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August 18, 1995

VIA FACSIMILE - 202-326-2624  
CERTIFIED MAIL NO.: P 031 664 510  
DATE

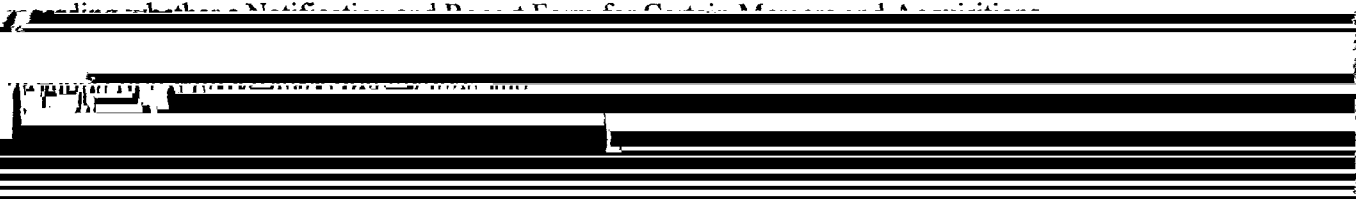
PREMERGER NOTIFICATION  
Premerger Notification Office  
Bureau of Competition  
Room 303  
Federal Trade Commission  
Washington, D. C. 20580

RE: Marketing and Distribution Agreement

Dear Mr. Rubenstein:

The purpose of this letter is to confirm our telephone conversation of August 17, 1995

Aug 21 2 26 PM '95  
FEDERAL TRADE  
COMMISSION  
PREMERGER NOTIFICATION  
OFFICE



1. Company A has a license for the exclusive right to use certain intellectual property in order to manufacture a certain pharmaceutical product ("Product"). Pursuant to such license, Company A may not sublicense such rights. In addition, Company A owns certain



"Transaction"), Company A and Company B, meet the "Size of the Parties" test and the value of the Transaction exceeds \$15,000,000.

3. Pursuant to the Marketing and Distribution Agreement to be entered into in connection with the Transaction, Company A is granting to Company B exclusive rights to sell, market and distribute the Product in the United States. Company A retains:

- (a) ownership of certain regulatory approvals (FDA rights);
- (b) its exclusive rights to manufacture the Product; and

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(c) ownership of the trademarks and copyrights with respect to the Product.

4. Company A will manufacture the Product on behalf of Company B pursuant to a Manufacturing Agreement to be executed contemporaneously with the Marketing and Distribution Agreement. *2 3 (a) (b) & (c)*

5. As part of the Transaction, Company A has the option ("Option") (exercisable by Company A at any time upon 90 days' notice) to assign, transfer and convey to Company B all of its right, title and interest in and to the Marketing Assets in accordance with parameters set forth in the Marketing and Distribution Agreement. Such Option will be only exercised to the extent allowable by Company A's license of the Product or upon the Product being available to

because the Transaction only involves the granting of marketing and distribution rights with respect to the Product, and Company A is retaining its exclusive rights to manufacture the Product and is not granting to Company B any rights with respect to the trademarks and

B upon the exercise of the Option, and (ii) the value of the Option granted pursuant this Transaction, exceeds the applicable "Size of the Transaction" threshold in effect at the time of the exercise by Company A of the Option.

Please confirm with the undersigned [redacted] of this office, by telephone

Thank you very much for your cooperation

Very truly yours,

[Redacted signature block]

[Redacted text]

*Handwritten note: H.S.P. under H.S.P. (He stated that)*

*Handwritten note: The Marketing assets were more numerous than the Product. However, exercise of the Option could result in a significant*

*Handwritten note: This will compromise the concentration on the Product*