

Fresenius Kabi USA, LLC

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August 28, 2012

Dear Healthcare Provider:

I am writing to provide you with important information about steps Fresenius Kabi USA, LLC, and our specialty pharmaceuticals division, APP, have taken regarding the anesthetic drug Propofol (Propofol Injectable Emulsion 1%, USP) due to its possible use in executions in the United States (U.S.). We understand that one or more departments of correction in the U.S. are considering amendment of their lethal injection protocols to include Propofol.

Clearly such use is contrary to the FDA approved indications for Propofol and inconsistent with Fresenius Kabi's mission of '*Caring for life*'. Fresenius Kabi objects to the use of its products in any manner that is not in full accordance with the approved indications. At the same time, Fresenius Kabi's obligation is to protect the supply of Propofol to patients who critically rely on this medically necessary drug and to secure the availability of Propofol in all clinically approved settings. Due to its clinical and safety profile, Propofol is one of the world's most widely used anesthetics and contributes to saving the lives of millions of patients every year.

In the U.S. alone, Propofol is administered some 50 million times annually in approximately 15,000 hospitals, clinics and other health care facilities. Our intent is to ensure that this important drug continues to be immediately available to those patients and health care facilities where its use is medically necessary. As one of the most frequently used drugs for the induction of general anesthesia, Propofol needs to be quickly accessible at all times.

Because Propofol is formulated as a lipid emulsion, it requires specialized manufacturing equipment to produce it, and all forms of Fresenius Kabi Propofol are manufactured in Europe where our Company has state of the art facilities for such production. This is important because a European Union (EU) regulation prevents products that may reasonably be expected to be used in executions from being exported from the EU. Should Propofol begin to be used in executions in the U.S. and should the EU Commission place Propofol on its list of export restricted substances under the anti-torture regulation, it could severely restrict U.S. access to the drug.

To best prevent Propofol from being used for purposes other than its approved indications, Fresenius Kabi does not accept orders for Propofol from any departments of correction in the U.S., nor will we do so, and we have voluntarily instituted tighter distribution controls on all forms of our APP branded Propofol (including Diprivan®).

In the future, only selected wholesalers and distributors (see a list of Fresenius Kabi approved wholesalers and distributors with this letter) will be able to purchase Fresenius Kabi's Propofol under the condition that they agree to resell it only to acute care hospitals, clinics and health care facilities where its use is medically necessary within those facilities. Any changes to the Fresenius Kabi approved wholesalers and distributors of Propofol will be provided on our web site www.APPpharma.com.

We have also required these selected wholesalers and distributors to reject delivery to any correctional facilities and to exclude delivery to retail pharmacies or other distributors to reduce the possibility that our Propofol reaches correctional facilities.

We appreciate your understanding of our position on this matter. If you have any questions regarding availability of Propofol please contact your distributor or Fresenius Kabi customer service at 888-386-1300.

Sincerely,

A handwritten signature in black ink, appearing to read "Scott Meacham", with a long horizontal flourish extending to the right.

Scott Meacham
Executive Vice President
Chief Commercial Officer
Fresenius Kabi USA, LLC

**Fresenius Kabi USA, LLC
(formerly, APP Pharmaceuticals, LLC)**

Authorized Propofol Distributors

Effective as of August 27, 2012, Fresenius Kabi USA, LLC (“Fresenius Kabi”) has appointed the following as Authorized Propofol Distributors:

AmerisourceBergen Drug Corporation
Besse Medical, a division of ASD Specialty Healthcare, Inc.
Cardinal Health
Cesar Castillo, Inc.
Priority Healthcare Distribution, Inc. d/b/a Curascript SD Specialty Distribution
H.C. Pharmacy Central, Inc.
H. D. Smith Wholesale Drug Co. and Smith Medical Partners, LLC
Henry Schein, Inc.
Kaiser Foundation Hospitals
McKesson Corporation
Morris and Dickson Co., L.L.C.
Oncology Supply, a division of ASD Specialty Healthcare, Inc.
PharMEDium Services, LLC
PSS World Medical, Inc.