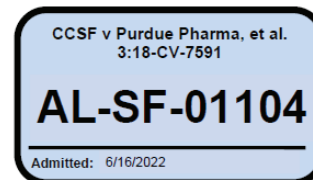


TERM SHEET FOR MANUFACTURING AND SUPPLY AGREEMENT

Certain capitalized terms used but not defined herein shall have the respective meanings ascribed to such terms in the Master Purchase Agreement.

NO	TERM	DESCRIPTION														
1.	Subject Matter	Pursuant to the Master Purchase Agreement, a Manufacturing and Supply Agreement (the “ Agreement ”) is to be entered into between Buyer Parent, or one of its Affiliates, and Seller Parent, or one of its Affiliates, under which Buyer Parent (“ Manufacturer ”) will supply Seller Parent (“ Purchaser ”) with the products listed on Part 1 of Schedule A to this term sheet (“ Manufactured Products ”). ¹ For clarity, the Manufactured Products are currently branded products. If Seller Parent identifies additional products remaining in the Retained Business that are manufactured in a Transferred Manufacturing Plant and that are not listed on Part 1 of Schedule A, Buyer Parent will consider in good faith Seller Parent’s request to have such products be manufactured by Manufacturer under the Agreement.														
2.	Term and Termination	The Agreement will have a 7 year initial term with customary termination provisions for transactions of this nature to be negotiated. The Agreement will renew on an annual basis thereafter, unless either party has given at least 6 months’ prior notice of non-renewal.														
3.	Charges and COGs	<p>* The charge for the relevant Manufactured Product will be equivalent to the COGs (as described below) plus the percentage specified for the relevant year in the table below:</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="text-align: center;">Contract year</th> <th style="text-align: center;">Percentage of COGs</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">1</td> <td style="text-align: center;">8%</td> </tr> <tr> <td style="text-align: center;">2</td> <td style="text-align: center;">8%</td> </tr> <tr> <td style="text-align: center;">3</td> <td style="text-align: center;">8%</td> </tr> <tr> <td style="text-align: center;">4</td> <td style="text-align: center;">8%</td> </tr> <tr> <td style="text-align: center;">5</td> <td style="text-align: center;">10%</td> </tr> <tr> <td style="text-align: center;">6</td> <td style="text-align: center;">10%</td> </tr> </tbody> </table>	Contract year	Percentage of COGs	1	8%	2	8%	3	8%	4	8%	5	10%	6	10%
Contract year	Percentage of COGs															
1	8%															
2	8%															
3	8%															
4	8%															
5	10%															
6	10%															



¹ The parties will also enter into a separate purchase agreement (the “**Reciprocal Agreement**”) pursuant to which Seller will manufacture for Buyer Parent certain Products (as such term is defined in the Master Purchase Agreement), including authorized generic products and including the products listed on Part 2 of Schedule A to this term sheet, that are manufactured in manufacturing facilities that are part of the Retained Business, in each case on the same terms as the agreement contemplated by this term sheet ; provided, however, that Section 5 (Noncompete) will not apply to Item 1 on Part 2 of Schedule A to this term sheet (Namenda IR).

		7	10%	<ul style="list-style-type: none"> * The price of the Manufactured Products will be set at least thirty (30) days in advance of the commencement of each calendar year during the term of the Agreement, based on the COGS for the Manufactured Product existing at such time and the percentage set forth in the table above. Such price shall apply for the entire calendar year, provided that the Manufacturer’s reasonable costs for maintaining any required idle capacity will be added throughout the year, as applicable. * COGS means Seller Parent’s fully absorbed 2015 costs for the applicable Manufactured Product and will be adjusted on an annual basis based on inflation and any actual changes in material costs. * The price of any additional services that Manufacturer performs (including stability testing, annual reporting etc.) will be on terms to be agreed upon in the Agreement. * Customary payment terms (e.g., as to currency, timing and other mechanisms and details) will apply.
4.	Intellectual property rights (“IPRs”)	<ul style="list-style-type: none"> * All inventions arising during the term of the Agreement and under the Agreement (“Inventions”) and IPRs therein that are primarily related to the Retained Business will be owned by Seller Parent. * All Inventions and IPRs therein that are primarily related to the Business will be owned by Buyer Parent. 		
5.	Noncompete	<p>During the term of the Agreement, Manufacturer shall not manufacture or sell to any third party any finished product containing the same active ingredient and having the same dosage as the NDA for the products listed on Part I of Schedule A, provided that nothing herein shall restrict the operations of the [Titanium] Active Pharmaceutical Ingredient Business and nothing herein shall restrict Manufacturer from manufacturing or selling to any third party any finished product that is being or has been developed, commercialized, manufactured, sold, promoted or distributed by Buyer Parent or any of its Controlled Affiliates (including any such products that are under development) at any time prior to the Closing.</p>		
6.	Additional Terms	<p>Additional terms including short form data protection clauses, representations and warranties, indemnification, limitation of liability, forecasts, firm orders, delivery requirements and timing, technology transfer, assignment, force majeure, provisions regarding defects and recalls, regulatory matters and other terms and conditions typically contained in agreements governing the supply of pharmaceutical products of similar nature to be negotiated in good faith.</p>		
7.	Governing law and jurisdiction	<p>The laws of New York, USA will govern the Agreement. The parties would submit any disputes arising under or in connection with the Agreement for resolution by a court of competent jurisdiction in New York, New York, USA.</p>		

Schedule A

Manufacturing Arrangements

Part 1: Manufactured Products to be manufactured by Buyer

1	Actigall	Goa / Florida
2	Alora	Salt Lake City
3	Androderm	Salt Lake City
4	Codran Tape	Salt Lake City
5	Crinone Gel	Salt Lake City
6	Estrace tabs	Fajardo
7	Estrostep	Fajardo
8	Femcon	Fajardo
9	Femhrt	Fajardo
10	Femring	Warner Chilcott UK Ltd (Larne)
11	Fiorinal/Cod USP	Florida
12	Generess	Fajardo
13	Kadian ER	Elizabeth, NJ
14	Lo Loestrin	Fajardo
15	Lo Minastrin	Fajardo
16	Loestrin	Fajardo
17	Microzide	Goa / Florida
18	Minastrin	Fajardo
19	Norco	Manati
20	Nor-QD	Fajardo
21	Ovcon	Fajardo
22	Oxytrol (US)	Salt Lake City
23	Rapaflo	Dupnitsa
24	Sarafem	Fajardo

Part 2: Products to be manufactured by Seller

	Product Family	Manufacturing Site
1	Namenda IR	Clonshaugh
2	Acrel	Weiterstadt
3	Actonel	Weiterstadt
4	Pantoprazole	Weiterstadt

