DUPLICATE ORIGINAL

INTERIM MONITOR AGREEMENT

This Interim Monitor Agreement ("Monitor Agreement") entered into among Quantic Regulatory Services, LLC ("Quantic") and Mylan Laboratories Inc. ("Mylan or Respondent") provides as follows:

WHEREAS, the United States Federal Trade Commission (the "Commission"), has accepted or will shortly accept for Public Comment an *Agreement Containing Consent Orders*, incorporating a Decision and Order ("Decision and Order") and an Order to Maintain Assets, with Mylan and Merck (collectively, the "Orders"), which, among other things, require Respondent to divest or transfer certain defined assets and maintain those assets pending such divestiture or transfer, and provide for the appointment of one or more Interim Monitors to ensure that Respondent complies with its obligations under the Orders;

WHEREAS, the Commission may appoint R. Owen Richards of Quantic as such monitor (the "Interim Monitor") pursuant to the Orders to monitor Respondent's compliance with the terms of the Consent Agreement and Orders and with the Remedial Agreement referenced in the Orders, and to monitor the efforts of the Commission-approved Acquirers (as defined in the Orders) to obtain all necessary FDA approvals, as applicable, and Richards has consented to such appointment;

WHEREAS, the Orders further provide 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 Interim Monitor to carry out such duties and responsibilities pursuant to the Orders;

WHEREAS, this Monitor Agreement conforms with the requirements of the Orders and does not contradict the Orders;

WHEREAS, this Monitor Agreement, although subject to Commission approval, is effective for any purpose, including but not limited to imposing rights and responsibilities on Respondent or the Interim Monitor under the Orders, upon execution by the parties; 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 Consent Agreement and the Orders. The term "Divestiture Products" means the Divestiture Products as defined in the Consent Agreement.

2. The Interim Monitor shall have all of the powers, responsibilities and protections conferred upon the Interim Monitor by the Orders, including but not limited to:

a. monitoring the transfer of the Divestiture Products, including tangible assets, contracts, Product Intellectual Property and Confidential Business Information to the Commission-approved Acquirers;

b. monitoring any redaction of Confidential Business Information retained by Respondent as required by the Orders; and

c. monitoring the performance of any transition services, including Contract Manufacture, required by the Orders.

3. Respondent hereby agrees that, upon execution by both parties of this Monitor Agreement, Respondent will fully comply with all terms of the Orders requiring it to confer all rights, powers, authority and privileges upon the Interim Monitor, or to impose upon themselves any duties or obligations with respect to the Interim Monitor, to enable the Interim Monitor to perform the duties and responsibilities of the Interim Monitor thereunder.

4. Respondent further agree that:

a. it will use its best efforts to ensure that any Commission-approved Acquirer enters into an agreement with the Interim Monitor at or about the Closing Date governing the facilitation of the Interim Monitor's duties under the Orders and the exchange of information between the Commission-approved Acquirer and the Interim Monitor;

b. no later than ten (10) business days after the Commission approves this Monitor Agreement, it will provide the Interim Monitor with the following, as applicable:

(1) a complete inventory and description of the Divestiture Products, identifying, in particular, those Divestiture Products which may require actions to maintain their viability and marketability, and the person(s) responsible for taking those actions;

(2) a complete inventory of all existing FDA approvals and pending FDA approvals for the Products included in the Divestiture Products identifying actions required to maintain or complete such approvals and identifying the person(s) responsible for taking such actions;

(3) a complete inventory of all activities or operations worldwide that relate to the manufacture of the Divestiture Products, and which relate to Respondent's compliance with the Orders, including processes and process validations which are under development, identifying the person(s) responsible for maintaining or pursuing such activities and giving an inventory of materials and records relating to such manufacture;

(4) full and complete details of all dealings with any future Commission-approved Acquirer of the Divestiture Products, including copies of all

correspondence and written reports of all contacts and discussions with any such future Commission-approved Acquirer and any draft and/or executed complete agreements, including any attached exhibits, schedules and appendices; and

(5) a complete inventory of all Patents included in the Divestiture Products related to the manufacture or sale of the Divestiture Products in the United States, identifying actions needed to maintain such Patents and the person(s) responsible for such actions;

c. it will designate a senior individual as a primary contact for the Interim Monitor and provide a written list of the principal individuals to be involved in the transitioning of the Divestiture Products to the Commission-approved Acquirers, together with their locations, telephone numbers, electronic mail addresses (if available), and responsibilities, and will provide the Interim Monitor with written notice of any changes in such personnel occurring thereafter;

d. it will provide the Interim Monitor with prompt notification of significant meetings, including date, time and venue, scheduled after the execution of this Monitor Agreement, relating to the development, manufacture, registration, regulatory approvals, marketing, sale and divestiture of the Divestiture Products, and such meetings may be attended by the Interim Monitor or his representative, at the Interim Monitor's option or at the request of the Commission or staff of the Commission;

e. it will provide the Interim Monitor with the minutes, if any, of the above-referenced meetings as soon as practicable and, in any event, not later than those minutes are available to any employee of the Respondent;

f. it will provide the Interim Monitor with all correspondence, meeting minutes, telephone summaries, reports, sent to or received from the FDA relating to the Divestiture Products;

g. it will provide the Interim Monitor with electronic or hard copies, as may be appropriate, of all reports submitted to the Commission pursuant to the Consent Agreement and the Orders, simultaneous with the submission of such reports to the Commission;

h. to the extent not reflected in the reports submitted to the Commission pursuant to the Consent Agreement and the Orders, it will provide every (3) months commencing one (1) month after the Consent Agreement is accepted by the Commission for public comment, or as reasonably requested by the Interim Monitor, electronic or hard copy reports to the Interim Monitor reasonably describing Respondent's activities and obligations under the Orders concerning the Divestiture Products including, without limitation to the extent applicable:

(1) all significant activities concerned with the manufacture, supply and technology transfer of the relevant Products that are identified in the Divestiture Products, including, without limitation, negotiation and operation of supply agreements, actual supply and inventory; and

(2) all minutes and records of significant meetings, action plans, and follow-ups to action plans and meetings with the Commission-approved Acquirers related to the manufacture, supply, and technology transfer of the Products identified in the Divestiture Products; and

(3) all significant activities concerning the assistance, advice and consultation provided to any Commission-approved Acquirer generally as provided in the Orders;

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

i. on request, it will provide the Interim Monitor with any and all records that relate to the manufacture of the Products identified in the Divestiture Products with the right to use them to achieve the purposes of the Orders;

j. it will comply with the Interim Monitor's requests for onsite visits and audits of Respondent's facilities (or any contract manufacturer's facility) used to manufacture the Products identified in the Divestiture Products;

k. it will comply with the Interim Monitor's reasonable requests for follow-up discussions or supplementary information concerning any reports provided to or requested by the Interim Monitor pursuant to this Agreement or in connection with any matters the Interim Monitor deems reasonably necessary to perform its responsibilities under the Orders, including, without limitation, as applicable, meetings and discussions with the principal staff involved in any activities relating to the research, development, manufacture, sale and/or divestiture of the Divestiture Products or any Product comprised therein and, further including, actions necessary to maintain all necessary FDA or other foreign regulatory agency equivalent approvals to manufacture and sell any of the Divestiture Products, to maintain the viability and marketability of the Divestiture Products, as well as the tangible assets of the facilities used to manufacture and sell all of the Divestiture Products, and to prevent the destruction, removal, wasting, deterioration or impairment of the Divestiture Products, and will provide the Interim Monitor with access to and hard and electronic copies of all other data, records or other information that the Interim Monitor believes are necessary to the proper discharge of its responsibilities under the Orders;

l. it will provide prompt notice of any meetings, activities or events affecting or likely to affect the maintenance of the Divestiture Products, including, but not limited to, any and all meetings or communications with the FDA; and

m. it will provide the Interim Monitor with such other information, documents and the like requested by the Interim Monitor in order to carry out its responsibilities under this Monitoring Agreement.

5. Respondent shall promptly notify the Interim 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 Orders or this Monitor Agreement, together with electronic or hard copies (or, in the case of oral communications, summaries), as may be requested by the Interim Monitor, of such communications.

6. Respondent agrees that to the extent authorized by the Orders, the Interim Monitor shall have the authority to employ, at the expense of the Respondent, such consultants, accountants, attorneys and other representatives and assistants as are reasonably necessary to carry out the Interim Monitor's duties and responsibilities, including but not limited to supervising the transfer of Confidential Business Information.

7. Respondent and the Interim Monitor understand and agree that the Commission or its staff may request, pursuant to and consistent with the Orders, that the Interim Monitor investigate and/or audit Respondent's compliance with Respondent's obligations to maintain assets pursuant to the Orders, and submit such additional written or oral reports, under applicable confidentiality restrictions, to the Commission as the Commission or its staff may at any time request concerning Respondent's compliance with Respondent's obligations to maintain assets pursuant to the Orders.

8. The Interim Monitor shall maintain the confidentiality of all information provided to the Interim Monitor by Respondent. Such information shall be used by the Interim Monitor only in connection with the performance of the Interim Monitor's duties pursuant to this Agreement. Such information shall not be disclosed by the Interim Monitor to any third party other than:

a. persons engaged, employed by, or working with, the Interim Monitor under this Agreement;

b. any Commission approved Acquirer to the extent that the information is of a non-privileged nature; or

c. persons employed at, or engaged by, the Commission and working on this matter.

9. The Interim Monitor shall maintain a record of persons engaged by the Interim Monitor under this Agreement to whom confidential information provided by Respondent has been disclosed.

10. Upon termination of the Interim Monitor's duties under this Monitor Agreement, the Interim Monitor shall promptly return to Respondent all material provided to the Interim Monitor by Respondent that is confidential to Respondent and that it is entitled to have returned to it under the Orders, and shall destroy any material prepared by the Interim Monitor that contains or reflects any confidential information of Respondent provided that the Commission staff does not require the Interim Monitor to maintain the materials, and provided, that, notwithstanding the foregoing, Interim Monitor shall be entitled to keep one copy of such information in its confidential files. Nothing herein shall abrogate the Interim Monitor's duty of confidentiality, including the obligation to keep such information confidential for a period of five (5) years after the termination of this Monitor Agreement.

11. In addition, the Interim Monitor shall keep confidential for a period of five (5) years all other aspects of the performance of its duties under this Monitor Agreement and shall not disclose any confidential or proprietary information relating thereto. To the extent that the Interim Monitor wishes to retain any employee, agent, consultant or any other third party to assist the Interim Monitor in accordance with the Orders, the Interim Monitor shall ensure that such persons execute an appropriate confidentiality agreement.

For the purposes of this Section and Sections 8, 9 and 10, information shall not be considered confidential or proprietary to the extent that it is or becomes part of the public domain (other than as the result of any action by the Interim Monitor or by any employee, agent, affiliate or consultant of the Interim Monitor), or to the extent that the recipient of such information can demonstrate that such information was already known to the recipient at the time of receipt or becomes known to the recipient from a source other than Respondent, or any director, officer, employee, agent, consultant or affiliate of Respondent, when such source is entitled to make such disclosure to such recipient or such information was independently developed by Interim Monitor as evidenced by written records.

12. Nothing in this Monitor Agreement shall require Respondent to disclose any material or information that is subject to a legally recognized privilege or that Respondent is prohibited from disclosing by reason of law or an agreement with a third party.

13. The Interim Monitor shall not have a fiduciary responsibility to the Respondent, but shall have fiduciary duties to the Commission.

14. Each party shall be reasonably available to the other to discuss any questions or issues that either party may have concerning compliance with the Orders as it relates to Respondent.

15. Respondent will pay the Interim Monitor in accordance with the fee schedule attached hereto as Confidential Exhibit A for all time spent in the performance of the Interim Monitor's duties including all monitoring activities related to the efforts of the Commission-approved Acquirers of the Divestiture Products (including any and all such activities performed prior to the date of this Agreement), all work in connection with the

negotiation and preparation of this Monitor Agreement, and all reasonable and necessary travel time. Every six months such hourly rates should be reviewed and may be adjusted by agreement with Respondent.

a. In addition, Respondent will pay (i) all out-of-pocket expenses incurred by the Interim Monitor in the performance of the Interim Monitor's duties, including any auto, train or air travel in the performance of the Interim Monitor's duties, international telephone calls, and (ii) all fees and disbursements incurred by such consultants, accountants, attorneys, investment bankers, business brokers, appraisers, and other representatives and assistants as are reasonably necessary to carry out the Interim Monitor's duties.

b. Any expense charged to a credit card incurred in a currency other than U.S. dollars shall be converted into dollars for expense reimbursement purposes at the exchange rate used for said credit card transaction and any ancillary cash expenses for which a credit card is not possible shall be converted at the exchange rate for which said currency was purchased.

c. The Interim 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.

16. Respondent hereby confirms its obligation to indemnify the Interim Monitor and hold the Interim Monitor harmless in accordance with and to the extent required by the Orders (and, upon direction by the Commission to the Interim Monitor to divest any Divestiture Products).

Without in any way limiting the generality of the foregoing, Respondent shall indemnify the Interim Monitor and any subcontractor and their respective consultants, agents, partners, principals, directors, officers, members, managers 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 of the Interim Monitor's duties and obligations including all reasonable fees of counsel and other reasonable expenses incurred in connection with the preparations 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 are finally judicially determined to result from the willful misconduct of the Interim Monitor. This section shall survive the expiration or termination of this Agreement.

17. The Interim Monitor's maximum liability to the Respondent relating to services rendered pursuant to this Agreement (regardless of the form of the action, whether in contract, statutory law, tort, or otherwise) shall be limited to the total sum of the fees paid to the Interim Monitor by Respondent, not to exceed two hundred fifty thousand dollars ($250,000). IN NO CIRCUMSTANCES WHATSOEVER SHALL INTERIM

MONITOR BE LIABLE FOR ANY SPECIAL, INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES. The Interim Monitor is not responsible for evaluating the legal or technical sufficiency of any documents, materials or actions of Respondent or the Commission-approved Acquirers under the Orders. The Interim Monitor shall not incur any liability of any nature for the failure of Respondent, any Commission-approved Acquirer, or the Commission to perform any acts, or not perform any acts. This section shall survive the termination or expiration of this Agreement.

18. Respondent agree that the Respondent's obligations to indemnify the Interim Monitor extend to (i) any agreement that is entered between the Interim Monitor and any Commission-approved Acquirer and any action under this Monitor Agreement and the Orders related to the Commission-approved Acquirer(s)s and (ii) any and all Interim Monitor responsibilities under this Monitor Agreement or the Orders. This section shall survive the termination or expiration of this Agreement.

19. Upon this Monitor Agreement becoming effective, the Interim Monitor shall be permitted, and Respondent shall be required, to notify all current Commission-approved Acquirers and potential future Acquirers with respect to its appointment as Interim Monitor.

20. In the event that a disagreement or dispute between Respondent and the Interim Monitor cannot be resolved by the parties, either party may seek the assistance of the individual in charge of the Commission's Compliance Division to resolve this issue. In the event that such disagreement or dispute cannot be resolved by the parties, the parties shall submit the matter to binding arbitration before the American Arbitration Association under its Commercial Arbitration Rules, but only if the individual in charge of the Commission's Compliance Division determines within the Commission's reasonable discretion that such a matter is appropriate for submission to the American Arbitration Association. Binding arbitration shall not be available, however, to resolve any disagreement or dispute concerning the Respondent's obligations pursuant to the Orders.

21. This agreement shall be subject to the substantive law of the State of New Jersey (regardless of any other jurisdiction's choice of law principles).

22. This Monitor Agreement shall terminate when the last obligation under the relevant Remedial Agreement(s) has been fully performed, and the relevant Commission-approved Acquirer(s) (or the Designee(s) of such Commission-approved Acquirer(s)) is (are) fully validated, qualified, and approved by the FDA and able to manufacture in commercial quantities each of the relevant Divestiture Products independently of Respondent. The FTC will consult with the Interim Monitor to determine when each such Commission-approved Acquirer has met the criteria set forth in the preceding sentence with respect to each Divestiture Product. The Commission may extend this Monitor Agreement as may be necessary or appropriate to accomplish the purposes of the Orders. The confidentiality and indemnity obligations of this Monitor Agreement shall survive its termination.

23. It is understood that the Interim Monitor will be serving under this Interim Monitor Agreement as an independent contractor and that the relationship of employer and employee shall not exist between Interim Monitor and Respondent.

24. This 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.

25. This 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.

26. Any notices or other communication required to be given hereunder shall be deemed to have been properly given if sent by mail, reputable 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 Interim Monitor, to:

Quantic Regulatory Services, LLC
R. Owen Richards
President
5N Regents Street
Suite 502
Livingston, NJ 07039

If to Respondent, to:

Stuart A. Williams
Chief Legal Officer
Mylan Pharmaceuticals Inc.
1500 Corporate Drive, Suite 400
Canonsburg, PA 15317
Phone: (724) 514-1824
Fax: (724) 514-1871

If to the Commission:

Federal Trade Commission
601 New Jersey Avenue, N.W.
Washington, DC 20580
Attn.: David Von Nirschl
Telephone: 202-326-3213
Email: dnirschl@ftc.gov

27. This Monitor Agreement shall become binding upon execution, although it will be subject to approval by the Commission.

28. This Monitor Agreement may be signed in counterparts.

[Remainder of Page Intentionally Left Blank.]

IN WITNESS WHEREOF, the parties hereto have executed this Monitor Agreement as of the 27th of August, 2007.

Quantic Regulatory Services, LLC

R. Owen Richards
President

Name:
Title:

Mylan Laboratories Inc.

Name: Stuart A. Williams
Title: Chief Legal Officer

Name:
Title:

APPROVED AS TO FORM
MYLAN LEGAL DEPT.
DATE: 8/27/07
BY: