



10-29-04

11-08-2004



102878837

To the Director of the U.S. Patent and Trademark Office:

Address(es) below.

1. Name of conveying party(ies)/Execution Date(s)  
Ortho-McNeil Pharmaceutical, Inc.

Name: King Pharmaceuticals, Inc., a  
Tennessee corporation

Internal Address:

Street Address:

Execution Date(s): April 26, 2002

Additional name(s) of conveying party(ies) attached? ☐ Yes ☒ No

501 Fifth Street

3. Nature of Conveyance:

- ☒ Assignment ☐ Merger  
☐ Security Agreement ☐ Change of Name  
☐ Government Interest Assignment  
☐ Executive Order 9424, Confirmatory License  
☐ Other

City: Bristol

State: Tennessee

Country: USA Zip: 37620

Additional name(s) & address(es) attached: ☐ Yes ☒ No

4. Application or patent number(s):

☐ This document is being filed together with a new application.

A. Patent Application No.(s)  
10/806,613

B. Patent No.(s)  
6,747,019

Additional numbers attached? ☐ Yes ☒ No

5. Name and address to whom correspondence concerning document should be mailed:

Name: Andrea G. Reister  
COVINGTON & BURLING

Internal Address: Atty. Dkt.: 029459.00101

Street Address:

1201 Pennsylvania Avenue, NW

City: Washington

State: D.C. Zip: 20004-2401

Phone Number: 202.662.6000

Fax Number: 202.662.6291

Email Address:

6. Total number of applications and patents involved:

2

7. Total fee (37 CFR 1.21(h) & 3.41) \$ 80.00

- ☐ Authorized to be charged by credit card  
☒ Authorized to be charged to deposit account  
☐ Enclosed  
☐ None required (government interest not affecting title)

8. Payment Information

a. Credit Card Last 4 Numbers  
Expiration Date  
b. Deposit Account Number 50-0740  
Authorized User Name Andrea G. Reister

9. Signature:

Signature

October 29, 2004  
Date

Andrea G. Reister, Reg. No. 36,253  
Name of Person Signing

Total number of pages including cover sheet, attachments, and documents: 10

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DC: 1607861-1

## ASSIGNMENT OF RIGHTS AND OBLIGATIONS

This assignment of rights and obligations (the "Agreement") is entered into as of April \_\_, 2002 by and between:

Ortho-McNeil Pharmaceutical, Inc., a corporation of the State of Delaware, having a principal place of business at U.S. Route 202, P.O.Box 300, Raritan, NJ 08869-0602, and successor in interest to Ortho Pharmaceutical Corporation, a corporation of the State of New Jersey, (hereinafter OMP or Seller) and

King Pharmaceuticals, Inc. a corporation of the State of Tennessee, having principal offices located at 501 Fifth Street, Bristol, Tennessee 37620, (hereinafter KING or Purchaser).

WHEREAS, OMP and KING have entered into that certain Asset Purchase Agreement dated as of April 26, 2002 ("Asset Purchase Agreement"); and

WHEREAS, in connection with such Asset Purchase Agreement, OMP wishes to assign certain rights and obligations and KING wishes to acquire all such rights and assume all such obligations as set forth below, with such assignment to be effective upon the closing of the Asset Purchase Agreement.

NOW, THEREFORE, OMP and KING, for good and valuable consideration the sufficiency of which is hereby acknowledged agree as follows:

### 1) Definitions:

- a) CASPER AGREEMENTS shall mean the (i) the Assignment by Robert F. Casper to Jencap Research, Ltd. ("Jencap") dated February 10, 1987, (ii) the License Agreement between Robert F. Casper, Jencap Research and Ortho Pharmaceutical Corporation dated May 1, 1987, (iii) the Agreement between Jencap, Medicor Development, Robert F. Casper and Ortho Pharmaceutical Corporation dated December 1, 1994 (to the extent it is still in effect), and (iv) the Letter of Acknowledgement by Robert F. Casper dated February 11, 1999.
- b) CASPER PATENT(S) shall mean U.S. Patent No. 5,108,995, U.S. Patent No. 5,382,573, U.S. Patent Appln. No. 09/538,485 filed March 30, 2000 and U.S. Provisional Appln. No. 60/126,970 filed March 30, 1999, and any and all continuations, continuations-in-part, divisionals, reissues, reexaminations, renewals and/or extensions thereof and any patents issued on the foregoing.
- c) EFFECTIVE DATE shall mean the date on which this Agreement becomes effective, which shall be the Closing Date under the Asset Purchase Agreement.
- d) PRODUCT shall mean the cyclophasic steroidal product for hormone replacement therapy approved for sale in the United States under NDA 021040 and bioequivalents thereto and any use, manufacture, sale or packaging thereof.
- e) TERRITORY shall mean the United States of America, its territories and possessions (including the Commonwealth of Puerto Rico).

- f) OMP PATENTS shall mean U.S. Patent Appln. No. 09/538,485 filed March 30, 2000, U.S. Provisional Appln. No. 60/126,970 filed March 30, 1999 and any continuations, continuations-in-parts, divisionals, reissues, reexaminations, renewals and/or extensions thereof and any patent issuing on the foregoing.
  - f) AFFILIATE in relation to either party hereto shall mean (a) any entity in which the relevant party directly or indirectly holds more than 50% of the voting stock or equity, (b) any entity ("Holding Company") which holds directly or indirectly more than 50% of the voting stock or equity of the relevant party, (c) any other entity in which more than 50% of the voting stock or equity is directly or indirectly held by any Holding Company of the relevant party or (d) any entity in which the relevant party directly or indirectly holds less than 50% of the voting stock but has managerial control of such entity or the ability to appoint and remove the majority of the directors (or similar personnel) of such entity.
  - g) Jencap shall mean Jencap Research Ltd. having a principal place of business at 9 Meredith Crescent, Toronto, Ontario, Canada M4W 3B7.
  - h) Casper shall mean Robert F. Casper having an office at 150 Bloor Street W., Toronto, Ontario, Canada.
- 2) This Agreement is entered into as of the date first indicated above, but shall become effective on upon the closing of the Asset Purchase Agreement. In the event that the Asset Purchase Agreement is terminated by the parties thereto without having closed the transactions contemplated thereby, then this Agreement shall be null and void and of no effect whatsoever.
- 3) OMP hereby exclusively and solely transfers and assigns to KING and its AFFILIATES and KING and its AFFILIATES hereby accepts all of OMP's obligations incurred on or after the EFFECTIVE DATE and all of OMP's rights under the CASPER AGREEMENTS in the TERRITORY solely with respect to the PRODUCT. OMP retains all other rights and obligations under the CASPER AGREEMENTS outside the TERRITORY and for products other than PRODUCT.
- 4) OMP represents and warrants that it has an unencumbered right to enter into this Agreement and to convey all rights set forth herein. OMP further warrant that the CASPER AGREEMENTS to which OMP is a party are in full force and effect. OMP to its knowledge, represents and warrants that the CASPER PATENTS are valid and enforceable. OMP, to its knowledge, further represents and warrants that all maintenance fees due and/or owed for the CASPER PATENTS have been timely paid. OMP, to its knowledge, further represents and warrants that the CASPER PATENTS are not and never have been the subject of a Paragraph IV Certification, litigation or threatened litigation. These warranties will expire 18 months following the Effective Date of this Agreement.
- 5) Subject to the warranties of OMP as set forth above, OMP and KING (indemnitor) each hereby indemnifies and holds harmless the other from any claim by any party under the CASPER AGREEMENTS relating to performance or non-performance by indemnitor or its AFFILIATES of any obligations hereunder. Indemnitor agrees to

pay all the other party's costs, damages and fees, including but not limited to legal costs and attorney's fees incurred by the other party in defending any such claim. For clarification, any status or acts by one party under the CASPER AGREEMENTS which incur an obligation to pay minimum royalties shall be the responsibility of that party alone.

- 6 OMP and its AFFILIATES hereby exclusively and solely transfer, sell and assign to KING and its AFFILIATES and KING and its AFFILIATES hereby accepts all of OMP and its AFFILIATES' rights, title and interest in, to and under the OMP PATENTS. OMP agrees to cooperate in the prosecution of such patents, consistent with its obligations under the CASPER AGREEMENTS.
- 7) In the event that KING elects under Article VII of the License Agreement, which is referenced as CASPER AGREEMENTS (ii) in Paragraph 1(a) hereinabove, to sue an alleged infringer, then OMP agrees to cooperate in any such suit at KING'S sole expense and KING agrees to pay all reasonable expenses and costs incurred by OMP in connection with any such suit, including but not limited to attorneys fees for counsel hired by OMP. In the event that OMP elects under Article VII of the License Agreement, which is referenced as CASPER AGREEMENTS (ii) in Paragraph 1(a) hereinabove, to sue an alleged infringer, then KING agrees to cooperate in any such suit at OMP's sole expense and OMP agrees to pay all reasonable expenses and costs incurred by KING in connection with any such suit, including but not limited to attorneys fees for counsel hired by KING.
- 8) Any controversy or claim arising out of to this Agreement shall be resolved by arbitration before a single arbitrator in accordance with the Commercial Arbitration Rules of the American Arbitration Association ("AAA") then pertaining (available at [www.adr.org](http://www.adr.org)), except where those rules conflict with this provision, in which case this provision controls. Any court with jurisdiction shall enforce this clause and enter judgment on any award. The arbitrator shall be selected within twenty business days from commencement of the arbitration from the AAA's National Roster of Arbitrators pursuant to agreement or through selection procedures administered by the AAA. Within 45 days of initiation of arbitration, the parties shall reach agreement upon and thereafter follow procedures, including limits on discovery, assuring that the arbitration will be concluded and the award rendered within no more than eight months from selection of the arbitrator or, failing agreement, procedures meeting such time limits will be designed by the AAA and adhered to by the parties. The arbitration shall be held in City of New York, NY and the arbitrator shall apply the substantive law of New Jersey, except that the interpretation and enforcement of this arbitration provision shall be governed by the Federal Arbitration Act. Prior to commencement of arbitration, emergency relief is available from any court to avoid irreparable harm. **THE ARBITRATOR SHALL NOT AWARD EITHER PARTY PUNITIVE, EXEMPLARY, MULTIPLIED OR CONSEQUENTIAL DAMAGES, OR ATTORNEYS FEES OR COSTS.**
- Prior to commencement of arbitration, the parties must attempt to mediate their dispute using a professional mediator from AAA, the CPR Institute for Dispute

Resolution, or like organization selected by agreement or, absent agreement, through selection procedures administered by the AAA. Within a period of 45 days after the request for mediation, the parties agree to convene with the mediator, with business representatives present, for at least one session to attempt to resolve the matter. In no event will mediation delay commencement of the arbitration for more than 45 days absent agreement of the parties or interfere with the availability of emergency relief.

- 9) This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective permitted successors and assigns. Nothing contained herein shall give to any other person any benefit or any legal or equitable right, remedy or claim. Anything contained herein to the contrary notwithstanding, this Agreement shall not be assignable by Seller or Purchaser without the prior consent of the other, which consent shall not be unreasonably withheld, except that Purchaser may, without such consent, assign all such rights and obligations to any AFFILIATE of Purchaser, provided, that no such assignment shall relieve Purchaser of its obligations hereunder.
- 10) This Agreement (and, with respect to KING and OMP, the Asset Purchase Agreement) is intended to define the full extent of the legally enforceable undertakings of the parties hereto, and no other promises or representations, written or oral, are intended by either party to be legally binding. Each of the parties acknowledge that in deciding to enter into this Agreement and to consummate the transactions contemplated hereby neither of them has relied upon any statements or representations, written or oral, other than those explicitly set forth herein. PURCHASER AGREES THAT THE REPRESENTATIONS AND WARRANTIES GIVEN HEREIN BY SELLER IS IN LIEU OF, AND PURCHASER HEREBY EXPRESSLY WAIVES ALL RIGHTS TO, ANY IMPLIED WARRANTIES WHICH MAY OTHERWISE BE APPLICABLE BECAUSE OF THE PROVISIONS OF THE UNIFORM COMMERCIAL CODE OR ANY OTHER STATUTE, INCLUDING, WITHOUT LIMITATION, THE WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.
- 11) This Agreement supersedes all prior agreements and understandings among the parties with respect to its subject matter. This Agreement may be amended only by a written instrument duly executed by the parties hereto.
- 12) All notices, claims, certificates, requests, demands and other communications hereunder shall be in writing and shall be delivered personally or sent by facsimile transmission, air courier, or registered or certified mail, return receipt requested, addressed as follows:

if to **PURCHASER** to:

King Pharmaceuticals, Inc.  
501 Fifth Street  
Bristol, Tennessee 37620  
Facsimile No: (423) 989-6282  
Attention: Legal Affairs

if to **SELLER** to:

Ortho-McNeil Pharmaceutical Inc.  
U.S. Route 202  
Raritan, NJ 08869  
Facsimile No: 908-707-9757  
Attention: President;

with a copy to:

Office of General Counsel  
Johnson & Johnson  
One Johnson & Johnson Plaza  
New Brunswick, New Jersey 08933  
Facsimile No: 1-732-524-2788;

or to such other address as the party to whom notice is to be given may have furnished to the other parties in writing in accordance herewith. Any such communication shall be deemed to have been delivered (i) when delivered, if delivered personally, (ii) when sent (with confirmation received), if sent by facsimile transmission on a business day, (iii) on the first business day after dispatch (with confirmation received), if sent by facsimile transmission on a day other than a business day, (iv) on the first business day after dispatch, if sent by overnight air courier, and (v) on the fifth business day after mailing, if sent by mail.

- 13) In the event that any provision of this Agreement is held in any jurisdiction to be invalid, prohibited or unenforceable for any reason, such provision, as to such jurisdiction, shall be ineffective, without invalidating the remaining provisions of this Agreement or affecting the validity or enforceability of such provision in any other jurisdiction. Notwithstanding the foregoing, if such provision could be more narrowly drawn so as not to be invalid, prohibited or unenforceable in such jurisdiction, it shall, as to such jurisdiction, be so narrowly drawn, without invalidating the remaining provisions of this Agreement or affecting the validity or enforceability of such provision in any other jurisdiction.
- 14) The waiver by any party of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach.

- 15) This Agreement may be executed in any number of counterparts, and each such counterpart hereof shall be deemed to be an original instrument, but all such counterparts together shall constitute but one agreement.
- 16) The article and section headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.
- 17) This Agreement shall be construed, interpreted and the rights of the parties determined in accordance with the laws of the State of New Jersey without reference to the choice of law provisions thereof.
- 18) This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, OMP and KING have caused this agreement to be executed in duplicate by their duly authorized officer

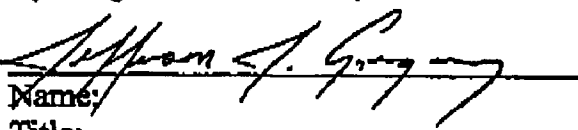
By Ortho-McNeil Pharmaceutical, Inc:

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

Title:

Date:

By King Pharmaceuticals, Inc.:

  
Name:

Title:

Date:

CONSENT OF JENCAP RESEARCH, Ltd and ROBERT F. CASPER

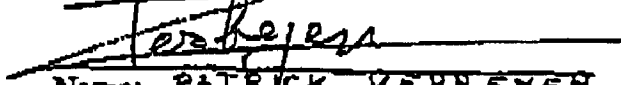
Jencap and Casper, for good and valuable consideration the sufficiency of which is hereby acknowledged, agree as follows:

- A) Jencap and Casper consent to this Agreement by OMP to KING of the rights and obligations described above.
- B) OMP agrees, in consideration of Jencap and Casper entering into this Agreement, to pay to Jencap the sum of US\$1 million (the "Payment"). The Payment shall be made to Casper within five (5) business days after the Closing under the Asset Purchase Agreement. If the Asset Purchase Agreement does not close, then the Payment shall

- 15) This Agreement may be executed in any number of counterparts, and each such counterpart hereof shall be deemed to be an original instrument, but all such counterparts together shall constitute but one agreement.
- 16) The article and section headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.
- 17) This Agreement shall be construed, interpreted and the rights of the parties determined in accordance with the laws of the State of New Jersey without reference to the choice of law provisions thereof.
- 18) This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, OMP and KING have caused this agreement to be executed in duplicate by their duly authorized officer

By Ortho-McNeil Pharmaceutical, Inc:

  
Name: PATRICK VERHEYEN  
Title: V.P. Corp. Dev.  
Date: April 126, 2002

By King Pharmaceuticals, Inc.:

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

Title:

Date:

CONSENT OF JENCAP RESEARCH Ltd and ROBERT F. CASPER

Jencap and Casper, for good and valuable consideration the sufficiency of which is hereby acknowledged, agree as follows:

- A) Jencap and Casper consent to this Agreement by OMP to KING of the rights and obligations described above.
- B) OMP agrees, in consideration of Jencap and Casper entering into this Agreement, to pay to Jencap the sum of US\$1 million (the "Payment"). The Payment shall be made to Casper within five (5) business days after the Closing under the Asset Purchase Agreement. If the Asset Purchase Agreement does not close, then the Payment shall



not be made (and this Agreement shall not become effective as specified in Section 2 above).


- C) Jencap and Casper from this date forward accept KING as solely accountable and responsible to fulfill the obligations previously owed by OMP and assigned to KING herein. Jencap and Robert F. Casper hereby release OMP from any further such obligations.
- D) Jencap and Casper acknowledge that any breach or default by KING or OMP of their respective obligations under this Agreement or the CASPER AGREEMENTS shall not be considered a breach or default by the other party under those same agreements.
- E) Jencap and Casper acknowledge that payment of a minimum royalty by OMP under Paragraph 4.1(c), of the License Agreement, which is referenced as CASPER AGREEMENTS (ii) in paragraph 1(a) hereinabove, shall meet OMP's payment obligations under Article IV of that License Agreement only with respect to the Product.
- F) Jencap and Casper represent and warrant that they have the unencumbered right to consent to this Agreement and to otherwise agree as set forth herein. Jencap and Casper further warrant that the CASPER AGREEMENTS are in full force and effect.
- G) Jencap and Casper, to their knowledge, represent and warrant that the CASPER PATENTS are valid and enforceable. Jencap and Casper, to their knowledge, further represent and warrant that all maintenance fees due and/or owed for the CASPER PATENTS have been timely paid. Jencap and Casper, to their knowledge, further represent and warrant that the CASPER PATENTS are not and have never been the subject of a Paragraph IV Certification, litigation or threatened litigation. Jencap and Casper, to their knowledge, further represent and warrant that the manufacture, use and/or sale of PRODUCT does not and has not infringed a claim in any United States Patent. Jencap and Casper, to their knowledge, further represent and warrant that they are unaware of any third party patent application, which is pending as of the Effective Date, that contains a claim, that if issued, would be infringed by the manufacture, use and/or sale of PRODUCT. Jencap represents and warrants that it owns all right, title and interest in, to and under U.S. Patent No. 5,108,995 and U.S. Patent No. 5,382,573, and co-owns all right, title and interest in, to and under U.S. Provisional Application No. 60/126,970, and that it has exclusively licensed the Casper Patents to OMP only. Casper represents and warrants that he has conveyed all right, title and interest in, to and under the Casper Patents to Jencap and that he had the right to do so.
- H) Jencap and Casper agree to appoint counsel designated by KING to prosecute and transact all business in the U.S. Patent and Trademark Office with respect to the CASPER PATENTS and KING agrees to accept responsibility to prosecute and transact all business in the U.S. Patent and Trademark Office with respect to the CASPER PATENTS. KING will not abandon the maintenance of the CASPER PATENTS without Casper and Jencap's consent, nor will KING fail to pay any

maintenance fees with respect to the CASPER PATENTS without Casper and Jencap's consent. Jencap and Casper further agree to revoke all existing powers granted to counsel currently designated to prosecute and transact all business in the U.S. Patent and Trademark Office with respect to the CASPER PATENTS. Jencap and Casper further agree to cooperate with and assist KING in connection with the prosecution and transaction of all business in the U.S. Patent and Trademark Office with respect to the OMP PATENTS. Jencap and Casper further hereby waive any and all conflicts that may arise out of, relate to or concern the prosecution and transaction of all business in the U.S. Patent and Trademark Office with respect to the CASPER PATENTS.


- I) Jencap and Casper further agree to file with the U.S. Patent and Trademark Office on or before May 1, 2002, a continuation of U.S. Patent Appln. No. 09/538,485 filed March 30, 2000.
- J) The foregoing warranties will expire 18 months following the Effective Date of this Agreement.

**AGREED TO BY:**

By Jencap Research, Ltd:

  
Name: ROBERT F. CASPER  
Title: PRESIDENT  
Date: APRIL 26, 2002

By Robert F. Casper:

  
Date: APRIL 26, 2002