



March 6, 2007

Re: FDA Warning Letters Concerning Ergotamine-Containing Products

Dear Customer:

As you may know, the Food and Drug Administration (“FDA”) recently issued Warning Letters to twenty different companies to cease manufacturing and shipping ergotamine-containing products—citing the position that these drugs require regulatory approval as well as a labeling warning concerning CYP3A4 inhibitors. Breckenridge Pharmaceutical, Inc. received such a Warning Letter on February 26, 2007, for our Spastrin Tablets and a discontinued product, Belcomp-PB Suppositories.

As stated in our reply letter to the FDA, Breckenridge fully intends to comply with all of FDA’s requirements in the February 26, 2007, Warning Letter by ceasing all manufacturing of these products no later than April 27, 2007, and **all interstate distribution no later than August 27, 2007**. We will satisfy our obligations in advance of the above dates. In the interim, we updated our labeling for these products to include warnings for CYP3A4 inhibitors. We commenced this revision process prior to receiving the FDA Warning Letter. Lastly, we will destroy all affected inventory that remains in our possession after August 27, 2007.

Please note that, as we understand the recent Warning Letters, the FDA is not prohibiting the sale by our customers of any ergotamine-containing products, so long as it does not involve interstate distribution (including intracompany transfers) later than August 27, 2007. Should you have any questions, please do not hesitate to contact us. Of course, as with all regulatory and legal matters, Breckenridge advises all our colleagues to consult with their regulatory counsel concerning these issues.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Eugene L. Kim', is written over a light blue horizontal line.

Eugene L. Kim
General Counsel

cc: Larry Rundsorf – President
Marty Schatz – Vice President, Sales
Larry Lapila – Vice President, Business Development