

Verne, B. Michael

801.2

From: [REDACTED]
Sent: Tuesday, December 18, 2007 8:45 PM
To: Verne, B. Michael
Subject: License question

Hi, Mike -
Would you mind giving your thoughts on the following:

Company A will license to Company B certain technology and intellectual property rights with respect to several pharmaceutical products (the "Licensed Products") for a three year period in the U.S. The license purports to be an "exclusive" license; however, Company A retains the right to manufacture the Licensed Products for sale to Company B or resale outside of the U.S. At the end of three years, Company B will have the option to purchase Company A's title and interest in and to the NDAs, ANDAs, trademarks and other assets related to the Licensed Products, including obtaining manufacturing rights to such products. Do you agree that the initial license is non-exclusive for HSR purposes and will not be deemed to be the transfer of an asset due to the fact that Company A retains manufacturing rights? Do you further agree that an HSR filing may be triggered in three years time if Company B decides to exercise the option to purchase the Licensed Products (such HSR filing to be made prior to Company B obtaining beneficial ownership of such products, assuming the jurisdictional thresholds of the HSR Act are met)?

Thanks,
[REDACTED]



AGREE WITH BOTH
CONCLUSIONS
[Signature]
12/19/07

Circular 230 Disclosure (R&G): To ensure compliance with Treasury Department regulations, we inform you that any U.S. tax advice contained in this communication (including any attachments) was not intended or written to be used, and cannot be used, for the purpose of avoiding U.S. tax-related penalties or promoting, marketing or recommending to another party any tax-related matters addressed herein.

This message (including attachments) is privileged and confidential. If you are not the intended recipient, please delete it without further distribution and reply to the sender that you have received the message in error.