

November 16, 2006

Mr. Kevin Wingerter  
Schnucks Pharmacy  
Email: [kwingerter@schnucks.com](mailto:kwingerter@schnucks.com)

Dear Mr. Wingerter:

Mallinckrodt Pharmaceuticals is pleased to offer this contract modification to Schnucks Pharmacy to add the below-listed products to the existing contract (effective December 29, 2004 through December 28, 2009) between Schnucks Pharmacy and Mallinckrodt Pharmaceuticals.

NDC#	Product/Description	Size	Indirect Price Per Bottle	Net Price Per Bottle	Case Qty
0406					
2003-01	Azathioprine Tablets 50mg	100's	\$15.11	\$13.60	24
2065-03	Simvastatin Tablets 5mg	30's	\$11.39	\$10.25	24
2066-90	Simvastatin Tablets 10mg	90's	\$37.19	\$33.47	24
2067-90	Simvastatin Tablets 20mg	90's	\$44.53	\$40.08	24
2068-90	Simvastatin Tablets 40mg	90's	\$66.29	\$59.66	24
2069-03	Simvastatin Tablets 80mg	30's	\$26.43	\$23.79	24

Azathioprine and Simvastatin are not yet FDA approved. Mallinckrodt Pharmaceuticals will keep Schnucks Pharmacy updated on the status of the approvals as well as the first available ship date of each product.

These products will be eligible for the ten percent (10%) rebate (reflected above as "Net Price Per Bottle") currently in place between Schnucks Pharmacy and Mallinckrodt Pharmaceuticals.

#### **Five Percent Stocking Allowance**

In addition, subject to the requirements described below, Mallinckrodt Pharmaceuticals will pay Schnucks Pharmacy a five percent (5%) Stocking Allowance on Schnucks Pharmacy's initial order of the below-listed products up to a maximum of three thousand, four hundred fifty-seven dollars and eighty-three cents (\$3,457.83). The Stocking Allowance for each product will be calculated by taking five percent (5%) of the total indirect price from Schnucks Pharmacy's initial order of the product; provided that if Schnucks Pharmacy's initial order is for more bottles than the Number of Bottles listed for the product in the chart below, the Stocking Allowance will be capped at the amount set forth in the Maximum Stocking Allowance column for the product. The Number of Bottles listed for each product is based upon the information that Schnucks Pharmacy provided to Mallinckrodt Pharmaceuticals and is approximately equal to what Schnucks Pharmacy believes its purchases of the product will be over a thirty (30) day period. No additional Stocking Allowance amount will be paid on bottles purchased in excess of the Number of Bottles listed for a product. The Stocking Allowance earned shall be paid via check to Schnucks Pharmacy either within forty-five (45) days after Schnucks Pharmacy's initial order or thirty (30) days after Schnucks Pharmacy pays for the initial order, whichever date is later.

*The information contained in this proposal is confidential and may only be used by Schnucks Pharmacy to evaluate Mallinckrodt Pharmaceuticals' bid. Any other use, copying, dissemination or distribution of this proposal is strictly forbidden.*

NDC# 0406	Product/Description	Size	Number of Bottles	Maximum Stocking Allowance
2003-01	Azathioprine Tablets 50mg	100's	170	\$128.44
2065-03	Simvastatin Tablets 5mg	30's	60	\$34.17
2066-90	Simvastatin Tablets 10mg	90's	440	\$818.18
2067-90	Simvastatin Tablets 20mg	90's	440	\$979.66
2068-90	Simvastatin Tablets 40mg	90's	380	\$1,259.51
2069-03	Simvastatin Tablets 80mg	30's	180	\$237.87

### **Miscellaneous Terms**

Upon acceptance of this agreement, Mallinckrodt Pharmaceuticals will become Schnucks Pharmacy's primary incumbent supplier of the above-listed products and will be given the opportunity to "meet or beat" any written, bona fide competitive bid for any of these products that is received by Schnucks Pharmacy.

Mallinckrodt Pharmaceuticals reserves the right, upon written notice to Schnucks Pharmacy, to adjust pricing for any of the above-listed products due to changes in the competitive marketplace or in manufacturing costs.

Pricing will be effective for the above-listed products fifteen (15) days after Mallinckrodt Pharmaceuticals' receipt of Schnucks Pharmacy's signed acceptance of this agreement. Mallinckrodt Pharmaceuticals requires fifteen (15) days to ensure the proper loading of the above-listed contract prices at AmerisourceBergen and to satisfy government compliance regulations.

Schnucks Pharmacy shall sell the products it is buying from Mallinckrodt Pharmaceuticals under this agreement to end user retail pharmacy customers only. In no event shall Schnucks Pharmacy sell Mallinckrodt Pharmaceuticals' products to any other party, including, without limitation, wholesalers/distributors or retail/warehousing chains. Schnucks Pharmacy shall purchase all Mallinckrodt Pharmaceuticals' products either directly from Mallinckrodt Pharmaceuticals or through a Mallinckrodt Pharmaceuticals' authorized distributor/wholesaler and not from any other source.

Schnucks Pharmacy has the sole obligation to timely, fully, and accurately report all product discounts and rebates to Medicaid, Medicare and/or third party payers in accordance with all applicable federal and state laws and regulations.

In all other respects, the existing contract remains unchanged.

**All Schnucks Pharmacy's claims for reimbursement or payment against Mallinckrodt Pharmaceuticals, including, without limitation, claims for unpaid balances, rebates, credit balances or discrepancies of any kind, however arising, must be made no later than twelve (12) months after the original invoice date to which the claim relates or Mallinckrodt Pharmaceuticals will deny the claim as untimely. The foregoing in no way affects or extends any notification periods set forth in Mallinckrodt Pharmaceuticals' return policy.**

Schnucks Pharmacy may indicate its acceptance of all of the terms and conditions contained in this proposal by signing and returning it to Mallinckrodt Pharmaceuticals. If Schnucks Pharmacy does not sign and return this proposal, then Schnucks Pharmacy's order of the above-listed Mallinckrodt Pharmaceuticals' Products shall constitute Schnucks Pharmacy's acceptance of all of the terms and conditions contained in this proposal. If there is a conflict between the terms of this proposal and any other document, this proposal shall govern.

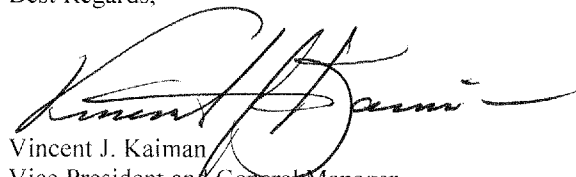
Mallinckrodt Pharmaceuticals holds this offer open for your signed acceptance until December 18, 2006. If Schnucks Pharmacy accepts this offer, please indicate that acceptance by signing this offer below and faxing to Liz Hudson at (314) 654-3383.

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If you have questions regarding the products or services offered by Mallinckrodt Pharmaceuticals, please call Liz Hudson at (800) 833-1717, ext. 43584 or Bonnie New at (314) 731-1000.

Best Regards,



Vincent J. Kaiman  
Vice President and General Manager  
Mallinckrodt Pharmaceuticals

cc: Bonnie New

ACCEPTED:

**(must be signed and returned to be effective)**

Schnucks Pharmacy

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date of Acceptance: \_\_\_\_\_

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