payout scenarios:

6.1.1. Portfolio achieves overall guarantee, GFO Site misses guarantee: payment is made to site in the amount of missed savings

6.1.2. Portfolio achieves overall guarantee, non-GFO site (e.g., AML) does not achieve savings: payment is made to the site up to 75% of the guarantee (if savings is between 75% and 100% of guarantee, no payments are made)

6.2 Portfolio does not achieve overall guarantee, and non-GFO site (e.g., AML) does not achieve savings: payment is made to the site up to 75% of the guarantee, additional payment made to bring portfolio to required savings.

Master Repurchase Agreement

September 1996 Version

Dated as of: **October 28, 2013**

Between: **AMGEN INC., as “Seller”**

and: **SMBC REPO PASS-THRU TRUST, 2013-1, as “Buyer”**

1. Applicability

From time to time the parties hereto may enter into transactions in which one party (“Seller”) agrees to transfer to the other (“Buyer”) securities or other assets (“Securities”) against the transfer of funds by Buyer, with a simultaneous agreement by Buyer to transfer to Seller such Securities at a date certain or on demand, against the transfer of funds by Seller. Each such transaction shall be referred to herein as a “Transaction” and, unless otherwise agreed in writing, shall be governed by this Agreement, including any supplemental terms or conditions contained in Annex I hereto and in any other annexes identified herein or therein as applicable hereunder.

2. Definitions

(a) “Act of Insolvency”, with respect to any party, (i) the commencement by such party as debtor of any case or proceeding under any bankruptcy, insolvency, reorganization, liquidation, moratorium, dissolution, delinquency or similar law, or such party seeking the appointment or election of a receiver, conservator, trustee, custodian or similar official for such party or any substantial part of its property, or the convening of any meeting of creditors for purposes of commencing any such case or proceeding or seeking such an appointment or election, (ii) the commencement of any such case or proceeding against such party, or another seeking such an appointment or election, or the filing against a party of an application for a protective decree under the provisions of the Securities Investor Protection Act of 1970, as amended, which (A) is consented to or not timely contested by such party, (B) results in the entry of an order for relief, such an appointment or election, the issuance of such a protective decree or the entry of an order having a similar effect, or (C) is not dismissed within 15 days, (iii) the making by such party of a general assignment for the benefit of creditors, or (iv) the admission in writing by such party of such party’s inability to pay such party’s debts as they become due;

(b) “Additional Purchased Securities”, Securities provided by Seller to Buyer pursuant to Paragraph 4(a) hereof;

(c) “Buyer’s Margin Amount”, with respect to any Transaction as of any date, the amount obtained by application of the Buyer’s Margin Percentage to the Repurchase Price for such Transaction as of such date;

(d) "Buyer's Margin Percentage", with respect to any Transaction as of any date, a percentage (which may be equal to the Seller's Margin Percentage) agreed to by Buyer and Seller or, in the absence of any such agreement, the percentage obtained by dividing the Market Value of the Purchased Securities on the Purchase Date by the Purchase Price on the Purchase Date for such Transaction;

(e) "Confirmation", the meaning specified in Paragraph 3(b) hereof;

(f) "Income", with respect to any Security at any time, any principal thereof and all interest, dividends or other distributions thereon;

(g) "Margin Deficit", the meaning specified in Paragraph 4(a) hereof;

(h) "Margin Excess", the meaning specified in Paragraph 4(b) hereof;

(i) "Margin Notice Deadline", the time agreed to by the parties in the relevant Confirmation, Annex I hereto or otherwise as the deadline for giving notice requiring same-day satisfaction of margin maintenance obligations as provided in Paragraph 4 hereof (or, in the absence of any such agreement, the deadline for such purposes established in accordance with market practice);

(j) "Market Value", with respect to any Securities as of any date, the price for such Securities on such date obtained from a generally recognized source agreed to by the parties or the most recent closing bid quotation from such a source, plus accrued Income to the extent not included therein (other than any Income credited or transferred to, or applied to the obligations of, Seller pursuant to Paragraph 5 hereof) as of such date (unless contrary to market practice for such Securities);

(k) "Price Differential", with respect to any Transaction as of any date, the aggregate amount obtained by daily application of the Pricing Rate for such Transaction to the Purchase Price for such Transaction on a 360 day per year basis for the actual number of days during the period commencing on (and including) the Purchase Date for such Transaction and ending on (but excluding) the date of determination (reduced by any amount of such Price Differential previously paid by Seller to Buyer with respect to such Transaction);

(l) "Pricing Rate", the per annum percentage rate for determination of the Price Differential;

(m) "Prime Rate", the prime rate of U.S. commercial banks as published in The Wall Street Journal (or, if more than one such rate is published, the average of such rates);

(n) "Purchase Date", the date on which Purchased Securities are to be transferred by Seller to Buyer;

(o) "Purchase Price", (i) on the Purchase Date, the price at which Purchased Securities are transferred by Seller to Buyer, and (ii) thereafter, except where Buyer and Seller agree otherwise, such price increased by the amount of any cash transferred by

Buyer to Seller pursuant to Paragraph 4 (b) hereof and decreased by the amount of any cash transferred by Seller to Buyer pursuant to Paragraph 4(a) hereof or applied to reduce Seller's obligations under clause (ii) of Paragraph 5 hereof;

(p) "Purchased Securities", the Securities transferred by Seller to Buyer in a Transaction hereunder, and any Securities substituted therefor in accordance with Paragraph 9 hereof. The term "Purchased Securities" with respect to any Transaction at any time also shall include Additional Purchased Securities delivered pursuant to Paragraph 4(a) hereof and shall exclude Securities returned pursuant to Paragraph 4(b) hereof;

(q) "Repurchase Date", the date on which Seller is to repurchase the Purchased Securities from Buyer, including any date determined by application of the provisions of Paragraph 3(c) or 11 hereof;

(r) "Repurchase Price", the price at which Purchased Securities are to be transferred from Buyer to Seller upon termination of a Transaction, which will be determined in each case (including Transactions terminable upon demand) as the sum of the Purchase Price and the Price Differential as of the date of such determination;

(s) "Seller's Margin Amount", with respect to any Transaction as of any date, the amount obtained by application of the Seller's Margin Percentage to the Repurchase Price for such Transaction as of such date; and

(t) "Seller's Margin Percentage", with respect to any Transaction as of any date, a percentage (which may be equal to the Buyer's Margin Percentage) agreed to by Buyer and Seller or, in the absence of any such agreement, the percentage obtained by dividing the Market Value of the Purchased Securities on the Purchase Date by the Purchase Price on the Purchase Date for such Transaction.

3. Initiation; Confirmation; Termination

(a) An agreement to enter into a Transaction may be made orally or in writing at the initiation of either Buyer or Seller. On the Purchase Date for the Transaction, the Purchased Securities shall be transferred to Buyer or its agent against the transfer of the Purchase Price to an account of Seller.

(b) Upon agreeing to enter into a Transaction hereunder, Buyer or Seller (or both), as shall be agreed, shall promptly deliver to the other party a written confirmation of each Transaction (a "Confirmation"). The Confirmation shall describe the Purchased Securities (including CUSIP number, if any), identify Buyer and Seller and set forth (i) the Purchase Date, (ii) the Purchase Price, (iii) the Repurchase Date, unless the Transaction is to be terminable on demand, (iv) the Pricing Rate or Repurchase Price applicable to the Transaction, and (v) any additional terms or conditions of the Transaction not inconsistent with this Agreement. The Confirmation, together with this Agreement, shall constitute conclusive evidence of the terms agreed between Buyer and Seller with respect to the Transaction to which the Confirmation relates, unless with respect to the Confirmation specific objection

is made promptly after receipt thereof. In the event of any conflict between the terms of such Confirmation and this Agreement, this Agreement shall prevail.

(c) In the case of Transactions terminable upon demand, such demand shall be made by Buyer or Seller, no later than such time as is customary in accordance with market practice, by telephone or otherwise on or prior to the business day on which such termination will be effective. On the date specified in such demand, or on the date fixed for termination in the case of Transactions having a fixed term, termination of the Transaction will be effected by transfer to Seller or its agent of the Purchased Securities and any Income in respect thereof received by Buyer (and not previously credited or transferred to, or applied to the obligations of, Seller pursuant to Paragraph 5 hereof) against the transfer of the Repurchase Price to an account of Buyer.

4. Margin Maintenance

(a) If at any time the aggregate Market Value of all Purchased Securities subject to all Transactions in which a particular party hereto is acting as Buyer is less than the aggregate Buyer’s Margin Amount for all such Transactions (a “Margin Deficit”), then Buyer may by notice to Seller require Seller in such Transactions, at Seller’s option, to transfer to Buyer cash or additional Securities reasonably acceptable to Buyer (“Additional Purchased Securities”), so that the cash and aggregate Market Value of the Purchased Securities, including any such Additional Purchased Securities, will thereupon equal or exceed such aggregate Buyer’s Margin Amount (decreased by the amount of any Margin Deficit as of such date arising from any Transactions in which such Buyer is acting as Seller).

(b) If at any time the aggregate Market Value of all Purchased Securities subject to all Transactions in which a particular party hereto is acting as Seller exceeds the aggregate Seller’s Margin Amount for all such Transactions at such time (a “Margin Excess”), then Seller may by notice to Buyer require Buyer in such Transactions, at Buyer’s option, to transfer cash or Purchased Securities to Seller, so that the aggregate Market Value of the Purchased Securities, after deduction of any such cash or any Purchased Securities so transferred, will thereupon not exceed such aggregate Seller’s Margin Amount (increased by the amount of any Margin Excess as of such date arising from any Transactions in which such Seller is acting as Buyer).

(c) If any notice is given by Buyer or Seller under subparagraph (a) or (b) of this Paragraph at or before the Margin Notice Deadline on any business day, the party receiving such notice shall transfer cash or Additional Purchased Securities as provided in such subparagraph no later than the close of business in the relevant market on such day. If any such notice is given after the Margin Notice Deadline, the party receiving such notice shall transfer such cash or Securities no later than the close of business in the relevant market on the next business day following such notice.

(d) Any cash transferred pursuant to this Paragraph shall be attributed to such Transactions as shall be agreed upon by Buyer and Seller.

(e) Seller and Buyer may agree, with respect to any or all Transactions hereunder, that the respective rights of Buyer or Seller (or both) under subparagraphs (a) and (b) of this Paragraph may be exercised only where a Margin Deficit or Margin Excess, as the case may be, exceeds a specified dollar amount or a specified percentage of the Repurchase Prices for such Transactions (which amount or percentage shall be agreed to by Buyer and Seller prior to entering into any such Transactions).

(f) Seller and Buyer may agree, with respect to any or all Transactions hereunder, that the respective rights of Buyer and Seller under subparagraphs (a) and (b) of this Paragraph to require the elimination of a Margin Deficit or a Margin Excess, as the case may be, may be exercised whenever such a Margin Deficit or Margin Excess exists with respect to any single Transaction hereunder (calculated without regard to any other Transaction outstanding under this Agreement).

5. Income Payments

Seller shall be entitled to receive an amount equal to all Income paid or distributed on or in respect of the Securities that is not otherwise received by Seller, to the full extent it would be so entitled if the Securities had not been sold to Buyer. Buyer shall, as the parties may agree with respect to any Transaction (or, in the absence of any such agreement, as Buyer shall reasonably determine in its discretion), on the date such Income is paid or distributed either (i) transfer to or credit to the account of Seller such Income with respect to any Purchased Securities subject to such Transaction or (ii) with respect to Income paid in cash, apply the Income payment or payments to reduce the amount, if any, to be transferred to Buyer by Seller upon termination of such Transaction. Buyer shall not be obligated to take any action pursuant to the preceding sentence (A) to the extent that such action would result in the creation of a Margin Deficit, unless prior thereto or simultaneously therewith Seller transfers to Buyer cash or Additional Purchased Securities sufficient to eliminate such Margin Deficit, or (B) if an Event of Default with respect to Seller has occurred and is then continuing at the time such Income is paid or distributed.

6. Security Interest

Although the parties intend that all Transactions hereunder be sales and purchases and not loans, in the event any such Transactions are deemed to be loans, Seller shall be deemed to have pledged to Buyer as security for the performance by Seller of its obligations under each such Transaction, and shall be deemed to have granted to Buyer a security interest in, all of the Purchased Securities with respect to all Transactions hereunder and all Income thereon and other proceeds thereof.

7. Payment and Transfer

Unless otherwise mutually agreed, all transfers of funds hereunder shall be in immediately available funds. All Securities transferred by one party hereto to the other party (i) shall be in suitable form for transfer or shall be accompanied by duly executed instruments of transfer or assignment in blank and such other documentation as the party receiving possession may reasonably request, (ii) shall be transferred on the book-entry system of a

Federal Reserve Bank, or (iii) shall be transferred by any other method mutually acceptable to Seller and Buyer.

8. Segregation of Purchased Securities

To the extent required by applicable law, all Purchased Securities in the possession of Seller shall be segregated from other securities in its possession and shall be identified as subject to this Agreement. Segregation may be accomplished by appropriate identification on the books and records of the holder, including a financial or securities intermediary or a clearing corporation. All of Seller's interest in the Purchased Securities shall pass to Buyer on the Purchase Date and, unless otherwise agreed by Buyer and Seller, nothing in this Agreement shall preclude Buyer from engaging in repurchase transactions with the Purchased Securities or otherwise selling, transferring, pledging or hypothecating the Purchased Securities, but no such transaction shall relieve Buyer of its obligations to transfer Purchased Securities to Seller pursuant to Paragraph 3, 4 or 11 hereof, or of Buyer's obligation to credit or pay Income to, or apply Income to the obligations of, Seller pursuant to Paragraph 5 hereof.

Required Disclosure for Transactions in Which the Seller Retains Custody of the Purchased Securities

Seller is not permitted to substitute other securities for those subject to this Agreement and therefore must keep Buyer's securities segregated at all times, unless in this Agreement Buyer grants Seller the right to substitute other securities. If Buyer grants the right to substitute, this means that Buyer's securities will likely be commingled with Seller's own securities during the trading day. Buyer is advised that, during any trading day that Buyer's securities are commingled with Seller's securities, they [will]* [may]** be subject to liens granted by Seller to [its clearing bank]* [third parties]** and may be used by Seller for deliveries on other securities transactions. Whenever the securities are commingled, Seller's ability to resegregate substitute securities for Buyer will be subject to Seller's ability to satisfy [the clearing]* [any]** lien or to obtain substitute securities.

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* Language to be used under 17 C.F.R. B403.4(e) if Seller is a government securities broker or dealer other than a financial institution.
** Language to be used under 17 C.F.R. B403.5(d) if Seller is a financial institution.

9. Substitution

(a) Seller may, subject to agreement with and acceptance by Buyer, substitute other Securities for any Purchased Securities. Such substitution shall be made by transfer to Buyer of such other Securities and transfer to Seller of such Purchased Securities. After substitution, the substituted Securities shall be deemed to be Purchased Securities.

(b) In Transactions in which Seller retains custody of Purchased Securities, the parties expressly agree that Buyer shall be deemed, for purposes of subparagraph (a) of this

Paragraph, to have agreed to and accepted in this Agreement substitution by Seller of other Securities for Purchased Securities; *provided, however*, that such other Securities shall have a Market Value at least equal to the Market Value of the Purchased Securities for which they are substituted.

10. Representations

Each of Buyer and Seller represents and warrants to the other that (i) it is duly authorized to execute and deliver this Agreement, to enter into Transactions contemplated hereunder and to perform its obligations hereunder and has taken all necessary action to authorize such execution, delivery and performance, (ii) it will engage in such Transactions as principal (or, if agreed in writing, in the form of an annex hereto or otherwise, in advance of any Transaction by the other party hereto, as agent for a disclosed principal), (iii) the person signing this Agreement on its behalf is duly authorized to do so on its behalf (or on behalf of any such disclosed principal), (iv) it has obtained all authorizations of any governmental body required in connection with this Agreement and the Transactions hereunder and such authorizations are in full force and effect and (v) the execution, delivery and performance of this Agreement and the Transactions hereunder will not violate any law, ordinance, charter, by-law or rule applicable to it or any agreement by which it is bound or by which any of its assets are affected. On the Purchase Date for any Transaction Buyer and Seller shall each be deemed to repeat all the foregoing representations made by it.

11. Events of Default

In the event that (i) Seller fails to transfer or Buyer fails to purchase Purchased Securities upon the applicable Purchase Date, (ii) Seller fails to repurchase or Buyer fails to transfer Purchased Securities upon the applicable Repurchase Date, (iii) Seller or Buyer fails to comply with Paragraph 4 hereof, (iv) Buyer fails, after one business day’s notice, to comply with Paragraph 5 hereof, (v) an Act of Insolvency occurs with respect to Seller or Buyer, (vi) any representation made by Seller or Buyer shall have been incorrect or untrue in any material respect when made or repeated or deemed to have been made or repeated, or (vii) Seller or Buyer shall admit to the other its inability to, or its intention not to, perform any of its obligations hereunder (each an “Event of Default”):

(a) The nondefaulting party may, at its option (which option shall be deemed to have been exercised immediately upon the occurrence of an Act of Insolvency), declare an Event of Default to have occurred hereunder and, upon the exercise or deemed exercise of such option, the Repurchase Date for each Transaction hereunder shall, if it has not already occurred, be deemed immediately to occur (except that, in the event that the Purchase Date for any Transaction has not yet occurred as of the date of such exercise or deemed exercise, such Transaction shall be deemed immediately canceled). The nondefaulting party shall (except upon the occurrence of an Act of Insolvency) give notice to the defaulting party of the exercise of such option as promptly as practicable.

(b) In all Transactions in which the defaulting party is acting as Seller, if the nondefaulting party exercises or is deemed to have exercised the option referred to in subparagraph (a) of this Paragraph, (i) the defaulting party’s obligations in such Transactions to repurchase all Purchased Securities, at the Repurchase Price

therefor on the Repurchase Date determined in accordance with subparagraph (a) of this Paragraph, shall thereupon become immediately due and payable, (ii) all Income paid after such exercise or deemed exercise shall be retained by the nondefaulting party and applied to the aggregate unpaid Repurchase Prices and any other amounts owing by the defaulting party hereunder, and (iii) the defaulting party shall immediately deliver to the nondefaulting party any Purchased Securities subject to such Transactions then in the defaulting party's possession or control.

(c) In all Transactions in which the defaulting party is acting as Buyer, upon tender by the nondefaulting party of payment of the aggregate Repurchase Prices for all such Transactions, all right, title and interest in and entitlement to all Purchased Securities subject to such Transactions shall be deemed transferred to the nondefaulting party, and the defaulting party shall deliver all such Purchased Securities to the nondefaulting party.

(d) If the nondefaulting party exercises or is deemed to have exercised the option referred to in subparagraph (a) of this Paragraph, the nondefaulting party, without prior notice to the defaulting party, may:

(i) as to Transactions in which the defaulting party is acting as Seller, (A) immediately sell, in a recognized market (or otherwise in a commercially reasonable manner) at such price or prices as the nondefaulting party may reasonably deem satisfactory, any or all Purchased Securities subject to such Transactions and apply the proceeds thereof to the aggregate unpaid Repurchase Prices and any other amounts owing by the defaulting party hereunder or (B) in its sole discretion elect, in lieu of selling all or a portion of such Purchased Securities, to give the defaulting party credit for such Purchased Securities in an amount equal to the price therefor on such date, obtained from a generally recognized source or the most recent closing bid quotation from such a source, against the aggregate unpaid Repurchase Prices and any other amounts owing by the defaulting party hereunder; and

(ii) as to Transactions in which the defaulting party is acting as Buyer, (A) immediately purchase, in a recognized market (or otherwise in a commercially reasonable manner) at such price or prices as the nondefaulting party may reasonably deem satisfactory, securities ("Replacement Securities") of the same class and amount as any Purchased Securities that are not delivered by the defaulting party to the nondefaulting party as required hereunder or (B) in its sole discretion elect, in lieu of purchasing Replacement Securities, to be deemed to have purchased Replacement Securities at the price therefor on such date, obtained from a generally recognized source or the most recent closing offer quotation from such a source.

Unless otherwise provided in Annex I, the parties acknowledge and agree that (1) the Securities subject to any Transaction hereunder are instruments traded in a recognized market, (2) in the absence of a generally recognized source for prices or bid or offer quotations for any Security, the nondefaulting party may establish the source therefor in its sole discretion and (3) all prices, bids and offers shall be

determined together with accrued Income (except to the extent contrary to market practice with respect to the relevant Securities).

(e) As to Transactions in which the defaulting party is acting as Buyer, the defaulting party shall be liable to the nondefaulting party for any excess of the price paid (or deemed paid) by the nondefaulting party for Replacement Securities over the Repurchase Price for the Purchased Securities replaced thereby and for any amounts payable by the defaulting party under Paragraph 5 hereof or otherwise hereunder.

(f) For purposes of this Paragraph 11, the Repurchase Price for each Transaction hereunder in respect of which the defaulting party is acting as Buyer shall not increase above the amount of such Repurchase Price for such Transaction determined as of the date of the exercise or deemed exercise by the nondefaulting party of the option referred to in subparagraph (a) of this Paragraph.

(g) The defaulting party shall be liable to the nondefaulting party for (i) the amount of all reasonable legal or other expenses incurred by the nondefaulting party in connection with or as a result of an Event of Default, (ii) damages in an amount equal to the cost (including all fees, expenses and commissions) of entering into replacement transactions and entering into or terminating hedge transactions in connection with or as a result of an Event of Default, and (iii) any other loss, damage, cost or expense directly arising or resulting from the occurrence of an Event of Default in respect of a Transaction.

(h) To the extent permitted by applicable law, the defaulting party shall be liable to the nondefaulting party for interest on any amounts owing by the defaulting party hereunder, from the date the defaulting party becomes liable for such amounts hereunder until such amounts are (i) paid in full by the defaulting party or (ii) satisfied in full by the exercise of the nondefaulting party’s rights hereunder. Interest on any sum payable by the defaulting party to the nondefaulting party under this Paragraph 11(h) shall be at a rate equal to the greater of the Pricing Rate for the relevant Transaction or the Prime Rate.

(i) The nondefaulting party shall have, in addition to its rights hereunder, any rights otherwise available to it under any other agreement or applicable law.

12. Single Agreement

Buyer and Seller acknowledge that, and have entered hereinto and will enter into each Transaction hereunder in consideration of and in reliance upon the fact that, all Transactions hereunder constitute a single business and contractual relationship and have been made in consideration of each other. Accordingly, each of Buyer and Seller agrees (i) to perform all of its obligations in respect of each Transaction hereunder, and that a default in the performance of any such obligations shall constitute a default by it in respect of all Transactions hereunder, (ii) that each of them shall be entitled to set off claims and apply property held by them in respect of any Transaction against obligations owing to them in respect of any other Transactions hereunder and (iii) that payments, deliveries and other transfers made by either of them in respect of any Transaction shall be deemed to have been made in consideration of payments, deliveries and other transfers in respect of any

other Transactions hereunder, and the obligations to make any such payments, deliveries and other transfers may be applied against each other and netted.

13. Notices and Other Communications

Any and all notices, statements, demands or other communications hereunder may be given by a party to the other by mail, facsimile, telegraph, messenger or otherwise to the address specified in Annex II hereto, or so sent to such party at any other place specified in a notice of change of address hereafter received by the other. All notices, demands and requests hereunder may be made orally, to be confirmed promptly in writing, or by other communication as specified in the preceding sentence.

14. Entire Agreement; Severability

This Agreement shall supersede any existing agreements between the parties containing general terms and conditions for repurchase transactions. Each provision and agreement herein shall be treated as separate and independent from any other provision or agreement herein and shall be enforceable notwithstanding the unenforceability of any such other provision or agreement.

15. Non-assignability; Termination

(a) The rights and obligations of the parties under this Agreement and under any Transaction shall not be assigned by either party without the prior written consent of the other party, and any such assignment without the prior written consent of the other party shall be null and void. Subject to the foregoing, this Agreement and any Transactions shall be binding upon and shall inure to the benefit of the parties and their respective successors and assigns. This Agreement may be terminated by either party upon giving written notice to the other, except that this Agreement shall, notwithstanding such notice, remain applicable to any Transactions then outstanding.

(b) Subparagraph (a) of this Paragraph 15 shall not preclude a party from assigning, charging or otherwise dealing with all or any part of its interest in any sum payable to it under Paragraph 11 hereof.

16. Governing Law

This Agreement shall be governed by the laws of the State of New York without giving effect to the conflict of law principles thereof.

17. No Waivers, Etc.

No express or implied waiver of any Event of Default by either party shall constitute a waiver of any other Event of Default and no exercise of any remedy hereunder by any party shall constitute a waiver of its right to exercise any other remedy hereunder. No modification or waiver of any provision of this Agreement and no consent by any party to a

departure herefrom shall be effective unless and until such shall be in writing and duly executed by both of the parties hereto. Without limitation on any of the foregoing, the failure to give a notice pursuant to Paragraph 4 (a) or 4(b) hereof will not constitute a waiver of any right to do so at a later date.

18. Use of Employee Plan Assets

(a) If assets of an employee benefit plan subject to any provision of the Employee Retirement Income Security Act of 1974, as amended ("ERISA") are intended to be used by either party hereto (the "Plan Party") in a Transaction, the Plan Party shall so notify the other party prior to the Transaction. The Plan Party shall represent in writing to the other party that the Transaction does not constitute a prohibited transaction under ERISA or is otherwise exempt therefrom, and the other party may proceed in reliance thereon but shall not be required so to proceed.

(b) Subject to the last sentence of subparagraph (a) of this Paragraph, any such Transaction shall proceed only if Seller furnishes or has furnished to Buyer its most recent available audited statement of its financial condition and its most recent subsequent unaudited statement of its financial condition.

(c) By entering into a Transaction pursuant to this Paragraph, Seller shall be deemed (i) to represent to Buyer that since the date of Seller's latest such financial statements, there has been no material adverse change in Seller's financial condition which Seller has not disclosed to Buyer, and (ii) to agree to provide Buyer with future audited and unaudited statements of its financial condition as they are issued, so long as it is a Seller in any outstanding Transaction involving a Plan Party.

19. Intent

(a) The parties recognize that each Transaction is a "repurchase agreement" as that term is defined in Section 101 of Title 11 of the United States Code, as amended (except insofar as the type of Securities subject to such Transaction or the term of such Transaction would render such definition inapplicable), and a "securities contract" as that term is defined in Section 741 of Title 11 of the United States Code, as amended (except insofar as the type of assets subject to such Transaction would render such definition inapplicable).

(b) It is understood that either party's right to liquidate Securities delivered to it in connection with Transactions hereunder or to exercise any other remedies pursuant to Paragraph 11 hereof is a contractual right to liquidate such Transaction as described in Sections 555, 559 and 561 of Title 11 of the United States Code, as amended, and that this Agreement constitutes a "master netting agreement" as defined in Section 101(38A) of Title 11 of the United States Code, as amended.

(c) The parties agree and acknowledge that if a party hereto is an "insured depository institution," as such term is defined in the Federal Deposit Insurance Act, as amended ("FDIA"), then each Transaction hereunder is a "qualified financial contract," as that term is defined in FDIA and any rules, orders or policy statements

thereunder (except insofar as the type of assets subject to such Transaction would render such definition inapplicable).

(d) It is understood that this Agreement constitutes a "netting contract" as defined in and subject to Title IV of the Federal Deposit Insurance Corporation Improvement Act of 1991, as amended ("FDICIA") and each payment entitlement and payment obligation under any Transaction hereunder shall constitute a "covered contractual payment entitlement" or "covered contractual payment obligation", respectively, as defined in and subject to FDICIA (except insofar as one or both of the parties is not a "financial institution" as that term is defined in FDICIA).

20. Disclosure Relating to Certain Federal Protections

The parties acknowledge that they have been advised that:

(a) in the case of Transactions in which one of the parties is a broker or dealer registered with the Securities and Exchange Commission ("SEC") under Section 15 of the Securities Exchange Act of 1934, as amended ("1934 Act"), the Securities Investor Protection Corporation has taken the position that the provisions of the Securities Investor Protection Act of 1970, as amended ("SIPA") do not protect the other party with respect to any Transaction hereunder;

(b) in the case of Transactions in which one of the parties is a government securities broker or a government securities dealer registered with the SEC under Section 15C of the 1934 Act, SIPA will not provide protection to the other party with respect to any Transaction hereunder; and

(c) in the case of Transactions in which one of the parties is a financial institution, funds held by the financial institution pursuant to a Transaction hereunder are not a deposit and therefore are not insured by the Federal Deposit Insurance Corporation or the National Credit Union Share Insurance Fund, as applicable.

[*Signatures follow on separate page*]

AMGEN INC.

By: /s/ Jonathan M. Peacock
Name: Jonathan M. Peacock
Title: Executive Vice President and Chief Financial Officer
Date: October 28, 2013

SMBC REPO PASS-THRU TRUST, 2013-1

By: THE BANK OF NEW YORK MELLON,
not in its individual capacity but solely as Trustee

By: /s/ Maryann Joseph
Name: Maryann Joseph
Title: Vice President
Date: October 28, 2013

ANNEX I

Supplemental Terms and Conditions

This Annex I forms a part of the Master Repurchase Agreement, dated as of October 28, 2013, between AMGEN INC. (the "Seller") and SMBC REPO PASS-THRU TRUST, 2013-1 (the "Buyer") (as amended, amended and restated, supplemented or otherwise modified from time to time, the "Agreement"). Capitalized terms used but not defined in this Annex I shall have the meanings ascribed to them in the Agreement. References in this Annex I and in the Agreement to provisions of the Agreement shall refer to such provisions as amended by this Annex I. This Agreement arises from the novation of a portion of a "Transaction" under a master repurchase agreement dated as of August 24, 2013, entered into by Bank of America, N.A. and the Seller, as supplemented by a confirmation dated September 30, 2013 (such master repurchase agreement, as supplemented by such confirmation, the "Original Agreement"). By virtue of the transaction confirmed by such confirmation, the Buyer exhausted the facility provided pursuant to the Original Agreement; and accordingly the sole Transaction under this Agreement is and will be that described in the Confirmation dated the date of this Agreement between the Seller and the Buyer (the "Confirmation") related to the novated portion of such original transaction, and all references to further transactions hereunder shall be of no effect and shall be disregarded in the interpretation of this Agreement.

1. **Other Applicable Annexes**. In addition to this Annex I and Annex II, the following Annexes and any Schedules thereto shall form a part of the Agreement and shall be applicable thereunder:

None.

2. **Definitions**.

(a) For purposes of the Agreement and this Annex I, the following terms shall have the following meanings:

"Act of Insolvency", with respect to any party, (i) the commencement by such party as debtor of any case or proceeding under any bankruptcy, insolvency, reorganization, liquidation, moratorium, dissolution, delinquency or similar law, or such party seeking the appointment or election of a receiver, conservator, trustee, custodian or similar official for such party or any substantial part of its property, or the convening of any meeting of creditors for purposes of commencing any such case or proceeding or seeking such an appointment or election, (ii) the commencement of any such case or proceeding against such party, or another seeking such an appointment or election, or the filing against a party of an application for a protective decree under the provisions of the Securities Investor Protection Act of 1970, as amended, which (A) is consented to or not timely contested by such party, (B) results in the entry of an order for relief, such an appointment or election, the issuance of such a protective decree or the entry of an order having a similar effect, or (C) is not dismissed within 60 days, (iii) the making by such party of a general assignment for the benefit of creditors, or (iv) the admission in writing by such party of such party's inability to pay such party's debts as they become due;

"Action" means any claim, action, suit, arbitration, inquiry, proceeding or investigation by or before any Governmental Authority;

"Actual Knowledge" means the actual knowledge of any Senior Officer of Seller;

“Affiliate” of any specified person means any other person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified person. For purposes of this definition, “control,” as used with respect to any person, will mean the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such person, whether through the ownership of voting securities, by agreement or otherwise;

“Ancillary Agreement” means the Ancillary Agreement, dated as of the date of this Agreement, between Seller and Buyer, as amended, amended and restated, supplemented or otherwise modified from time to time;

“Business Day” means a day other than (i) a Saturday or Sunday or (ii) a day on which banks in New York, London or Bermuda are authorized or required by law or executive order to, or customarily, remain closed;

“Certificate” means the Certificate of Designations of Preferences, Limitations and Relative Rights of Class A Preferred Shares of ATL Holdings Limited, dated 30 September 2013;

“Common Shares” means share capital that has no preference in the matter of dividends or assets and represents the residual ownership of a corporate business;

“Confirmation” has the meaning specified in the preamble to this Annex I;

“Default” means an event or circumstances that, with the giving of notice or lapse of time or both, would constitute an Event of Default;

“Governmental Authority” means any government, governmental, regulatory or administrative authority, agency or commission or any court, tribunal, or judicial body;

“Incipient Material Affiliate Event” has the same meaning as set forth in the Certificate;

“Income Payment Date” means, with respect to any Securities, the date on which Income is paid in respect of such Securities;

“Indemnified Taxes” means Taxes imposed on or with respect to any payment made by or on account of any obligation of Seller under this Agreement or the Ancillary Agreement, excluding, in the case of Buyer or its permitted assigns, (A) any taxes imposed on or measured by its overall net income, franchise taxes imposed on it (in lieu of net income taxes) and branch profits taxes, in each case, imposed by the jurisdiction (or any political subdivision thereof) under the Laws of which Buyer or its permitted assigns are organized or maintains a fixed place of business, (B) any taxes attributable to Buyer’s or its permitted assigns' failure or inability to provide the forms set forth in paragraph 26(b) of Annex I as applicable, including any taxes required to be deducted or withheld on the basis of the information, certificates or statements of exemption Buyer or its permitted assigns transmit with an IRS Form W-8IMY pursuant to paragraph 26(b) of Annex I, (C) if the forms provided by Buyer or its permitted assigns pursuant to paragraph 26(b) of Annex I at the time Buyer or its permitted assigns first become a party to this Agreement indicate a United States interest withholding tax rate in excess of zero, withholding tax at such rate unless and until Buyer or its permitted assigns provide new forms certifying that a lesser rate

applies, whereupon withholding tax at such lesser rate only shall be considered excluded from Taxes for periods governed by such forms; and (D) United States withholding taxes imposed under FATCA;

"Law" means any publicly promulgated applicable statute, law, ordinance, regulation, rule, code, order, other requirement or rule of law;

"Material Adverse Effect" has the same meaning as set forth in the Certificate;

"Material Affiliate Event" has the same meaning as set forth in the Certificate;

"Net Value" means:

(i) if Buyer is the defaulting party, the amount which, in the reasonable opinion of Seller, represents the fair market value of the Purchased Securities, having regard to such pricing sources and methods (which may include, without limitation, available quotations for the Purchased Securities) as Seller considers appropriate.

(ii) if Seller is the defaulting party:

(A) if any of the Purchased Securities are sold through the Valuation Process on or prior to the Valuation Process Cut-Off Date, then the Net Value in respect of such Purchased Securities shall be the net proceeds received by Buyer in respect of such Purchased Securities at the conclusion of the Valuation Process, net of all reasonable costs, commissions, fees and expenses incurred by Buyer in connection with the Valuation Process;

(B) if any of the Purchased Securities have not been sold through the Valuation Process on or prior to the Valuation Process Cut-Off Date, then the Net Value in respect of such Purchased Securities shall be the amount which, in the reasonable opinion of Buyer, represents their fair market value, having regard to such pricing sources and methods (which may include, without limitation, available quotations for the Purchased Securities) as Buyer considers appropriate;

"Price Differential" has the meaning specified in the Confirmation;

"Price Differential Payment Date" means each of the dates specified in the Confirmation as being a Price Differential Payment Date;

"Purchase Price" means (i) on the Purchase Date, the amount specified as such in the Confirmation, and (ii) thereafter, such price decreased by the amount of any cash applied to reduce Seller's obligations under clause (ii) of Paragraph 5 of this Agreement (as amended herein);

"Purchased Securities" means as of any date of determination, the aggregate number of shares of the Purchased Security that have been purchased by Buyer pursuant to Transactions hereunder, plus any Securities substituted for Purchased Securities in accordance with Paragraph 9 of this Agreement (as amended herein), less the number, if any, of shares of the Purchased Security for which the Repurchase Price has been tendered

to Buyer in satisfaction of Seller's obligation to repurchase such number of shares of the Purchased Security on or prior thereto less any Purchased Securities for which securities have been substituted pursuant to Paragraph 9 of this Agreement (as amended herein);

"Purchased Security" has the meaning specified in the Confirmation;

"Repurchase Date" means (i) the date on which Seller is to repurchase the Purchased Securities from Buyer, including any date determined by application of the provisions of Paragraph 11 of this Agreement (as amended herein) or (ii) the date specified in a notice delivered by the Buyer to the Seller following the introduction of or any change in or in the interpretation of any law or regulation which shall make it unlawful, or the assertion by any central bank or other governmental authority that it is unlawful, for the Buyer to perform its obligations or to hold the Purchased Securities hereunder; *provided*, *however*, that any payments due from Seller shall be due not less than 90 days following delivery of such notice and such notice shall only be effective if Buyer has previously used its reasonable best efforts to assign its rights under this Agreement to an Affiliate of Buyer on the terms and conditions provided herein and such Affiliate may lawfully comply with the Buyer's obligations and hold the Purchased Securities hereunder and such assignment will neither give rise to unindemnified costs to the Buyer or its Affiliates nor require burdensome actions on the part of Buyer or its Affiliates in order to comply with applicable law;

"Repurchase Price" has the meaning specified in the Confirmation;

"Senior Officer" means (a) the chief executive officer, (b) the chief financial officer, (c) the general counsel or (d) the corporate treasurer;

"Taxes" mean any tax, duty, levy, impost, duty, charge, assessment or fee of any nature (including any interest, penalties and additions thereto) that is imposed by any government or other taxing authority in respect of any payment;

"Transaction Documents" means (a) this Agreement, (b) the Ancillary Agreement and (c) any Indemnity Documents (as defined in the Ancillary Agreement);

"Valuation Process" means the following sequence of events:

(i) Buyer shall deliver written notice to Seller that Buyer has elected to determine the Net Value of the Purchased Securities, which notice shall include the Net Value determined by Buyer as if clause (ii)(B) of the definition of Net Value were applicable;

(ii) following such notification, Seller may elect, by notice to Buyer (which notice shall state that Buyer will avail itself of the Valuation Process but need not identify a financial institution or provide the price or other terms of any offer for the Purchased Securities) on or prior to the third Business Day following Buyer's notice pursuant to clause (i), to designate a nationally or internationally recognized financial institution to propose a firm price at which it will offer to purchase the Purchased Securities from Buyer pursuant to customary documentation reasonably satisfactory to Buyer, the terms of which (a) will provide that such financial institution will be liable for and pay any share transfer payments due upon transfer of the Purchased Security to it, (b) will include customary representations of Buyer

regarding the conveyance of good title to the Purchased Securities, free and clear of liens, but not any provisions whereby Buyer indemnifies such financial institution for matters relating to the actions, status or financial condition of Seller or any of Seller's affiliates, including ATL Holdings Limited;

(iii) if the financial institution designated by Seller has a combined capital and surplus of $500 million and a Thomson BankWatch Rating at the relevant time of "B" or better, then Buyer shall negotiate in good faith with such financial institution and use its commercially reasonable efforts to consummate the sale of the Purchased Securities to such financial institution on or prior to the Valuation Process Cut-Off Date; and

"Valuation Process Cut-Off Date" means the earliest to occur of (i) Seller's failure to notify Buyer of its election to avail itself of the Valuation Process within the time period specified in clause (ii) of the definition thereof; (ii) the date on which the sale of the Purchased Securities pursuant to the Valuation Process is consummated; and (iii) the thirtieth calendar day following the date of Buyer's notice to Seller pursuant to clause (i) of the definition of Valuation Process.

(b) Paragraphs 2(a), 2(c), 2(d), 2(e), 2(g), 2(h), 2(i), 2(k), 2(o), 2(p), 2(q), 2(r), 2(s) and 2(t) of the Agreement are hereby deleted.

3. [Reserved].

4. **Initiation; Effectiveness; Conditions; Confirmation; Termination.**

Paragraph 3 of the Agreement is hereby deleted.

5. **Purchase Price Maintenance**. Provided that no Event of Default with respect to Seller has occurred and is continuing, the parties agree that in any Transaction hereunder whose term extends over an Income Payment Date for the Securities subject to such Transaction, Buyer shall (including by causing its custodian, if any, to take such actions on its behalf), on the first Business Day following the Income Payment Date, transfer to or credit to the account of Seller an amount equal to such Income payment or payments pursuant to Paragraph 5(i) of the Agreement and Buyer shall not apply the Income payment or payments to reduce the amount to be transferred to Buyer by Seller upon termination of the Transaction pursuant to Paragraph 5(ii) of the Agreement; *provided*, *however*, that any Income paid as consideration for a redemption of the Purchased Securities, regardless whether the Repurchase Date shall have been accelerated, shall be applied first to reduce the Repurchase Price and shall only be transferred to or credited for the account of Seller to the extent that such further application would reduce the Repurchase Price, as of the Income Payment Date, below zero.

6. **Margin Maintenance**. Paragraph 4 of the Agreement is hereby deleted in its entirety.

7. **No Recognized Market.** Notwithstanding anything to the contrary in the Agreement but subject to the Valuation Process to the extent it is applicable, Seller and Buyer acknowledge and agree that the Purchased Securities subject to the Transaction hereunder are not instruments traded in a recognized market and therefore the nondefaulting party may establish the Net Value acting in a commercially reasonable manner.

8. **Income Payments**. Paragraph 5 of the Agreement is hereby amended (a) by replacing the words "on the date such Income is paid or distributed" in the second sentence thereof with the following words: "on the date that is the first Business Day after the applicable Income Payment Date"; (b) by deleting Clause (A) thereof; (c) by replacing the second occurrence of the word "Buyer" in the second sentence thereof with the word "Seller"; and (d) by replacing the words "such Income" in clause (i) of the second sentence thereof with the words "all such Income received by it"

9. **Security Interest**. Paragraph 6 of the Agreement is hereby deleted and replaced with the following:

"6. **Security Interest.** Although the parties intend that all Transactions hereunder be sales and purchases and not loans, in the event any such Transactions are deemed to be loans, Seller shall be deemed to have pledged or charged to Buyer as security for the performance by Seller of its obligations under each such Transaction, and shall be deemed to have granted to Buyer a security interest in, all of Seller's right, title and interest in and to the Purchased Securities with respect to all Transactions hereunder, all securities accounts to which the Purchased Securities are credited and all security entitlements with respect thereto and all Income on and other proceeds of the foregoing."

10. **Segregation of Purchased Securities**. Paragraph 8 of the Agreement is hereby amended by deleting the words " 3, 4, or" in the twelfth line thereof.

11. **Substitution**. Clause (b) of Paragraph 9 of the Agreement is hereby deleted in its entirety.

12. **Representations**. Paragraph 10 of the Agreement is hereby deleted and replaced with the following:

"**10.** **Representations**.

(a) Each of Buyer and Seller represents and warrants to the other that (i) it is duly authorized to execute and deliver this Agreement, to enter into Transactions contemplated hereunder and to perform its obligations hereunder and has taken all necessary action to authorize such execution, delivery and performance, (ii) it will engage in such Transactions as principal (or, if agreed in writing, in the form of an annex hereto or otherwise, in advance of any Transaction by the other party hereto, as agent for a disclosed principal), (iii) the person executing and delivering this Agreement on its behalf was at the time of execution and delivery duly authorized to do so on its behalf (or on behalf of any such disclosed principal), (iv) it has obtained all authorizations of any governmental body required in connection with this Agreement and the Transactions hereunder and such authorizations are in full force and effect and (v) the execution, delivery and performance of this Agreement and the Transactions hereunder will not violate any law, ordinance, charter, by-law or rule applicable to it or any agreement by which it is bound or by which any of its assets are affected, except, in the case of clauses (iv) and (v), as would not reasonably be expected to have a material adverse effect on the Unaffiliated Holders or the Buyer or any of their officers, directors and agents.

(b) Buyer warrants and represents that (i) it is a Delaware trust duly organized, validly existing and in good standing under the laws of the State of Delaware and has all requisite trust power and authority to own the Purchased Securities and to enter into and perform its

obligations under this Agreement, the Ancillary Agreement and the trust agreement constituting the Buyer (the "**Trust Agreement**") and the agreements and documents listed on Schedule I hereto, (ii) it is treated (under subpart E of part I of subchapter J of Chapter 1 of the Internal Revenue Code) as owned by a corporation engaged in the business of banking and organized under the laws of Japan and which is exempt from United States withholding taxation (under Section 1442 of the Internal Revenue Code of 1986, as amended and the regulations thereunder) on interest earned in the United States as such income is considered effectively connected with the conduct of a United States trade or business, (iii) The Bank of New York Mellon and BNY Mellon Trust of Delaware are the duly appointed trustee and Delaware trustee of the Buyer, respectively, and (iv) the Buyer is newly formed and has no assets and no contractual liabilities or commitments of any nature other than those under or contemplated by this Agreement, the Ancillary Agreement and the Trust Agreement."

13. Events of Default

(a) The first paragraph in Paragraph 11 of the Agreement is hereby deleted and replaced with the following:

"In the event that (i) Seller fails to transfer Purchased Securities or Buyer fails to transfer the Purchase Price in accordance with the Agreement, (ii) Seller fails to repurchase or Buyer fails to transfer Purchased Securities upon the applicable Repurchase Date (except that a failure to repurchase Purchased Securities upon the applicable Repurchase Date shall not constitute an Event of Default for the Seller in the event that Buyer is a defaulting party on such Repurchase Date), (iii) Buyer fails to comply with Paragraph 5 of this Agreement as amended or paragraph 5 of Annex I, and such failure is not remedied on or before the second Business Day after such failure, (iv) Seller fails to pay Buyer the Price Differential on the related Price Differential Payment Date and such failure is not remedied on or before the fifth Business Day following the related Price Differential Payment Date, (v) Seller fails to pay to Buyer any amounts, other than Price Differential, owing under this Agreement when due and such failure is not remedied on or before the thirtieth day following the date on which such amounts are due, (vi) an Act of Insolvency occurs with respect to Seller or Buyer, (vii) any representation made by Seller or Buyer hereunder shall have been incorrect or untrue in any material respect when made or repeated or deemed to have been made or repeated, (viii) Seller or Buyer shall admit in writing to the other its inability to, or its intention not to, perform any of its obligations hereunder, or (ix) Buyer or Seller breaches Paragraph 15(a) of this Agreement as amended herein (each, an "Event of Default");

(b) Paragraph 11(a) of the Agreement is hereby amended by inserting the words " of the Seller" after the first occurrence of the words "Act of Insolvency" and by inserting the words " as to the defaulting party" after the first occurrence of the words "Event of Default";

(c) Paragraph 11(b) of the Agreement is hereby amended by inserting after the words "at the Repurchase Price therefor" the following words: ", together with all unpaid Price Differential,";

(d) Paragraph 11(c) of the Agreement is hereby amended by inserting after the words "aggregate Repurchase Prices" the following words: ", together with all accrued unpaid Price Differential,";

(e) Paragraph 11(d)(i) is hereby amended by deleting subparagraph (B) in its entirety and substituting the following words therefor: "(B) in its sole discretion elect, in lieu of selling all or a portion of such Purchased Securities, to commence the Valuation Process and, upon determination of the Net Value following the Valuation Process Cut-Off Date, give the defaulting party credit for such Purchased Securities in an amount equal to the Net Value therefor on such date of determination against the aggregate unpaid Repurchase Price and any other amounts owing by the defaulting party hereunder"; and

(f) Paragraph 11(d)(ii) is hereby replaced with the following:

"(ii) as to Transactions in which the defaulting party is acting as Buyer, determine in a commercially reasonable manner an amount equal to the Net Value of the Purchased Securities that are not delivered by the defaulting party to the nondefaulting party as required hereunder."

(g) The last sentence of Paragraph 11(d) is hereby replaced with the following: "The parties acknowledge and agree that (1) in the absence of a generally recognized source for prices or bid or offer quotations for any Security, the nondefaulting party may establish the source therefor in a commercially reasonable manner and (2) all prices, bids and offers shall be determined together with accrued Income (except to the extent contrary to market practice with respect to the relevant Securities)."

(h) Paragraph 11(e) is hereby replaced with the following:

"Upon application of the proceeds or determination of the Net Value, in each case as described in Paragraph 11(d), (i) Seller shall be liable to Buyer for the excess, if any, of (1) (I) the Repurchase Price of all the outstanding Purchased Securities *plus* (II) any unpaid Price Differential over (2) (I), as applicable, (A) if the defaulting party is acting as Buyer, the amount equal to the Net Value of the Purchased Securities as determined by Seller or (B) if the defaulting party is acting as Seller, the proceeds realized from the liquidation of the Purchased Securities or the Net Value of the Purchased Securities as determined by Buyer *plus* (II) any amounts actually received by Buyer and payable by Buyer under Paragraph 5 hereof (as amended herein) and under paragraph 5 of Annex I, or otherwise hereunder and not paid to Seller, and (ii) Buyer shall be liable to Seller for the excess, if any, of (1) (I), as applicable, (A) if the defaulting party is acting as Buyer, the amount equal to the Net Value of the Purchased Securities as determined by Seller or (B) if the defaulting party is acting as Seller, the proceeds realized from the liquidation of the Purchased Securities or the Net Value of the Purchased Securities as determined by Buyer *plus* (II) any amounts actually received by Buyer and payable by Buyer under Paragraph 5 hereof (as amended herein) and under paragraph 5 of Annex I, or otherwise hereunder and not paid over (2) (I) the Repurchase Price *plus* (II) any unpaid Price Differential."

(i) Paragraph 11(g) is hereby deleted in its entirety.

(j) For purposes of Paragraph 11, the Repurchase Price for each Transaction hereunder in respect of which the defaulting party is acting as Buyer shall not increase above the amount of such Repurchase Price for such Transaction determined as of the date of the exercise or deemed exercise by the nondefaulting party of the option referred to in Paragraph 11(a) (as amended herein).

14. Payments by Seller to Buyer.

(a) Seller shall pay to Buyer on each Price Differential Payment Date following the Purchase Date an amount equal to the accrued unpaid Price Differential.

(b) [Reserved].

(c) Any and all payments by Seller to or for the account of Buyer or its permitted assigns under the Agreement or the Ancillary Agreement shall be made free and clear of and without deduction for any and all Taxes, except as required by applicable Law. If Seller shall be required by any Law to deduct any Taxes from or in respect of any sum payable under this Agreement or the Ancillary Agreement to Buyer or its permitted assigns, (i) the sum payable shall be increased as necessary so that after making all required deductions for Indemnified Taxes (including deductions applicable to additional sums payable under this paragraph 14(c) of Annex I), Buyer or its permitted assigns receive an amount equal to the sum it would have received had no such deductions been made, (ii) Seller shall make such deductions, (iii) Seller shall pay the full amount deducted to the relevant taxation authority or other authority in accordance with applicable Law, and (iv) within 30 days after the date of such payment, Seller shall furnish to Buyer or its permitted assigns the original or a certified copy of a receipt evidencing payment thereof (to the extent available).

15. Overdue Payments. If a party does not pay any amount on the date due (without regard to any applicable grace periods), including without limitation any Price Differential or any amount payable by Buyer under Paragraph 5 of the Agreement (as amended herein) or under paragraph 5 of Annex I, such party will, to the extent permitted by applicable law, pay interest on that amount to the other party in the same currency as that amount, for the period from (and including) the date the amount becomes due to (but excluding) the date the amount is actually paid, by daily application of the greater of the Pricing Rate and the Prime Rate to such amount. Notwithstanding the above, upon the declaration of an Event of Default, Paragraph 11(h) shall apply in lieu of this paragraph.

16. Dividends, Distributions, etc.

(a) In accordance with Paragraph 5 of the Agreement (as amended herein) and paragraph 5 of Annex I, but subject to subparagraph (d) of this paragraph 16 of Annex I, Seller shall be entitled to receive an amount equal to all Income (including any return of capital in respect of the liquidation of the issuer thereof and any proceeds received upon the redemption of such Security by the issuer thereof) paid or distributed on or in respect of Purchased Securities that is not otherwise received by Seller, to the full extent it would be so entitled if Purchased Securities had not been sold to Buyer, except as provided in Paragraph 5 of the Agreement (as amended herein) and paragraph 5 of Annex I, with respect to Income paid as consideration for a redemption of the Purchased Securities. The parties expressly acknowledge and agree, for the avoidance of doubt, that Income shall include, but is not

limited to: (i) cash and all other property, (ii) stock dividends, (iii) Securities received as a result of split ups of Purchased Securities and distributions in respect thereof, and (iv) all rights to purchase additional Securities (except to the extent that any amounts included in the foregoing clauses (i) through (iv) would be deemed to be Purchased Securities).

(b) Income paid or distributed on or in respect of Purchased Securities, which Seller is entitled to receive pursuant to subparagraph (a) of this paragraph, shall be treated in accordance with Paragraph 5 of the Agreement (as amended herein) and paragraph 5 of Annex I, as supplemented and modified herein.

(c) Any and all payments by Buyer to or for the account of Seller hereunder shall be made subject to deduction for any and all applicable future taxes, levies, imposts, deductions, charges or withholdings, and all liabilities with respect thereto, excluding, in the case of the Buyer, (i) income or franchise taxes imposed on (or measured by) its net income or net profits by the United States of America or by the jurisdiction (or any political subdivision of any such jurisdiction) under the laws of which Buyer is organized, in which its principal office (or other fixed place of business) is located or in which it is otherwise engaged in a trade or business as a result of transactions unrelated to the Transactions, (ii) any branch profits tax or any similar tax that is imposed on Buyer with respect to Buyer's income or profits by any jurisdiction described in clause (i) above (all such non excluded taxes, levies, imposts, deductions, charges, withholdings and liabilities in respect of payments hereunder being hereinafter referred to as "Non-Excluded Taxes"). Buyer shall pay the full amount deducted to the relevant taxation authority or other authority in accordance with applicable law. In the event that Buyer shall make a payment to or for the account of Seller that is subsequently determined to be subject to Non-Excluded Taxes, Seller shall promptly reimburse Buyer for the amount of such Non-Excluded Taxes together with all costs and expenses associated therewith.

(d) Notwithstanding anything to the contrary in Paragraph 5 of the Agreement (as amended herein), paragraph 5 of Annex I or subparagraphs (a) (b) and (c) above, in the event that Seller fails to pay Buyer the Price Differential on the related Price Differential Payment Date and such failure is not remedied on or before the third Business Day following such Price Differential Payment Date, then Buyer may, without exercising its option to declare an Event of Default to have occurred under the Agreement and only for as long as such failure is continuing, retain Income paid or distributed after such Price Differential Payment Date and apply it to the amount of any accrued but unpaid Price Differential and, in each case, any interest thereon.

17. **Rights in Purchased Securities**. For the avoidance of doubt, Seller waives any right to vote, or to provide any consent or to take any similar action with respect to, Purchased Securities in the event that the record date or deadline for such vote, consent or other action falls during the term of the Transaction.

18. **Covered Transaction**. Each party acknowledges and agrees that the transactions evidenced by the Confirmation shall be the only Transaction governed by the Agreement. The Seller and the Buyer shall not enter into any other Confirmations or Transactions hereunder. The parties hereby expressly agree that any TBMA Master Agreement entered into between them after the date hereof shall not supersede the Agreement or the Transaction hereunder.

19. **Limited Recourse**. Except as expressly set forth herein, the obligations of each party under the Agreement and the Transaction are solely the corporate obligations of such party. Except as expressly set forth herein, no recourse shall be had for the payment of any amount owing by a party under the Agreement or for the payment by such party of any fee or any other obligation or claim of or against such party arising out of or based upon the Agreement, against any trustee, adviser, employee, officer, director, incorporator, manager or affiliate of such party. The provisions of this paragraph shall survive the termination of the Agreement.

20. **No Recourse against ATL Holdings Limited**. Notwithstanding any condition relating to ATL Holdings Limited or any other provision of this Agreement, nothing herein shall be construed as creating any obligation of ATL Holdings Limited to Buyer under this Agreement.

21. **Other Documents**. Each party shall deliver to the other, upon request, such financial information, evidence of capacity, authority, incumbency and specimen signatures and other documentation as are required by law or are reasonably requested in order to enable a party to comply with legal or regulatory requirements, except to the extent that such party is prohibited from disclosing such information as a result of applicable law, rule or regulation.

22. **Submission to Jurisdiction and Waivers.**

(a) Each party irrevocably and unconditionally (i) submits to the exclusive jurisdiction of any United States Federal or New York State court sitting in the Borough of Manhattan and any appellate court from any such court solely for the purpose of any suit, action or proceeding brought to enforce its obligations under the Agreement or relating in any way to the Agreement or any Transaction under the Agreement, and (ii) waives, to the fullest extent it may effectively do so, any defense of an inconvenient forum to the maintenance of such action or proceeding in any such court and any right of jurisdiction on account of its place of residence or domicile. Notwithstanding anything in this paragraph 22(a) of Annex I, each party may commence and maintain legal proceedings in Bermuda in connection with the Purchased Securities, ATL Holdings Limited, the organizational documents of ATL Holdings Limited, and matters related thereto.

(b) Each party hereby irrevocably agrees that the summons and complaint or any other process in any action in any jurisdiction may be served by mailing (using certified or registered mail, postage prepaid) to the notice address for it set forth herein or by hand delivery to a person of suitable age and discretion at such address. Each party may also be served in any other manner permitted by law, in which event its time to respond shall be the time provided by law.

(c) To the extent that either party has or hereafter may acquire any immunity (sovereign or otherwise) from any legal action, suit or proceeding from jurisdiction of any court or from set off or any legal process (whether service or notice, attachment prior to judgment, attachment in aid of execution of judgment, execution of judgment, or otherwise) with respect to itself or any of its property, such party hereby irrevocably waives and agrees not to plead or claim such immunity in respect of any action brought to enforce its obligations under the Agreement or relating in any way to the Agreement or any Transaction hereunder.

23. **WAIVER OF RIGHT TO TRIAL BY JURY**. EACH PARTY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY WITH RESPECT TO ANY PROCEEDING ARISING OUT OF OR RELATING TO THE AGREEMENT OR ANY TRANSACTION HEREUNDER.

24. **Business Day**. If any payment shall be required by the terms of the Agreement to be made on a day that is not a Business Day, such payment shall be made on the immediately succeeding Business Day and no further Price Differential (with respect to a payment of Price Differential) or interest (with respect to any other payment due hereunder) shall accumulate or accrue after the day on which payment was required.

25. **Counterparts**. The Agreement (and each amendment, modification and waiver in respect of it) may be executed and delivered in any number of counterparts, each of which counterparts shall be deemed to be an original and such counterparts shall constitute but one and the same instrument.

26. **Tax Matters.**

(a) Seller and Buyer understand and intend that the Transaction provided for in the Agreement will be treated as a loan secured by the Purchased Securities for U.S. federal income tax and state and local income and franchise tax purposes and will file any tax returns, tax reports and other tax filings in each case required to be filed under applicable U.S. federal income tax or state or local income or franchise tax purposes, in a manner consistent with such understanding and intent and will not take any U.S. tax position inconsistent therewith. Nothing in Paragraphs 6 and 19(a) of the Agreement (as amended herein) shall be read to imply anything to the contrary, and the statements therein shall be understood to be construed as subject to this paragraph 26(a) of Annex I.

(b) As a condition of executing the Agreement, Buyer will deliver or cause to be delivered to Seller on or before the date it becomes a party to the Agreement a correct, complete and duly executed Internal Revenue Service Form W-8IMY along with an associated W-8ECI form. Within 20 days of the earlier of the date on which Buyer has Actual Knowledge of, and the date on which Seller requests in writing such form after the occurrence of obsolescence or invalidity of any Internal Revenue Service Form W-8IMY previously delivered by Buyer, Buyer will deliver to Seller a correct, complete and duly executed Internal Revenue Service Form W-8IMY or any successor forms. In the event that any assignee of Buyer is a U.S. person, as defined in Internal Revenue Code section 7701(a)(30), the assignee shall deliver to Seller an Internal Revenue Service Form W-9 or any applicable successor form in lieu of Internal Revenue Service Form W-8IMY. In the event that any assignee of Buyer is not a U.S. person, as defined, the assignee shall deliver to Seller an Internal Revenue Service Form W-8BEN or W-8ECI, as appropriate, or other applicable form, or any successor form.

(c) Upon request, Seller shall deliver to Buyer a correct, complete and duly executed Internal Revenue Form W-9. Within 20 days of the earlier of the date on which Seller has knowledge of, and the date on which Buyer requests in writing such form after the occurrence of obsolescence or invalidity of any Internal Revenue Form W-9 previously delivered by Seller, Seller will deliver to Buyer a correct, complete and duly executed Internal Revenue Service Form W-9 as appropriate, or any successor form.

27. **Accounts for Payment**. Payments shall be made to the following accounts, or to such other account as may hereafter be notified to Seller or Buyer in writing by Buyer or Seller respectively.

To Buyer:

Name of Bank:	The Bank of New York Mellon
ABA#:	XXX-XXX-XXX
GLA#:	XXX-XXX
F/F/C:	XXXXXX
Reference:	SMBC Repo-Pass Thru 2013-1 Pymt

To Seller:

Name of Bank:	Citibank NA - New York
ABA#:	XXX-XXX-XXX
Account#:	XXXXXXXX
Attention:	Karen Turner

28. **USA PATRIOT Act Required Notice**. Buyer hereby notifies Seller that pursuant to the requirements of the USA PATRIOT Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the "Act"), it is required to obtain, verify and record information that identifies Seller, which information includes the name and address of Seller and information that will allow Buyer to identify Seller in accordance with the Act. Seller shall, promptly following a request by the Buyer, provide all documentation and other information that Buyer requests in order to comply with its ongoing obligations under applicable "know your customer" an anti-money laundering rules and regulations, including the Act.

29. **Notices and Other Communications.**

Paragraph 13 of the Agreement is hereby amended by deleting the word "telegraph" therefrom.

30. **Non-assignability; Termination.**

Paragraph 15 of the Agreement is hereby replaced with the following:

"(a) The rights and obligations of the parties under the Agreement and under any Transaction shall not be assigned by either party without the prior written consent of the other party. The Seller will not unreasonably withhold its consent to any transfer by the Buyer that shall satisfy the following conditions:

(i) the proposed transferee would not be required to withhold amounts on account of any Taxes from any payments that it is required to make to the Seller pursuant to paragraph 16(a) of Annex I of this Agreement in excess of such amounts that the Buyer would be required to withhold at the time the assignment or transfer would occur;

(ii) the Buyer shall not have made any previous transfer of any of its right, title and interest hereunder;

(iii) the Buyer shall not transfer less than all of its right, title and interest hereunder;

(iv) the transferee shall be a lender under the Material Revolving Credit Facility (as such term is defined in the Certificate) as of the time of the proposed transfer;

(v) the proposed transfer shall not occur prior to the second anniversary of the Purchase Date;

(vi) the proposed transfer shall occur within four days prior to the filing date of Seller's Form 10-K or 10-Q under the Securities and Exchange Act of 1934, as amended;

(vii) the unsecured senior long-term debt obligations of the proposed transferee shall be rated at or higher than BBB- by Standard & Poor's, Baa3 by Moody's, or an equivalent rating by another rating agency;

(viii) the proposed transfer could not reasonably be expected to result in Seller having to comply with any additional legal or regulatory requirement if such compliance would have an adverse effect on the Seller;

(ix) such transfer is completed at no cost or expense to the Seller (other than the Seller's incidental costs and expenses, not to exceed $5,000, relating to the review and execution of transfer documentation and the registration of the Purchased Securities in the name of the transferee) and does not otherwise increase the Seller's costs and expenses in respect of the Agreement and the Transaction thereunder;

(x) the Seller shall have received 30 calendar days' prior notice of such proposed transfer;

(xi) such transfer does not result in the Seller's being obligated to withhold amounts in respect of any withholding tax or other Taxes from any payment to such transferee; and

(xii) the proposed transferee shall be organized under the laws of the United States of America or a jurisdiction located in the United States of America, Germany, Switzerland, Japan or France;

provided however, that such transferee delivers a representation letter (in form and substance reasonably acceptable to the Seller) (x) in the case of a transferee that is a bank or trust company organized under the laws of the United States or a state thereof, substantially in the form delivered to the Seller as of the Purchase Date, *mutatis mutandis*; and (y) in the case of a transferee not described in clause (x) above, as to such facts (if any) as are material to a conclusion that the rights of the Seller in the Purchased Securities will be respected in the event of an insolvency proceeding pertaining to the transferee,

Subject to the foregoing, this Agreement and any Transactions shall be binding upon and shall inure to the benefit of the parties and their respective successors and assigns. This Agreement may be terminated by either party upon giving written notice to the other,

except that this Agreement shall, notwithstanding such notice, remain applicable to any Transactions then outstanding.

(b) Buyer agrees that any transfer of its rights and obligations under the Agreement shall be effected by novation pursuant to and in accordance with the terms of a novation agreement substantially in the form of Exhibit I hereto (a "Novation Agreement"), which contemplates the transfer of a portion of Buyer's rights and interest in this Agreement and the Purchased Securities and in accordance with Paragraph 15(a) of the Agreement (as amended herein), and a voting agreement substantially in the form of Exhibit II hereto. Any transfer in violation of this subparagraph (b) shall be null and void.

(c) Subparagraph (a) of Paragraph 15 of the Agreement (as amended herein) shall not preclude a party from assigning, charging or otherwise dealing with all or any part of its interest in any sum payable to it under Paragraph 11 of the Agreement (as amended herein)."

31. **No Waivers, Etc.** The last sentence of Paragraph 17 shall be deleted in its entirety.

32. **Intent.**

Paragraph 19(a) is hereby replaced with the following:

"(a) The parties recognize that each Transaction is a "securities contract" as that term is defined in section 741 of Title 11 of the United States Code, as amended (except insofar as the type of assets subject to such Transaction would render such definition inapplicable)."

33. **Limitation on Liability.**

It is expressly understood and agreed by the parties hereto that (a) this Agreement is executed and delivered by The Bank of New York Mellon, not individually or personally but solely as trustee of the Buyer, in the exercise of the powers and authority conferred and vested in it, (b) each of the representations, undertakings and agreements herein made on the part of the Buyer is made and intended not as personal representations, undertakings and agreements by The Bank of New York Mellon but is made and intended for the purpose of binding only the Buyer, (c) nothing herein contained shall be construed as creating any liability on The Bank of New York Mellon, individually or personally, to perform any covenant either expressed or implied contained herein other than in its capacity as trustee of the Buyer, all such liability, if any, being expressly waived by the parties hereto and by any person claiming by, through or under the parties hereto and (d) under no circumstances shall The Bank of New York Mellon be personally liable for the payment of any indebtedness or expenses of the Buyer or be liable for the breach or failure of any obligation, representation, warranty or covenant made or undertaken by the Buyer under this Agreement or any other related documents.

[*Signatures follow on separate page*]

AMGEN INC.

By: /s/ Jonathan M. Peacock
Name: Jonathan M. Peacock
Title: Executive Vice President and Chief Financial Officer
Date: October 28, 2013

SMBC REPO PASS-THRU TRUST, 2013-1

By: THE BANK OF NEW YORK MELLON, not in its individual capacity but solely as Trustee

By: /s/ Maryann Joseph
Name: Maryann Joseph
Title: Vice President
Date: October 28, 2013

ANNEX II

Names and Addresses for Communication Between Parties

Address for notices, statements, demands or other communications to Buyer:

SMBC Repo Pass-Thru Trust, 2013-1
c/o The Bank of New York Mellon
101 Barclay Street, 7 East
New York, NY 10286
Phone: +X.XXX.XXX.XXXX
Fax: +X.XXX.XXX.XXXX
Email: XXXXXXXXXXXXXXXXXX and XXXXXXXXXXXXXXXXXX
Attention: William J. Herrmann
The Bank of New York Mellon

Address for notices, statements, demands or other communications to Seller:

Amgen Inc.
One Amgen Center Drive
MS-24-1-C
Thousand Oaks
CA 91320

Phone: +X.XXX.XXX.XXXX ext XXXX
Fax: +X.XXX.XXX.XXXX
Email: XXXXXXXXXXXXX
Attention: Karen Turner, Director, Treasury

Schedule I

1. The Fee and Expense Agreement in respect of SMBC REPO PASS-THRU TRUST, 2013-1, dated as of October 28, 2013, between The Bank of New York Mellon and Sumitomo Mitsui Banking Corporation.

2. The Custody Agreement, dated as of October 28, 2013, among the Buyer, The Bank of New York Mellon and Sumitomo Mitsui Banking Corporation

Exhibit I

[Form of]
Novation Agreement*

* Substantially the same as the form of Novation Agreement included as an exhibit to the Master Repurchase Agreement dated August 24, 2013, between Amgen Inc. and Bank of America, N.A., filed as an exhibit to Form 8-K on August 26, 2013.

Exhibit II

[Form of]
Voting Agreement*

* Substantially the same as the form of Voting Agreement included as an exhibit to the Master Repurchase Agreement dated August 24, 2013, between Amgen Inc. and Bank of America, N.A., filed as an exhibit to Form 8-K on August 26, 2013.

Master Repurchase Agreement

September 1996 Version

Dated as of: **October 29, 2013**

Between: **Amgen Inc., as “Seller”**

and: **HSBC Bank USA, N.A., as “Buyer”**

1. Applicability

From time to time the parties hereto may enter into transactions in which one party (“Seller”) agrees to transfer to the other (“Buyer”) securities or other assets (“Securities”) against the transfer of funds by Buyer, with a simultaneous agreement by Buyer to transfer to Seller such Securities at a date certain or on demand, against the transfer of funds by Seller. Each such transaction shall be referred to herein as a “Transaction” and, unless otherwise agreed in writing, shall be governed by this Agreement, including any supplemental terms or conditions contained in Annex I hereto and in any other annexes identified herein or therein as applicable hereunder.

2. Definitions

(a) “Act of Insolvency”, with respect to any party, (i) the commencement by such party as debtor of any case or proceeding under any bankruptcy, insolvency, reorganization, liquidation, moratorium, dissolution, delinquency or similar law, or such party seeking the appointment or election of a receiver, conservator, trustee, custodian or similar official for such party or any substantial part of its property, or the convening of any meeting of creditors for purposes of commencing any such case or proceeding or seeking such an appointment or election, (ii) the commencement of any such case or proceeding against such party, or another seeking such an appointment or election, or the filing against a party of an application for a protective decree under the provisions of the Securities Investor Protection Act of 1970, as amended, which (A) is consented to or not timely contested by such party, (B) results in the entry of an order for relief, such an appointment or election, the issuance of such a protective decree or the entry of an order having a similar effect, or (C) is not dismissed within 15 days, (iii) the making by such party of a general assignment for the benefit of creditors, or (iv) the admission in writing by such party of such party’s inability to pay such party’s debts as they become due;

(b) “Additional Purchased Securities”, Securities provided by Seller to Buyer pursuant to Paragraph 4(a) hereof;

(c) “Buyer’s Margin Amount”, with respect to any Transaction as of any date, the amount obtained by application of the Buyer’s Margin Percentage to the Repurchase Price for such Transaction as of such date;

(d) “Buyer’s Margin Percentage”, with respect to any Transaction as of any date, a percentage (which may be equal to the Seller’s Margin Percentage) agreed to by Buyer and Seller or, in the absence of any such agreement, the percentage obtained by dividing the Market Value of the Purchased Securities on the Purchase Date by the Purchase Price on the Purchase Date for such Transaction;

(e) “Confirmation”, the meaning specified in Paragraph 3(b) hereof;

(f) “Income”, with respect to any Security at any time, any principal thereof and all interest, dividends or other distributions thereon;

(g) “Margin Deficit”, the meaning specified in Paragraph 4(a) hereof;

(h) “Margin Excess”, the meaning specified in Paragraph 4(b) hereof;

(i) “Margin Notice Deadline”, the time agreed to by the parties in the relevant Confirmation, Annex I hereto or otherwise as the deadline for giving notice requiring same-day satisfaction of margin maintenance obligations as provided in Paragraph 4 hereof (or, in the absence of any such agreement, the deadline for such purposes established in accordance with market practice);

(j) “Market Value”, with respect to any Securities as of any date, the price for such Securities on such date obtained from a generally recognized source agreed to by the parties or the most recent closing bid quotation from such a source, plus accrued Income to the extent not included therein (other than any Income credited or transferred to, or applied to the obligations of, Seller pursuant to Paragraph 5 hereof) as of such date (unless contrary to market practice for such Securities);

(k) “Price Differential”, with respect to any Transaction as of any date, the aggregate amount obtained by daily application of the Pricing Rate for such Transaction to the Purchase Price for such Transaction on a 360 day per year basis for the actual number of days during the period commencing on (and including) the Purchase Date for such Transaction and ending on (but excluding) the date of determination (reduced by any amount of such Price Differential previously paid by Seller to Buyer with respect to such Transaction);

(l) “Pricing Rate”, the per annum percentage rate for determination of the Price Differential;

(m) “Prime Rate”, the prime rate of U.S. commercial banks as published in The Wall Street Journal (or, if more than one such rate is published, the average of such rates);

(n) “Purchase Date”, the date on which Purchased Securities are to be transferred by Seller to Buyer;

(o) “Purchase Price”, (i) on the Purchase Date, the price at which Purchased Securities are transferred by Seller to Buyer, and (ii) thereafter, except where Buyer and Seller agree otherwise, such price increased by the amount of any cash transferred by

Buyer to Seller pursuant to Paragraph 4 (b) hereof and decreased by the amount of any cash transferred by Seller to Buyer pursuant to Paragraph 4(a) hereof or applied to reduce Seller's obligations under clause (ii) of Paragraph 5 hereof;

(p) "Purchased Securities", the Securities transferred by Seller to Buyer in a Transaction hereunder, and any Securities substituted therefor in accordance with Paragraph 9 hereof. The term "Purchased Securities" with respect to any Transaction at any time also shall include Additional Purchased Securities delivered pursuant to Paragraph 4(a) hereof and shall exclude Securities returned pursuant to Paragraph 4(b) hereof;

(q) "Repurchase Date", the date on which Seller is to repurchase the Purchased Securities from Buyer, including any date determined by application of the provisions of Paragraph 3(c) or 11 hereof;

(r) "Repurchase Price", the price at which Purchased Securities are to be transferred from Buyer to Seller upon termination of a Transaction, which will be determined in each case (including Transactions terminable upon demand) as the sum of the Purchase Price and the Price Differential as of the date of such determination;

(s) "Seller's Margin Amount", with respect to any Transaction as of any date, the amount obtained by application of the Seller's Margin Percentage to the Repurchase Price for such Transaction as of such date; and

(t) "Seller's Margin Percentage", with respect to any Transaction as of any date, a percentage (which may be equal to the Buyer's Margin Percentage) agreed to by Buyer and Seller or, in the absence of any such agreement, the percentage obtained by dividing the Market Value of the Purchased Securities on the Purchase Date by the Purchase Price on the Purchase Date for such Transaction.

3. Initiation; Confirmation; Termination

(a) An agreement to enter into a Transaction may be made orally or in writing at the initiation of either Buyer or Seller. On the Purchase Date for the Transaction, the Purchased Securities shall be transferred to Buyer or its agent against the transfer of the Purchase Price to an account of Seller.

(b) Upon agreeing to enter into a Transaction hereunder, Buyer or Seller (or both), as shall be agreed, shall promptly deliver to the other party a written confirmation of each Transaction (a "Confirmation"). The Confirmation shall describe the Purchased Securities (including CUSIP number, if any), identify Buyer and Seller and set forth (i) the Purchase Date, (ii) the Purchase Price, (iii) the Repurchase Date, unless the Transaction is to be terminable on demand, (iv) the Pricing Rate or Repurchase Price applicable to the Transaction, and (v) any additional terms or conditions of the Transaction not inconsistent with this Agreement. The Confirmation, together with this Agreement, shall constitute conclusive evidence of the terms agreed between Buyer and Seller with respect to the Transaction to which the Confirmation relates, unless with respect to the Confirmation specific objection

is made promptly after receipt thereof. In the event of any conflict between the terms of such Confirmation and this Agreement, this Agreement shall prevail.

(c) In the case of Transactions terminable upon demand, such demand shall be made by Buyer or Seller, no later than such time as is customary in accordance with market practice, by telephone or otherwise on or prior to the business day on which such termination will be effective. On the date specified in such demand, or on the date fixed for termination in the case of Transactions having a fixed term, termination of the Transaction will be effected by transfer to Seller or its agent of the Purchased Securities and any Income in respect thereof received by Buyer (and not previously credited or transferred to, or applied to the obligations of, Seller pursuant to Paragraph 5 hereof) against the transfer of the Repurchase Price to an account of Buyer.

4. Margin Maintenance

(a) If at any time the aggregate Market Value of all Purchased Securities subject to all Transactions in which a particular party hereto is acting as Buyer is less than the aggregate Buyer's Margin Amount for all such Transactions (a "Margin Deficit"), then Buyer may by notice to Seller require Seller in such Transactions, at Seller's option, to transfer to Buyer cash or additional Securities reasonably acceptable to Buyer ("Additional Purchased Securities"), so that the cash and aggregate Market Value of the Purchased Securities, including any such Additional Purchased Securities, will thereupon equal or exceed such aggregate Buyer's Margin Amount (decreased by the amount of any Margin Deficit as of such date arising from any Transactions in which such Buyer is acting as Seller).

(b) If at any time the aggregate Market Value of all Purchased Securities subject to all Transactions in which a particular party hereto is acting as Seller exceeds the aggregate Seller's Margin Amount for all such Transactions at such time (a "Margin Excess"), then Seller may by notice to Buyer require Buyer in such Transactions, at Buyer's option, to transfer cash or Purchased Securities to Seller, so that the aggregate Market Value of the Purchased Securities, after deduction of any such cash or any Purchased Securities so transferred, will thereupon not exceed such aggregate Seller's Margin Amount (increased by the amount of any Margin Excess as of such date arising from any Transactions in which such Seller is acting as Buyer).

(c) If any notice is given by Buyer or Seller under subparagraph (a) or (b) of this Paragraph at or before the Margin Notice Deadline on any business day, the party receiving such notice shall transfer cash or Additional Purchased Securities as provided in such subparagraph no later than the close of business in the relevant market on such day. If any such notice is given after the Margin Notice Deadline, the party receiving such notice shall transfer such cash or Securities no later than the close of business in the relevant market on the next business day following such notice.

(d) Any cash transferred pursuant to this Paragraph shall be attributed to such Transactions as shall be agreed upon by Buyer and Seller.

(e) Seller and Buyer may agree, with respect to any or all Transactions hereunder, that the respective rights of Buyer or Seller (or both) under subparagraphs (a) and (b) of this Paragraph may be exercised only where a Margin Deficit or Margin Excess, as the case may be, exceeds a specified dollar amount or a specified percentage of the Repurchase Prices for such Transactions (which amount or percentage shall be agreed to by Buyer and Seller prior to entering into any such Transactions).

(f) Seller and Buyer may agree, with respect to any or all Transactions hereunder, that the respective rights of Buyer and Seller under subparagraphs (a) and (b) of this Paragraph to require the elimination of a Margin Deficit or a Margin Excess, as the case may be, may be exercised whenever such a Margin Deficit or Margin Excess exists with respect to any single Transaction hereunder (calculated without regard to any other Transaction outstanding under this Agreement).

5. Income Payments

Seller shall be entitled to receive an amount equal to all Income paid or distributed on or in respect of the Securities that is not otherwise received by Seller, to the full extent it would be so entitled if the Securities had not been sold to Buyer. Buyer shall, as the parties may agree with respect to any Transaction (or, in the absence of any such agreement, as Buyer shall reasonably determine in its discretion), on the date such Income is paid or distributed either (i) transfer to or credit to the account of Seller such Income with respect to any Purchased Securities subject to such Transaction or (ii) with respect to Income paid in cash, apply the Income payment or payments to reduce the amount, if any, to be transferred to Buyer by Seller upon termination of such Transaction. Buyer shall not be obligated to take any action pursuant to the preceding sentence (A) to the extent that such action would result in the creation of a Margin Deficit, unless prior thereto or simultaneously therewith Seller transfers to Buyer cash or Additional Purchased Securities sufficient to eliminate such Margin Deficit, or (B) if an Event of Default with respect to Seller has occurred and is then continuing at the time such Income is paid or distributed.

6. Security Interest

Although the parties intend that all Transactions hereunder be sales and purchases and not loans, in the event any such Transactions are deemed to be loans, Seller shall be deemed to have pledged to Buyer as security for the performance by Seller of its obligations under each such Transaction, and shall be deemed to have granted to Buyer a security interest in, all of the Purchased Securities with respect to all Transactions hereunder and all Income thereon and other proceeds thereof.

7. Payment and Transfer

Unless otherwise mutually agreed, all transfers of funds hereunder shall be in immediately available funds. All Securities transferred by one party hereto to the other party (i) shall be in suitable form for transfer or shall be accompanied by duly executed instruments of transfer or assignment in blank and such other documentation as the party receiving possession may reasonably request, (ii) shall be transferred on the book-entry system of a

Federal Reserve Bank, or (iii) shall be transferred by any other method mutually acceptable to Seller and Buyer.

8. Segregation of Purchased Securities

To the extent required by applicable law, all Purchased Securities in the possession of Seller shall be segregated from other securities in its possession and shall be identified as subject to this Agreement. Segregation may be accomplished by appropriate identification on the books and records of the holder, including a financial or securities intermediary or a clearing corporation. All of Seller's interest in the Purchased Securities shall pass to Buyer on the Purchase Date and, unless otherwise agreed by Buyer and Seller, nothing in this Agreement shall preclude Buyer from engaging in repurchase transactions with the Purchased Securities or otherwise selling, transferring, pledging or hypothecating the Purchased Securities, but no such transaction shall relieve Buyer of its obligations to transfer Purchased Securities to Seller pursuant to Paragraph 3, 4 or 11 hereof, or of Buyer's obligation to credit or pay Income to, or apply Income to the obligations of, Seller pursuant to Paragraph 5 hereof.

Required Disclosure for Transactions in Which the Seller Retains Custody of the Purchased Securities

Seller is not permitted to substitute other securities for those subject to this Agreement and therefore must keep Buyer's securities segregated at all times, unless in this Agreement Buyer grants Seller the right to substitute other securities. If Buyer grants the right to substitute, this means that Buyer's securities will likely be commingled with Seller's own securities during the trading day. Buyer is advised that, during any trading day that Buyer's securities are commingled with Seller's securities, they [will]* [may]** be subject to liens granted by Seller to [its clearing bank]* [third parties]** and may be used by Seller for deliveries on other securities transactions. Whenever the securities are commingled, Seller's ability to resegregate substitute securities for Buyer will be subject to Seller's ability to satisfy [the clearing]* [any]** lien or to obtain substitute securities.

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* Language to be used under 17 C.F.R. B403.4(e) if Seller is a government securities broker or dealer other than a financial institution.

** Language to be used under 17 C.F.R. B403.5(d) if Seller is a financial institution.

9. Substitution

(a) Seller may, subject to agreement with and acceptance by Buyer, substitute other Securities for any Purchased Securities. Such substitution shall be made by transfer to Buyer of such other Securities and transfer to Seller of such Purchased Securities. After substitution, the substituted Securities shall be deemed to be Purchased Securities.

(b) In Transactions in which Seller retains custody of Purchased Securities, the parties expressly agree that Buyer shall be deemed, for purposes of subparagraph (a) of this Paragraph, to have agreed to and accepted in this Agreement substitution by Seller of other Securities for Purchased Securities; *provided*, *however*, that such other

Securities shall have a Market Value at least equal to the Market Value of the Purchased Securities for which they are substituted.

10. Representations

Each of Buyer and Seller represents and warrants to the other that (i) it is duly authorized to execute and deliver this Agreement, to enter into Transactions contemplated hereunder and to perform its obligations hereunder and has taken all necessary action to authorize such execution, delivery and performance, (ii) it will engage in such Transactions as principal (or, if agreed in writing, in the form of an annex hereto or otherwise, in advance of any Transaction by the other party hereto, as agent for a disclosed principal), (iii) the person signing this Agreement on its behalf is duly authorized to do so on its behalf (or on behalf of any such disclosed principal), (iv) it has obtained all authorizations of any governmental body required in connection with this Agreement and the Transactions hereunder and such authorizations are in full force and effect and (v) the execution, delivery and performance of this Agreement and the Transactions hereunder will not violate any law, ordinance, charter, by-law or rule applicable to it or any agreement by which it is bound or by which any of its assets are affected. On the Purchase Date for any Transaction Buyer and Seller shall each be deemed to repeat all the foregoing representations made by it.

11. Events of Default

In the event that (i) Seller fails to transfer or Buyer fails to purchase Purchased Securities upon the applicable Purchase Date, (ii) Seller fails to repurchase or Buyer fails to transfer Purchased Securities upon the applicable Repurchase Date, (iii) Seller or Buyer fails to comply with Paragraph 4 hereof, (iv) Buyer fails, after one business day's notice, to comply with Paragraph 5 hereof, (v) an Act of Insolvency occurs with respect to Seller or Buyer, (vi) any representation made by Seller or Buyer shall have been incorrect or untrue in any material respect when made or repeated or deemed to have been made or repeated, or (vii) Seller or Buyer shall admit to the other its inability to, or its intention not to, perform any of its obligations hereunder (each an "Event of Default"):

(a) The nondefaulting party may, at its option (which option shall be deemed to have been exercised immediately upon the occurrence of an Act of Insolvency), declare an Event of Default to have occurred hereunder and, upon the exercise or deemed exercise of such option, the Repurchase Date for each Transaction hereunder shall, if it has not already occurred, be deemed immediately to occur (except that, in the event that the Purchase Date for any Transaction has not yet occurred as of the date of such exercise or deemed exercise, such Transaction shall be deemed immediately canceled). The nondefaulting party shall (except upon the occurrence of an Act of Insolvency) give notice to the defaulting party of the exercise of such option as promptly as practicable.

(b) In all Transactions in which the defaulting party is acting as Seller, if the nondefaulting party exercises or is deemed to have exercised the option referred to in subparagraph (a) of this Paragraph, (i) the defaulting party's obligations in such Transactions to repurchase all Purchased Securities, at the Repurchase Price therefor on the Repurchase Date determined in accordance with subparagraph (a) of

this Paragraph, shall thereupon become immediately due and payable, (ii) all Income paid after such exercise or deemed exercise shall be retained by the nondefaulting party and applied to the aggregate unpaid Repurchase Prices and any other amounts owing by the defaulting party hereunder, and (iii) the defaulting party shall immediately deliver to the nondefaulting party any Purchased Securities subject to such Transactions then in the defaulting party's possession or control.

(c) In all Transactions in which the defaulting party is acting as Buyer, upon tender by the nondefaulting party of payment of the aggregate Repurchase Prices for all such Transactions, all right, title and interest in and entitlement to all Purchased Securities subject to such Transactions shall be deemed transferred to the nondefaulting party, and the defaulting party shall deliver all such Purchased Securities to the nondefaulting party.

(d) If the nondefaulting party exercises or is deemed to have exercised the option referred to in subparagraph (a) of this Paragraph, the nondefaulting party, without prior notice to the defaulting party, may:

(i) as to Transactions in which the defaulting party is acting as Seller, (A) immediately sell, in a recognized market (or otherwise in a commercially reasonable manner) at such price or prices as the nondefaulting party may reasonably deem satisfactory, any or all Purchased Securities subject to such Transactions and apply the proceeds thereof to the aggregate unpaid Repurchase Prices and any other amounts owing by the defaulting party hereunder or (B) in its sole discretion elect, in lieu of selling all or a portion of such Purchased Securities, to give the defaulting party credit for such Purchased Securities in an amount equal to the price therefor on such date, obtained from a generally recognized source or the most recent closing bid quotation from such a source, against the aggregate unpaid Repurchase Prices and any other amounts owing by the defaulting party hereunder; and

(ii) as to Transactions in which the defaulting party is acting as Buyer, (A) immediately purchase, in a recognized market (or otherwise in a commercially reasonable manner) at such price or prices as the nondefaulting party may reasonably deem satisfactory, securities ("Replacement Securities") of the same class and amount as any Purchased Securities that are not delivered by the defaulting party to the nondefaulting party as required hereunder or (B) in its sole discretion elect, in lieu of purchasing Replacement Securities, to be deemed to have purchased Replacement Securities at the price therefor on such date, obtained from a generally recognized source or the most recent closing offer quotation from such a source.

Unless otherwise provided in Annex I, the parties acknowledge and agree that (1) the Securities subject to any Transaction hereunder are instruments traded in a recognized market, (2) in the absence of a generally recognized source for prices or bid or offer quotations for any Security, the nondefaulting party may establish the source therefor in its sole discretion and (3) all prices, bids and offers shall be

determined together with accrued Income (except to the extent contrary to market practice with respect to the relevant Securities).

(e) As to Transactions in which the defaulting party is acting as Buyer, the defaulting party shall be liable to the nondefaulting party for any excess of the price paid (or deemed paid) by the nondefaulting party for Replacement Securities over the Repurchase Price for the Purchased Securities replaced thereby and for any amounts payable by the defaulting party under Paragraph 5 hereof or otherwise hereunder.

(f) For purposes of this Paragraph 11, the Repurchase Price for each Transaction hereunder in respect of which the defaulting party is acting as Buyer shall not increase above the amount of such Repurchase Price for such Transaction determined as of the date of the exercise or deemed exercise by the nondefaulting party of the option referred to in subparagraph (a) of this Paragraph.

(g) The defaulting party shall be liable to the nondefaulting party for (i) the amount of all reasonable legal or other expenses incurred by the nondefaulting party in connection with or as a result of an Event of Default, (ii) damages in an amount equal to the cost (including all fees, expenses and commissions) of entering into replacement transactions and entering into or terminating hedge transactions in connection with or as a result of an Event of Default, and (iii) any other loss, damage, cost or expense directly arising or resulting from the occurrence of an Event of Default in respect of a Transaction.

(h) To the extent permitted by applicable law, the defaulting party shall be liable to the nondefaulting party for interest on any amounts owing by the defaulting party hereunder, from the date the defaulting party becomes liable for such amounts hereunder until such amounts are (i) paid in full by the defaulting party or (ii) satisfied in full by the exercise of the nondefaulting party’s rights hereunder. Interest on any sum payable by the defaulting party to the nondefaulting party under this Paragraph 11(h) shall be at a rate equal to the greater of the Pricing Rate for the relevant Transaction or the Prime Rate.

(i) The nondefaulting party shall have, in addition to its rights hereunder, any rights otherwise available to it under any other agreement or applicable law.

12. Single Agreement

Buyer and Seller acknowledge that, and have entered hereinto and will enter into each Transaction hereunder in consideration of and in reliance upon the fact that, all Transactions hereunder constitute a single business and contractual relationship and have been made in consideration of each other. Accordingly, each of Buyer and Seller agrees (i) to perform all of its obligations in respect of each Transaction hereunder, and that a default in the performance of any such obligations shall constitute a default by it in respect of all Transactions hereunder, (ii) that each of them shall be entitled to set off claims and apply property held by them in respect of any Transaction against obligations owing to them in respect of any other Transactions hereunder and (iii) that payments, deliveries and other transfers made by either of them in respect of any Transaction shall be deemed to have

been made in consideration of payments, deliveries and other transfers in respect of any other Transactions hereunder, and the obligations to make any such payments, deliveries and other transfers may be applied against each other and netted.

13. Notices and Other Communications

Any and all notices, statements, demands or other communications hereunder may be given by a party to the other by mail, facsimile, telegraph, messenger or otherwise to the address specified in Annex II hereto, or so sent to such party at any other place specified in a notice of change of address hereafter received by the other. All notices, demands and requests hereunder may be made orally, to be confirmed promptly in writing, or by other communication as specified in the preceding sentence.

14. Entire Agreement; Severability

This Agreement shall supersede any existing agreements between the parties containing general terms and conditions for repurchase transactions. Each provision and agreement herein shall be treated as separate and independent from any other provision or agreement herein and shall be enforceable notwithstanding the unenforceability of any such other provision or agreement.

15. Non-assignability; Termination

(a) The rights and obligations of the parties under this Agreement and under any Transaction shall not be assigned by either party without the prior written consent of the other party, and any such assignment without the prior written consent of the other party shall be null and void. Subject to the foregoing, this Agreement and any Transactions shall be binding upon and shall inure to the benefit of the parties and their respective successors and assigns. This Agreement may be terminated by either party upon giving written notice to the other, except that this Agreement shall, notwithstanding such notice, remain applicable to any Transactions then outstanding.

(b) Subparagraph (a) of this Paragraph 15 shall not preclude a party from assigning, charging or otherwise dealing with all or any part of its interest in any sum payable to it under Paragraph 11 hereof.

16. Governing Law

This Agreement shall be governed by the laws of the State of New York without giving effect to the conflict of law principles thereof.

17. No Waivers, Etc.

No express or implied waiver of any Event of Default by either party shall constitute a waiver of any other Event of Default and no exercise of any remedy hereunder by any party shall constitute a waiver of its right to exercise any other remedy hereunder. No modification or waiver of any provision of this Agreement and no consent by any party to a departure herefrom shall be effective unless and until such shall be in writing and duly executed by both of the parties hereto. Without limitation on any of the foregoing, the

failure to give a notice pursuant to Paragraph 4 (a) or 4(b) hereof will not constitute a waiver of any right to do so at a later date.

18. Use of Employee Plan Assets

(a) If assets of an employee benefit plan subject to any provision of the Employee Retirement Income Security Act of 1974, as amended ("ERISA") are intended to be used by either party hereto (the "Plan Party") in a Transaction, the Plan Party shall so notify the other party prior to the Transaction. The Plan Party shall represent in writing to the other party that the Transaction does not constitute a prohibited transaction under ERISA or is otherwise exempt therefrom, and the other party may proceed in reliance thereon but shall not be required so to proceed.

(b) Subject to the last sentence of subparagraph (a) of this Paragraph, any such Transaction shall proceed only if Seller furnishes or has furnished to Buyer its most recent available audited statement of its financial condition and its most recent subsequent unaudited statement of its financial condition.

(c) By entering into a Transaction pursuant to this Paragraph, Seller shall be deemed (i) to represent to Buyer that since the date of Seller's latest such financial statements, there has been no material adverse change in Seller's financial condition which Seller has not disclosed to Buyer, and (ii) to agree to provide Buyer with future audited and unaudited statements of its financial condition as they are issued, so long as it is a Seller in any outstanding Transaction involving a Plan Party.

19. Intent

(a) The parties recognize that each Transaction is a "repurchase agreement" as that term is defined in Section 101 of Title 11 of the United States Code, as amended (except insofar as the type of Securities subject to such Transaction or the term of such Transaction would render such definition inapplicable), and a "securities contract" as that term is defined in Section 741 of Title 11 of the United States Code, as amended (except insofar as the type of assets subject to such Transaction would render such definition inapplicable).

(b) It is understood that either party's right to liquidate Securities delivered to it in connection with Transactions hereunder or to exercise any other remedies pursuant to Paragraph 11 hereof is a contractual right to liquidate such Transaction as described in Sections 555, 559 and 561 of Title 11 of the United States Code, as amended, and that this Agreement constitutes a "master netting agreement" as defined in Section 101(38A) of Title 11 of the United States Code, as amended.

(c) The parties agree and acknowledge that if a party hereto is an "insured depository institution," as such term is defined in the Federal Deposit Insurance Act, as amended ("FDIA"), then each Transaction hereunder is a "qualified financial contract," as that term is defined in FDIA and any rules, orders or policy statements thereunder (except insofar as the type of assets subject to such Transaction would render such definition inapplicable).

(d) It is understood that this Agreement constitutes a "netting contract" as defined in and subject to Title IV of the Federal Deposit Insurance Corporation Improvement Act of 1991, as amended ("FDICIA") and each payment entitlement and payment obligation under any Transaction hereunder shall constitute a "covered contractual payment entitlement" or "covered contractual payment obligation", respectively, as defined in and subject to FDICIA (except insofar as one or both of the parties is not a "financial institution" as that term is defined in FDICIA).

20. Disclosure Relating to Certain Federal Protections

The parties acknowledge that they have been advised that:

(a) in the case of Transactions in which one of the parties is a broker or dealer registered with the Securities and Exchange Commission ("SEC") under Section 15 of the Securities Exchange Act of 1934, as amended ("1934 Act"), the Securities Investor Protection Corporation has taken the position that the provisions of the Securities Investor Protection Act of 1970, as amended ("SIPA") do not protect the other party with respect to any Transaction hereunder;

(b) in the case of Transactions in which one of the parties is a government securities broker or a government securities dealer registered with the SEC under Section 15C of the 1934 Act, SIPA will not provide protection to the other party with respect to any Transaction hereunder; and

(c) in the case of Transactions in which one of the parties is a financial institution, funds held by the financial institution pursuant to a Transaction hereunder are not a deposit and therefore are not insured by the Federal Deposit Insurance Corporation or the National Credit Union Share Insurance Fund, as applicable.

[*Signatures follow on separate page*]

AMGEN INC.	HSBC BANK USA, N.A.
By: /s/ Jonathan M. Peacock	By: /s/ Eric Seltenrich
Name: Jonathan M. Peacock	Name: Eric Seltenrich
Title: Executive Vice President and Chief Financial Officer	Title: Senior Vice President
Date: October 29, 2013	Date: October 29, 2013

ANNEX I

Supplemental Terms and Conditions

This Annex I forms a part of the Master Repurchase Agreement, dated as of October 29, 2013, between Amgen Inc. (the "Seller") and HSBC Bank USA, N.A. (the "Buyer") (as amended, amended and restated, supplemented or otherwise modified from time to time, the "Agreement"). Capitalized terms used but not defined in this Annex I shall have the meanings ascribed to them in the Agreement. References in this Annex I and in the Agreement to provisions of the Agreement shall refer to such provisions as amended by this Annex I. This Agreement arises from the novation of a portion of a "Transaction" under a master repurchase agreement dated as of August 24, 2013, entered into by Bank of America, N.A. and the Seller, as supplemented by a confirmation dated September 30, 2013 (such master repurchase agreement, as supplemented by such confirmation, the "Original Agreement"). By virtue of the transaction confirmed by such confirmation, the Buyer exhausted the facility provided pursuant to the Original Agreement; and accordingly the sole Transaction under this Agreement is and will be that described in the Confirmation dated the date of this Agreement between the Seller and the Buyer (the "Confirmation") related to the novated portion of such original transaction, and all references to further transactions hereunder shall be of no effect and shall be disregarded in the interpretation of this Agreement.

1. **Other Applicable Annexes**. In addition to this Annex I and Annex II, the following Annexes and any Schedules thereto shall form a part of the Agreement and shall be applicable thereunder:
None.

2. **Definitions**.

(a) For purposes of the Agreement and this Annex I, the following terms shall have the following meanings:

"Act of Insolvency", with respect to any party, (i) the commencement by such party as debtor of any case or proceeding under any bankruptcy, insolvency, reorganization, liquidation, moratorium, dissolution, delinquency or similar law, or such party seeking the appointment or election of a receiver, conservator, trustee, custodian or similar official for such party or any substantial part of its property, or the convening of any meeting of creditors for purposes of commencing any such case or proceeding or seeking such an appointment or election, (ii) the commencement of any such case or proceeding against such party, or another seeking such an appointment or election, or the filing against a party of an application for a protective decree under the provisions of the Securities Investor Protection Act of 1970, as amended, which (A) is consented to or not timely contested by such party, (B) results in the entry of an order for relief, such an appointment or election, the issuance of such a protective decree or the entry of an order having a similar effect, or (C) is not dismissed within 60 days, (iii) the making by such party of a general assignment for the benefit of creditors, or (iv) the admission in writing by such party of such party's inability to pay such party's debts as they become due;

"Action" means any claim, action, suit, arbitration, inquiry, proceeding or investigation by or before any Governmental Authority;

"Actual Knowledge" means the actual knowledge of any Senior Officer of Seller;

“Affiliate” of any specified person means any other person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified person. For purposes of this definition, “control,” as used with respect to any person, will mean the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such person, whether through the ownership of voting securities, by agreement or otherwise;

“Ancillary Agreement” means the Ancillary Agreement, dated as of the date of this Agreement, between Seller and Buyer, as amended, amended and restated, supplemented or otherwise modified from time to time;

“Business Day” means a day other than (i) a Saturday or Sunday or (ii) a day on which banks in New York, London or Bermuda are authorized or required by law or executive order to, or customarily, remain closed;

“Certificate” means the Certificate of Designations of Preferences, Limitations and Relative Rights of Class A Preferred Shares of ATL Holdings Limited, dated 30 September 2013;

“Common Shares” means share capital that has no preference in the matter of dividends or assets and represents the residual ownership of a corporate business;

“Confirmation” has the meaning specified in the preamble to this Annex I;

“Default” means an event or circumstances that, with the giving of notice or lapse of time or both, would constitute an Event of Default;

“Governmental Authority” means any government, governmental, regulatory or administrative authority, agency or commission or any court, tribunal, or judicial body;

“Incipient Material Affiliate Event” has the same meaning as set forth in the Certificate;

“Income Payment Date” means, with respect to any Securities, the date on which Income is paid in respect of such Securities;

“Indemnified Taxes” means Taxes imposed on or with respect to any payment made by or on account of any obligation of Seller under this Agreement or the Ancillary Agreement, excluding, in the case of Buyer or its permitted assigns, (A) any taxes imposed on or measured by its overall net income, franchise taxes imposed on it (in lieu of net income taxes) and branch profits taxes, in each case, imposed by the jurisdiction (or any political subdivision thereof) under the Laws of which Buyer or its permitted assigns are organized or maintains a fixed place of business, (B) any taxes attributable to Buyer’s or its permitted assigns' failure or inability to provide the forms set forth in paragraph 26(b) of Annex I as applicable, including any taxes required to be deducted or withheld on the basis of the information, certificates or statements of exemption Buyer or its permitted assigns transmit with an IRS Form W-8IMY pursuant to paragraph 26(b) of Annex I, (C) if the forms provided by Buyer or its permitted assigns pursuant to paragraph 26(b) of Annex I at the time Buyer or its permitted assigns first become a party to this Agreement indicate a United States interest withholding tax rate in excess of zero, withholding tax at such rate unless and until Buyer or its permitted assigns provide new forms certifying that a lesser rate applies, whereupon withholding tax at such lesser rate only shall be considered excluded

from Taxes for periods governed by such forms; and (D) United States withholding taxes imposed under FATCA;

“Law” means any publicly promulgated applicable statute, law, ordinance, regulation, rule, code, order, other requirement or rule of law;

“Material Adverse Effect” has the same meaning as set forth in the Certificate;

“Material Affiliate Event” has the same meaning as set forth in the Certificate;

“Net Value” means:

(i) if Buyer is the defaulting party, the amount which, in the reasonable opinion of Seller, represents the fair market value of the Purchased Securities, having regard to such pricing sources and methods (which may include, without limitation, available quotations for the Purchased Securities) as Seller considers appropriate.

(ii) if Seller is the defaulting party:

(A) if any of the Purchased Securities are sold through the Valuation Process on or prior to the Valuation Process Cut-Off Date, then the Net Value in respect of such Purchased Securities shall be the net proceeds received by Buyer in respect of such Purchased Securities at the conclusion of the Valuation Process, net of all reasonable costs, commissions, fees and expenses incurred by Buyer in connection with the Valuation Process;

(B) if any of the Purchased Securities have not been sold through the Valuation Process on or prior to the Valuation Process Cut-Off Date, then the Net Value in respect of such Purchased Securities shall be the amount which, in the reasonable opinion of Buyer, represents their fair market value, having regard to such pricing sources and methods (which may include, without limitation, available quotations for the Purchased Securities) as Buyer considers appropriate;

“Price Differential” has the meaning specified in the Confirmation;

“Price Differential Payment Date” means each of the dates specified in the Confirmation as being a Price Differential Payment Date;

“Purchase Price” means (i) on the Purchase Date, the amount specified as such in the Confirmation, and (ii) thereafter, such price decreased by the amount of any cash applied to reduce Seller’s obligations under clause (ii) of Paragraph 5 of this Agreement (as amended herein);

“Purchased Securities” means as of any date of determination, the aggregate number of shares of the Purchased Security that have been purchased by Buyer pursuant to Transactions hereunder, plus any Securities substituted for Purchased Securities in accordance with Paragraph 9 of this Agreement (as amended herein), less the number, if any, of shares of the Purchased Security for which the Repurchase Price has been tendered to Buyer in satisfaction of Seller’s obligation to repurchase such number of shares of the

Purchased Security on or prior thereto less any Purchased Securities for which securities have been substituted pursuant to Paragraph 9 of this Agreement (as amended herein);

“Purchased Security” has the meaning specified in the Confirmation;

“Repurchase Date” means (i) the date on which Seller is to repurchase the Purchased Securities from Buyer, including any date determined by application of the provisions of Paragraph 11 of this Agreement (as amended herein) or (ii) the date specified in a notice delivered by the Buyer to the Seller following the introduction of or any change in or in the interpretation of any law or regulation which shall make it unlawful, or the assertion by any central bank or other governmental authority that it is unlawful, for the Buyer to perform its obligations or to hold the Purchased Securities hereunder; *provided, however*, that any payments due from Seller shall be due not less than 90 days following delivery of such notice and such notice shall only be effective if Buyer has previously used its reasonable best efforts to assign its rights under this Agreement to an Affiliate of Buyer on the terms and conditions provided herein and such Affiliate may lawfully comply with the Buyer’s obligations and hold the Purchased Securities hereunder and such assignment will neither give rise to unindemnified costs to the Buyer or its Affiliates nor require burdensome actions on the part of Buyer or its Affiliates in order to comply with applicable law;

“Repurchase Price” has the meaning specified in the Confirmation;

“Senior Officer” means (a) the chief executive officer, (b) the chief financial officer, (c) the general counsel or (d) the corporate treasurer;

“Taxes” mean any tax, duty, levy, impost, duty, charge, assessment or fee of any nature (including any interest, penalties and additions thereto) that is imposed by any government or other taxing authority in respect of any payment;

“Transaction Documents” means (a) this Agreement, (b) the Ancillary Agreement and (c) any Indemnity Documents (as defined in the Ancillary Agreement);

“Valuation Process” means the following sequence of events:

(i) Buyer shall deliver written notice to Seller that Buyer has elected to determine the Net Value of the Purchased Securities, which notice shall include the Net Value determined by Buyer as if clause (ii)(B) of the definition of Net Value were applicable;

(ii) following such notification, Seller may elect, by notice to Buyer (which notice shall state that Buyer will avail itself of the Valuation Process but need not identify a financial institution or provide the price or other terms of any offer for the Purchased Securities) on or prior to the third Business Day following Buyer’s notice pursuant to clause (i), to designate a nationally or internationally recognized financial institution to propose a firm price at which it will offer to purchase the Purchased Securities from Buyer pursuant to customary documentation reasonably satisfactory to Buyer, the terms of which (a) will provide that such financial institution will be liable for and pay any share transfer payments due upon transfer of the Purchased Security to it, (b) will include customary representations of Buyer regarding the conveyance of good title to the Purchased Securities, free and clear of

liens, but not any provisions whereby Buyer indemnifies such financial institution for matters relating to the actions, status or financial condition of Seller or any of Seller's affiliates, including ATL Holdings Limited;

(iii) if the financial institution designated by Seller has a combined capital and surplus of $500 million and a Thomson BankWatch Rating at the relevant time of "B" or better, then Buyer shall negotiate in good faith with such financial institution and use its commercially reasonable efforts to consummate the sale of the Purchased Securities to such financial institution on or prior to the Valuation Process Cut-Off Date; and

"Valuation Process Cut-Off Date" means the earliest to occur of (i) Seller's failure to notify Buyer of its election to avail itself of the Valuation Process within the time period specified in clause (ii) of the definition thereof; (ii) the date on which the sale of the Purchased Securities pursuant to the Valuation Process is consummated; and (iii) the thirtieth calendar day following the date of Buyer's notice to Seller pursuant to clause (i) of the definition of Valuation Process.

(b) Paragraphs 2(a), 2(c), 2(d), 2(e), 2(g), 2(h), 2(i), 2(k), 2(o), 2(p), 2(q), 2(r), 2(s) and 2(t) of the Agreement are hereby deleted.

3. [Reserved].

4. **Initiation; Effectiveness; Conditions; Confirmation; Termination.**
Paragraph 3 of the Agreement is hereby deleted.

5. **Purchase Price Maintenance**. Provided that no Event of Default with respect to Seller has occurred and is continuing, the parties agree that in any Transaction hereunder whose term extends over an Income Payment Date for the Securities subject to such Transaction, Buyer shall (including by causing its custodian, if any, to take such actions on its behalf), on the first Business Day following the Income Payment Date, transfer to or credit to the account of Seller an amount equal to such Income payment or payments pursuant to Paragraph 5(i) of the Agreement and Buyer shall not apply the Income payment or payments to reduce the amount to be transferred to Buyer by Seller upon termination of the Transaction pursuant to Paragraph 5(ii) of the Agreement; *provided, however*, that any Income paid as consideration for a redemption of the Purchased Securities, regardless whether the Repurchase Date shall have been accelerated, shall be applied first to reduce the Repurchase Price and shall only be transferred to or credited for the account of Seller to the extent that such further application would reduce the Repurchase Price, as of the Income Payment Date, below zero.

6. **Margin Maintenance**. Paragraph 4 of the Agreement is hereby deleted in its entirety.

7. **No Recognized Market.** Notwithstanding anything to the contrary in the Agreement but subject to the Valuation Process to the extent it is applicable, Seller and Buyer acknowledge and agree that the Purchased Securities subject to the Transaction hereunder are not instruments traded in a recognized market and therefore the nondefaulting party may establish the Net Value acting in a commercially reasonable manner.

8. **Income Payments**. Paragraph 5 of the Agreement is hereby amended (a) by replacing the words “on the date such Income is paid or distributed” in the second sentence thereof with the following words: “on the date that is the first Business Day after the applicable Income Payment Date”; (b) by deleting Clause (A) thereof; (c) by replacing the second occurrence of the word “Buyer” in the second sentence thereof with the word “Seller”; and (d) by replacing the words “such Income” in clause (i) of the second sentence thereof with the words “all such Income received by it”.

9. **Security Interest**. Paragraph 6 of the Agreement is hereby deleted and replaced with the following:

“6. **Security Interest.** Although the parties intend that all Transactions hereunder be sales and purchases and not loans, in the event any such Transactions are deemed to be loans, Seller shall be deemed to have pledged or charged to Buyer as security for the performance by Seller of its obligations under each such Transaction, and shall be deemed to have granted to Buyer a security interest in, all of Seller’s right, title and interest in and to the Purchased Securities with respect to all Transactions hereunder, all securities accounts to which the Purchased Securities are credited and all security entitlements with respect thereto and all Income on and other proceeds of the foregoing.”

10. **Segregation of Purchased Securities**. Paragraph 8 of the Agreement is hereby amended by deleting the words “ 3, 4, or” in the twelfth line thereof.

11. **Substitution**. Clause (b) of Paragraph 9 of the Agreement is hereby deleted in its entirety.

12. **Representations**. Paragraph 10 of the Agreement is hereby deleted and replaced with the following:

“**10.** **Representations**.

(a) Each of Buyer and Seller represents and warrants to the other that (i) it is duly authorized to execute and deliver this Agreement, to enter into Transactions contemplated hereunder and to perform its obligations hereunder and has taken all necessary action to authorize such execution, delivery and performance, (ii) it will engage in such Transactions as principal (or, if agreed in writing, in the form of an annex hereto or otherwise, in advance of any Transaction by the other party hereto, as agent for a disclosed principal), (iii) the person executing and delivering this Agreement on its behalf was at the time of execution and delivery duly authorized to do so on its behalf (or on behalf of any such disclosed principal), (iv) it has obtained all authorizations of any governmental body required in connection with this Agreement and the Transactions hereunder and such authorizations are in full force and effect and (v) the execution, delivery and performance of this Agreement and the Transactions hereunder will not violate any law, ordinance, charter, by-law or rule applicable to it or any agreement by which it is bound or by which any of its assets are affected, except, in the case of clauses (iv) and (v), as would not reasonably be expected to have a material adverse effect on the Unaffiliated Holders or the Buyer or any of their officers, directors and agents.

(b) Buyer warrants and represents that it is a national banking association organized under the laws of the United States of America.

13. Events of Default

(a) The first paragraph in Paragraph 11 of the Agreement is hereby deleted and replaced with the following:

"In the event that (i) Seller fails to transfer Purchased Securities or Buyer fails to transfer the Purchase Price in accordance with the Agreement, (ii) Seller fails to repurchase or Buyer fails to transfer Purchased Securities upon the applicable Repurchase Date (except that a failure to repurchase Purchased Securities upon the applicable Repurchase Date shall not constitute an Event of Default for the Seller in the event that Buyer is a defaulting party on such Repurchase Date), (iii) Buyer fails to comply with Paragraph 5 of this Agreement as amended or paragraph 5 of Annex I, and such failure is not remedied on or before the second Business Day after such failure, (iv) Seller fails to pay Buyer the Price Differential on the related Price Differential Payment Date and such failure is not remedied on or before the fifth Business Day following the related Price Differential Payment Date, (v) Seller fails to pay to Buyer any amounts, other than Price Differential, owing under this Agreement when due and such failure is not remedied on or before the thirtieth day following the date on which such amounts are due, (vi) an Act of Insolvency occurs with respect to Seller or Buyer, (vii) any representation made by Seller or Buyer hereunder shall have been incorrect or untrue in any material respect when made or repeated or deemed to have been made or repeated, (viii) Seller or Buyer shall admit in writing to the other its inability to, or its intention not to, perform any of its obligations hereunder, or (ix) Buyer or Seller breaches Paragraph 15(a) of this Agreement as amended herein (each, an "Event of Default");

(b) Paragraph 11(a) of the Agreement is hereby amended by inserting the words " of the Seller" after the first occurrence of the words "Act of Insolvency" and by inserting the words " as to the defaulting party" after the first occurrence of the words "Event of Default";

(c) Paragraph 11(b) of the Agreement is hereby amended by inserting after the words "at the Repurchase Price therefor" the following words: ", together with all unpaid Price Differential,";

(d) Paragraph 11(c) of the Agreement is hereby amended by inserting after the words "aggregate Repurchase Prices" the following words: ", together with all accrued unpaid Price Differential,";

(e) Paragraph 11(d)(i) is hereby amended by deleting subparagraph (B) in its entirety and substituting the following words therefor: "(B) in its sole discretion elect, in lieu of selling all or a portion of such Purchased Securities, to commence the Valuation Process and, upon determination of the Net Value following the Valuation Process Cut-Off Date, give the defaulting party credit for such Purchased Securities in an amount equal to the Net Value therefor on such date of determination against the aggregate unpaid Repurchase Price and any other amounts owing by the defaulting party hereunder"; and

(f) Paragraph 11(d)(ii) is hereby replaced with the following:

"(ii) as to Transactions in which the defaulting party is acting as Buyer, determine in a commercially reasonable manner an amount equal to the Net Value of the

Purchased Securities that are not delivered by the defaulting party to the nondefaulting party as required hereunder."

(g) The last sentence of Paragraph 11(d) is hereby replaced with the following: "The parties acknowledge and agree that (1) in the absence of a generally recognized source for prices or bid or offer quotations for any Security, the nondefaulting party may establish the source therefor in a commercially reasonable manner and (2) all prices, bids and offers shall be determined together with accrued Income (except to the extent contrary to market practice with respect to the relevant Securities)."

(h) Paragraph 11(e) is hereby replaced with the following:
"Upon application of the proceeds or determination of the Net Value, in each case as described in Paragraph 11(d), (i) Seller shall be liable to Buyer for the excess, if any, of (1) (I) the Repurchase Price of all the outstanding Purchased Securities *plus* (II) any unpaid Price Differential over (2) (I), as applicable, (A) if the defaulting party is acting as Buyer, the amount equal to the Net Value of the Purchased Securities as determined by Seller or (B) if the defaulting party is acting as Seller, the proceeds realized from the liquidation of the Purchased Securities or the Net Value of the Purchased Securities as determined by Buyer *plus* (II) any amounts actually received by Buyer and payable by Buyer under Paragraph 5 hereof (as amended herein) and under paragraph 5 of Annex I, or otherwise hereunder and not paid to Seller, and (ii) Buyer shall be liable to Seller for the excess, if any, of (1) (I), as applicable, (A) if the defaulting party is acting as Buyer, the amount equal to the Net Value of the Purchased Securities as determined by Seller or (B) if the defaulting party is acting as Seller, the proceeds realized from the liquidation of the Purchased Securities or the Net Value of the Purchased Securities as determined by Buyer *plus* (II) any amounts actually received by Buyer and payable by Buyer under Paragraph 5 hereof (as amended herein) and under paragraph 5 of Annex I, or otherwise hereunder and not paid over (2) (I) the Repurchase Price *plus* (II) any unpaid Price Differential."

(i) Paragraph 11(g) is hereby deleted in its entirety.

(j) For purposes of Paragraph 11, the Repurchase Price for each Transaction hereunder in respect of which the defaulting party is acting as Buyer shall not increase above the amount of such Repurchase Price for such Transaction determined as of the date of the exercise or deemed exercise by the nondefaulting party of the option referred to in Paragraph 11(a) (as amended herein).

14. <u>Payments by Seller to Buyer</u>.

(a) Seller shall pay to Buyer on each Price Differential Payment Date following the Purchase Date an amount equal to the accrued unpaid Price Differential.

(b) [Reserved].

(c) Any and all payments by Seller to or for the account of Buyer or its permitted assigns under the Agreement or the Ancillary Agreement shall be made free and clear of and without deduction for any and all Taxes, except as required by applicable Law. If Seller shall be required by any Law to deduct any Taxes from or in respect of any sum payable under this Agreement or the Ancillary Agreement to Buyer or its permitted assigns, (i) the

sum payable shall be increased as necessary so that after making all required deductions for Indemnified Taxes (including deductions applicable to additional sums payable under this paragraph 14(c) of Annex I), Buyer or its permitted assigns receive an amount equal to the sum it would have received had no such deductions been made, (ii) Seller shall make such deductions, (iii) Seller shall pay the full amount deducted to the relevant taxation authority or other authority in accordance with applicable Law, and (iv) within 30 days after the date of such payment, Seller shall furnish to Buyer or its permitted assigns the original or a certified copy of a receipt evidencing payment thereof (to the extent available).

15. **Overdue Payments**. If a party does not pay any amount on the date due (without regard to any applicable grace periods), including without limitation any Price Differential or any amount payable by Buyer under Paragraph 5 of the Agreement (as amended herein) or under paragraph 5 of Annex I, such party will, to the extent permitted by applicable law, pay interest on that amount to the other party in the same currency as that amount, for the period from (and including) the date the amount becomes due to (but excluding) the date the amount is actually paid, by daily application of the greater of the Pricing Rate and the Prime Rate to such amount. Notwithstanding the above, upon the declaration of an Event of Default, Paragraph 11(h) shall apply in lieu of this paragraph.

16. **Dividends, Distributions, etc.**

(a) In accordance with Paragraph 5 of the Agreement (as amended herein) and paragraph 5 of Annex I, but subject to subparagraph (d) of this paragraph 16 of Annex I, Seller shall be entitled to receive an amount equal to all Income (including any return of capital in respect of the liquidation of the issuer thereof and any proceeds received upon the redemption of such Security by the issuer thereof) paid or distributed on or in respect of Purchased Securities that is not otherwise received by Seller, to the full extent it would be so entitled if Purchased Securities had not been sold to Buyer, except as provided in Paragraph 5 of the Agreement (as amended herein) and paragraph 5 of Annex I, with respect to Income paid as consideration for a redemption of the Purchased Securities. The parties expressly acknowledge and agree, for the avoidance of doubt, that Income shall include, but is not limited to: (i) cash and all other property, (ii) stock dividends, (iii) Securities received as a result of split ups of Purchased Securities and distributions in respect thereof, and (iv) all rights to purchase additional Securities (except to the extent that any amounts included in the foregoing clauses (i) through (iv) would be deemed to be Purchased Securities).

(b) Income paid or distributed on or in respect of Purchased Securities, which Seller is entitled to receive pursuant to subparagraph (a) of this paragraph, shall be treated in accordance with Paragraph 5 of the Agreement (as amended herein) and paragraph 5 of Annex I, as supplemented and modified herein.

(c) Any and all payments by Buyer to or for the account of Seller hereunder shall be made subject to deduction for any and all applicable future taxes, levies, imposts, deductions, charges or withholdings, and all liabilities with respect thereto, excluding, in the case of the Buyer, (i) income or franchise taxes imposed on (or measured by) its net income or net profits by the United States of America or by the jurisdiction (or any political subdivision of any such jurisdiction) under the laws of which Buyer is organized, in which its principal office (or other fixed place of business) is located or in which it is otherwise engaged in a trade or business as a result of transactions unrelated to the Transactions, (ii) any branch

profits tax or any similar tax that is imposed on Buyer with respect to Buyer's income or profits by any jurisdiction described in clause (i) above (all such non excluded taxes, levies, imposts, deductions, charges, withholdings and liabilities in respect of payments hereunder being hereinafter referred to as "Non-Excluded Taxes"). Buyer shall pay the full amount deducted to the relevant taxation authority or other authority in accordance with applicable law. In the event that Buyer shall make a payment to or for the account of Seller that is subsequently determined to be subject to Non-Excluded Taxes, Seller shall promptly reimburse Buyer for the amount of such Non-Excluded Taxes together with all costs and expenses associated therewith.

(d) Notwithstanding anything to the contrary in Paragraph 5 of the Agreement (as amended herein), paragraph 5 of Annex I or subparagraphs (a) (b) and (c) above, in the event that Seller fails to pay Buyer the Price Differential on the related Price Differential Payment Date and such failure is not remedied on or before the third Business Day following such Price Differential Payment Date, then Buyer may, without exercising its option to declare an Event of Default to have occurred under the Agreement and only for as long as such failure is continuing, retain Income paid or distributed after such Price Differential Payment Date and apply it to the amount of any accrued but unpaid Price Differential and, in each case, any interest thereon.

17. **Rights in Purchased Securities**. For the avoidance of doubt, Seller waives any right to vote, or to provide any consent or to take any similar action with respect to, Purchased Securities in the event that the record date or deadline for such vote, consent or other action falls during the term of the Transaction.

18. **Covered Transaction**. Each party acknowledges and agrees that the transactions evidenced by the Confirmation shall be the only Transaction governed by the Agreement. The Seller and the Buyer shall not enter into any other Confirmations or Transactions hereunder. The parties hereby expressly agree that any TBMA Master Agreement entered into between them after the date hereof shall not supersede the Agreement or the Transaction hereunder.

19. **Limited Recourse**. Except as expressly set forth herein, the obligations of each party under the Agreement and the Transaction are solely the corporate obligations of such party. Except as expressly set forth herein, no recourse shall be had for the payment of any amount owing by a party under the Agreement or for the payment by such party of any fee or any other obligation or claim of or against such party arising out of or based upon the Agreement, against any trustee, adviser, employee, officer, director, incorporator, manager or affiliate of such party. The provisions of this paragraph shall survive the termination of the Agreement.

20. **No Recourse against ATL Holdings Limited**. Notwithstanding any condition relating to ATL Holdings Inc. or any other provision of this Agreement, nothing herein shall be construed as creating any obligation of ATL Holdings Limited to Buyer under this Agreement.

21. **Other Documents**. Each party shall deliver to the other, upon request, such financial information, evidence of capacity, authority, incumbency and specimen signatures and other documentation as are required by law or are reasonably requested in order to enable a party to comply with legal or regulatory requirements, except to the extent that such party is prohibited from disclosing such information as a result of applicable law, rule or regulation.

22. Submission to Jurisdiction and Waivers.

(a) Each party irrevocably and unconditionally (i) submits to the exclusive jurisdiction of any United States Federal or New York State court sitting in the Borough of Manhattan and any appellate court from any such court solely for the purpose of any suit, action or proceeding brought to enforce its obligations under the Agreement or relating in any way to the Agreement or any Transaction under the Agreement, and (ii) waives, to the fullest extent it may effectively do so, any defense of an inconvenient forum to the maintenance of such action or proceeding in any such court and any right of jurisdiction on account of its place of residence or domicile. Notwithstanding anything in this paragraph 22(a) of Annex I, each party may commence and maintain legal proceedings in Bermuda in connection with the Purchased Securities, ATL Holdings Limited, the organizational documents of ATL Holdings Limited, and matters related thereto.

(b) Each party hereby irrevocably agrees that the summons and complaint or any other process in any action in any jurisdiction may be served by mailing (using certified or registered mail, postage prepaid) to the notice address for it set forth herein or by hand delivery to a person of suitable age and discretion at such address. Each party may also be served in any other manner permitted by law, in which event its time to respond shall be the time provided by law.

(c) To the extent that either party has or hereafter may acquire any immunity (sovereign or otherwise) from any legal action, suit or proceeding from jurisdiction of any court or from set off or any legal process (whether service or notice, attachment prior to judgment, attachment in aid of execution of judgment, execution of judgment, or otherwise) with respect to itself or any of its property, such party hereby irrevocably waives and agrees not to plead or claim such immunity in respect of any action brought to enforce its obligations under the Agreement or relating in any way to the Agreement or any Transaction hereunder.

23. **WAIVER OF RIGHT TO TRIAL BY JURY**. EACH PARTY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY WITH RESPECT TO ANY PROCEEDING ARISING OUT OF OR RELATING TO THE AGREEMENT OR ANY TRANSACTION HEREUNDER.

24. **Business Day**. If any payment shall be required by the terms of the Agreement to be made on a day that is not a Business Day, such payment shall be made on the immediately succeeding Business Day and no further Price Differential (with respect to a payment of Price Differential) or interest (with respect to any other payment due hereunder) shall accumulate or accrue after the day on which payment was required.

25. **Counterparts**. The Agreement (and each amendment, modification and waiver in respect of it) may be executed and delivered in any number of counterparts, each of which counterparts shall be deemed to be an original and such counterparts shall constitute but one and the same instrument.

26. Tax Matters.

(a) Seller and Buyer understand and intend that the Transaction provided for in the Agreement will be treated as a loan secured by the Purchased Securities for U.S. federal income tax and state and local income and franchise tax purposes and will file any tax returns, tax

reports and other tax filings in each case required to be filed under applicable U.S. federal income tax or state or local income or franchise tax purposes, in a manner consistent with such understanding and intent and will not take any U.S. tax position inconsistent therewith. Nothing in Paragraphs 6 and 19(a) of the Agreement (as amended herein) shall be read to imply anything to the contrary, and the statements therein shall be understood to be construed as subject to this paragraph 26(a) of Annex I.

(b) As a condition of executing the Agreement, Buyer will deliver or cause to be delivered to Seller on or before the date it becomes a party to the Agreement a correct, complete and duly executed Internal Revenue Service Form W-9, whichever is appropriate. Within 20 days of the earlier of the date on which Buyer has Actual Knowledge of, and the date on which Seller requests in writing such form after the occurrence of obsolescence or invalidity of any Internal Revenue Service Form W-9 previously delivered by Buyer, Buyer will deliver to Seller a correct, complete and duly executed Internal Revenue Service Form W-9 or any successor forms. In the event that any assignee of Buyer is a U.S. person, as defined in Internal Revenue Code section 7701(a)(30), the assignee shall deliver to Seller an Internal Revenue Service Form W-9 or any applicable successor form. In the event that any assignee of Buyer is not a U.S. person, as defined, the assignee shall deliver to Seller an Internal Revenue Service Form W-8BEN or W-8ECI, as appropriate, or other applicable form, or any successor form in lieu of Internal Revenue Service Form W-8BEN or W-8ECI.

(c) Upon request, Seller shall deliver to Buyer a correct, complete and duly executed Internal Revenue Form W-9. Within 20 days of the earlier of the date on which Seller has knowledge of, and the date on which Buyer requests in writing such form after the occurrence of obsolescence or invalidity of any Internal Revenue Form W-9 previously delivered by Seller, Seller will deliver to Buyer a correct, complete and duly executed Internal Revenue Service Form W-9 or any successor form.

27. **Accounts for Payment**. Payments shall be made to the following accounts, or to such other account as may hereafter be notified to Seller or Buyer in writing by Buyer or Seller respectively.

To Buyer:

Name of Bank: HSBC Bank USA, National Association

ABA#: XXXXXXXXX
Swift Code: XXXXXXX
Customer: Commercial Loan
Account #: XXX-XXXXX-X

To Seller:

Name of Bank: Citibank NA - New York
ABA#: XXX-XXX-XXX
Account#: XXXXXXXX
Attention: Karen Turner

28. **USA PATRIOT Act Required Notice**. Buyer hereby notifies Seller that pursuant to the requirements of the USA PATRIOT Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the "Act"), it is required to obtain, verify and record information that identifies Seller, which information includes the name and address of Seller and information that will allow Buyer to identify Seller in accordance with the Act. Seller shall, promptly following a request by the Buyer, provide all documentation and other information that Buyer requests in order to comply with its ongoing obligations under applicable "know your customer" an anti-money laundering rules and regulations, including the Act.

29. **Notices and Other Communications.**

Paragraph 13 of the Agreement is hereby amended by deleting the word "telegraph" therefrom.

30. **Non-assignability; Termination.**

Paragraph 15 of the Agreement is hereby replaced with the following:

"(a) The rights and obligations of the parties under the Agreement and under any Transaction shall not be assigned by either party without the prior written consent of the other party. The Seller will not unreasonably withhold its consent to any transfer by the Buyer that shall satisfy the following conditions:

(i) the proposed transferee would not be required to withhold amounts on account of any Taxes from any payments that it is required to make to the Seller pursuant to paragraph 16(a) of Annex I of this Agreement in excess of such amounts that the Buyer would be required to withhold at the time the assignment or transfer would occur;

(ii) the Buyer shall not have made any previous transfer of any of its right, title and interest hereunder;

(iii) the Buyer shall transfer not less than all of its right, title and interest hereunder;

(iv) the transferee shall be a lender under the Material Revolving Credit Facility (as such term is defined in the Certificate) as of the time of the proposed transfer;

(v) the proposed transfer shall not occur prior to the second anniversary of the Purchase Date;

(vi) the proposed transfer shall occur within four days prior to the filing date of Seller's Form 10-K or 10-Q under the Securities Exchange Act of 1934, as amended;

(vii) the unsecured senior long-term debt obligations of the proposed transferee shall be rated at or higher than BBB- by Standard & Poor's, Baa3 by Moody's, or an equivalent rating by another rating agency;

(viii) the proposed transfer could not reasonably be expected to result in Seller having to comply with any additional legal or regulatory requirement if such compliance would have an adverse effect on the Seller;

(ix) such transfer is completed at no cost or expense to the Seller (other than the Seller's incidental costs and expenses, not to exceed $5,000, relating to the review and execution of transfer documentation and the registration of the Purchased Securities in the name of the transferee) and does not otherwise increase the Seller's costs and expenses in respect of the Agreement and the Transaction thereunder;

(x) the Seller shall have received 30 calendar days' prior notice of such proposed transfer;

(xi) such transfer does not result in the Seller's being obligated to withhold amounts in respect of any withholding tax or other Taxes from any payment to such transferee; and

(xii) the proposed transferee shall be organized under the laws of the United States of America or a jurisdiction located in the United States of America, Germany, Switzerland, Japan or France;

provided however, that such transferee delivers a representation letter (in form and substance reasonably acceptable to the Seller) (x) in the case of a transferee that is a bank or trust company organized under the laws of the United States or a state thereof, substantially in the form delivered to the Seller as of the Purchase Date, *mutatis mutandis*; and (y) in the case of a transferee not described in clause (x) above, as to such facts (if any) as are material to a conclusion that the rights of the Seller in the Purchased Securities will be respected in the event of an insolvency proceeding pertaining to the transferee.

Subject to the foregoing, this Agreement and any Transactions shall be binding upon and shall inure to the benefit of the parties and their respective successors and assigns. This Agreement may be terminated by either party upon giving written notice to the other, except that this Agreement shall, notwithstanding such notice, remain applicable to any Transactions then outstanding.

(b) Buyer agrees that any transfer of its rights and obligations under the Agreement shall be effected by novation pursuant to and in accordance with the terms of a novation agreement substantially in the form of Exhibit I hereto (a "Novation Agreement"), which contemplates the transfer of a portion of Buyer's rights and interest in this Agreement and the Purchased Securities and in accordance with Paragraph 15(a) of the Agreement (as amended herein), and a voting agreement substantially in the form of Exhibit II hereto. Any transfer in violation of this subparagraph (b) shall be null and void.

(c) Subparagraph (a) of Paragraph 15 of the Agreement (as amended herein) shall not preclude a party from assigning, charging or otherwise dealing with all or any part of its interest in any sum payable to it under Paragraph 11 of the Agreement (as amended herein)."

31. No Waivers, Etc. The last sentence of Paragraph 17 shall be deleted in its entirety.

32. Intent.

Paragraph 19(a) is hereby replaced with the following:

“(a) The parties recognize that each Transaction is a “securities contract” as that term is defined in section 741 of Title 11 of the United States Code, as amended (except insofar as the type of assets subject to such Transaction would render such definition inapplicable).”

[*Signatures follow on separate page*]

AMGEN INC.	HSBC BANK USA, N.A.
By: /s/ Jonathan M. Peacock	By: /s/ Eric Seltenrich
Name: Jonathan M. Peacock	Name: Eric Seltenrich
Title: Executive Vice President and Chief Financial Officer	Title: Senior Vice President
Date: October 29, 2013	Date: October 29, 2013

ANNEX II

Names and Addresses for Communication Between Parties

Address for notices, statements, demands or other communications to Buyer:

HSBC Bank USA, N.A.
660 South Figueroa Street, 8th Floor
Los Angeles, CA 90017
Attention: Eric Seltenrich, SVP Relationship Manager
Phone: +X XXX-XXX-XXXX
Fax: +X XXX-XXX-XXXX
Email: XXXXXXXXXXXXXXXX

With a copy to:

HSBC Securities (USA) Inc.
452 5th Avenue, Tower 10
New York, NY 10018
Attention: Michael M. Katz, Managing Director, Asset & Structured Finance
Phone: +X XXX-XXX-XXXX
Fax: +X XXX-XXX-XXXX
Email: XXXXXXXXXXXXXXXX

Address for notices, statements, demands or other communications to Seller:

Amgen Inc.
One Amgen Center Drive
MS-24-1-C
Thousand Oaks
CA 91320

Phone: +X XXX-XXX-XXXX
Fax: +X XXX-XXX-XXXX
Email: XXXXXXXXXXXXXXXX
Attention: Karen Turner, Director, Treasury

Exhibit I

[Form of]
Novation Agreement*

* Substantially the same as the form of Novation Agreement included as an exhibit to the Master Repurchase Agreement dated August 24, 2013, between Amgen Inc. and Bank of America, N.A., filed as an exhibit to Form 8-K on August 26, 2013.

Exhibit II

[Form of]
Voting Agreement*

* Substantially the same as the form of Voting Agreement included as an exhibit to the Master Repurchase Agreement dated August 24, 2013, between Amgen Inc. and Bank of America, N.A., filed as an exhibit to Form 8-K on August 26, 2013.

Exhibit 31

CERTIFICATIONS

I, Robert A. Bradway, Chairman of the Board, Chief Executive Officer and President of Amgen Inc., certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Amgen Inc.;
2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;
3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this quarterly report based on such evaluation; and
   (d) Disclosed in this quarterly report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 29, 2013

/S/ ROBERT A. BRADWAY

Robert A. Bradway
Chairman of the Board,
Chief Executive Officer and President

CERTIFICATIONS

I, Jonathan M. Peacock, Executive Vice President and Chief Financial Officer of Amgen Inc., certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Amgen Inc.;

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this quarterly report based on such evaluation; and

   (d) Disclosed in this quarterly report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 29, 2013

/S/ JONATHAN M. PEACOCK

Jonathan M. Peacock

Executive Vice President and Chief Financial Officer

Exhibit 32

Certification of Chief Executive Officer

Pursuant to 18 U.S.C. § 1350, as created by Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned officer of Amgen Inc. (the "Company") hereby certifies that:

(i) the accompanying Quarterly Report on Form 10-Q of the Company for the period ended September 30, 2013 (the "Report") fully complies with the requirements of Section 13(a) or Section 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and

(ii) information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: October 29, 2013

/s/ ROBERT A. BRADWAY

Robert A. Bradway
Chairman of the Board,
Chief Executive Officer and President

A signed original of this written statement required by Section 906 of the Sarbanes-Oxley Act of 2002 ("Section 906"), or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to Amgen Inc. and will be retained by Amgen Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

Certification of Chief Financial Officer

Pursuant to 18 U.S.C. § 1350, as created by Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned officer of Amgen Inc. (the "Company") hereby certifies that:

(i) the accompanying Quarterly Report on Form 10-Q of the Company for the period ended September 30, 2013 (the "Report") fully complies with the requirements of Section 13(a) or Section 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and

(ii) information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: October 29, 2013

/S/ JONATHAN M. PEACOCK

Jonathan M. Peacock
Executive Vice President and Chief Financial Officer

A signed original of this written statement required by Section 906 of the Sarbanes-Oxley Act of 2002 ("Section 906"), or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to Amgen Inc. and will be retained by Amgen Inc. and furnished to the Securities and Exchange Commission or its staff upon request.