

MONITOR AGREEMENT

This Monitor Agreement (“Monitor Agreement”) entered into this 21st day of January 2016 between Francis J. Civile and Lupin Ltd. and Lupin Inc. (collectively, “Respondent”), provides as follows:

WHEREAS, the United States Federal Trade Commission (the “Commission”), in *In the Matter of Lupin Ltd.* (Commission File No. 151-0202), has accepted or will shortly accept for public comment an Agreement Containing Consent Order, incorporating a Decision and Order (the “Order”), which, among other things, requires Respondent to divest or transfer certain defined assets and, to ensure that Respondent comply with its obligations under the Order, provides for the appointment of an Monitor;

WHEREAS, the Commission may appoint Francis J. Civile as such monitor (the “Monitor”) pursuant to the Order to monitor Respondent compliance with the terms of the Order and with the Remedial Agreements referenced in the Order, and Francis J. Civile has consented to such appointment;

WHEREAS, the Order further provides or will provide that Respondent shall execute a Monitor Agreement, subject to the prior approval of the Commission, conferring all the rights, powers and authority necessary to permit the Monitor to carry out such duties and responsibilities pursuant to the Order;

WHEREAS, this Monitor Agreement, although executed by the Monitor and Respondent, is not effective for any purpose, including but not limited to imposing rights and responsibilities on Respondent or the Monitor under the Order, until it has been approved by the Commission; and

WHEREAS, the parties to this Monitor Agreement intend to be legally bound;

NOW, THEREFORE, the parties agree as follows:

1. Capitalized terms used herein and not specifically defined herein shall have the respective definitions given to them in the Order. The term “Monitored Assets” means the categorized Doxycycline assets as defined in the Order. For avoidance of doubt “Monitored Assets” does not include the categorized Mesalamine assets, which are not controlled by Lupin, and are not subject to this Monitor Agreement.
2. The Monitor shall have all of the powers and responsibilities conferred upon the Monitor by the Order, including but not limited to:
 - a. supervising the divestiture of the Monitored Assets;
 - b. supervising compliance with the information firewall set forth in the Order at its paragraph IV.C; and
 - c. supervising the performance of any transition required by the Order.

Acquirer, together with their locations, telephone numbers, electronic mail address, and responsibilities, and will provide the Monitor with written notice of any changes in such personnel occurring thereafter;

- d. it will use reasonable efforts to provide the Monitor with prompt notification (but not later than such notification is available to other meeting participants) of significant meetings, including date, time and venue, scheduled after the execution of this Monitor Agreement, relating to the manufacture, registration, regulatory approvals, marketing, sale and divestiture of the Monitored Assets, and such meetings may be attended by the Monitor or his representative, at the Monitor's option, or at the request of the Commission or staff of the Commission;
- e. it will provide the Monitor with the minutes, if any, of the above-referenced meetings as soon as practicable and, in any event, not later than when those minutes are available to any employee of the Respondent other than Respondent's attorneys;
- f. it will provide the Monitor with all relevant correspondence, meeting minutes, telephone summaries, reports, sent to or received from the FDA

Assets including, without limitation, negotiation and operation of any supply agreements and actual supply and inventory; and

- (3) as applicable, all minutes and records of significant meetings, action plans, and follow-ups to actions plans and meetings, with the Commission-approved Acquirer related to the research, development, regulatory aspects, manufacture and supply, and technology transfer of the products included in the Monitored Assets and, upon request, Respondent shall provide the Monitor with any records exchanged at such meetings, or such other records that the Monitor may reasonably require relating to the research, development, regulatory aspects, manufacture and supply, and technology transfer of the products included in the Monitored Assets;

provided however, that, at the time the Order becomes final, the reports described in this paragraph shall be due to the Monitor either as requested by the Monitor, or within five (5) business days of the date that Respondent file their reports with the Commission as required pursuant to the relevant provision(s) of the Order;

- i. it will comply with the Monitor's reasonable requests for onsite visits to Respondent's facilities (or to any contract manufacturer's facility) used to manufacture the products included in the Monitored Assets; and
 - j. it will comply with the Monitor's reasonable requests for follow-up discussions or supplementary information concerning any reports provided to or requested by the Monitor pursuant to this Monitor Agreement, including, as applicable: meetings and discussions with the principal staff involved in any activities relating to the research, development, regulatory aspects, manufacture, sale and/or divestiture of the Monitored Assets or any product comprised therein and, further including, actions necessary to maintain all necessary FDA approvals to develop, manufacture and sell any of the products included in the Monitored Assets in the United States and to prevent the destruction, removal, wasting, deterioration or impairment of the Monitored Assets, and will provide the Monitor with access to and hard copies of all other data, records or other information that the Monitor reasonably believes are necessary to the proper discharge of his responsibilities under the Order.
5. Respondent shall promptly notify the Monitor of any significant written or oral communication that occurs after the date of this Monitor Agreement between the Commission and Respondent related to the Monitored Assets in the Order or this Monitor Agreement, together with electronic or hard copies (or, in the case of oral communications, summaries), as may be reasonably requested by the Monitor, of such communications.

6. Respondent agrees that to the extent authorized by the Order, the Monitor shall have the authority to employ, at the expense of the Respondent, and with the consent of Respondent, which will not unreasonably be withheld, such consultants, accountants, attorneys and other representatives and assistants as

Monitor shall submit invoices and expense reports to Respondent on a quarterly basis. At its own expense, Respondent may retain an independent auditor to verify such invoices. Respondent will promptly pay invoices and expense reimbursements submitted by the Monitor upon receipt of such invoices and expense reports, but no later than thirty (30) days after receipt. Late payments after thirty (30) days are subject to an interest surcharge of 1-1/2% per month.

- d. All payments for invoices and expense reports shall be made in full in US dollars by ACH direct deposit to the Monitor's designated U.S. bank account (*details to be provided by Monitor*). Any ACH charges or wire transfer charges are to be paid by Respondent.
 - e. Invoices and expense reports from Monitor are to be sent electronically to accountspayable@lupinusa.com, copying (i) Sean Moriarty, Vice President, Legal Affairs, smoriarty@lupinusa.com, (ii) hill.wellford@morganlewis.com and (iii) tmilich@morganlewis.com, to avoid any delays in processing for payment.
 - f. The Monitor shall have full and direct responsibility for compliance with all applicable laws, regulations and requirements pertaining to work permits, income and social security taxes, unemployment insurance, worker's compensation, disability insurance, and the like.
 - g. The Monitor shall continue to perform his duties during the pendency of any dispute as set forth in paragraph 19, unless otherwise directed by the Compliance Division or a court of competent jurisdiction. In the event that Respondent disputes any portion of the Monitor's invoices, Respondent shall pay the undisputed portion in the ordinary course and may withhold only the disputed portion pending the outcome of the dispute resolution process.
15. Respondent hereby confirms its obligation to indemnify the Monitor and hold the Monitor harmless in accordance with and to the extent required by the Order. Respondent shall indemnify the Monitor and any subcontractor and their respective agents, partners, principals, officers and employees (the "Indemnified Parties") and hold the Indemnified Parties harmless (regardless of form of action, whether in contract, statutory law, tort or otherwise) against any losses, claims, damages, liabilities or expenses arising out of or in connection with, the performance reasonably required under this Monitor Agreement of the Monitor's duties and obligations including all reasonable fees of counsel and other reasonable expenses incurred in connection with the preparation for, or defense of, any claim, whether or not resulting in any liability, except to the extent that such losses, claims, damages, liabilities, or expenses result from misfeasance, gross negligence, willful or wanton acts, or bad faith by the Monitor.

16. The Monitor's maximum liability to the Respondent relating to services rendered

Commission of such conflict or potential conflict.

23. In the performance of his functions and duties under this Monitor Agreement, the Monitor shall exercise the standard of care and diligence that would be expected of a reasonable person in the conduct of his own business affairs.
24. It is understood that the Monitor will be serving under this Monitor Agreement as an independent contractor and that the relationship of employer and employee shall not exist between Monitor and Respondent.
25. This Monitor Agreement is for the sole benefit of the parties hereto and their permitted assigns and the Commission, and nothing herein express or implied shall give or be construed to give any other person any legal or equitable rights hereunder.
26. This Monitor Agreement contains the entire agreement between the parties hereto with respect to the matters described herein and replaces any and all prior agreements or understandings, whether written or oral.
27. Any notices or other communications required to be given hereunder shall be deemed to have been properly given, if sent by mail, overnight courier, or fax (with acknowledgment of receipt of such fax having been received), to the applicable party at its address below (or to such other address as to which such party shall hereafter notify the other party).

If to the Monitor, to:

Francis J. Civile
1 Corda Lane
Warren, New Jersey 07059

Telephone: (732) 428-7012
Facsimile: (732) 428-7240
Mobile: (973) 727-6832
Email: fjciville@aol.com

If to Respondent, to:

Hill B. Wellford
Morgan, Lewis & Bockius LLP
1111 Pennsylvania Ave NW
Washington, DC 20004
Telephone (202) 739-5729
Mobile (703) 966-5529
Email hill.wellford@morganlewis.com

If to the Commission, to:

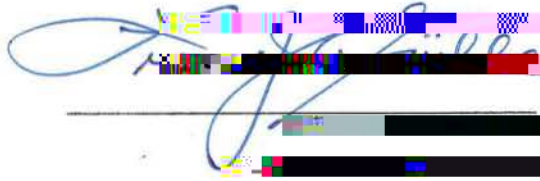
Federal Trade Commission
600 Pennsylvania Avenue, NW
Washington, DC 20580
Attn.: Jennifer Lee
Telephone: (202) 326-2246
Email: jlee@ftc.gov

29. This Monitor Agreement shall not become binding until it has been approved by the Commission and the Order has been accepted for public comment.
30. This Monitor Agreement may be signed in counterparts.

[signature page follows; remainder of this page is blank]

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals this _____ day of _____, 20____.

Francis _____



By _____

Hill, B. Wellford,
Morgan Lewis & Bockius LLP

