CT-2003-002
CT- No.

COMPETITION TRIBUNAL

IN THE MATTER OF the *Competition Act*, R.S.C. 1985, c. C-34 (as amended);

AND IN THE MATTER OF the acquisition of Pharmacia Corporation and the indirect acquisition of Pharmacia Canada Inc. by Pfizer Inc.;

AND IN THE MATTER OF the filing and registration of a consent agreement pursuant to section 105 of the *Competition Act*.

BETWEEN:

THE COMMISSIONER OF COMPETITION

Applicant

-and-

PFIZER INC. and PHARMACIA CORPORATION

Respondents

Registry of the Competition Tribunal
Greffe du Tribunal de la concurrence
REGISTERED / ENREGISTRÉ
APR AVR 11 2003
Filed / Produit
FOR REGISTRAR / POUR REGISTRAIRE

CONSENT AGREEMENT
IN RELATION TO THE ACQUISITION OF
PHARMACIA CORPORATION BY PFIZER INC.

WHEREAS Pfizer Inc. ("**Pfizer**"), as more fully defined below, has entered into an agreement to acquire Pharmacia Corporation ("**Pharmacia**"), as more fully defined below, pursuant to the Agreement and Plan of Merger, dated July 13, 2002, among Pfizer, Pilsner Acquisition Sub Corp. and Pharmacia (hereinafter referred to as the "**Transaction**", as more particularly defined below);

AND WHEREAS the Commissioner of Competition (the "**Commissioner**") has alleged that the Transaction is likely to result in a substantial prevention of competition in the provision of Products for use in the treatment of Human Sexual Dysfunction (as defined below) and Products for use in the treatment of symptoms of Overactive Bladder (as defined below);

AND WHEREAS Pfizer and Pharmacia do not necessarily agree with the Commissioner but do not contest the alleged substantial prevention of competition solely for the purposes of this Agreement and any proceeding relating to this Agreement including an application to vary or rescind this Agreement under section 106 of the *Competition Act*, R.S.C. 1985, c. C-34 (the "Act");

AND WHEREAS the Commissioner declares himself satisfied that this Agreement will be sufficient to avoid any substantial prevention of competition in the relevant market(s) in Canada which may result from the completion of the Transaction;

AND WHEREAS Pfizer and Pharmacia consensually attorn to the jurisdiction of the Competition Tribunal for the purposes of this Agreement and any proceeding initiated by the Commissioner relating to this Agreement, including an application to vary or rescind this Agreement under section 106 of the Act;

AND WHEREAS Pfizer, Pharmacia and the Commissioner have agreed to the terms of this Consent Agreement as follows:

I. Definitions

1. For the purposes of this Agreement, the following definitions shall apply:

(a) **"Agreement"** means this Consent Agreement entered into by Pfizer, Pharmacia and the Commissioner;

(b) **"Business Day"** means any day of the year, other than a Saturday, Sunday or any day on which banks are required or authorized to close in Ottawa, Ontario;

(c) **"Commissioner"** means the Commissioner of Competition appointed pursuant to section 7 of the Act;

(d) **"Confidential Business Information"** means all information owned by, or in the possession or control of, the Parties that is not in the public domain related to the research, Development, manufacture, marketing, commercialization, distribution, importation, exportation, cost, pricing, supply, sales, sales support, or use of a Product;

(e) **"D2 Agonist 774"** means the Product in Development by Pharmacia that contains the active pharmaceutical ingredient with the chemical name (5R)-5-(methylamino)-5,6dihydro-4H-imidazo[4,5,1-ij] quinoline-2(1H)-thione, together with any of its enantiomers, metabolites (excluding Sumanirole, *i.e.*, the Product in Development by Pharmacia that contains the active pharmaceutical ingredient with the chemical name (5R)-5,6-Dihydro-5-(methylamino)-4-4H-imidazo[4,5,1-ij]-quinolin-2(1H)-one (z)-2-butenedioate (1:I)), and any salts or polymorphs of any of the foregoing. "D2 Agonist 774" includes all Products marketed or in Development by Pharmacia on or before the Effective Date that use an agonist for the human dopamine 2 receptor and are planned to be marketed for use in the treatment of Human Sexual Dysfunction, but does not include Intranasal Apomorphine;

(f) **"D2 Agonist 774 Assets"** means all of Pharmacia's rights, title and interest in and to all assets related to Pharmacia's Canadian and worldwide business in the Field of Human Sexual Dysfunction related to the Product D2 Agonist 774, to the extent legally transferable, including the research, Development, manufacture, distribution, marketing or sale of D2 Agonist 774, including, without limitation, the following:

(i) all Product Intellectual Property;

(ii) license(s) to all Product Licensed Intellectual Property to use, make, distribute, offer for sale, promote, advertise, sell, import or export, or have used, made, distributed, offered for sale, promoted, advertised, sold, imported or exported any product anywhere in the world; *provided, however*, such license(s) shall be worldwide, perpetual, fully paid-up and royalty-free; *provided further*, *however*, such license(s) shall be on an exclusive basis (even as to the Parties) in accordance with the Divestiture Agreement(s);

(iii) the Product and Product registrations;

(iv) the Product Trade Dress;

(v) a list of all targeted customers for the Product and the planned or proposed pricing of the Product for such customers;

(vi) at the Purchaser's option, each of the Product Assumed Contracts;

(vii) all Product Marketing Materials;

(viii) all website(s) related to the Product;

(ix) submissions and correspondence with Health Canada;

(x) Product Scientific and Regulatory Material;

(xi) all unfilled customer orders for finished goods as of the Divestiture Closing Date (a list of such orders is to be provided to the Purchaser within two Business Days after the Divestiture Closing Date);

(xii) Product Manufacturing Technology, and Product manufacturing and manufacturing processes;

(xiii) at the Purchaser's option, all inventories in existence as of the Divestiture Closing Date, including, but not limited to, raw materials, goods in process, finished goods, and Product specific packaging and labels;

(xiv) at the Purchaser's option (and, in the case of Neurocrine, to the extent exercised in the D2 Agonist 774 License Agreement), all manufacturing and other equipment located at the D2 Agonist 774 Manufacturing Facility that was used in, or suitable for use in, the research, Development or manufacture of D2 Agonist 774; and

(xv) all Pharmacia's books, records and files related to the foregoing, including, but not limited to, submissions to and correspondence with Health Canada; all validation documents and data; all market studies; all sales histories, including, without limitation, clinical data, and sales force call activity, for D2 Agonist 774 from January 1, 2000, through the Divestiture Closing Date, and quality control histories pertaining to D2 Agonist 774 owned by, or in the possession or control of the Parties, or to which the Parties have a right of access, in each case such as is in existence as of the Divestiture Closing Date;

provided, however, that in cases in which documents or other materials included in the D2 Agonist 774 Assets contain information that (i) relates both to D2 Agonist 774 and to other Products or businesses of Pharmacia, and (ii) cannot be segregated in a manner that preserves the usefulness of the information as it relates to D2 Agonist 774, Pharmacia shall be required only to provide copies of the documents and materials containing this information. In instances where such copies are provided to the Purchaser, the Purchaser shall have access to original documents under circumstances where copies of documents are insufficient for evidentiary or regulatory purposes. The purpose of this proviso is to ensure that Pharmacia provides the Purchaser with the above-described information without requiring Pharmacia completely to divest itself of information that, in content, also relate to Products and businesses other than D2 Agonist 774;

provided further, however, the term "D2 Agonist 774 Assets" does not include any rights, titles and interests in or to owned or leased real property or buildings;

(g) **"D2 Agonist 774 License Agreement"** means "The Amended and Restated License Agreement by and between Pharmacia & Upjohn Company and Neurocrine Biosciences, Inc." dated March 14, 2003, and all amendments, exhibits, attachments, agreements, and schedules thereto, relating to the D2 Agonist 774 to be divested, that have been approved by the Commissioner to accomplish the requirements of this Agreement;

(h) **"D2 Agonist 774 Manufacturing Facility"** means Pharmacia's manufacturing and packaging facility located at Kalamazoo, Michigan used by Pharmacia to manufacture D2 Agonist 774;

(i) **"Darifenacin"** means all Products that contain the active pharmaceutical ingredient generically known as darifenacin that were in Development by Pfizer prior to the Divestiture of the Darifenacin Assets. The chemical name of darifenacin is (S)-1-[2-(2,3-Dihydro-5-benzofuranyl)ethyl]- ,-diphenyl-3-pyrrolidineacetamide. The term "Darifenacin" also includes all Products marketed or in Development by Pfizer on or before the Effective Date that are muscarinic receptor antagonists and are planned to be marketed for use in treating the symptoms of Overactive Bladder;

(j) **"Darifenacin Assets"** means all of Pfizer's rights, title and interest in and to all assets related to Pfizer's Canadian and worldwide business related to the Product Darifenacin, to the extent legally transferable, including the research, Development, manufacture, distribution, marketing or sale of Darifenacin, including, without limitation, the following:

(i) all Product Intellectual Property;

(ii) license(s) to all Product Licensed Intellectual Property to use, make, distribute, offer for sale, promote, advertise, sell, import or export, or have used, made, distributed, offered for sale, promoted, advertised, sold, imported or exported any product anywhere in the world; *provided, however*, such license(s) shall be worldwide, perpetual, fully paid-up and royalty-free; *provided further*, *however*, such license(s) shall be on an exclusive basis (even as to the Parties) in accordance with the Divestiture Agreement(s);

(iii) the Product and Product registrations;

(iv) the Product Trade Dress;

(v) a list of all targeted customers for the Product and the planned or proposed pricing of the Product for such customers;

(vi) at the Purchaser's option, each of the Product Assumed Contracts;

(vii) all Product Marketing Materials;

(viii) all website(s) related to the Product;

(ix) submissions and correspondence with Health Canada;

(x) Product Scientific and Regulatory Material;

(xi) all unfilled customer orders for finished goods as of the Divestiture Closing Date (a list of such orders is to be provided to the Purchaser within two Business Days after the Divestiture Closing Date);

(xii) Product Manufacturing Technology, and Product manufacturing and manufacturing processes;

(xiii) at the Purchaser's option, all inventories in existence as of the Divestiture Closing Date, including, but not limited to, raw materials, goods in process, finished goods, and Product specific packaging and labels;

(xiv) at the Purchaser's option (and, in the case of Novartis, to the extent exercised in the Darifenacin Asset Purchase Agreement), all manufacturing and other equipment located at the Darifenacin Manufacturing Facility that was used in, or suitable for use in, the research, Development or manufacture of Darifenacin; and

(xv) all Pfizer's books, records and files related to the foregoing, including, but not limited to, submissions to and correspondence with Health Canada; all validation documents and data; all market studies; all sales histories, including, without limitation, clinical data, and sales force call activity, for Darifenacin from January 1, 2000, through the Divestiture Closing Date, and quality control histories pertaining to Darifenacin owned by, or in the possession or control of, the Parties, or to which the Parties have a right of access, in each case such as is in existence as of the Divestiture Closing Date;

provided, however, that in cases in which documents or other materials included in the Darifenacin Assets contain information that (i) relates both to Darifenacin and to other Products or businesses of Pfizer, and (ii) cannot be segregated in a manner that preserves the usefulness of the information as it relates to Darifenacin, Pfizer shall be required only to provide copies of the documents and materials containing this information. In instances where such copies are provided to the Purchaser, the Purchaser shall have access to original documents under circumstances where copies of documents are insufficient for evidentiary or regulatory purposes. The purpose of this proviso is to ensure that Pfizer provides the Purchaser with the above-described information without requiring Pfizer completely to divest itself of information that, in content, also relates to Products and businesses other than Darifenacin;

provided further, however, the term "Darifenacin Assets" does not include any rights, titles and interests in or to owned or leased real property or buildings;

(k) **"Darifenacin Asset Purchase Agreement"** means the "Asset Purchase Agreement by and between Pfizer Inc. as Seller and Novartis International Pharmaceuticals Ltd as Buyer and Novartis Pharma AG" dated March 17, 2003, and all amendments, exhibits, attachments, agreements, and schedules thereto, related to the Darifenacin Assets to be divested, that have been approved by the Commissioner to accomplish the requirements of this Agreement;

(l) **"Darifenacin Global Development Team"** means all employees of Pfizer that are a part of Pfizer's global Development team for the Product Darifenacin including, but not limited to, those employees on the "rapid response team" related to the Product Darifenacin;

(m) **"Darifenacin Manufacturing Facility**" means Pfizer's manufacturing and packaging facility located at Pottery Road, Ringaskiddy, County Cork, Dun Laoghaire, Ireland used by Pfizer to manufacture Darifenacin;

(n) **"Development"** means all preclinical and clinical drug development activities (including formulation), including test method development and stability testing, toxicology, formulation, process development, manufacturing scale-up, development-stage manufacturing, quality assurance/quality control development, statistical analysis and report writing, conducting clinical trials for the purpose of obtaining any and all approvals, licenses, registrations or authorizations from any Governmental Authority necessary for the manufacture, use, storage, import, export, transport, promotion, marketing and sale of a Product (including any governmental price or reimbursement approvals), Product approval and registration, and regulatory affairs related to the foregoing. "Develop" means to engage in Development;

(o) **"Divestiture"**, means, with respect to a Product, the assignment, grant, license, divestiture, transfer, delivery or other conveyance of assets and legal rights, as approved by the Commissioner to accomplish the requirements of this Agreement;

(p) **"Divestiture Agreement"**, means any agreement between the Parties and a Purchaser to accomplish the Divestiture of a Product and referenced in this Agreement or any agreement between the Divestiture Trustee and a Purchaser to accomplish the Divestiture of a Product, related to the relevant assets to be assigned, granted, licensed, divested, transferred, delivered or otherwise conveyed, as approved by the Commissioner to accomplish the requirements of this Agreement;

(q) **"Divestiture Closing Date"** means the date on which the Parties (or a Divestiture Trustee) and a Purchaser close a transaction to effect a Divestiture pursuant to this Agreement;

(r) **"Divestiture Trust Agreement"** has the meaning set forth in Part VIII of this Agreement;

(s) **"Divestiture Trustee"** means a trustee appointed pursuant to paragraph 14 of this Agreement;

(t) **"Effective Date"** means the earlier of:

i) the date the Parties close the Transaction, or

ii) the date the Transaction becomes effective by filing a certificate of merger with the Secretary of State of the State of Delaware;

(u) **"Field"** means the prevention, treatment, diagnosis, or control of a particular medical condition;

(v) **"Governmental Authority(ies)"** means any governmental regulatory authority or authorities in the world responsible for granting approval(s), clearance(s), qualification(s), license(s), or permit(s) for any aspect of the research, Development, manufacture, marketing, distribution or sale of a Product. The term "Governmental Authority" includes but is not limited to Health Canada;

(w) **"Human Sexual Dysfunction"** means sexual dysfunction in humans including, but not limited to, male erectile dysfunction and female sexual dysfunction;

(x) **"Intranasal Apomorphine"** means the compound designated by the International Union of Pure and Applied Chemistry name (R)-; 5,6,6a,7-Tetrahydro-6-methyl-4H-dibenzo[de,g]quinoline-10,11-diol; Revanil 19875-60-6Apomorphine], together with any salts, esters, metabolites, derivatives, isomers, hydrates, solvates, ethers, quaternary amines, polymorphs and prodrugs thereof, delivered by means of direct administration through the nostrils;

(y) **"Intranasal Apomorphine Collaboration and License Agreement"** means the "Collaboration and License Agreement" by and between Pharmacia & Upjohn Company and Nastech Pharmaceutical Company, Inc. dated February 1, 2002, and all amendments, exhibits, attachments, agreements, and schedules thereto;

(z) **"Intranasal Apomorphine Disengagement Agreement"** means the Divestiture Agreement by and between Pharmacia & Upjohn Company and Nastech Pharmaceutical Company, Inc. dated January 24, 2003, and all amendments, exhibits, attachments, agreements, and schedules thereto, related to Intranasal Apomorphine, that have been approved by the Commissioner to accomplish the requirements of this Agreement;

(aa) **"Nastech"** means Nastech Pharmaceuticals Company, Inc., a corporation organized, existing and doing business under and by virtue of the laws of the State of Delaware, U.S.A., with its offices and principal place of business located at 3450 Monte Villa Parkway, Bothell, Washington, 98021, U.S.A.;

(bb) **"Neurocrine"** means Neurocrine Biosciences Inc., a company incorporated under the laws of the State of Delaware, with its offices and principal place of business located at 10555 Science Center Drive, San Diego, California, 92121, U.S.A.;

(cc) **"Novartis"** means Novartis Pharma A.G., a company incorporated under the laws of the Confederation of Switzerland, with its offices and principal place of business located at Lichtstrasse 35, 4002 Basel, Switzerland, and Novartis Pharmaceuticals Corporation, a company incorporated under the State of Delaware, with its offices and principal place of business located at 59 Route 10, East Hanover, New Jersey, 07936, U.S.A.;

(dd) **"Overactive Bladder"** means a symptomatic condition that includes urinary frequency, urinary urgency and urinary incontinence;

(ee) **"Parties"** means Pfizer and Pharmacia, individually and collectively;

(ff) **"Patents"** mean all patents, patent applications and statutory invention registrations, in each case existing as of the Effective Date, and includes all reissues, divisions, continuations, continuations-in-part, supplementary protection certificates, extensions and re-examinations thereof, all inventions disclosed therein, all rights therein provided by international treaties and conventions, and all rights to obtain and file for patents and registrations thereto in the world, related to any Product of or owned by either of the Parties as of the Divestiture Closing Date;

(gg) **"Person"** means any individual, partnership, firm, corporation, association, trust, unincorporated organization or other entity;

(hh) **"Pfizer"** means Pfizer Inc., a company incorporated under the laws of the State of Delaware, U.S.A., with its registered office at 235 East 42nd Street, New York, N.Y. 10017, U.S.A. and includes: its directors, officers, employees, agents, representatives, successors, and assigns; its subsidiaries, divisions, groups controlled by Pfizer Inc., and the respective directors, officers, employees, agents, representatives, successors, and assigns of each, including Pfizer Canada Inc., a company incorporated under the laws of Canada, its directors, officers, employees, agents, representatives, successors, and assigns of each;

(ii) "**Pharmacia**" means Pharmacia Corporation, a company incorporated under the laws of the State of Delaware, U.S.A., with its registered office at 100 Route 206 North Peapack, New Jersey, 07977, U.S.A., and includes: its directors, officers, employees, agents, representatives, successors, and assigns; its subsidiaries, divisions, groups and affiliates controlled by Pharmacia Corporation, and the respective directors, officers, employees, agents, representatives, successors, and assigns of each, including Pharmacia Canada Inc., a company incorporated under the laws of Canada, its directors, officers, employees, agents, representatives, successors, and assigns of each;

(jj) "**Product**" means any pharmaceutical, biological, or genetic composition containing any formulation or dosage of a compound referenced as its pharmaceutically, biologically or genetically active ingredient;

(kk) "**Product Assumed Contracts**" means all contracts or agreements:

(i) pursuant to which any third party purchases the Product(s) from the Parties;

(ii) pursuant to which the Parties purchase any materials from any third party for use in connection with the manufacture of the Product(s);

(iii) relating to any clinical trial involving the Product(s);

(iv) constituting the material transfer agreements involving the transfer of the Product(s);

(v) relating to the marketing of the Product(s) or educational matters relating to the Product(s);

(vi) relating to the manufacture of the Product(s);

(vii) constituting confidentiality agreements involving the Product(s);

(viii) involving any royalty, licensing or similar arrangement involving the Product(s);

(ix) pursuant to which any services are provided with respect to the Product(s) or the Product(s) business, including consultation arrangements; and/or

(x) pursuant to which any third party collaborates with the Parties in the performance of research or Development of the Product(s) or the Product(s) business;

provided, however, that where any such contract or agreement also relates to Product(s) of the Parties other than the Product(s) required to be divested pursuant to this Agreement, the Parties shall assign to the Purchaser all such rights under the contract or agreement as are related to the Product(s) required to be divested pursuant to this Agreement, but concurrently may retain similar rights for the purposes of other Product(s);

(ll) "**Product Copyrights**" means rights to all original works of authorship of any kind related to the Product(s) and any registrations and applications for registrations thereof, including, but not limited to, the following: all promotional materials for healthcare providers; all promotional materials for patients; educational materials for the sales force; copyrights in all pre-clinical, clinical and process development data and reports relating to the research and Development of the Product(s) or of any materials used in the research, Development, manufacture, marketing or sale of the Product(s), including all raw data relating to clinical trials of the Product(s), all case report forms relating thereto and all statistical programs developed (or modified in a manner material to the use or function thereof (other than through user references)) to analyze clinical data, all market research data, market intelligence reports and statistical programs (if any) used for marketing and sales research; customer information, promotional and marketing materials, the Product(s) sales forecasting models, medical education materials, sales training materials, website content and advertising and display materials; all records relating to employees that accept

employment with the Purchaser (excluding any personnel records the transfer of which is prohibited by applicable law); all records, including customer lists, sales force call activity reports, vendor lists, sales data, reimbursement data, speaker lists, manufacturing records, manufacturing processes, and supplier lists; all data contained in laboratory notebooks relating to the Product(s) or relating to its biology; all adverse experience reports and files related thereto (including source documentation) and all periodic adverse experience reports and all data contained in electronic data bases relating to adverse experience reports and periodic adverse experience reports; all analytical and quality control data; and all correspondence with Health Canada;

(mm) **"Product Intellectual Property"** means all of the following related to a Product:

(i) Patents;

(ii) Product Copyrights;

(iii) Product Software, other than Product Licensed Intellectual Property;

(iv) Product Trademarks;

(v) trade secrets, know-how, techniques, data, inventions, practices, methods and other confidential or proprietary technical, business, research, Development and other information, and all rights in any jurisdiction to limit the use or disclosure thereof, other than Product Licensed Intellectual Property;

(vi) rights to obtain and file for Patents and registrations thereof; and

(vii) rights to sue and recover damages or obtain injunctive relief for infringement, dilution, misappropriation, violation or breach of any of the foregoing;

provided, *however*, "Product Intellectual Property" does not include the names "Pfizer," "Pharmacia," "Parke-Davis," "Warner-Lambert," "Upjohn," "Searle" or the names of any other corporations or companies owned by the Parties or related logos to the extent used on other of Pfizer's or Pharmacia's Products;

(nn) "**Product Licensed Intellectual Property**" means:

(i) Product Software that is used in connection with the analysis of clinical trial data for a Product that is the subject of a Divestiture under this Agreement that the Parties can demonstrate has been routinely used, prior to the Effective Date, by either Pharmacia or Pfizer (as applicable) for Product(s) other than the Product that is the subject of the relevant Divestiture; and

(ii) trade secrets, know-how, techniques, data, inventions, practices, methods and other confidential or proprietary technical, business, research, Development and other information, and all rights in any jurisdiction to limit the use or disclosure thereof, that are related to a Product that is the subject of a Divestiture under this Agreement that the Parties can demonstrate have been routinely used, prior to the Effective Date, by either Pharmacia or Pfizer (as applicable) for Product(s) other than the Product that is the subject of the relevant Divestiture;

(oo) "**Product Manufacturing Technology**" means all technology, trade secrets, know-how, and proprietary information related to the manufacture, validation, packaging, release testing, stability and shelf life of the Product(s), including the Product(s)' formulation, in existence and in the possession of the Parties as of the Divestiture Closing Date, including, but not limited to, manufacturing records, sampling records, standard operating procedures and batch records related to the manufacturing process, and supplier lists;

(pp) "**Product Marketing Materials**" means all marketing materials used anywhere in the world related to the Product(s) as of the Divestiture Closing Date, including, without limitation, all advertising materials, training materials, product data, price lists, mailing lists, sales materials (e.g., detailing reports; vendor lists; sales data; reimbursement data), marketing information (e.g., competitor information; research data; market intelligence reports; statistical programs (if any) used for marketing and sales research; customer information, including customer sales information; sales forecasting models; medical educational materials; website content and advertising and display materials; speaker lists); promotional and marketing materials, artwork for the production of packaging components, television masters and other similar materials related to the Product(s);

(qq) **"Product Scientific and Regulatory Material"** means all technological, scientific, chemical, biological, pharmacological, toxicological, regulatory and clinical trial materials and information related to the Product(s), and all rights thereto, in any and all jurisdictions;

(rr) "**Product Software**" means computer programs, including all software implementations of algorithms, models, and methodologies whether in source code or object code form, databases and compilations, including any and all data and collections of data, all documentation, including user manuals and training materials, related to any of the foregoing and the content and information contained on any website; *provided*, *however*, that "Product Software" does not include software that is readily purchasable or licensable and which has not been modified in a manner material to the use or function thereof (other than through user preference settings);

(ss) "**Product Trade Dress**" means the current trade dress of the Product(s), including, but not limited to, product packaging associated with the sale of the Product(s) worldwide and the lettering of the Product(s)'s trade name or brand name;

(tt) "**Product Trademark(s)**" means all trademarks, trade names and brand names including registrations and applications for registration therefor (and all renewals, modifications, and extensions thereof) and all common law rights, and the goodwill symbolized thereby and associated therewith, for the Product(s);

(uu) "**Purchaser**", with respect to a Divestiture, means a Person approved by the Commissioner to whom rights and assets related to a Product will be transferred, pursuant to a Divestiture Agreement provided for in this Agreement;

(vv) "**Transaction**" means the merger contemplated by the Agreement and Plan of Merger dated as of July 13, 2002, among Pfizer, a merger subsidiary of Pfizer, and Pharmacia Corporation; and

(ww) "**Tribunal**" means the Competition Tribunal established by the *Competition Tribunal Act (Canada)*, R.S.C. 1985, c. 19 (2nd Supp.), as amended.

II. Application

2. The provisions of this Agreement shall apply to:

(a) Pfizer, including each division, subsidiary or other Person controlled by Pfizer and each officer, director, employee, agent or other Person acting for or on behalf of Pfizer with respect to any of the matters referred to in this Agreement, and any successors and assigns of Pfizer, and all other Persons acting in concert or participating with any successor(s) or assign(s) in respect of the matters referred to in this Agreement who shall have received actual notice of this Agreement;

(b) Pharmacia, including each division, subsidiary or other Person controlled by Pharmacia and each officer, director, employee, agent or other Person acting for or on behalf of Pharmacia with respect to any of the matters referred to in this Agreement, and any successors and assigns of Pharmacia, and all other Persons acting in concert or participating with any successor(s) or assign(s) in respect of the matters referred to in this Agreement who shall have received actual notice of this Agreement;

(c) The Commissioner; and

(d) The Divestiture Trustee(s), (if any), or any substitute thereof appointed pursuant to this Agreement, and each employee, agent, or other Person acting for or on behalf of the Divestiture Trustee.

III. Divestitures, Generally

3. The Commissioner hereby approves the Divestitures referenced in paragraphs 5, 7 and 8 hereof.

4. Any Divestiture Agreement approved by the Commissioner between either of the Parties (or a Divestiture Trustee) and a Purchaser shall be deemed to be incorporated into this Agreement, and any breach by either of the Parties of any term of a Divestiture Agreement shall constitute a breach of this Agreement.

IV. Divestiture of Darifenacin Assets

5. Either prior to the Effective Date or within ten (10) Business Days after the Effective Date, Pfizer shall divest the Darifenacin Assets absolutely and in good faith, to Novartis pursuant to and in accordance with the Darifenacin Asset Purchase Agreement.

6. If Pfizer does not divest the Darifenacin assets to Novartis within ten (10) Business Days after the Effective Date, the Parties shall nominate a Divestiture Trustee, to be approved by the Commissioner, who will Divest the Darifenacin Assets pursuant to the process described in Part VIII.

V. Divestiture of Intranasal Apomorphine

7. Not later than ten (10) Business Days after the Effective Date, the Parties shall terminate the Intranasal Apomorphine Collaboration and License Agreement with Nastech, absolutely and in good faith, in accordance with the Intranasal Apomorphine Disengagement Agreement.

VI. Divestiture of D2 Agonist 774 Assets

8. Either prior to the Effective Date or within ten (10) Business Days after the Effective Date, the Parties shall divest the D2 Agonist 774 Assets absolutely and in good faith, to Neurocrine pursuant to and in accordance with the D2 Agonist 774 License Agreement.

9. If the Parties do not divest the D2 Agonist 774 Assets to Neurocrine within ten (10) Business Days after the Effective Date, the Parties shall nominate a Divestiture Trustee, to be approved by the Commissioner, who will Divest the D2 Agonist 774 Assets pursuant to the process described in Part VIII.

VII. Maintenance of the Assets

10. The Parties shall take such steps as are necessary to maintain the viability, marketability, and competitiveness of the D2 Agonist 774 Assets and the Darifenacin Assets and shall prevent the destruction, removal, wasting, deterioration, sale, disposition, transfer or impairment of any material assets/portions of these assets except for ordinary wear and tear and as otherwise would occur in the ordinary course of business.

11. The Parties shall maintain the operations of the D2 Agonist 774 Assets and the Darifenacin Assets in the regular and ordinary course of business and in accordance with past practices (including regular repair and maintenance) and shall use their best efforts to preserve the existing relationships with suppliers, vendors, customers, agencies, employees, and others having business related to the assets.

12. Without limiting the generality of the foregoing, until the implementation of a Divestiture Agreement by the Parties or the Divestiture Trustee, the Parties shall provide such sales, managerial, administrative, operational and financial support as is necessary in the ordinary course of business to promote the continued effective operation of the D2 Agonist 774 Assets and the Darifenacin Assets in accordance with standards similar to those existing prior to the Divestiture Closing Date.

13. Until the implementation of a Divestiture Agreement by the Parties or the Divestiture Trustee, the Parties shall not, without prior approval from the Commissioner (such approval not to be unreasonably withheld), enter into or withdraw from any material contracts or arrangements relating to the D2 Agonist 774 Assets or the Darifenacin Assets, make any material changes to such operations, or terminate any current employment, salary or benefit agreements for any management personnel employed in relation to these assets.

VIII. Divestiture Trustee(s)

14. In the event that any of the Divestitures cannot be completed within ten (10) Business Days after the Effective Date, the Parties shall nominate a Divestiture Trustee to be approved by the Commissioner, who will then be responsible for the Divestiture. The rights and obligations of a Divestiture Trustee shall be set out in a Divestiture Trust Agreement approved by the Commissioner. A Divestiture by a Divestiture Trustee, or his/her substitute appointed pursuant to paragraph 14(n) hereof, shall be subject to the following conditions:

    (a) the Divestiture Trustee shall be granted an irrevocable and exclusive mandate to complete the Divestiture within one (1) year from the Effective Date subject to reasonable extensions of time as the Parties and the Commissioner may agree;

(b) the Divestiture Trustee shall have all the powers necessary to realize the Divestiture and must make all commercially reasonable efforts required to realize the Divestiture, provided however that the Divestiture Trustee shall have no powers with respect to the management, operation or maintenance of the business or assets related to the Product;

(c) the Divestiture Trustee shall have such other powers as the Tribunal may grant to the Divestiture Trustee upon the application of the Commissioner or the Parties;

(d) the Divestiture Trustee shall use commercially reasonable best efforts to negotiate the most favourable price and terms available for a Divestiture, that in the discretion of the Divestiture Trustee can be reasonably obtained, subject to the Parties' absolute and unconditional obligation to divest expeditiously and at no minimum price. If the Divestiture Trustee receives *bona fide* offers from more than one potential buyer, and if the Commissioner determines to approve more than one such potential buyer, the Divestiture Trustee shall divest to the Purchaser selected by the Parties from among those acquiring buyers approved by the Commissioner, provided further however that the Parties shall select such entity within five (5) Business Days after receiving notification of the Commissioner's approval;

(e) subject to any demonstrative legally recognized privilege, the Divestiture Trustee shall have full and complete access to the personnel, books, records and facilities related to the relevant assets that are required to be assigned, granted, licensed, divested, delivered or otherwise conveyed under this Agreement and to any other relevant information, as the Divestiture Trustee may request. The Parties shall develop such financial or other information as the Divestiture Trustee may request and shall cooperate with the Divestiture Trustee. The Parties shall take no action to interfere with or impede the Divestiture Trustee's accomplishment of a Divestiture. Any delays in Divestiture caused by the Parties shall extend the time for the Divestiture in an amount equal to the delay, as determined by the Commissioner;

(f) the Divestiture Trustee shall have the full power and authority to retain, on usual and reasonable commercial terms, financial, legal and other professional advisers, including investment bankers, that may be reasonably necessary or advisable in advising and assisting the Divestiture Trustee in implementing a Divestiture Agreement;

(g) every thirty (30) days following his/her appointment, the Divestiture Trustee shall report to the Commissioner and the Parties describing the measures taken to effect the Divestiture, all with reasonable detail. The Commissioner has the right to ask for additional information from the Divestiture Trustee regarding the Divestiture and the Divestiture Trustee shall respond within a reasonable time having regard

to the nature of the request, and shall provide a copy of such response to the Parties;

(h) the Divestiture Trustee shall inform without delay the Commissioner and the Parties of any negotiation undertaken with a potential buyer which may lead to a Divestiture;

(i) the Parties shall take all appropriate actions to assist the Divestiture Trustee in his/her efforts to effect the Divestiture;

(j) the Parties shall indemnify the Divestiture Trustee and hold the Divestiture Trustee harmless against any losses, claims, damages, liabilities or expenses arising out of, or in connection with the performance of the Divestiture Trustee's duties, including all reasonable fees of counsel and other expenses incurred in connection with the preparation for, or defence of, any claim, whether or not resulting in any liability, except to the extent that such losses, claims, damages, liabilities or expenses result from misfeasance, gross negligence, wilful or wanton acts, or bad faith by the Divestiture Trustee;

(k) all the reasonable costs engaged by the Divestiture Trustee in his/her effort to effect the Divestiture shall be paid for by the Parties;

(l) the net proceeds of the Divestiture by the Divestiture Trustee will be accrued to the Parties or be distributed as per the Parties' instructions;

(m) a Divestiture affected through a Divestiture Trustee provided for herein is subject to the approval of the Commissioner and the provisions of the Act; and

(n) should the Commissioner or the Parties reasonably conclude that any Divestiture Trustee appointed pursuant to this Agreement has ceased to act or failed to act diligently or otherwise in accordance with this Agreement, the Commissioner and the Parties may agree on the replacement of the Divestiture Trustee with a substitute Divestiture Trustee to be appointed under the procedure set out in this paragraph 14 hereof.

15. Should the Parties and the Commissioner fail to agree on the selection of a Divestiture Trustee or upon the requirement for a replacement or the identity of a substitute Divestiture Trustee, the Tribunal, on the application of the Commissioner or the Parties, shall appoint a Divestiture Trustee or substitute Divestiture Trustee.

IX. Confidentiality

16. The time periods provided in this Agreement for Divestitures of Products shall be kept confidential by Pfizer, Pharmacia, the Commissioner, the Divestiture Trustees and any

other persons specified in section 2 of this Agreement. However, if in the opinion of the Parties, disclosure of the time periods provided in this Agreement is necessary to the successful negotiation of a Divestiture and where the person or entity to whom the information is to be disclosed has executed an agreement to maintain the confidentiality of this information, it may be disclosed by the Parties.

X. Notices

17. Notices required to be given pursuant to this Agreement to the Parties hereto shall be given, if dispatched by personal delivery, registered mail or facsimile to the address or facsimile number below.

(a) Commissioner

Commissioner of Competition
Competition Bureau, Industry Canada
Place du Portage, Phase I, 50 Victoria Street
Gatineau, Quebec K1A 0C9

Telephone: 819-997-3301
Facsimile: 819-953-5013

Josephine A.L. Palumbo
Crown Counsel
Department of Justice
Competition Law Division
Competition Bureau, Industry Canada
Place du Portage, Phase I, 50 Victoria Street
Gatineau, Quebec K1A 0C9

Telephone: 819-997-3325
Facsimile: 819-953-9267

(b) Pfizer

Kent Bernard, Esq.
Assistant General Counsel
Legal Department
Pfizer Inc.
235 East 42nd Street
New York, NY 10017

Telephone: 212-573-7817
Facsimile: 212-573-1445

with a copy to

Frank P. Monteleone
Cassels Brock & Blackwell LLP
Scotia Plaza
40 King Street West
Suite 2100
Toronto ON M5H 3C2

Telephone: 416-869-5727
Facsimile: 416-640-3026

(c) Pharmacia

Todd Kingma
Vice President and
Assistant General Counsel
Pharmacia Corporation
100 Route 206 North
Peapack, New Jersey
07977 U.S.A.

Telephone: 1-908-306-8456
Facsimile: 1-908-901-1864

with a copy to

Adam Fanaki
Borden Ladner Gervais LLP
Barristers and Solicitors
40 King Street West, Scotia Plaza
Toronto, Ontario
M5H 3Y4

Telephone: 416-367-6107
Facsimile: 416-361-2452

18. The Parties shall provide a copy of this Agreement to each of its officers, employees, or agents having managerial responsibility for any obligations under this Agreement no later than ten (10) days following registration with the Tribunal.

XI. Compliance Inspection

19. For the purpose of determining or securing compliance with this Agreement in Canada, subject to any valid claim to a legally recognized privilege, and upon written request, the Parties shall permit any duly authorized representative of the Commissioner:

    (a) upon a minimum of two (2) business days notice to the Parties, access during office hours of the Parties to inspect and copy all relevant books, ledgers, accounts, correspondence, memoranda, and other records and documents in the possession or under the control of the Parties that are located in Canada relating to compliance with this Agreement; and

    (b) upon a minimum of five (5) business days notice to the Parties, and without unreasonable restraint or interference from the Parties, to interview (in the presence of counsel) directors, officers or employees of the Parties who are employed in Canada, on matters in the possession or under the control of the Parties relating to compliance with this Agreement.

XII. General

20. This Agreement may be executed in two or more counterparts, each of which shall be an original instrument, but all of which shall constitute one and the same Agreement. In the event of any discrepancy between the English and French versions of the Agreement, the English version shall prevail.

21. This Agreement shall be governed by and interpreted in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

22. The Commissioner and the Parties may, by mutual agreement, extend any of the time periods applicable herein.

23. The Parties shall be bound by the terms of this Agreement for a period of ten (10) years following the registration of the Agreement with the Tribunal.

24. For greater certainty, the Tribunal shall retain jurisdiction for the purpose of any application by the Commissioner or the Parties to rescind or vary any of the provisions of this Agreement in the event of a change of circumstances or otherwise, or with respect to any issue concerning this Agreement.

25. In the event of a dispute as to the interpretation or application of this Agreement, including any decision by the Commissioner pursuant to this Agreement or breach of this Agreement by the Parties, any one of the Commissioner or the Parties shall be at liberty to apply to the Tribunal for an order interpreting any of the provisions of this Agreement.

DATED at Gatineau, Quebec this day of April , 2003.

_____	_____	_____
Commissioner of Competition	Pfizer Inc.	Pharmacia Corporation