

## ASSET PURCHASE AGREEMENT

This Asset Purchase Agreement (this "Agreement") is made and entered into as of December 17, 2008 (the "Execution Date"), by and between [REDACTED] is [REDACTED] h, [REDACTED] C., [REDACTED] re [REDACTED] d liability [REDACTED] y ("[REDACTED]"), [REDACTED] g [REDACTED] als, [REDACTED], [REDACTED] e corporation ("King").

### RECITALS

WHEREAS, King is party to an Agreement and Plan of Merger, dated as of November 23, 2008, by and among King, Albert Acquisition Corp. and Alpha Pharma Inc. (the "Merger Agreement") pursuant to which, subject to the terms and conditions set forth therein, King has agreed to acquire Alpha Pharma Inc. ("Alpha Pharma");

WHEREAS, Alpha Pharma is engaged in the business of selling in the Territory the Product that contains morphine sulfate as its sole active ingredient that is approved for distribution as of the Closing Date in the Territory under the Regulatory Approval (the "Business");

WHEREAS, effective upon the acquisition by King of Alpha Pharma pursuant to the Merger Agreement, King desires to sell to Buyer the Product and certain related assets, and Buyer desires to purchase the Product and such assets from Seller and to assume certain related obligations; and

WHEREAS, this Agreement and the consummation of the transactions contemplated hereby are not in consideration of, or intended to induce or encourage, the settlement or other resolution of the litigation captioned King Pharmaceuticals, Inc., King Pharmaceuticals Research and Development, Inc., Elan Corporation plc and Elan Pharma International Ltd. v. Actavis, Inc. and Actavis Elizabeth LLC, Civil Action No. 07-CV-5041 (JMA, SDW) (DNJ).

### AGREEMENT

NOW, THEREFORE, in consideration of the premises and the mutual covenants and promises contained herein, and for other good and valuable consideration, the receipt and sufficiency of which hereby are acknowledged, the Parties agree as follows:

#### Article I. Definitions

##### **Section 1.01 Defined Terms**

As used in this Agreement, the following defined terms have the meanings described below:

(a) "Affiliate" means, with respect to any Person, any other Person that, directly or indirectly, through one or more intermediaries controls, is controlled by, or is under common control with, such Person. For purposes of this definition, "control" means the

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