

219. In or about September 2017, as part of the Sentinel Assessment Project, MCKINSEY consultants provided the FDA with a written final assessment. This assessment addressed a range of topics including (among others) finalizing organizational realignment; enhancing tools; onboarding new data partners; strengthening the integration of Sentinel into the regulatory decision-making process; and expanding Sentinel's capabilities to assess potential safety issues.

220. In or about December 2017, MCKINSEY consultants provided Purdue Pharma with a written proposal on how to cut costs in areas including (among others) data management and regulatory compliance. Purdue Pharma accepted MCKINSEY'S proposal and hired MCKINSEY. As part of that project, a MCKINSEY consultant who had co-led the Sentinel Assessment Project – including the above-referenced white paper, workshop, interim assessment, and final assessment – spent all day on January 3, 2018, and part of the day on January 4, 2018, at Purdue Pharma's corporate headquarters advising Purdue Pharma on how to cut costs.

221. In or about February 2018, MCKINSEY consultants – one of whom had co-led the Sentinel Assessment Project, including the above-referenced white paper, workshop, interim assessment, and final assessment – had another meeting to discuss a proposal to Purdue Pharma, for Purdue Pharma to research and develop a new drug that, if developed and approved, would be subject to monitoring under the Sentinel Initiative.

222. MCKINSEY submitted three invoices to the FDA for the Sentinel Assessment Project, and the FDA paid MCKINSEY \$5,092,242.46 in satisfaction of those invoices.

223. Under MCKINSEY policy, as represented to the FDA, to avoid a conflict of interest and the appearance of a conflict of interest, a consultant typically would not be assigned to a competitively sensitive project until two years had passed.

224. MCKINSEY did not inform the FDA that any MCKINSEY consultant worked on any of the above-referenced projects for Purdue Pharma around the same time (s)he worked on the Sentinel Assessment Project. MCKINSEY does not admit that the above-referenced projects for Purdue Pharma were competitively sensitive with the Sentinel Assessment Project, but maintains that they were not competitively sensitive.

225. The parties stipulate and agree the facts set forth in this Statement of Facts are true and correct.

*Attachment 3 to Deferred Prosecution Agreement
United States v. McKinsey & Company, Inc. United States*

Agreed Statement of Facts

MCKINSEY stipulates and agrees the facts set forth in the Agreed Statement of Facts are true and correct:

McKinsey & Company, Inc. United States:

BY: 

Jonathan B. Stonim

Deputy General Counsel

Head of Legal, Americas

Partner of McKinsey & Company, Inc.

Vice President of McKinsey & Company, Inc. United States

Authorized Corporate Representative of McKinsey & Company, Inc. United States

Date 12/10/24

McKinsey & Company, Inc.:

BY: 

Pierre M. Gentin

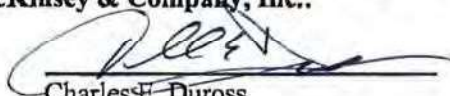
Chief Legal Officer

Senior Partner of McKinsey & Company Inc.

Authorized Corporate Representative of McKinsey & Company, Inc.

Date 12/10/24

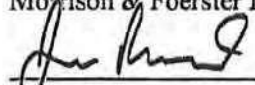
**Counsel for McKinsey & Company, Inc. United States and
McKinsey & Company, Inc.:**


Charles E. Duross

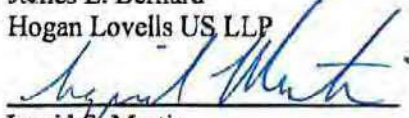
Brian K. Kidd

Katherine E. Driscoll

Morrison & Foerster LLP


James L. Bernard

Hogan Lovells US LLP


Ingrid S. Martin

Todd & Weld LLP

Date 12/10/24

Attachment 3 to Deferred Prosecution Agreement
United States v. McKinsey & Company, Inc. United States

Agreed Statement of Facts

The United States Attorney's Office for the Western District of Virginia:

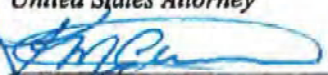
BY:



Christopher R. Kavanaugh
United States Attorney

December 13, 2024

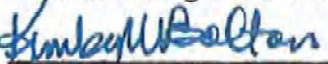
Date



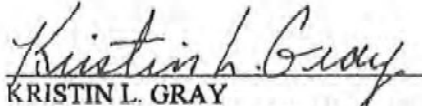
KRISTEN M. ECHEMENDIA
Senior Trial Counsel
Department of Justice, Civil Division
Commercial Litigation Branch



RANDY RAMSEYER
Assistant United States Attorney



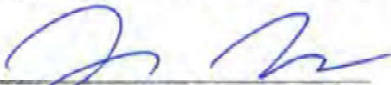
KIMBERLY M. BOLTON
Special Assistant United States Attorney
Assistant Attorney General
Medicaid Fraud Control Unit
Virginia Office of the Attorney General



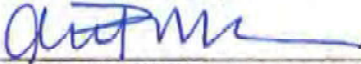
KRISTIN L. GRAY
Special Assistant United States Attorney
Assistant Attorney General
Medicaid Fraud Control Unit
Virginia Office of the Attorney General

The United States Attorney's Office for the District of Massachusetts:

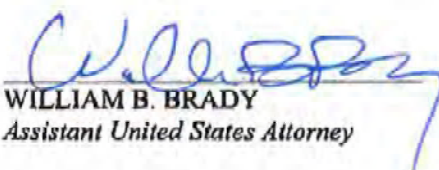
BY:



Joshua S. Levy
United States Attorney



AMANDA MASSELAM STRACHAN
Chief, Criminal Division



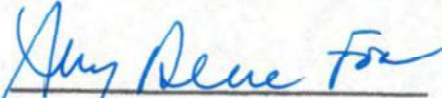
WILLIAM B. BRADY
Assistant United States Attorney

*Attachment 3 to Deferred Prosecution Agreement
United States v McKinsey & Company, Inc. United States*

Agreed Statement of Facts

The United States Department of Justice, Consumer Protection Branch:

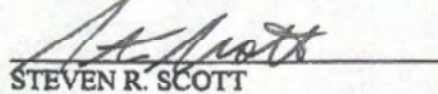
BY:


Amanda N. Liskamm
Director


Anthony Nardozzi
Deputy Director, Criminal


JESSICA C. HARVEY
Trial Attorney


Amy L. DeLine
Assistant Director


STEVEN R. SCOTT
Trial Attorney

**UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF VIRGINIA
ABINGDON**

UNITED STATES OF AMERICA)
)
 v.) **Criminal No.**
)
 MCKINSEY & COMPANY, INC.)
 UNITED STATES)

INFORMATION

The United States Attorney for the Western District of Virginia and the United States Attorney for the District of Massachusetts charge that:

COUNT ONE

1. Paragraphs 1 through 209 of the Agreed Statement of Facts are realleged and incorporated by reference.

2. OxyContin, a Schedule II controlled substance, is a prescription drug intended for use by man which is limited by an approved application under 21 U.S.C. § 355 to use under the professional supervision of a practitioner licensed by law to administer such drug and can only legally be dispensed upon a written prescription issued for a legitimate medical purpose by a practitioner, licensed by law to administer such drug, acting in the usual course of the practitioner's professional practice. Dispensing OxyContin pursuant to an invalid prescription (e.g., a prescription issued not for a legitimate medical purpose) is an act which results in the drug being misbranded while held for sale.

3. From in or about April 2012 through February 2018, in the Western

District of Virginia, the District of Massachusetts, and elsewhere, MCKINSEY & COMPANY, INC. UNITED STATES knowingly and intentionally conspired with Purdue Pharma L.P. and others to aid and abet the misbranding of prescription drugs, held for sale after shipment in interstate commerce, without valid prescriptions, in violation of 21 U.S.C. §§ 331(k), 333(a)(1), 353(b)(1), and 18 U.S.C. § 2.

4. To effect the object of the conspiracy, the conspirators did numerous acts, including, but not limited to, some of the acts set forth in Paragraphs 84 through 173 of the Agreed Statement of Facts.

5. All in violation of 18 U.S.C. § 371.

COUNT TWO

1. Paragraphs 1 through 209 of the Agreed Statement of Facts are realleged and incorporated by reference.

2. In or about or between April 2018 and September 2018, MCKINSEY & COMPANY, INC. UNITED STATES, through the acts of a senior partner, knowingly destroyed and concealed records and documents with the intent to impede, obstruct, and influence the investigation and proper administration of a matter within the jurisdiction of any department or agency of the United States and in relation to and contemplation of any such matter.

3. All in violation of 18 U.S.C. § 1519.

Attachment 4 to Deferred Prosecution Agreement
United States v. McKinsey & Company, Inc. United States

Information

ENTERED this 13th day of December, 2024.

The United States Attorney's Office for the Western District of Virginia:

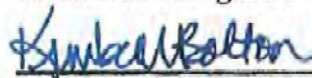
BY:



Christopher R. Kavanaugh
United States Attorney



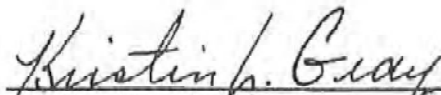
KRISTEN M. ECHEMENDIA
Senior Trial Counsel
Department of Justice, Civil Division
Commercial Litigation Branch



KIMBERLY M. BOLTON
Special Assistant United States Attorney
Assistant Attorney General
Medicaid Fraud Control Unit
Virginia Office of the Attorney General



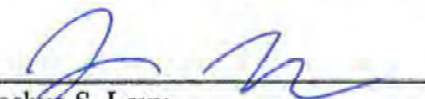
RANDY RAMSEYER
Assistant United States Attorney



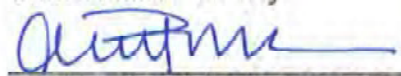
KRISTIN L. GRAY
Special Assistant United States Attorney
Assistant Attorney General
Medicaid Fraud Control Unit
Virginia Office of the Attorney General

The United States Attorney's Office for the District of Massachusetts:

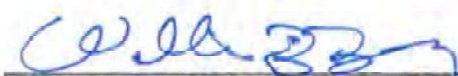
BY:



Joshua S. Levy
United States Attorney



AMANDA MASSELAM STRACHAN
Chief, Criminal Division



WILLIAM B. BRADY
Assistant United States Attorney

Attachment 4 to Deferred Prosecution Agreement
United States v. McKinsey & Company, Inc. United States

Information

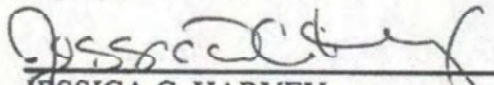
The United States Department of Justice, Consumer Protection Branch:

BY: 

Amanda N. Liskamm
Director



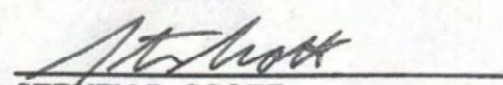
Anthony Nardoizzi
Deputy Director, Criminal



JESSICA C. HARVEY
Trial Attorney



Amy L. DeLine
Assistant Director



STEVEN R. SCOTT
Trial Attorney

STATUTE OF LIMITATIONS TOLLING AGREEMENT

This Statute of Limitations Tolling Agreement (“Agreement”) is entered into between McKinsey & Company, Inc., and its subsidiaries (“MCKINSEY”) and the United States of America, by and through its counsel, the United States Attorney’s Office for the Western District of Virginia, the United States Attorney’s Office for the District of Massachusetts, and the Civil Division of the U.S. Department of Justice (collectively referred to as “the Government”).

A. This Agreement has been entered into to effect provisions of a Deferred Prosecution Agreement and provide MCKINSEY and MCKINSEY’s counsel an opportunity to (1) present information they believe may be relevant to the Government’s decision-making process regarding MCKINSEY and (2) comply with its obligations in the Deferred Prosecution Agreement. MCKINSEY, MCKINSEY’s counsel, and the Government acknowledge that it is their mutual intention for this Agreement to effect a waiver and tolling of the statutes of limitations for violations of federal law described in paragraph B below.

B. This Agreement applies to any and all federal criminal, civil and administrative offenses relating, in any way, to opioids, opiates, destruction of documents, making false statements/representations, and/or obstruction of justice. Such violations of federal law include, but are not necessarily limited to, violations of 21 U.S.C. §§ 331, 841 and 846; 26 U.S.C. § 7201, 7206, and 7212; 31 U.S.C. §§ 3729 et seq.; 31 U.S.C. §§ 3801 et seq.; 18 U.S.C. §§ 286, 287, 371, 1001, 1035, 1341, 1343, 1347, 1348, 1349, 1518, 1519, 1956, 1957, and 1962; 42 U.S.C. § 1320a-7b, and claims under administrative law, equity or the common law.

C. The parties to this Agreement now agree and stipulate that the period beginning on January 1, 2020, and continuing until and including the earlier of December 31, 2030, or the date of dismissal of the Information by the government (“Exclusion Period”), shall be forever excluded from any calculation of time for purposes of the application of any federal statute of limitations to any violation of federal, administrative or common law described in Paragraph B above.

D. The parties to this Agreement further agree and stipulate that the Exclusion Period shall not be considered or assessed against the United States for purposes of any constitutional, statutory, or other challenge involving a claim of pre-indictment delay relating to any violation of federal law described in Paragraph B above.

E. MCKINSEY, having been advised by counsel of the potential consequences of this Agreement to MCKINSEY’s rights under the Fifth and Sixth Amendments of the United States Constitution, the federal statutes of limitations, and Rule 48(b) of the Federal

Rules of Criminal Procedure, expressly waives MCKINSEY's right to raise any defense based on the failure of a federal grand jury or the United States to charge MCKINSEY with any violation of federal, administrative or common law described in Paragraph B above, during the Exclusion Period.

F. It is understood by the parties to this Agreement that nothing in this Agreement revives any criminal or civil charges for which the applicable statute of limitations ran prior to January 1, 2020, and nothing in this Agreement waives or prejudices MCKINSEY's right, if any, to raise statute of limitations or other timing-related defenses, except as to the Exclusion Period.

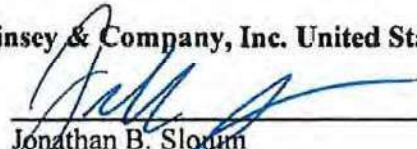
G. The act of entering into this Agreement does not constitute an admission by MCKINSEY of any wrongdoing; it has been entered into for the sole purpose of furthering discussions and the exchange of information with the Government. This Agreement and its contents are admissible in evidence in any proceeding solely for the purpose of establishing that MCKINSEY voluntarily agreed to a tolling of applicable statutes of limitations. The Agreement is inadmissible for any other purpose.

H. Except as otherwise stated herein, this Agreement does not limit or affect the right or discretion of the Government or any other component of the U.S. Department of Justice, to bring criminal, civil or administrative charges or claims against MCKINSEY for violation of any federal, administrative or common law described in Paragraph B above, or any other violation of law, at any time.

*Attachment 5 to Deferred Prosecution Agreement
United States v. McKinsey & Company, Inc. United States*

Tolling Agreement

McKinsey & Company, Inc. United States

BY: 

Jonathan B. Slouin

Date

12/10/24

*Authorized Corporate Representative
for McKinsey & Company, Inc. United States.*


Charles E. Duross

Date

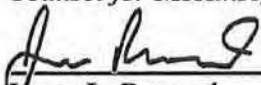
12/10/24

Brian K. Kidd

Katherine E. Driscoll

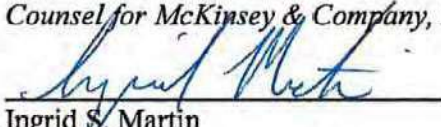
Morrison & Foerster LLP

Counsel for McKinsey & Company, Inc. United States


James L. Bernard

Hogan Lovells US LLP

Counsel for McKinsey & Company, Inc. United States


Ingrid S. Martin

Todd & Weld LLP

Counsel for McKinsey & Company, Inc. United States

Attachment 5 to Deferred Prosecution Agreement
United States v. McKinsey & Company, Inc. United States

Tolling Agreement

The United States Attorney's Office for the Western District of Virginia:

BY: 

Christopher R. Kavanaugh
United States Attorney

December 13, 2024

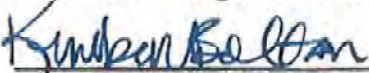
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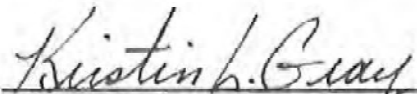
KRISTEN M. ECHEMENDIA
Senior Trial Counsel
Department of Justice, Civil Division
Commercial Litigation Branch



RANDY RAMSEYER
Assistant United States Attorney

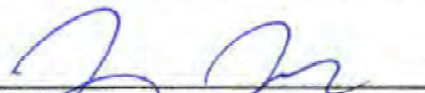


KIMBERLY M. BOLTON
Special Assistant United States Attorney
Assistant Attorney General
Medicaid Fraud Control Unit
Virginia Office of the Attorney General



KRISTIN L. GRAY
Special Assistant United States Attorney
Assistant Attorney General
Medicaid Fraud Control Unit
Virginia Office of the Attorney General

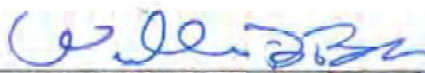
The United States Attorney's Office for the District of Massachusetts:

BY: 

Joshua S. Levy
United States Attorney



AMANDA MASSELAM STRACHAN
Chief, Criminal Division



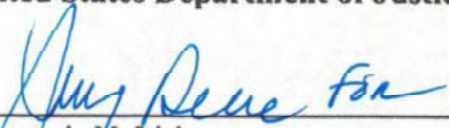
WILLIAM B. BRADY
Assistant United States Attorney

*Attachment 5 to Deferred Prosecution Agreement
United States v. McKinsey & Company, Inc. United States*

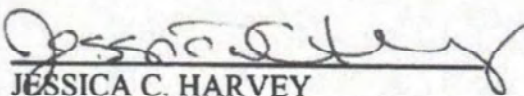
Tolling Agreement

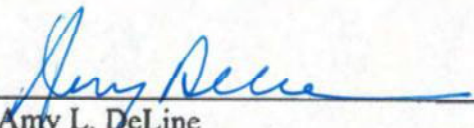
The United States Department of Justice, Consumer Protection Branch:

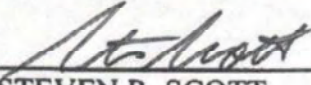
BY:


Amanda N. Liskamm
Director


Anthony Nardoizzi
Deputy Director, Criminal


JESSICA C. HARVEY
Trial Attorney


Amy L. DeLine
Assistant Director


STEVEN R. SCOTT
Trial Attorney

SECURITY AGREEMENT

dated as of December 12, 2024

among

MCKINSEY & COMPANY, INC. UNITED STATES,

as Grantor

and

UNITED STATES,

as Secured Party

TABLE OF CONTENTS

	Page
SECTION 1 Defined Terms.	3
SECTION 2 Grant of Security Interest.....	8
SECTION 3 Perfection and Protection of Security Interest.	8
SECTION 4 Representations and Warranties of the Grantor	9
SECTION 5 Covenants.....	10
SECTION 6 Events of Default	11
SECTION 7 Right to Cure.....	12
SECTION 8 Power of Attorney	12
SECTION 9 Remedies; Rights Upon Default.	12
SECTION 10 Miscellaneous.	14

Annex

Annex A	–	Eligible Receivables
Annex B	–	Collateral Schedule

SECURITY AGREEMENT

THIS **SECURITY AGREEMENT**, dated as of December 12, 2024 (this “Agreement”), is made by and between **MCKINSEY & COMPANY, INC. UNITED STATES**, a Delaware corporation (together with its successors and permitted assigns, the “Grantor”), and the **UNITED STATES**, acting through (x) under the Criminal Settlement Agreement (as defined below), the United States Attorney’s Office for the Western District of Virginia, the United States Attorney’s Office for the District of Massachusetts, and the United States Department of Justice’s Consumer Protection Branch (the “Criminal Settlement United States Parties”), and (y) under the Civil Settlement Agreement (as defined below), the United States Department of Justice and on behalf of the Office of Inspector General of the Department of Health and Human Services, the Defense Health Agency, acting on behalf of the TRICARE program, the Office of Personnel Management, which administers the Federal Employees Health Benefits Program, and the United States Department of Veterans Affairs, which administers the Veterans Health Administration (the “Civil Settlement United States Parties”, and together with the Criminal Settlement United States Parties, collectively, the “United States”), as the secured party (together with its successors and permitted assigns, the “Secured Party”).

WITNESSETH:

WHEREAS, the Grantor, McKinsey & Company, Inc. (“McKinsey Co”) and the Secured Party are party to (x) the Deferred Prosecution Agreement, dated as of the date hereof (as such agreement may be amended, restated, amended and restated, supplemented or otherwise modified from time to time in accordance with the terms thereof, the “Criminal Settlement Agreement”), and (y) the Settlement Agreement, dated as of the date hereof (as such agreement may be amended, restated, amended and restated, supplemented or otherwise modified from time to time in accordance with the terms thereof, the “Civil Settlement Agreement”, and together with the Criminal Settlement Agreement, each, individually, a “Settlement Agreement” and collectively, the “Settlement Agreements”);

WHEREAS, pursuant to the terms of each Settlement Agreement, the Grantor is entering into this Agreement to grant to the Secured Party a security interest in and lien upon the Collateral (as defined below) to secure the Obligations (as defined below);

NOW, THEREFORE, in consideration of the promises and mutual covenants set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

SECTION 1 Defined Terms.

(a) All capitalized terms used but not otherwise defined herein have the meanings given to them in the applicable Settlement Agreement. All other undefined terms contained in this Agreement, unless the context indicates otherwise, have the meanings provided for by the UCC (as defined below) to the extent the same are used or defined therein.

(b) As used in this Agreement, the following terms shall have the meanings specified below unless the context otherwise requires:

“Allocation Method” means the following methodology for determining, as of any date of determination, which Eligible Receivables are Collateral Pool Receivables:

- (1) first, Eligible Receivables (or the applicable portion thereof) shall be included in the Collateral Pool Receivables in order of most recent to oldest, based on the Origination Date of all Eligible Receivables as of such date of determination, as necessary up to the Receivables Collateralization Amount; and
- (2) thereafter, if after giving effect to clause (1) above, two or more Eligible Receivables to be included in Collateral Pool Receivables would have the same Origination Date, Eligible Receivables (or the applicable portion thereof) shall be included in the Collateral Pool Receivables in order of the largest to the smallest Outstanding Balance;

provided, that, the Collateral Pool Receivables shall in all cases exclude any portion of an Eligible Receivables that would cause the aggregate Outstanding Balance of all Collateral Pool Receivables to exceed the Receivables Collateralization Amount;

provided, further, that the Grantor may from time to time deliver a written supplement to this Agreement to designate Receivables that shall be included in the Collateral Pool Receivables prior to giving effect to any allocation pursuant to the foregoing clauses (1) and (2), so long as after giving effect to any such designation, the Outstanding Balance of the Collateral Pool Receivables is not less than the Receivables Collateralization Amount.

“Bankruptcy Code” means the United States Bankruptcy Reform Act of 1978 (11 U.S.C. § 101, et seq.), as amended from time to time.

“Collateral” has the meaning provided in Section 2 hereof.

“Collateral Schedule” has the meaning provided in Section 5(c) hereof.

“Collateral Pool Receivables” means, as of any date of determination, a pool of Eligible Receivables with an aggregate Outstanding Balance equal to the Receivables Collateralization Amount, determined in accordance with the Allocation Method.

“Contract” means, with respect to any Receivable, any and all contracts, instruments, agreements, leases, invoices, notes or other writings pursuant to which such Receivable arises or that evidence such Receivable or under which an Obligor becomes or is obligated to make payment in respect of such Receivable.

“Credit Agreement” means the Third Amended and Restated Credit Agreement, dated as of July 27, 2023, by and among, *inter alios*, McKinsey & Company, Inc., as borrower, the guarantors party thereto, the lenders party thereto and JPMorgan Chase Bank, N.A. as the

administrative agent for the lenders, and any agreement or instrument pursuant to which the credit facility thereunder may be refinanced, as may be amended, restated, amended and restated, supplemented or otherwise modified from time to time in accordance with the terms thereof.

“Debtor Relief Law” means, collectively, the Bankruptcy Code and all other applicable federal, state, local, tribal or foreign liquidation, conservatorship, bankruptcy, moratorium, rearrangement, receivership, insolvency, reorganization or similar debtor relief laws from time to time in effect affecting the rights of creditors generally, as amended from time to time.

“Eligible Receivable” has the meaning ascribed to such term on Annex A hereto.

“Enforcement Date” means any date on which (x) an Event of Default has occurred and is continuing and on which the Secured Party gives written notice to the Grantor that it is enforcing its right with respect to the Collateral hereunder or (y) an Insolvency Proceeding commences with respect to the Grantor.

“Excluded Assets” means (a) (i) all cash, checks, money orders or other proceeds paid under any Contract by the applicable Obligor, and (ii) any proceeds of any sale or disposition of any Receivable, in each case of the foregoing clauses (i) and (ii), to the extent received by the Grantor prior to the Enforcement Date, and (b) the Receivables or other assets that are not included in the definition of Collateral as of the Enforcement Date.

“Excluded Receivable” means each Receivable (or Obligor) designated in writing by the Grantor from time to time so long as after giving effect to any such designation, the Outstanding Balance of the Collateral Pool Receivables is not less than the Receivables Collateralization Amount.

“Financial Officer” means the chief financial officer, global head of finance, principal accounting officer, treasurer, assistant treasurer or controller of the Grantor.

“Governmental Authority” means any federal, state, municipal, national or other government, governmental department, commission, board, bureau, court, agency or instrumentality or political subdivision thereof or any entity or officer exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to any government or any court, in each case whether associated with a state of the U.S., the U.S., or a foreign entity or government.

“Insolvency Proceeding” means (a) any case, action or proceeding before any court or other Governmental Authority relating to bankruptcy, reorganization, insolvency, liquidation, receivership, dissolution, winding up or relief of debtors and, in the case of any such proceeding instituted against such Person (but not instituted by such Person), either such proceeding shall remain undismissed or unstayed for a period of sixty (60) consecutive days, or any of the actions sought in such proceeding (including the entry of an order for relief against, or the appointment of a receiver, trustee, custodian, or other similar official for, it or for any substantial part of its property) shall occur or (b) any general assignment for the benefit of creditors of a Person, composition, marshaling of assets for creditors of a Person, or other, similar arrangement in respect

of its creditors generally or any substantial portion of its creditors, in each of clauses (a) and (b) undertaken under U.S. Federal, state or foreign law, including any Debtor Relief Law.

“LC Collateralization Amount” means, as of any date of determination, the aggregate undrawn amount of any issued and outstanding Qualifying LCs.

“Lien” means, with respect to any asset, (a) any mortgage, deed of trust, lien, hypothecation, pledge, charge, security interest or similar monetary encumbrance in or on such asset and (b) the interest of a vendor or a lessor under any conditional sale agreement, capital lease or title retention agreement (or any financing lease having substantially the same economic effect as any of the foregoing) relating to such asset; provided, that in no event shall an operating lease or an agreement to sell be deemed to constitute a Lien.

“Obligations” means, collectively, all obligations of the Grantor and McKinsey Co to make payments to the Secured Party under the Settlement Agreements.

“Obligor” means, with respect to any Receivable, the Person obligated to make payments pursuant to the Contract relating to such Receivable.

“Origination Date” means, with respect to any Receivable, the date on which the Outstanding Balance of such Receivable is invoiced by the Grantor to the Obligor.

“Outstanding Balance” means, as of any date of determination, with respect to any Receivable, the then unpaid and outstanding principal balance thereof (excluding late charges, interest or any other amounts payable in excess of the invoiced amount thereof).

“Permitted Liens” means (a) Liens, if any, imposed on the property of any Person by operation of law or without such Person’s consent, in each case being contested in good faith by appropriate proceedings, as long as such Person has set aside on its books adequate reserves with respect thereto in accordance with applicable accounting standards, (b) Liens, if any, imposed by law for taxes that are not yet due or are being contested in good faith, and (c) Liens in favor of the Secured Party and pursuant to this Agreement.

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

“Qualifying LCs” has the meaning provided in Section 5(h) hereof.

“Receivables” means any right to payment of a monetary obligation, whether or not earned by performance, owed to the Grantor, whether constituting an account, chattel paper, payment intangible, instrument or general intangible, in each instance arising in connection with the sale of goods that have been or are to be sold or for services rendered or to be rendered, and includes, without limitation, the obligation to pay any finance charges, fees and other charges with respect thereto and further including, without limitation, the identifiable proceeds thereof. Any such right to payment arising from any one transaction, including, without limitation, any such right to

payment represented by an individual invoice or agreement, shall be a Receivable separate from a Receivable consisting of any such right to payment arising from any other transaction.

“Receivables Collateralization Amount” means the Required Collateralization Amount less the LC Collateralization Amount, if any.

“Related Security” means, with respect to any Receivable:

- (a) all of the Grantor’s interest in any goods, if any, (including returned goods), and documentation of title evidencing the shipment or storage of any goods (including returned goods), the sale of which gave rise to such Receivable;
- (b) all instruments and chattel paper that may evidence such Receivable;
- (c) all other security interests or liens and property subject thereto from time to time purporting to secure payment of such Receivable, whether pursuant to the Contract related to such Receivable or otherwise, together with all UCC financing statements or similar filings relating thereto; and
- (d) all of the Grantor’s rights, interests and claims under the related Contracts and all guaranties, indemnities, insurance and other agreements (including the related Contract) or arrangements of whatever character from time to time supporting or securing payment of such Receivable or otherwise relating to such Receivable, whether pursuant to the Contract related to such Receivable or otherwise.

“Required Collateralization Amount” means, on any date of determination, an amount equal to the lesser of (a) \$300,000,000 and (b) the sum of (x) outstanding amount of the Obligations at such time and (y) 10.0% of the amount specified in clause (x).

“Settlement Agreement (Criminal) Breach” means (a) a determination by the United States that the Grantor and McKinsey Co have failed to comply with any provision of the Criminal Settlement Agreement and it seeks to exercise its right to pursue a remedy other than as contemplated by the Agreed Order Compelling Compliance and (b) upon receipt of written notice of such determination from the United States, the Grantor and McKinsey Co have failed to demonstrate that it did comply with all provisions of the Criminal Settlement Agreement or, to the extent applicable, that the failure to comply should not result in adverse action (including because the failure to comply has been cured), in each case in accordance with Section 42 of the Criminal Settlement Agreement.

“Settlement Agreement (Civil) Breach” means an Uncured Default (as defined in the Civil Settlement Agreement).

“UCC” means the Uniform Commercial Code as in effect in the Commonwealth of Massachusetts; provided that if perfection or the effect of perfection or non-perfection or the priority of any security interest in any Collateral is governed by the Uniform Commercial Code as in effect in a jurisdiction other than the Commonwealth of Massachusetts, “UCC” means the Uniform Commercial Code as in effect from time to time in such other jurisdiction for purposes

of the provisions hereof relating to such perfection, effect of perfection or non-perfection or priority.

SECTION 2 Grant of Security Interest. As security for the Obligations, the Grantor hereby grants to the Secured Party a continuing security interest in, all of the Grantor's right, title and interest in, to and under all of the following, whether now or hereafter owned, existing or arising (collectively, the "Collateral"):

- (a) all Receivables (and any portion thereof) included in Collateral Pool Receivables;
- (b) all Related Security with respect to the Receivables described in the foregoing clause (a);
- (c) all books and records of the Grantor pertaining to any of the foregoing; and
- (d) all accessions to, substitutions for and replacements, products and proceeds of any of the foregoing, including, but not limited to, proceeds of any insurance policies, claims against third parties, and condemnation or requisition payments with respect to all or any of the foregoing;

provided, that the "Collateral" shall not include any Excluded Assets.

SECTION 3 Perfection and Protection of Security Interest.

(a) The Grantor shall (i) as soon as reasonably practicable after written demand by the Secured Party, execute, obtain, deliver, file, register and/or record any and all financing statements, continuation statements and other documents, or cause the execution, filing, registration, recording or delivery of any and all of the foregoing, that are reasonably necessary or required under law, to be executed, filed or recorded to create, maintain, perfect, preserve or otherwise protect, as applicable, the Grantor's interest in the Collateral and the Secured Party's perfected first priority (other than with respect to Permitted Liens) Lien on the Collateral (and the Grantor irrevocably grants the Secured Party the right, at the Secured Party's option, to file any or all of the foregoing), (ii) maintain, or cause to be maintained, at all times, the Secured Party's perfected first priority (other than with respect to Permitted Liens) Lien on the Collateral, and (iii) defend the Collateral and the Secured Party's first priority (other than with respect to Permitted Liens) and perfected Lien thereon against all claims and demands of all Persons at any time claiming the same or any interest therein adverse to the Secured Party (other than Permitted Liens). Upon a Financial Officer's discovery of any Lien on the Collateral other than a Permitted Lien, the Grantor shall promptly notify the Secured Party.

(b) The Grantor hereby irrevocably authorizes the Secured Party or its designee at any time and from time to time to file in any applicable filing office any financing statements (including amendments thereto) that (i) describe the Collateral as provided in Section 2 of this Agreement, and (ii) contain any other information required by part 5 of Article 9 of the applicable UCC for the sufficiency or filing office acceptance of any financing statement or

amendment or financing change statement. The Grantor agrees to furnish any such information to the Secured Party promptly upon written request.

(c) Upon payment and satisfaction of all of the Obligations (other than contingent indemnification obligations to the extent no claim giving rise thereto has been asserted) under the Settlement Agreements, this Agreement and the Liens created hereby shall terminate automatically and the Secured Party shall execute and deliver such documents, at the Grantor's expense, as are necessary to release the Secured Party's Liens on the Collateral and shall return any Collateral to the Grantor; provided, however, that the parties agree that, notwithstanding any such termination or release or the execution, delivery or filing of any such documents or the return of any Collateral, if and to the extent that any such payment made or received with respect to the Obligations is subsequently invalidated, determined to be fraudulent or preferential, set aside, defeased or required to be repaid to a trustee, debtor in possession, receiver, custodian or any other Person under any Debtor Relief Law, common law or equitable cause or any other law, then the Obligations intended to be satisfied by such payment shall be revived and shall continue as if such payment had not been received by the Secured Party and the Liens created hereby shall be revived automatically without any action on the part of any party hereto and shall continue as if such payment had not been received by the Secured Party. The Secured Party shall not be deemed to have made any representation or warranty with respect to any Collateral so delivered except that such Collateral is free and clear, on the date of such delivery, of any and all Liens arising from the Secured Party's own acts.

(d) Except as otherwise required by law or under this Agreement, the Secured Party shall have no responsibility for or obligation or duty with respect to any of the Collateral or any matter or proceeding arising out of or relating thereto, including, without limitation, any obligation or duty to collect any sums due in respect thereof or to protect or preserve any rights pertaining thereto.

SECTION 4 Representations and Warranties of the Grantor.

(a) The Grantor is not (i) a party to any material judgment, order or decree that conflicts with this Agreement, or (ii) in default in the performance, observance or fulfillment of any material obligation, covenant or condition contained in any agreement, document or instrument to which it is a party or to which the Collateral is subject, nor is there any event, fact, condition or circumstance, in the case of each of clause (i) and (ii), with notice or passage of time or both, would constitute or result in a conflict, breach, default or event of default under, any of the foregoing.

(b) The Grantor has full right and power to grant to the Secured Party, a first priority Lien on the Collateral pursuant to this Agreement, subject to Permitted Liens. Upon the execution and delivery of this Agreement, and upon the filing of the necessary financing statements and other documents and the taking of all other necessary action, the Secured Party will have a valid and first priority perfected Lien on the Collateral, subject to no enforceable transfer or other restrictions or Liens of any kind in favor of any other Person other than Permitted Liens. As of the date hereof, no financing statement naming the Grantor as debtor

and describing any of the Collateral is on file in any public office except those naming the Secured Party as secured party.

SECTION 5 Covenants.

(a) The Grantor will furnish to the Secured Party prompt written notice of the occurrence of any Event of Default.

(b) The Grantor shall cause the aggregate Outstanding Balance of the Collateral Pool Receivables to at all times be no less than the Receivables Collateralization Amount.

(c) Within thirty (30) days of any written request from the Secured Party, furnish to Secured Party a list of the Collateral Pool Receivables as of the last day of the calendar month preceding the date of such notice, in the form of Annex B hereto, together with calculations demonstrating compliance with the Required Collateralization Amount (as supplemented or modified from time to time, the “Collateral Schedule”). Each Collateral Schedule may be redacted to comply with any confidentiality or non-disclosure obligations set forth in the applicable underlying Contract.

(d) The Grantor shall furnish to Secured Party such other information in respect of the Collateral Pool Receivables as may be reasonably requested by the Secured Party in connection with any enforcement of its rights with respect to the Collateral Pool Receivables, including an updated Collateral Schedule as of the Enforcement Date within five (5) business days of any occurrence thereof.

(e) The Grantor shall not create, incur, assume or suffer to exist any Lien upon, in or against, or pledge of, any of the Collateral, whether now owned or hereafter acquired, except for Permitted Liens.

(f) The Grantor shall not (i) amend, modify, restate or change its organizational documents in a manner that would be adverse to the Secured Party, (ii) change its state of organization or change its corporate name without prompt written notice to the Secured Party, (iii) wind up, liquidate or dissolve (voluntarily or involuntarily) or commence or suffer any proceedings seeking or that would result in any of the foregoing or (iv) establish new or additional trade names without providing prompt written notice to the Secured Party.

(g) Except as otherwise permitted herein, the Grantor shall not sell, lease, transfer, pledge, encumber, assign or otherwise dispose of any Collateral (other than Permitted Liens) without the prior consent of the Secured Party.

(h) (i) At any time and from time to time, the Grantor may elect to deliver to the Secured Party one or more standby letters of credit securing the Obligations from one or more issuing banks reasonably acceptable to the Secured Party, naming the Secured Party as the beneficiary (each, a “Qualifying LC”), and (ii) if (x) an Event of Default (as defined in the Credit Agreement) has occurred and is continuing, or (y) the Grantor or McKinsey Co fails to make any payment of any Obligations when due under the Settlement Agreements, and such

failure continues unremedied for a period of thirty (30) days, then upon written request by the Secured Party to the Grantor, the Grantor shall, as promptly as practicable (and in any event within thirty (30) days of such request, or if the Grantor certifies to the Secured Party that it is using commercially reasonable efforts to obtain a Qualifying LC on or prior to the end of such thirty (30) day period but has not yet obtained such Qualifying LC, forty-five (45) days of such request), furnish to the Secured Party one or more Qualifying LCs in an aggregate face amount of not less than the Required Collateralization Amount.

SECTION 6 Events of Default. Any of the following shall constitute an “Event of Default”:

(a) The occurrence of a Settlement Agreement (Criminal) Breach or a Settlement Agreement (Civil) Breach.

(b) The Grantor (i) fails or neglects to perform, keep, or observe any other term, provision, condition, covenant or agreement contained in this Agreement (other than its obligations under Section 5(g)) in any material respect and such default shall continue unremedied for a period of thirty (30) days after the Grantor’s receipt of written notice thereof from the Secured Party or (ii) fails or neglects to perform, keep, or observe its obligations under Section 5(g) when required.

(c) (i) Any material portion of the Collateral is attached, seized, levied on, or comes into possession of a trustee or receiver, or (ii) any court order enjoins, restrains, or prevents the Grantor from conducting any material part of its business.

(d) (i) The Grantor is unable to pay its debts (including trade debts) as they become due, (ii) any Insolvency Proceeding occurs with respect to the Grantor.

(e) The Grantor makes any representation, warranty, or other statement now or in the future in this Agreement or in any writing delivered to the Secured Party or to induce the Secured Party to enter into this Agreement, and such representation, warranty, or other statement is incorrect in any material respect when made or deemed made and, with respect to any such representation or warranty that is capable of being cured, such representation or warranty continues to be incorrect in any material respect ten (10) business days after the date on which the Grantor becomes aware thereof.

(f) (i) This Agreement, the Settlement Agreements, or any document, instrument, or agreement evidencing any Obligations shall for any reason be revoked or invalidated or otherwise cease to be in full force and effect, the Grantor shall be in breach thereof or there shall be an “event of default” under the Settlement Agreements; (ii) Grantor shall contest in any manner the validity or enforceability thereof or deny that it has any further liability or obligation thereunder; or (iii) the Obligations shall for any reason be subordinated or shall not have the priority contemplated by this Agreement, the Settlement Agreements or any other intercreditor or subordination agreement.

SECTION 7 Right to Cure. While an Event of Default has occurred and is continuing, the Secured Party may do any act required of the Grantor or pay any amount required of the Grantor hereunder in order to preserve, protect, maintain or enforce the Obligations, the Collateral or the Secured Party's Liens therein, and which the Grantor fails to pay or do following notice by the Secured Party to the Grantor (unless an Event of Default has occurred and is continuing, or unless the Secured Party has reason to believe exigent circumstances may exist, in which events, no such notice shall be required), including payment of any judgment against the Grantor, any insurance premium, and any Lien upon or with respect to the Collateral.

SECTION 8 Power of Attorney. The Grantor hereby irrevocably makes, constitutes and appoints the Secured Party as the true and lawful attorney for the Grantor (without requiring the Secured Party to act as such) with full power of substitution to do the following at any time after the occurrence and during the continuation of an Event of Default: (i) indorse the name of the Grantor upon any and all checks, drafts, money orders and other instruments for the payment of money that are payable to the Grantor and constitute proceeds of the Collateral; (ii) execute and/or file in the name of the Grantor any financing statements, amendments to financing statements, schedules to financing statements, releases or terminations thereof, assignments, instruments or documents that it is obligated to execute and/or file under this Agreement (to the extent the Grantor fails to so execute and/or file any of the foregoing within two (2) Business Days of the Secured Party's request or the time when the Grantor is otherwise obligated to do so); (iii) execute and/or file in the name of the Grantor assignments, instruments, documents, schedules and statements that it is obligated to give the Secured Party under this Agreement (to the extent the Grantor fails to so execute and/or file any of the foregoing within two (2) Business Days of the Secured Party's request or the time when the Grantor is otherwise obligated to do so) and (iv) do such other and further acts and deeds in the name of the Grantor that the Secured Party may deem necessary to make, create, maintain, continue, enforce or perfect or realize upon the Secured Party's Lien on or rights in any Collateral. The powers and authorities granted pursuant to this Section 8 shall automatically terminate upon the termination of this Agreement in accordance with Section 10(e).

SECTION 9 Remedies; Rights Upon Default.

(a) In addition to all other rights and remedies granted to it under this Agreement and the Settlement Agreements and under any other instrument or agreement securing, evidencing or relating to any of the Obligations or pursuant to any other applicable law, upon the occurrence and during the continuation of an Event of Default, the Secured Party may exercise any and all rights, options and remedies provided for under the UCC or at law or in equity, including, without limitation, the right to (i) apply any property constituting Collateral of the Grantor held by the Secured Party to reduce the Obligations, (ii) foreclose the Liens created under this Agreement, (iii) realize upon, take possession of and/or sell any Collateral, with or without judicial process, (iv) exercise all rights and powers with respect to the Collateral as the Grantor might exercise, (v) collect and send notices regarding the Collateral, with or without judicial process, (vi) by its own means or with judicial assistance, enter any premises at which Collateral is located or dispose of the Collateral on such premises without any liability for rent, storage, utilities, or other sums, and the Grantor shall not resist or interfere with such action, (vii) at the Grantor's expense, require that all or any part of the Collateral be assembled and made available to the Secured Party at any place designated by the Secured Party in its sole discretion, and/or

(viii) relinquish or abandon any Collateral or any Lien thereon. Notwithstanding any provision of this Agreement, the Secured Party, in its sole discretion, shall have the right, at any time that the Grantor fails to do so after an Event of Default, without prior notice, to: (A) obtain insurance covering any of the Collateral to the extent required hereunder; and (B) discharge taxes, levies and/or Liens on any of the Collateral that are in violation of this Agreement unless the Grantor is in good faith with due diligence by appropriate proceedings contesting those items. Such expenses and advances shall be added to the Obligations until reimbursed to the Secured Party and shall be secured by the Collateral, and such payments by the Secured Party shall not be construed as a waiver by the Secured Party of any Event of Default or any other rights or remedies of the Secured Party. Notwithstanding anything contained in this Agreement to the contrary, in no event shall the Secured Party be required to obtain any insurance or make any payments referenced in this Section 9(a) unless the Secured Party shall have first received sufficient funds to obtain such insurance or make any such payments and in no event shall the Secured Party be required to risk or expend its own funds in connection therewith.

(b) At any sale or disposition of Collateral, the Secured Party may (to the extent permitted by applicable law) purchase all or any part thereof free from any right of redemption by the Grantor, which right is hereby waived and released, to the extent permitted by law. In dealing with or disposing of the Collateral or any part thereof, the Secured Party shall not be required to give priority or preference to any item of Collateral or otherwise to marshal assets or to take possession or sell any Collateral with judicial process. The Grantor covenants and agrees not to interfere with or impose any obstacle to the Secured Party's exercise of its rights and remedies with respect to the Collateral following the acceleration of the Obligations during the continuance of an Event of Default.

(c) The Grantor hereby waives, for the benefit of Secured Party:

(i) any right to require the Secured Party, as a condition of payment or performance by the Grantor, to

(A) proceed against any other Person,

(B) proceed against or exhaust any security held from any other Person,
or

(C) pursue any other remedy in the power of any Secured Party whatsoever;

(ii) any defense arising by reason of the incapacity, lack of authority or any disability or other defense of the Grantor, including any defense based on or arising out of the lack of validity or the unenforceability of the Obligations or any agreement or instrument relating thereto or by reason of the cessation of the liability of the Grantor from any cause other than satisfaction in full of the Obligations;

(iii) any defense based upon any statute or rule of law which provides that the obligation of a surety must be neither larger in amount nor in other respects more burdensome than that of the principal;

(iv) any defense based upon any Secured Party's errors or omissions in the administration of the Obligations, except behavior which amounts to gross negligence or willful misconduct;

(v) any principles or provisions of law, statutory or otherwise, which are or might be in conflict with the terms hereof and any legal or equitable discharge of the Grantor's obligations hereunder;

(vi) any defenses that may be asserted on the basis of statute of limitations;

(vii) any rights to set-offs, recoupments and counterclaims;

(viii) promptness, diligence and any requirement that any Secured Party protect, secure, perfect or insure any security interest or lien or any property subject thereto;

(ix) notices, demands, presentments, protests, notices of protest, notices of dishonor and notices of any action or inaction, including acceptance hereof, notices of default hereunder, or any agreement or instrument related thereto, notices of any renewal, extension or modification of the Obligations or any agreement related thereto, notices of any extension of credit to the Grantor, except as expressly required under this Agreement or the Settlement Agreements; and

(x) any defenses or benefits that may be derived from or afforded by law which limit the liability of or exonerate guarantors or sureties, or which may conflict with the terms hereof.

SECTION 10 Miscellaneous.

(a) Revival of Obligations. To the extent that any payment made or received with respect to the Obligations is subsequently invalidated, determined to be fraudulent or preferential, set aside, defeased or required to be repaid to a trustee, debtor in possession, receiver, custodian or any other Person under any Debtor Relief Law, common law or equitable cause or any other law, then the Obligations intended to be satisfied by such payment shall be revived and shall continue as if such payment had not been received by the Secured Party and the Liens created hereby shall be revived automatically without any action on the part of any party hereto and shall continue as if such payment had not been received by the Secured Party.

(b) Communications and Notices. All notices, requests and demands that any party is required or elects to give to any other hereunder shall (i) be in writing, (ii) may be delivered or furnished by electronic communication (including facsimile, or electronic mail) and (iii) any such notice shall become effective (x) upon personal delivery thereof, including but not limited to, delivery by overnight mail and courier service, (y) three (3) business days after it shall have been mailed by United States mail, first class, certified or registered, with postage prepaid, in

each case addressed or delivered to such party, or (z) in the case of electronic communication, upon the sender's receipt of an acknowledgment from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgment) (except that, if not given during normal business hours for the recipient, shall be deemed to have been given at the opening of business on the next business day), as follows:

(A) If to the Grantor:

Attention: Jonathan B. Slonim / Pierre M. Gentin
Address 3 World Trade Center
New York, New York 10007
Telephone: 212-415-5355
e-mail: Jonathan_Slonim@mckinsey.com

With copy, which shall not constitute notice, to:

McKinsey Treasury
Attention: Carlos Ingles
Address 3 World Trade Center
New York, New York 10007
Telephone: 917-388-7051
e-mail: treasury@mckinsey.com

(B) If to the Secured Party:

Attention: Financial Litigation Program, c/o Mary Reed
Address: U.S. Attorney's Office, Western District of Virginia
Post Office Box 1709
Roanoke, Virginia 24008-1709
Telephone: 540-857-2259
e-mail: Mary.reed@usdoj.gov

and

Attention: Jamie Ann Yavelberg
Address: Director, Civil Division
Commercial Litigation Branch (Fraud Section)
DJ No. 46-80-289
175 N Street NE, Room 10.137
Washington, DC 20002
e-mail: Jamie.Yavelberg@usdoj.gov & Christopher.Terranova@usdoj.gov

(c) Severability; Captions; Counterparts; Facsimile Signatures. In case any provision in or obligation under this Agreement shall be invalid, illegal or unenforceable in any jurisdiction, the validity, legality and enforceability of the remaining provisions or obligations, or of such provision or obligation in any other jurisdiction, shall not in any way be affected or

impaired thereby. The captions in this Agreement are intended for convenience and reference only and shall not affect the meaning or interpretation of this Agreement. This Agreement and any waiver or amendment hereto may be executed in counterparts and by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all of which shall together constitute one and the same instrument. The words “execution”, “signed”, “signature” and words of like import in this Agreement shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity and enforceability as a manually executed signature or the use of a paper-based recordkeeping systems, as the case may be, to the extent and as provided for in any applicable law, including, without limitation, any state law based on the Uniform Electronic Transactions Act or the UCC.

(d) No Waiver; Cumulative Remedies; Amendments. None of the terms or provisions of this Agreement may be waived, altered, modified or amended except by an instrument in writing, duly executed by the Secured Party and the Grantor.

(e) Termination of this Agreement; Release of Liens. Subject to Section 10(a) hereof, this Agreement shall automatically terminate and the Liens on all Collateral shall be automatically released upon the payment in full of all Obligations in accordance with the terms of the Settlement Agreements.

(f) Successors and Assigns. This Agreement shall be binding upon the parties hereto and their respective successors and assigns and shall inure to the benefit of the parties hereto and the successors and assigns of the Secured Party. The Grantor’s rights or obligations hereunder nor any interest therein may be assigned or delegated by the Grantor without the prior written consent of the Secured Party. The Secured Party may not assign this Agreement or any of its rights or obligations hereunder without the prior written consent of the Grantor. Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(g) Governing Law. THIS AGREEMENT AND ALL ACTIONS ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE COMMONWEALTH OF MASSACHUSETTS, WITHOUT REGARD TO THE CONFLICTS OF LAW PROVISIONS OF THE COMMONWEALTH OF MASSACHUSETTS, OR OF ANY OTHER STATE. EACH PARTY HERETO IRREVOCABLY CONSENTS TO THE EXCLUSIVE JURISDICTION OF, AND VENUE IN, THE STATE COURTS IN THE COUNTY OF SUFFOLK IN THE COMMONWEALTH OF MASSACHUSETTS (OR IN THE EVENT OF EXCLUSIVE FEDERAL JURISDICTION, THE FEDERAL COURTS IN THE COUNTY OF SUFFOLK IN THE COMMONWEALTH OF MASSACHUSETTS), IN CONNECTION WITH ANY MATTER BASED UPON OR ARISING OUT OF THIS AGREEMENT OR THE MATTERS CONTEMPLATED HEREIN, AND AGREES THAT PROCESS MAY BE SERVED UPON THEM IN ANY MANNER AUTHORIZED BY THE LAWS OF THE COMMONWEALTH OF MASSACHUSETTS FOR SUCH PERSONS.

(h) Waiver of Jury Trial. EACH PARTY HERETO KNOWINGLY AND VOLUNTARILY IRREVOCABLY WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM (WHETHER BASED ON CONTRACT, TORT OR OTHERWISE) ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE ACTIONS OF SUCH PARTY IN THE NEGOTIATION, ADMINISTRATION, PERFORMANCE AND ENFORCEMENT HEREOF.

(i) Consistent Application. The rights and duties created by this Agreement shall, in all cases, be interpreted consistently with, and shall be in addition to (and not in lieu of), the rights and duties created by the Settlement Agreements.

[Signature Pages Follow]

Attachment 6 to Deferred Prosecution Agreement
United States v. McKinsey & Company, Inc. United States

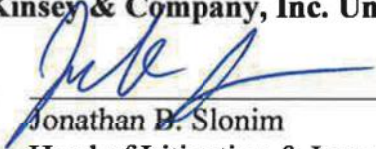
Security Agreement

IN WITNESS WHEREOF, each of the parties hereto has caused this Agreement to be executed and delivered by its duly authorized officer as of the date first set forth above.

GRANTOR:

McKinsey & Company, Inc. United States:

BY:


Jonathan B. Slonim

Head of Litigation & Investigations

Deputy General Counsel

Authorized Corporate Representative

for McKinsey & Company, Inc. United States

Date

12/12/24

Attachment 6 to Deferred Prosecution Agreement
United States v. McKinsey & Company, Inc. United States

Securities Agreement

SECURED PARTY:

The United States Attorney's Office for the Western District of Virginia:

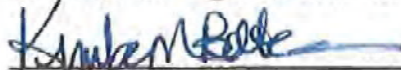
BY:



Christopher R. Kavanaugh
United States Attorney



KRISTEN M. ECHEMENDIA
Senior Trial Counsel
Department of Justice, Civil Division
Commercial Litigation Branch



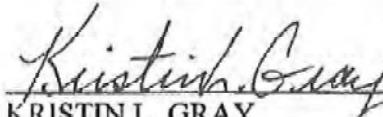
KIMBERLY M. BOLTON
Special Assistant United States Attorney
Assistant Attorney General
Medicaid Fraud Control Unit
Virginia Office of the Attorney General

December 13, 2024

Date



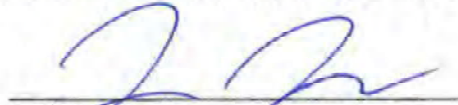
RANDY RAMSEYER
Assistant United States Attorney



KRISTIN L. GRAY
Special Assistant United States Attorney
Assistant Attorney General
Medicaid Fraud Control Unit
Virginia Office of the Attorney General

The United States Attorney's Office for the District of Massachusetts:

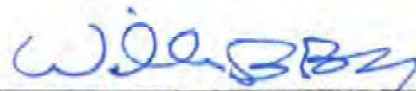
BY:



Joshua S. Levy
United States Attorney



AMANDA MASSELAM STRACHAN
Chief, Criminal Division



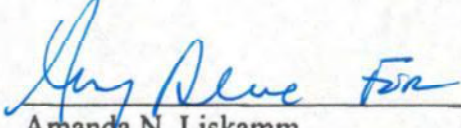
WILLIAM B. BRADY
Assistant United States Attorney

*Attachment 6 to Deferred Prosecution Agreement
United States v. McKinsey & Company, Inc. United States*

Security Agreement

The United States Department of Justice, Consumer Protection Branch:

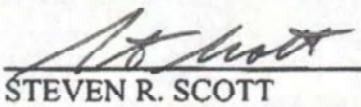
BY:


Amanda N. Liskamm
Director


Anthony Nardozi
Deputy Director, Criminal

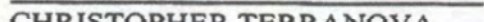

JESSICA C. HARVEY
Trial Attorney


Amy L. DeLine
Assistant Director


STEVEN R. SCOTT
Trial Attorney

The United States Department of Justice, Commercial Litigation Branch:

BY:


CHRISTOPHER TERRANOVA
Senior Trial Counsel

Attachment 6 to Deferred Prosecution Agreement
United States v. McKinsey & Company, Inc. United States

Security Agreement

The United States Department of Justice, Consumer Protection Branch:

BY:

Amanda N. Liskamm
Director

Anthony Nardozi
Deputy Director, Criminal

Amy L. DeLine
Assistant Director

JESSICA C. HARVEY
Trial Attorney

STEVEN R. SCOTT
Trial Attorney

The United States Department of Justice, Commercial Litigation Branch:

BY:



CHRISTOPHER TERRANOVA
Senior Trial Counsel

ANNEX A
to
SECURITY AGREEMENT

ELIGIBLE RECEIVABLES

As used in this Agreement, “Eligible Receivable” means, at any time of determination, a Receivable that satisfies each of the following conditions, unless such condition is expressly waived by the Secured Party in writing:

- (a) that is denominated and payable in U.S. Dollars;
- (b) that does not have a due date which is one hundred and twenty (120) days or more after the original invoice date of such Receivable;
- (c) that is not a Defaulted Receivable;
- (d) that is not an Excluded Receivable;
- (e) that (i) arises under a Contract for the sale of goods or services entered into in the ordinary course of the Grantor’s business and (ii) is not a loan or similar financial accommodation being provided by the applicable Grantor;
- (f) that arises under a duly authorized Contract that (i) is in full force and effect, (ii) is governed by the laws of a state, territory, district, commonwealth, or possession of the United States of America, (iii) is a legal, valid and binding obligation of the related Obligor, enforceable against such Obligor in accordance with its terms, except (x) as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors’ rights generally, including, without limitation, statutory or other laws regarding fraudulent conveyances and preferential transfers and (y) as such enforceability may be limited by general principles of equity, regardless of whether such enforceability is considered in a proceeding in equity or at law, and (iv) the payments included in the Outstanding Balance thereunder are free and clear of any, or increased to account for any applicable, withholding taxes;
- (g) that, together with the Contract related thereto, conforms in all material respects with all applicable laws (including any applicable laws relating to usury, truth in lending, fair credit billing, fair credit reporting, equal credit opportunity, fair debt collection practices and privacy);
- (h) with respect to which all consents, licenses, approvals or authorizations of, or registrations or declarations with or notices to, any Governmental Authority or other Person required to be obtained, effected or given by the Grantor in connection with the creation of such

Receivable, the execution, delivery and performance by the Grantor of the related Contract have been duly obtained, effected or given and are in full force and effect;

- (i) that is not subject to any existing dispute, litigation, right of rescission, set-off, counterclaim, hold back, any other defense against the Grantor (or any assignee of the Grantor); provided that if such Receivable is subject to any such existing dispute, litigation, right of rescission, set-off, counterclaim, hold back, any other defense against the Grantor (or any assignee of the Grantor), such Receivable shall fail to be an “Eligible Receivable” pursuant to this clause (h) only to the extent of such existing dispute, litigation, right of rescission, set-off, counterclaim, hold back, any other defense against the Grantor (or any assignee of the Grantor);
- (j) is an “account” or “general intangible” as defined in the UCC, and that is not evidenced by instruments or chattel paper;
- (k) that represents amounts earned and payable by the Obligor that are not subject to the performance of additional services by the Grantor and such Receivable shall have been billed or invoiced and the related goods or merchandise shall have been shipped and/or services fully performed (and not partially performed or underperformed);
- (l) that does not arise from the sale of as-extracted collateral, as such term is used in the UCC; and
- (m) for which the Obligor is not a Governmental Authority.

As used in this Annex A, the following terms shall have the following meanings:

“Defaulted Receivable” means a Receivable:

- (a) as to which any payment, or part thereof, remains unpaid for more than ninety (90) days from the original due date for such payment;
- (b) as to which any payment, or part thereof, remains unpaid for less than ninety-one (91) days from the original due date for such payment and consistent with the current and historical practices of the Grantor, has been or should be written off the Grantor’s books as uncollectible; or
- (c) without duplication, as to which an Insolvency Proceeding shall have occurred with respect to the Obligor thereof or any other Person obligated thereon or owning any Related Security with respect thereto.

ANNEX B
to
SECURITY AGREEMENT
COLLATERAL SCHEDULE

I. Collateral Pool Receivables¹

Obligor	Charge Code	Invoice No.	Origination Date	Payment Terms	Days Past Terms	Original Outstanding Balance	Current Outstanding Balance as of [Date]
1. [Redacted]						\$	\$
2. [Redacted]						\$	\$
3. [Redacted]						\$	\$
Total Outstanding Balance							\$

II. Required Collateralization Amount

(A) Receivables Collateralization Amount	\$
(B) LC Collateralization Amount	\$
(C) Line (A) <u>plus</u> Line (B)	\$
(D) Required Collateralization Amount	\$
Compliance (Yes / No): Line (C) equal or exceed Line (D)	

¹ Subject to redaction.

**UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF VIRGINIA
ABINGDON**

UNITED STATES OF AMERICA	)	
	)	
v.	)	No.
	)	
MCKINSEY & COMPANY, INC.	)	
UNITED STATES	)	

JOINT MOTION TO EXCLUDE TIME

The United States of America and McKinsey & Company, Inc. United States hereby jointly move this Court for an Order excluding a seventy-two (72) month period from the computation of time within which any trial must be commenced upon the charges contained in the Information, pursuant to Title 18, United States Code, Section 3161(h)(2) of the Speedy Trial Act.

Section 3161(h)(2) provides for the exclusion of time under the Speedy Trial Act for “any period of delay during which prosecution is deferred by the attorney for the Government pursuant to written agreement with the defendant, with the approval of the court, for the purpose of allowing the defendant to demonstrate his good conduct.” 18 U.S.C. § 3161(h)(2); see also United States v. Fokker Services B.V., 818 F.3d 733, 746 (D.C. Cir. 2016) (reversing district court decision denying motion to exclude time under § 3161(h)(2) where parties had voluntarily entered into a deferred prosecution agreement).

The United States and McKinsey & Company, Inc. United States and McKinsey & Company, Inc. (collectively, “MCKINSEY”) have entered into a written Deferred Prosecution Agreement (hereinafter, “the Agreement”). The purpose of the Agreement is

to allow MCKINSEY to demonstrate its good conduct and implement remedial measures.

In the Agreement, McKinsey & Company, Inc. United States agreed to waive its right to an indictment, and agreed to the filing of an Information in this Court charging it with two criminal offenses.

Pursuant to the Agreement, the United States is deferring the criminal prosecution of McKinsey & Company, Inc. United States on the Information for a period of sixty (60) months and MCKINSEY has agreed the United States may unilaterally extend the term of the Agreement and deferral of the prosecution for an additional twelve (12) months if it so chooses. Pursuant to Section 3161(h)(2) of Title 18 of the United States Code, the United States requests the Court exclude this seventy-two (72) month period from computation under the Speedy Trial Act.

McKinsey & Company, Inc. United States hereby joins in this request and does not oppose a continuance of all further criminal proceedings for a period of seventy-two (72) months, with the understanding that this entire seventy-two (72) month period will be excluded for purposes of the Speedy Trial Act. McKinsey & Company, Inc. United States further waives any and all rights to a speedy trial pursuant to the Sixth Amendment of the United States Constitution, Title 18, United States Code, Section 3161, Federal Rule of Criminal Procedure 48(b), and any applicable Local Rules of the United States District Court for the Western District of Virginia for the period that the Agreement is in effect.

The United States has agreed that if MCKINSEY has complied in all respects with all of its obligations under the Agreement, the United States, within thirty (30) days of the

*Attachment 7 to Deferred Prosecution Agreement
United States v. McKinsey & Company United States*

Joint Motion and Proposed Order to Exclude Time

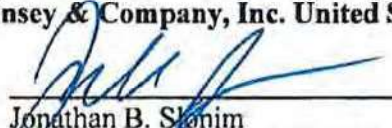
expiration of the Term set forth in the Agreement, or at an earlier time at the discretion of the United States, will move this Court for dismissal with prejudice of the charges in the Information against McKinsey & Company, Inc., United States.

WHEREFORE, the United States and McKinsey & Company, Inc. United States respectfully request this Court enter an Order continuing all criminal proceedings for a period of seventy-two (72) months, and exclude that time period from computation under the Speedy Trial Act.

Respectfully submitted and agreed to by:

McKinsey & Company, Inc. United States

BY:


Jonathan B. Slonim
Authorized Corporate Representative
for McKinsey & Company, Inc. United States.

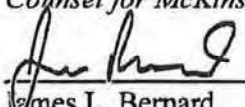
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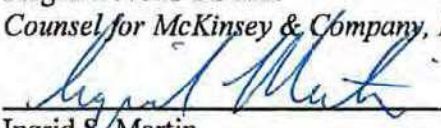
12/10/24


Charles E. Duross
Brian K. Kidd
Katherine E. Driscoll
Morrison & Foerster LLP
Counsel for McKinsey & Company, Inc. United States

Date

12/10/24


James L. Bernard
Hogan Lovells US LLP
Counsel for McKinsey & Company, Inc. United States


Ingrid S. Martin
Todd & Weld LLP
Counsel for McKinsey & Company, Inc. United States

*Attachment 7 to Deferred Prosecution Agreement
United States v. McKinsey & Company United States*

Joint Motion and Proposed Order to Exclude Time

The United States Attorney's Office for the Western District of Virginia:

BY:



December 13, 2024

Christopher R. Kavanaugh
United States Attorney

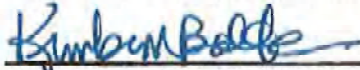
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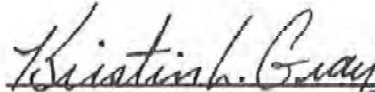
KRISTEN M. ECHEMENDIA
Senior Trial Counsel
Department of Justice, Civil Division
Commercial Litigation Branch



RANDY RAMSEYER
Assistant United States Attorney



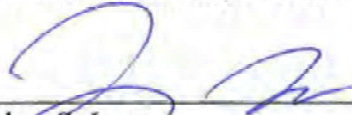
KIMBERLY M. BOLTON
Special Assistant United States Attorney
Assistant Attorney General
Medicaid Fraud Control Unit
Virginia Office of the Attorney General



KRISTIN L. GRAY
Special Assistant United States Attorney
Assistant Attorney General
Medicaid Fraud Control Unit
Virginia Office of the Attorney General

The United States Attorney's Office for the District of Massachusetts:

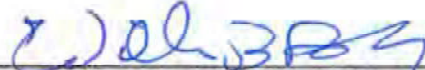
BY:



Joshua S. Levy
United States Attorney



AMANDA MASSELAM STRACHAN
Chief, Criminal Division



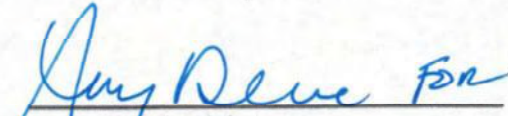
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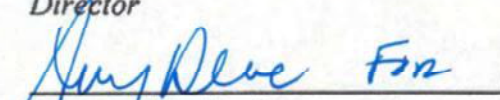
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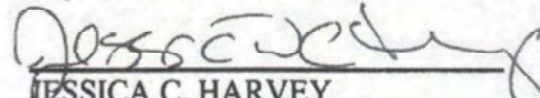
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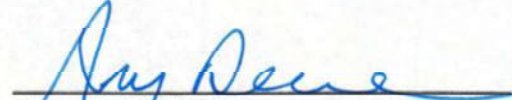
The United States Department of Justice, Consumer Protection Branch:

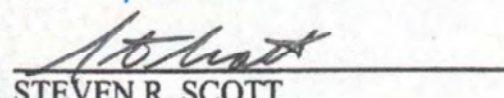
BY:


Amanda N. Liskamm
Director


Anthony Nardozi
Deputy Director, Criminal


JESSICA C. HARVEY
Trial Attorney


Amy L. DeLine
Assistant Director


STEVEN R. SCOTT
Trial Attorney

**UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF VIRGINIA
ABINGDON**

UNITED STATES OF AMERICA	)	
	)	
v.	)	No.
	)	
MCKINSEY & COMPANY, INC.	)	
UNITED STATES	)	

ORDER TO EXCLUDE TIME

1. The United States of America and McKinsey & Company, Inc. United States have jointly moved this Court for an Order excluding a seventy-two (72) month period from the computation of time within which any trial must be commenced upon the charges contained in the Information, pursuant to Title 18, United States Code, Section 3161(h)(2) of the Speedy Trial Act.

2. Section 3161(h)(2) provides for the exclusion of time under the Speedy Trial Act for “any period of delay during which prosecution is deferred by the attorney for the Government pursuant to written agreement with the defendant, with the approval of the court, for the purpose of allowing the defendant to demonstrate his good conduct.” 18 U.S.C. § 3161(h)(2); see also United States v. Fokker Services B.V., 818 F.3d 733, 746 (D.C. Cir. 2016) (reversing district court decision denying motion to exclude time under § 3161(h)(2) where parties had voluntarily entered into a deferred prosecution agreement).

3. The United States and McKinsey & Company, Inc. United States and McKinsey & Company, Inc. (collectively, “MCKINSEY”) have entered into a written Deferred Prosecution Agreement (hereinafter, “the Agreement”). The purpose of the

Agreement is to allow MCKINSEY to demonstrate its good conduct and implement remedial measures.

4. In the Agreement, McKinsey & Company, Inc. United States agreed to waive its right to an indictment, and agreed to the filing of an Information in this Court charging it with two criminal offenses.

5. Pursuant to the Agreement, the United States is deferring the criminal prosecution of McKinsey & Company, Inc. United States on the Information for a period of sixty (60) months and McKinsey & Company, Inc. United States has agreed the United States may unilaterally extend the term of the Agreement and deferral of the prosecution for an additional twelve (12) months if it so chooses. Pursuant to Section 3161(h)(2) of Title 18 of the United States Code, the United States has requested the Court to exclude this seventy-two (72) month period from computation under the Speedy Trial Act. McKinsey & Company, Inc. United States has joined that request and does not oppose a continuance of all further criminal proceedings for a period of 72 months, with the understanding that this entire period will be excluded for purposes of the Speedy Trial Act. McKinsey & Company, Inc. United States further waives any and all rights to a speedy trial pursuant to the Sixth Amendment of the United States Constitution, Title 18, United States Code, Section 3161, Federal Rule of Criminal Procedure 48(b), and any applicable Local Rules of the United States District Court for the Western District of Virginia for the period that the Agreement is in effect.

6. The United States has agreed that if MCKINSEY has complied in all respects

Attachment 7 to Deferred Prosecution Agreement
United States v. McKinsey & Company United States

Joint Motion and Proposed Order to Exclude Time

with all of its obligations under the Agreement, the United States, within thirty (30) days of the expiration of the Term set forth in the Agreement, or at an earlier time at the discretion of the United States, will move this Court for dismissal with prejudice of the charges in the Information against McKinsey & Company, Inc. United States.

Accordingly, for good cause shown, it is hereby ORDERED that all criminal proceedings in this matter are continued for a period of seventy-two (72) months, and such time period is excluded from computation under the Speedy Trial Act.

United States District Judge

**UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF VIRGINIA
ABINGDON**

IN RE:)
)
)
MCKINSEY & COMPANY, INC.)

AGREED ORDER COMPELLING COMPLIANCE

McKinsey & Company, Inc., and its subsidiaries and affiliates, including, but not limited to, McKinsey & Company, Inc. United States (collectively, “MCKINSEY”) have been the subject of an investigation by the United States Attorney’s Offices for the Western District of Virginia and the District of Massachusetts, as well as the Commercial Litigation and Consumer Protection Branches of the Civil Division (collectively referred to as the “United States”) concerning potential violations of federal criminal law. The United States and MCKINSEY (collectively, “the Parties”) have entered into an agreement to resolve this matter. The agreement includes a Deferred Prosecution Agreement and its attachments (collectively “DPA”) (attached as Attachment A) in which McKinsey & Company, Inc. United States will be charged by Information and prosecution on those charges will be deferred if MCKINSEY complies with its obligations pursuant to the agreement.

The United States and MCKINSEY agree the Court has (a) jurisdiction over the subject matter, the parties, and the DPA, and (b) authority to enter and enforce this Order.

Accordingly, based on the agreement of the parties and for good cause shown, (a) MCKINSEY and any successors in interest are hereby ORDERED to fully comply with

the terms of the DPA and (b) MCKINSEY and any successors in interest are hereby ORDERED to fully comply with the terms of the DPA.

The Court may impose any sanction it deems appropriate for any violation of a term of the DPA or this Order. Also, any violation of this Order by MCKINSEY or any successors may be punished as contempt of court, including, but not limited to, criminal contempt, in violation of Title 18, United States Code, Section 401.

Nothing in this order prevents MCKINSEY from requesting accommodation from the United States of MCKINSEY's financial condition, or prevents the United States from granting any accommodation; however, nothing in this order requires the United States to consider or grant any accommodation.

Entered this _____ day of December, 2024.

United States District Judge

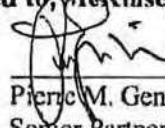
*Attachment 8 to Deferred Prosecution Agreement
United States v. McKinsey & Company, Inc. United States*

Agreed Order Compelling Compliance

Agreed to:

McKinsey & Company, Inc. and its subsidiaries and affiliates, including, but not limited to, McKinsey & Company, Inc. United States:

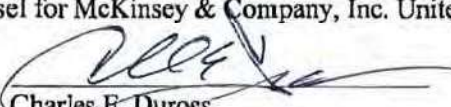
BY:


Pierre M. Gentin
Senior Partner and Chief Legal Officer
*Authorized Corporate Representative
for McKinsey & Company, Inc. and its
subsidiaries and affiliates, including,
but not limited to,
McKinsey & Company, Inc. United States*

Date

12/10/24

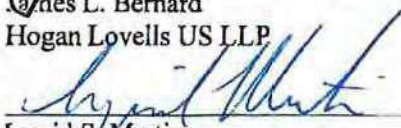
Counsel for McKinsey & Company, Inc. United States and McKinsey & Company, Inc.:


Charles E. Duross
Brian K. Kidd
Katherine E. Driscoll
Morrison & Foerster LLP

Date

12/10/24


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United States v. McKinsey & Company, Inc. United States

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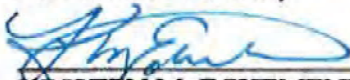
BY:



Christopher R. Kavanaugh
United States Attorney

December 13, 2024

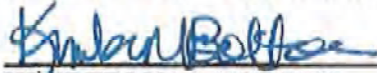
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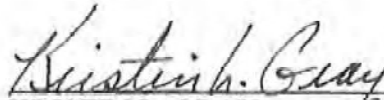
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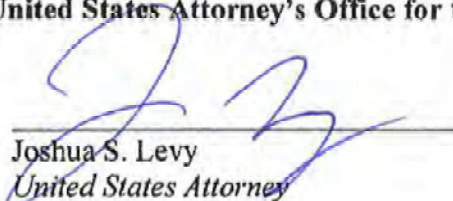
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Virginia Office of the Attorney General



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Assistant Attorney General
Medicaid Fraud Control Unit
Virginia Office of the Attorney General

The United States Attorney's Office for the District of Massachusetts:

BY:



Joshua S. Levy
United States Attorney



AMANDA MASSELAM STRACHAN
Chief, Criminal Division



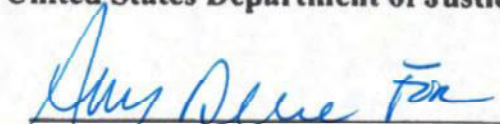
WILLIAM B. BRADY
Assistant United States Attorney

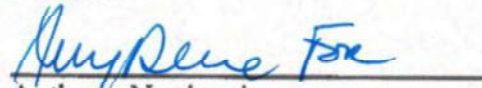
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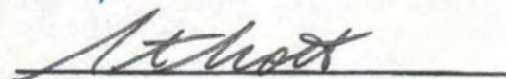
BY:


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Director


Anthony Nardoizzi
Deputy Director, Criminal


JESSICA C. HARVEY
Trial Attorney


Amy L. DeLine
Assistant Director


STEVEN R. SCOTT
Trial Attorney

*Attachment 9A to Deferred Prosecution Agreement
United States v. McKinsey & Company, Inc. United States*

Verified Complaint for Forfeiture *In Rem*

**UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF VIRGINIA
ABINGDON**

UNITED STATES OF AMERICA)
)
 v.) **No.**
)
 MCKINSEY & COMPANY, INC.)
 UNITED STATES)

VERIFIED COMPLAINT FOR FORFEITURE *IN REM*

Now comes the plaintiff, United States of America, by and through its attorney, Krista Consiglio Frith, Assistant United States Attorney, and brings this complaint and alleges as follows in accordance with Supplemental Rule G(2) of the Federal Rules of Civil Procedure:

NATURE OF THE ACTION

1. This is an action to forfeit and condemn to the use and benefit of the United States of America, pursuant to 18 U.S.C. § 981(a)(1)(A), the following property: MCKINSEY & COMPANY, INC. UNITED STATES (“defendant property”), for violations of 18 U.S.C. § 1957.

THE DEFENDANT *IN REM*

2. The defendant property consists of the corporation known as MCKINSEY & COMPANY, INC. UNITED STATES, and its assets. The defendant property has not been seized and is not located within this district, but jurisdiction is proper pursuant to 28 U.S.C. §§ 1355 and 1395.

Attachment 9A to Deferred Prosecution Agreement
United States v. McKinsey & Company, Inc., United States

Verified Complaint for Forfeiture *In Rem*

JURISDICTION AND VENUE

3. Plaintiff brings this action in rem in its own right to forfeit and condemn the defendant property. This Court has jurisdiction over an action commenced by the United States under 28 U.S.C. § 1345, and over an action for forfeiture under 28 U.S.C. § 1355(a).

4. This Court has in rem jurisdiction over the defendant property under 28 U.S.C. § 1355(b). Upon the filing of this complaint, the plaintiff requests that the Court issue an arrest warrant *in rem* pursuant to Supplemental Rule G(3)(b), which the plaintiff will execute upon the property pursuant to 28 U.S.C. § 1355(d) and Supplemental Rule G(3)(c).

5. Venue is proper in this district pursuant to 28 U.S.C. § 1355(b)(1) because acts or omissions giving rise to the forfeiture occurred in this district.

BASIS FOR FORFEITURE

6. The defendant property is subject to forfeiture pursuant to 18 U.S.C. § 981(a)(1)(A) because it constitutes property involved in transactions and attempted transactions in violation of 18 U.S.C. § 1957, or is property traceable to such property.

FACTS

7. The attached Agreed Statement of Facts and Declaration of Special Agent Darren Petri are incorporated by reference.

WHEREFORE, the United States of America respectfully requests that the Clerk of

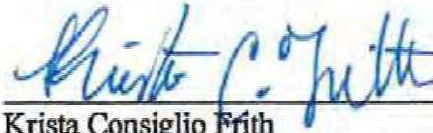
*Attachment 9A to Deferred Prosecution Agreement
United States v. McKinsey & Company, Inc. United States*

Verified Complaint for Forfeiture *In Rem*

Court issue an arrest warrant *in rem* pursuant to Supplemental Rule G(3)(b); that due notice be given to all parties to appear and show cause why the forfeiture should not be decreed; that judgment be entered declaring the defendant property to be condemned and forfeited to the United States of America for disposition according to law; and that the United States of America be granted such other and further relief as this Court may deem just and proper, together with the costs and disbursements of this action.

Respectfully submitted,

CHRISTOPHER R. KAVANAUGH
United States Attorney



Krista Consiglio Frith
Assistant United States Attorney

*Attachment 9A to Deferred Prosecution Agreement
United States v. McKinsey & Company, Inc. United States*

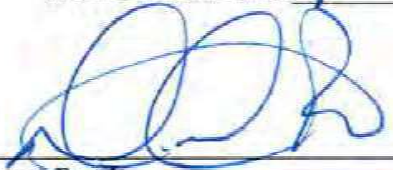
Verified Complaint for Forfeiture *In Rem*

VERIFICATION

I am a Special Agent of the Food and Drug Administration, Office of Criminal Investigations and one of the agents assigned the responsibility for this case. I have read the contents of the foregoing complaint for forfeiture, and the exhibits thereto, and the statements contained therein are true to the best of my knowledge and belief.

I declare under penalty of perjury that the foregoing is true and correct.

EXECUTED this 12th day of December, 2024.



Darren Petri
Special Agent, FDA-OCI

*Attachment 9A to Deferred Prosecution Agreement
United States v. McKinsey & Company, Inc. United States*

Verified Complaint for Forfeiture *In Rem*

**DECLARATION OF DARREN PETRI
IN SUPPORT OF A COMPLAINT FOR FORFEITURE**

I, Darren Petri, upon my oath make the following statements under penalty of perjury:

1. I am a Special Agent of the Food and Drug Administration, Office of Criminal Investigations, and one of the agents assigned the responsibility for this case. Unless otherwise stated, the information in this affidavit is either personally known to me, or was provided to me by other law enforcement officers.
2. This affidavit is made in support of the filing of a complaint for forfeiture against McKinsey & Company, Inc. United States, and incorporates by reference the Agreed Statement of Facts. Your affiant has been involved in the investigation of McKinsey & Company, Inc. United States (McKinsey US) since 2019.
3. Pursuant to the facts known to me and detailed in the Agreed Statement of Facts, McKinsey US's E2E program helped to cause the creation of illegal prescriptions for Oxycontin (ie. no valid medical purpose) -- and the subsequent illegal distribution of thousands of Oxycontin dosage units. Therefore, payments made by Purdue Pharma to McKinsey US for E2E were ultimately illegal drug proceeds.
4. McKinsey US received four payments from Purdue Pharma for its E2E program (the "illegal drug proceeds"). Specifically, those payments are as follows: \$1,590,000 received on or about December 23, 2013; \$1,610,000 received on or about February 28, 2014; \$2,650,000 received on or about April 23, 2014, and \$1,150,000 received on or about September 11, 2014.
5. These illegal drug proceeds were deposited into a Citibank account of McKinsey US. Subsequent to these deposits, the illegal proceeds were transferred between different McKinsey US accounts in amounts greater than \$10,000.
6. These illegal drug proceeds were comingled with McKinsey US's legitimate monies in McKinsey US's bank accounts.
7. Based on the foregoing facts and those set forth in the Agreed Statement of Facts, McKinsey US—as a company—was thus involved in and/or facilitated violations of 18 U.S.C. § 1957 and is property forfeitable under 18 U.S.C. § 981(a)(1)(A).

Based upon the preceding facts, information and evidence gathered as a result of the investigation, your affiant contends there is sufficient probable cause to believe that McKinsey & Company, Inc. United States was involved in and/or facilitated money laundering supporting the complaint for forfeiture pursuant to 18 U.S.C. §

*Attachment 9A to Deferred Prosecution Agreement
United States v. McKinsey & Company, Inc. United States*

Verified Complaint for Forfeiture *In Rem*

981(a)(1)(A).

I declare under penalty of perjury that the foregoing is true and correct.

EXECUTED this 12th day of December, 2024.



Darren Petri
Special Agent, FDA-OCI

*Attachment 9B to Deferred Prosecution Agreement
United States v. McKinsey & Company, Inc. United States*

Stipulation for Compromise Settlement

**UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF VIRGINIA
ABINGDON**

UNITED STATES OF AMERICA	)	
	)	
v.	)	No.
	)	
MCKINSEY & COMPANY, INC.	)	
UNITED STATES	)	

STIPULATION FOR COMPROMISE SETTLEMENT

It is hereby stipulated by and between the plaintiff, United States of America, and McKinsey & Company, Inc., United States ("MCKINSEY US"), by counsel, that the parties do hereby agree to settle and compromise the above-entitled action upon the following terms:

1. The United States alleges that the defendant property was involved in a violation of 18 U.S.C. § 1957 as set forth in the Complaint for Forfeiture *in rem* filed herein and is, therefore, subject to forfeiture to the United States pursuant to 18 U.S.C. § 981(a)(1)(A). Pursuant to agreement with the United States and in order to compromise the claim, MCKINSEY US has agreed not to contest the allegation by the United States, solely for purposes of this Stipulation for Compromise Settlement. It is understood and agreed by the parties that this Stipulation is for the compromise of a disputed claim and is not to be construed as an admission by MCKINSEY US that the defendant property was involved in said violation as alleged by the United States.

2. The United States agrees to waive the filing of a claim and answer by

*Exhibit A (Attachment 9B) to Agreed Order Compelling Compliance
In re: McKinsey & Company, Inc.*

Attachment 9B to Deferred Prosecution Agreement
United States v. McKinsey & Company, Inc. United States

Stipulation for Compromise Settlement

MCKINSEY US and MCKINSEY US agrees to waive the requirement of Rule G(2)(f) of the Supplemental Rules for Certain Admiralty and Maritime Claims.

3. In accordance with 19 U.S.C. § 1613(c), the United States agrees to accept the sum of \$93,546,499 (ninety-three million five hundred forty-six thousand four hundred ninety-nine dollars) from MCKINSEY US in settlement of this action. The settlement sum shall be remitted in the form of certified funds, made payable to the U.S. Department of Justice, and submitted to the U.S. Attorney's Office, or via wire transfer, per instructions provided by the United States.

4. On or before December 16, 2024, MCKINSEY US shall remit no less than \$46,773,249.50 (forty-six million seven hundred seventy-three thousand two hundred forty-nine dollars and fifty cents).

5. On or before December 16, 2025, MCKINSEY US shall remit no less than \$ 15,591,083.17 (fifteen million five hundred ninety-one thousand eighty-three dollars and seventeen cents).

6. On or before December 16, 2026, MCKINSEY US shall remit no less than \$ 15,591,083.17 (fifteen million five hundred ninety-one thousand eighty-three dollars and seventeen cents).

7. On or before December 16, 2027, MCKINSEY US shall remit no less than \$ 15,591,083.16 (fifteen million five hundred ninety-one thousand eighty-three dollars and sixteen cents) plus all accrued simple interest from December 1, 2024, at the rate of 4.34%

Exhibit A (Attachment 9B) to Agreed Order Compelling Compliance
In re: McKinsey & Company, Inc.

Attachment 9B to Deferred Prosecution Agreement
United States v. McKinsey & Company, Inc. United States

Stipulation for Compromise Settlement

per annum on the entire settlement amount.

8. Pursuant to the terms of the Security Agreement (the "Security Agreement") (Attachment 6 to the Deferred Prosecution Agreement), MCKINSEY US agrees to provide the United States, on the Effective Date of this Agreement and all times thereafter, a first priority security interest and lien on accounts receivables or other collateral as provided in the Security Agreement (the "Collateral"), in an aggregate amount equal to, on any date of determination, the lesser of (a) \$300,000,000 (three hundred million dollars) and (b) 110% of the outstanding balance of unpaid obligations. MCKINSEY US shall execute and deliver such agreements, financing statements and other collateral documents as may be required from time to time pursuant to the terms of the Security Agreement, including for purposes of granting, maintaining or perfecting the United States' lien on the Collateral. The United States shall release its lien on the Collateral as provided in the Security Agreement.

9. MCKINSEY US agrees to sign an Agreed Order of Forfeiture in connection with this Stipulation, and agrees that this forfeiture action will be stayed until further order of the Court. Upon submission of the final payment, the United States will submit a Notice of Compliance to the Court. Upon entry by the Court, this matter will be removed from the Court's active docket. MCKINSEY US understands and agrees that the Court will retain jurisdiction over this matter until the Notice of Compliance is entered by the Court, notwithstanding the Agreed Order of Forfeiture.

Exhibit A (Attachment 9B) to Agreed Order Compelling Compliance
In re: McKinsey & Company, Inc.

Attachment 9B to Deferred Prosecution Agreement
United States v. McKinsey & Company, Inc. United States

Stipulation for Compromise Settlement

10. If any payment is not made as set forth in this Order, the United States will be entitled to proceed with this forfeiture action, without limitation in amending the complaint, adding in or substituting the legal interest represented by the lien referenced in Paragraph 8 as a *res* in this action, or taking other such action necessary to preserve the government's interest. MCKINSEY US understands and agrees that the United States will be entitled to proceed to summary judgment against the legal interest represented by the lien referenced in Paragraph 8 without further proof.

11. Contingent upon the United States filing the Notice of Compliance, MCKINSEY US hereby releases and forever discharges the United States, its officers, agents, servants and employees, its heirs, successors, or assigns, from any and all actions, causes of action, suits, proceedings, debts, dues, contracts, judgments, damages, claims, and/or demands whatsoever in law or equity which its, heirs, successors, or assigns ever had, now have, or may have in the future in connection with the seizure and detention of the defendant property.

12. Contingent upon the United States filing the Notice of Compliance, MCKINSEY US further agrees to hold and save the United States, its servants, employees, heirs, successors, or assigns harmless from any claims by any others, including costs and expenses for or on account of any and all lawsuits or claims of any character whatsoever, in connection with the seizure and/or detention of the defendant property.

Exhibit A (Attachment 9B) to Agreed Order Compelling Compliance
In re: McKinsey & Company, Inc.

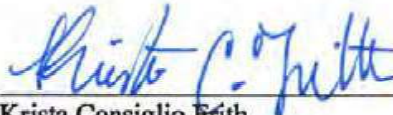
*Attachment 9B to Deferred Prosecution Agreement
United States v. McKinsey & Company, Inc. United States*

Stipulation for Compromise Settlement

13. Contingent upon the United States filing the Notice of Compliance, MCKINSEY US waives all rights to costs and attorneys' fees under any provision of law.

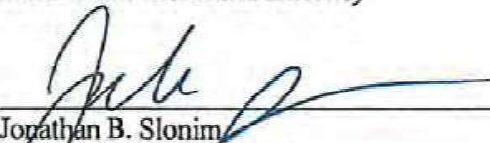
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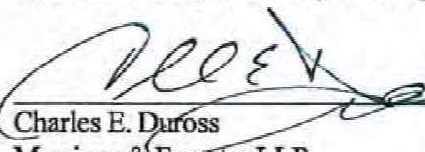
Krista Consiglio Frith
Assistant United States Attorney

12/10/24
Date:



Jonathan B. Slonim
Deputy General Counsel
Head of Legal, Americas
Partner of McKinsey & Company, Inc.
Vice President of McKinsey & Company, Inc. United States

12/10/24
Date:



Charles E. Duross
Morrison & Foerster LLP
Counsel for McKinsey & Company, Inc., United States

APPROVED AND SO ORDERED:

United States District Judge

*Attachment 9C to Deferred Prosecution Agreement
United States v. McKinsey & Company, Inc. United States*

Agreed Order of Forfeiture

**UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF VIRGINIA
ABINGDON**

UNITED STATES OF AMERICA)
)
 v.) **No.**
)
 MCKINSEY & COMPANY, INC.)
 UNITED STATES)

AGREED ORDER OF FORFEITURE

THIS DAY CAME the United States of America, by counsel, and McKinsey & Company, Inc. United States (“MCKINSEY US”), by counsel, and moved the Court for an Order of Forfeiture. In consideration thereof, the parties represented the following:

1. All persons known to the government who may have an interest in the defendant property have been given notice of the pendency of this action. No one other than claimant MCKINSEY US has appeared to claim the defendant property.
2. No additional notice or publication of this action is necessary, as the United States and claimant have agreed to settle this action for a monetary sum as substitute res as set forth in the Agreed Motion for Substitute Res.
3. This Order incorporates all terms of the Stipulation for Compromise Settlement, attached to this Order.
4. The parties have agreed to forfeit cash in lieu of the Defendant Property. They specifically agree to the forfeiture of \$93,546,499 (ninety-three million five hundred forty-six thousand four hundred ninety-nine dollars) (the “substitute res”) to be paid as follows:

*Exhibit A (Attachment 9C) to Agreed Order Compelling Compliance
In re: McKinsey & Company, Inc.*

*Attachment 9C to Deferred Prosecution Agreement
United States v. McKinsey & Company, Inc. United States*

Agreed Order of Forfeiture

- a. On or before December 16, 2024, MCKINSEY US shall remit no less than \$46,773,249.50 (forty-six million seven hundred seventy-three thousand two hundred forty-nine dollars and fifty cents);
- b. On or before December 16, 2025, MCKINSEY US shall remit no less than \$15,591,083.17 (fifteen million five hundred ninety-one thousand eighty-three dollars and seventeen cents);
- c. On or before December 16, 2026, MCKINSEY US shall remit no less than \$15,591,083.17 (fifteen million five hundred ninety-one thousand eighty-three dollars and seventeen cents);
- d. On or before December 16, 2027, MCKINSEY US shall remit no less than \$15,591,083.16 (fifteen million five hundred ninety-one thousand eighty-three dollars and sixteen cents) plus all accrued simple interest from December 1, 2024, at the rate of 4.34% per annum on the entire settlement amount.

5. The parties agree that the matter should be stayed, and that the Court should retain jurisdiction over this matter, pending payment by MCKINSEY US of all settlement sums.

IT IS HEREBY ORDERED AND ADJUDGED that:

1.. The substitute res of \$93,546,499 (ninety-three million five hundred forty-six thousand four hundred ninety-nine dollars) is forfeited to the United States pursuant to 18 U.S.C. § 981(a)(1)(A) and shall be disposed of according to law, and no right, title, or interest shall exist in claimant nor any other person or entity.

2. This matter shall be stayed, and the Court shall retain jurisdiction over this matter, until further order of the Court.

3. Each party shall bear its own costs and attorneys' fees.

4. The Clerk of this Court shall certify copies to counsel of record.

*Attachment 9C to Deferred Prosecution Agreement
United States v. McKinsey & Company, Inc. United States*

Agreed Order of Forfeiture

ENTERED THIS ____ DAY OF _____, 2024.

UNITED STATES DISTRICT COURT

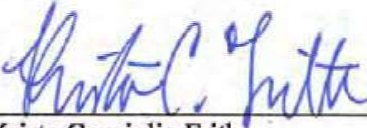
*Exhibit A (Attachment 9C) to Agreed Order Compelling Compliance
In re: McKinsey & Company, Inc.*

*Attachment 9C to Deferred Prosecution Agreement
United States v. McKinsey & Company, Inc. United States*

Agreed Order of Forfeiture

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Date:



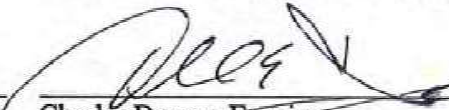
Krista Consiglio Frith
Assistant United States Attorney

12/10/24
Date:



Jonathan B. Slovic
Deputy General Counsel
Head of Legal, Americas
Partner of McKinsey & Company, Inc.
Vice President of McKinsey & Company, Inc. United States

12/10/24
Date:



Charles Duross, Esquire
Counsel for McKinsey & Company, Inc., United States

*Exhibit A (Attachment 9C) to Agreed Order Compelling Compliance
In re: McKinsey & Company, Inc.*

*Attachment 9D to Deferred Prosecution Agreement
United States v. McKinsey & Company, Inc. United States*

Agreed Motion/Order for Substitute Res

**UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF VIRGINIA
ABINGDON**

UNITED STATES OF AMERICA)
)
v.) **No.**
)
MCKINSEY & COMPANY, INC.)
UNITED STATES)

AGREED MOTION FOR SUBSTITUTE RES

The United States of America, by counsel, and McKinsey & Company, Inc. United States (“MCKINSEY US”), by counsel, move the Court for an Order to Forfeit Substitute Res. In consideration thereof, the parties represent the following:

1. The civil forfeiture complaint identified the defendant property as McKinsey & Company, Inc. United States.
2. Pursuant to the Stipulation for Compromise Settlement, the parties agree to resolve this civil forfeiture proceeding by forfeiting cash in lieu of the defendant property. Namely, the parties agree for the government to forfeit \$93,546,499 in lieu of the defendant property.
3. The parties agree the forfeiture of cash in lieu of the defendant property is otherwise nonforfeitable money.
4. As such, the parties request the Court grant the Motion for Substitute Res, allowing this matter to proceed to forfeit \$93,546,499 in lieu of the defendant property.

A proposed order is submitted herewith.

*Exhibit A (Attachment 9D) to Agreed Order Compelling Compliance
In re: McKinsey & Company, Inc.*

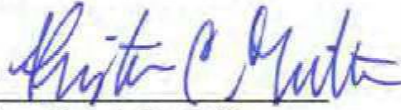
*Attachment 9D to Deferred Prosecution Agreement
United States v. McKinsey & Company, Inc. United States*

Agreed Motion/Order for Substitute Res

Respectfully submitted,

CHRISTOPHER R. KAVANAUGH
United States Attorney

Date: 12/11/24

/s/ 

Krista Consiglio Frith
Assistant United States Attorney
Virginia State Bar No. 89088
P. O. Box 1709
Roanoke, VA 24008-1709
Telephone: (540) 857-2250
Facsimile: (540) 857-2283
E-mail: krista.frith@usdoj.gov

*Exhibit A (Attachment 9D) to Agreed Order Compelling Compliance
In re: McKinsey & Company, Inc.*

*Attachment 9D to Deferred Prosecution Agreement
United States v. McKinsey & Company, Inc., United States*

Agreed Motion/Order for Substitute Res

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF VIRGINIA
ABINGDON

UNITED STATES OF AMERICA	)	
	)	
v.	)	No.
	)	
MCKINSEY & COMPANY, INC.	)	
UNITED STATES	)	

ORDER GRANTING MOTION FOR SUBSTITUTE RES

The parties moved the Court for an Order to Forfeit Substitute Res. Upon consideration of this motion, it is hereby

ORDERED

that \$93,546,499 in cash is substitute res for the Defendant Property, McKinsey & Company, Inc. United States.

ENTERED this _____ day of _____, 2024.

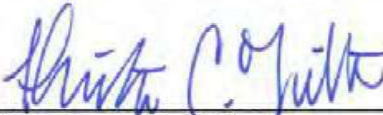
UNITED STATES DISTRICT JUDGE

*Attachment 9D to Deferred Prosecution Agreement
United States v. McKinsey & Company, Inc. United States*

Agreed Motion/Order for Substitute Res

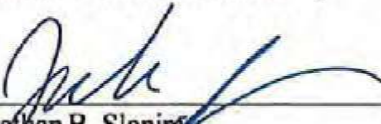
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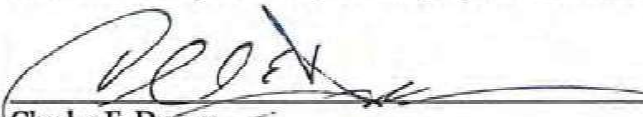
Krista Consiglio Frith
Assistant United States Attorney

12/10/24
Date:



Jonathan B. Slonina
Deputy General Counsel
Head of Legal, Americas
Partner of McKinsey & Company, Inc.
Vice President of McKinsey & Company, Inc. United States

12/10/24
Date:



Charles E. Duross
Morrison & Foerster LLP
Counsel for McKinsey & Company, Inc., United States