Notice to Employees of AstraZeneca Pharmaceuticals LP and AstraZeneca LP, of Application for Authorization Under Prohibited Transaction Exemption 96-62, as Amended

Purpose of This Document

You are hereby notified that AstraZeneca Pharmaceuticals LP and AstraZeneca LP and their affiliates, including Astra Tech, Inc., Aptium Oncology, Inc., AstraZeneca Latin America, Inc., and Medlmmune LLC (collectively, "AstraZeneca") and AZ-Mont Insurance Company ("AZ-Mont"), a captive insurance company wholly owned by an affiliate of AstraZeneca, have applied to the U.S. Department of Labor ("DOL") for authorization that the prohibited transaction rules of the Employee Retirement Income Security Act of 1974, as amended ("ERISA") do not apply to a reinsurance transaction. This notice informs you of the application to the DOL and certain changes to the business travel accident ("BTA") benefits offered under the AstraZeneca Business Travel Accident Insurance Plan (the "Plan"), and describes your right to comment to the DOL about the proposed transaction.

The authorization from DOL is necessary because AZ-Mont is an affiliate of AstraZeneca. Because of the relationship between AZ-Mont and AstraZeneca, such reinsurance would otherwise constitute a prohibited transaction under ERISA.

The transaction involves the reinsurance of risks and the receipt of premiums by AZ-Mont from insurance contracts currently funding BTA benefits offered under the Plan.

Overview

The Plan, which covers active employees, will be insured with the Zurich American Insurance Company ("Zurich"). Zurich, through an affiliate, will reinsure 100% of the risks with AZ-Mont. The Plan Administrator of the Plan has determined that the transaction is in the best interest of the participants and beneficiaries of the Plan because of benefit improvements that have been provided to them in anticipation of the transaction's authorization by the DOL. The authorization by the DOL will be subject to the conditions described below and set forth in more detail in Exhibit A.

The reinsurance arrangement is simply an internal arrangement between AZ-Mont and Zurich. Zurich will insure the benefits provided to you under the Plan.

Parties to the Proposed Reinsurance Transaction

AstraZeneca

AstraZeneca is one of the world's leading pharmaceutical companies. AstraZeneca Pharmaceuticals LP and AstraZeneca LP are U.S. affiliates of AstraZeneca PLC, headquartered in London, England, United Kingdom. In the U.S., AstraZeneca is headquartered in Wilmington, Delaware. AstraZeneca has a full range of products in five therapeutic areas (including cardiovascular, gastrointestinal, neuroscience, oncology, and respiratory) which treat conditions and diseases ranging from asthma to gastroesophageal reflux disease to heart disease. Astra7eneca is also one of the top investors in pharmaceutical research and development in the world. Last year, the company spent over $5 billion on R&D. The AstraZeneca family of companies employs over 67,000 people worldwide, with approximately 23,000 employees in the U.S. In 2007, AstraZeneca's global sales were $29.6 billion.

AZ-Mont

AZ-Mont is a captive insurance and reinsurance corporation wholly-owned by AstraZeneca UK Ltd. AZ-Mont was established in Vermont on June 23, 1994 (under the name Z-Mont Insurance Company), to provide direct coverage to AstraZeneca and affiliates for various exposures. AZ-Mont was issued a Certificate of Authority permitting it to transact the business of a captive insurance company by the State of Vermont Department of Banking, Insurance, Securities and Health Care Administration on December 12, 1994. The Certificate of Authority permits AZ-Month to provide reinsurance of the type that is the subject of the request for authorization of the DOL.

AZ-Mont provides the following coverages to AstraZeneca and its subsidiaries in the U.S. and Canada: Auto Physical Damage and Contingent Life. Further, pursuant to earlier prohibited transaction exemptions, AZ-Mont reinsures risks associated with AstraZeneca's life insurance and long-term disability plans. As of December 31, 2007, AZ-Mont had total assets of $49,434,570 and the gross written premium was $20,858,560.

The Plan

AstraZeneca provides employer-paid business travel accident insurance for eligible employees under the AstraZeneca Business Travel Accident Insurance Plan (the " Plan"). The Plan provides a range of benefits to eligible employees who become injured while traveling on AstraZeneca business, including an accidental death or dismemberment ("AD&D") benefit that provides a benefit in the amount of seven times an employee's annual earnings (up to $3,500,000) on the death or dismemberment of an employee traveling on AstraZeneca business. The Plan also provides an AD&D benefit of $100,000 on a spouse or minor child traveling with an employee under certain circumstances, and a benefit of $250,000 for a non-employee member of a committee of AstraZeneca's Board of Directors. (These benefit levels are referred to as the "Principal Sum"). As of December 31, 2007, the Plan provided business travel accident insurance to approximately 15,427 participants. The Plan has the plan number 513. The official name of the Plan is: AstraZeneca Business Travel Accident Insurance Plan. The federal employer identification number of AstraZeneca Pharmaceuticals LP, the plan sponsor, is 23-2967016.

Changes to the Plan

AstraZeneca recently formulated a plan to utilize AZ-Mont for the reinsurance of benefits and will make improvements, described below, to the Plan if the DOL authorization is granted. Zurich will insure the Plan with the new enhanced benefits. However, Zurich will reinsure 100% of the risks of the Plan with AZ-Mont. The changes will be effective within thirty days after authorization has been issued by DOL.

AstraZeneca will enhance benefits under the Plan in two ways. First, the current Rehabilitation Benefit will be enhanced. Currently, the Plan's Rehabilitation Benefit provides a benefit to an injured participant who participates in an approved rehabilitation program. That benefit is in an amount equal to the lesser of: (1) the actual rehabilitation training expenses incurred within two years from the date of the accident; (2) $10,000; or (3) ten percent of the participant's Principal Sum. The enhanced Rehabilitation Benefit will increase the amount of the benefit to the lesser of: (1) the actual expenses incurred within three years of the date of the accident; (2) $15,000; or (3) fifteen percent of the participant's Principal Sum. Second, the Plan's Higher Education Benefit will be enhanced. The Plan's Higher Education benefit provides an additional benefit if a participant's dependent child is attending an institution of higher learning full-time. That benefit is an amount equal to one percent of the participant's Principal Sum, up to a maximum of $5,000. The enhanced Higher Education Benefit will increase the maximum amount to $10,000.

As stated above, the reinsurance arrangement is simply an internal arrangement between AZ-Mont and Zurich. Zurich will insure the benefits provided under the Plan, including the improved benefits.

Independent Fiduciary

In connection with the application to the Astr aZeneca has retained, at its sole expense, U.S. Trust Company, N.A. ("U.S. Trust"), which provides specialized fiduciary services on behalf of employee benefit plans. U.S. Trust, as the Independent Fiduciary for the Plan, has analyzed the transaction and rendered an opinion that the requirements of subsections (a) through (f) of the draft requested authorization, attached as Exhibit A, have been complied with. In addition, U.S. Trust will represent the interests of the Plan as the Independent Fiduciary at all times with respect to the proposed transaction. U.S.

Trust will monitor compliance by the parties with the terms and conditions of the proposed transaction, and will take whatever action is necessary and appropriate to safeguard the interests of the Plan and its participants and beneficiaries with respect thereto, and to insure that the proposed transaction remains in the interest of the Plan and its participants and beneficiaries.

Overview of Exemption Conditions

The following is a summary of the principal conditions that would be imposed by the DOL authorization (a full version of which is attached as Exhibit A):

- The Plan will pay no more than adequate consideration for the insurance contracts.

- No commissions will be paid by the Plan with respect to the direct sale of such contracts or the reinsurance thereof.

- In the initial year of any such contract involving AZ-Mont, there will be an immediate and objectively determined benefit to the participants and beneficiaries of the Plan in form of increased benefits.

- AstraZeneca has retained an independent fiduciary, at its sole expense, to analyze the transaction and render an opinion that the requirements of subsections (a) through (f) of Exhibit A are complied with.

Tentative Authorization of Proposed Transaction

Authorization of the DOL was requested under a procedure, Prohibited Transaction Exemption ("PTE") 96-62, which requires that at least two prior exemptions that are substantially similar to the proposed transaction have been granted by the DOL. A description of these transactions and the DOL's comments relating thereto may be found in the Federal Register as Prohibited Transaction Exemptions 2004-12 (Svenska Cellulosa Akiebolaget) ("SCA"), 69 Fed. Reg. 40978 (July 7, 2004) and 2000-48 (Columbia Energy Group) ("Columbia"), 65 Fed. Reg. 60452 (Oct. 11, 2000). The proposed transaction is also substantially similar to Prohibited Transaction Exemption 2004-17E (Alcon Laboratories, Inc.) ("Alcon") (Aug. 19, 2004). Like the proposed transaction, the exemptions granted to SCA, Columbia, and Alcon involved the reinsurance of insurance with a captive reinsurer. Each of the exemptions involved an improvement to benefits, and in each case an independent fiduciary was appointed to review the transaction on behalf of the plan and its participants.

The proposed transaction described in this notice has met the requirements for tentative authorization from the DOL under PTE 96-62. Unless the DOL otherwise notifies AstraZeneca, a final authorization would be effective December 20, 2008.

Your Right to Comment on Tentative Authorization

As an interested party, you have the right to submit comments to the DOL on the tentative authorization. If you decide to do so, you should submit your comments to the following address:

Employee Benefits Security Administration
Office of Exemption Determinations, Division of Individual Exemptions
U.S. Department of Labor
200 Constitution Avenue, N.W.
Room N-5700
Washington, D.C. 20210

Attn: Gary Lefkowitz - Re: E-00606

Be sure to refer to the submission number, which is E-00606. Comments must be received by the DOL no later than December 15, 2008.

Comments may be faxed or e-mailed to the DOL. The fax number is (202) 219-0204 and the e-mail address is lefkowitz.gary@dol.gov. If you have questions regarding your right to comment on this tentative authorization, you may call Gary Lefkowitz at (202) 693-8546.

We expect to implement the reinsurance program within 30 days of the date of final authorization.

If you have any questions about your benefits under the plans maintained by AstraZeneca, please contact Kathy Brooke, U.S. Director of Benefits, via e-mail at Kathleen.Brooke@astrazeneca.com, or via telephone at (302) 885-4322.

Exhibit A

Pending Authorization

[**AstraZenecal**

The restrictions of sections 406(a) and 406(b) of the Employee Retirement Income Security Act of 1974, as amended (the "Act") shall not apply to the reinsurance of risks and the receipt of premiums therefrom by AZ-Mont ("AZ-Mont") in connection with an insurance contract sold by the Zurich American Insurance Company ("Zurich"), or any successor insurance company to Zurich which is unrelated to AstraZeneca Pharmaceuticals LP and AstraZeneca LP and their affiliates, including Astra Tech, Inc., Aptium Oncology, Inc., AstraZeneca Latin America, Inc., and Medlmmune LLC (collectively, "AstraZeneca"), to provide business travel accident ("BTA") benefits to participants in the AstraZeneca Business Travel Accident Insurance Plan (the "Plan"), provided that the following conditions are met:

(a) AZ-Mont -

(1) Is a party in interest with respect to the Plans by reason of a stock or partnership affiliation with AstraZeneca that is described in section 3(14)(E) or (G) of the Act;

(2) Is licensed to sell insurance or conduct reinsurance operations in at least one State as defined in section 3(10) of the Act;

(3) Has obtained a Certificate of Authority from the Insurance Commissioner of its domiciliary state that has neither been revoked nor suspended;

(4)(A) Has undergone an examination by an independent certified public accountant for its last completed taxable year immediately prior to the taxable year of the reinsurance transaction. In addition, the independent certified public accountant will examine AZ-Mont's reserves on an annual basis in connection with the employee benefits business to be reinsured by AZ-Mont to ensure that appropriate reserve levels are maintained. Further, such accountant must prepare and furnish its report to the independent plan fiduciary contemporaneously with the filing of such report with the Insurance Commissioner of the State; or

(B) Has undergone a financial examination (within the meaning of the law of its domiciliary State) by the Insurance Commissioner of the State within 5 years prior to the end of the year preceding the year in which the reinsurance transaction occurred; and

(5) Is licensed to conduct reinsurance transactions by a State whose law requires that an actuarial review of reserves be conducted annually by an independent firm of actuaries and reported to the appropriate regulatory authority; and

(b) The Plan pays no more than adequate consideration for the insurance contracts;

(c) No commissions are paid by the Plan with respect to the direct sale of such contracts or the reinsurance thereof,

(d) In the initial year of any contract involving AZ-Mont, there will be an immediate and objectively determined benefit to the Plan's participants and beneficiaries in the form of increased benefits that are described in the notice to interested persons;

(e) In subsequent years, the formula used to calculate premiums by Zurich or any successor insurer will be similar to formulae used by other insurers providing comparable life coverage under similar programs. Furthermore, the premium charge calculated in accordance with the formula will be reasonable and will be comparable to the premium charged by the insurer and its competitors with the same or a better rating providing the same coverage under comparable programs;

(f) The Plan only contracts with insurers with a financial strength rating of A or better from A.M. Best Company (Best's). The reinsurance arrangement between the insurer and AZ-Mont will be indemnity only, i, e., the insurer will not be relieved of liability to the LTD Plans should AZ-Mont be unable or unwilling to cover any liability arising from the reinsurance arrangement;

(g) The Plan retains an independent fiduciary (the "Independent Fiduciary") at AstraZeneca's expense, to analyze the transactions and render an opinion that the requirements of sections (a) through (f) have been complied with. For purposes of this exemption,, the Independent Fiduciary is a person who:

(1) Is not directly or indirectly, through one or more intermediaries, controlling, controlled by, or under common control with AstraZeneca or AZ-Mont (this relationship hereinafter referred to as an "Affiliate");

(2) Is not an officer, director, employee of, or partner in Astr aZeneca or AZ-Mont (or any Affiliate of either);

(3) Is not a corporation or partnership in which AstraZeneca or AZ-Mont has an ownership interest or is a partner;

(4) Does not have an ownership interest in AstraZeneca, AZ-Mont, or any of either's Affiliates;

(5) Is not a fiduciary with respect to the Plan prior to the appointment; and

(6) Has acknowledged in writing acceptance of fiduciary responsibility and has agreed not to participate in any decision with respect to any transaction in which the Independent Fiduciary has an interest that might affect its best judgment as a fiduciary.

For purposes of this definition of an "Independent Fiduciary", no organization or individual may serve as an Independent Fiduciary for any fiscal year if the gross income received by such organization or individual (or partnership or corporation of which such individual is an officer, director, or 10 percent or more partner or shareholder) from AstraZeneca, AZ-Mont, or their Affiliates (including amounts received for services as Independent Fiduciary under any prohibited transaction exemption granted by the Department) for the fiscal year exceeds 5 percent of that organization or individual's annual gross income from all sources for such fiscal year.

In addition, no organization or individual who is an Independent Fiduciary, and no partnership or corporation of which such organization or individual is an officer, director, or 10 percent or more partner or shareholder, may acquire any property from, sell any property to, or borrow funds from AstraZeneca, AZ-Mont, or their Affiliates during the period that such organization or individual serves as Independent Fiduciary, and continuing for a period of six months after such organization or individual ceases to be an Independent Fiduciary, or negotiates any such transaction during the period that such organization or individual serves as Independent Fiduciary.