

Database 1 (pharmacy chain head offices independents)

19th December 2007

I am writing to let you know the details of our new way of working with you, which includes the new supply and delivery service and our new discount and rebate structure. We are aligning our investment in this new relationship as part of our commitment to the shared agenda in delivering improved healthcare to patients. In addition to the new supply and delivery service, I can also inform you of new investment to support you in enhancing patient care through initiatives starting in early 2008.

We can now confirm that our new supply and delivery service will start on **2nd February 2008**. From this date AAH and UniChem will act as AstraZeneca's agency partners to deliver our medicines directly to you. Orders placed on Saturday 2nd February will be delivered from Monday 4th February.

From 2nd February 2008, we will also be introducing a new discount and rebate structure, which will provide fair and straightforward trading terms to customers. All AstraZeneca products will be discounted regardless of the volume or value purchased but according to the discount band in which they sit. In addition to these discounts, there will be monthly rebates based on purchase levels. AstraZeneca's new team of Commercial and Supply Chain Managers will be in contact with you to discuss these details.

Please see the accompanying supply contract with more details regarding the new discount and rebate structure. If you are not the appropriate recipient for this supply contract, please contact Customer Services on the new freephone number or usual email address given below.

You may already have accounts with AAH or UniChem. However, if you are one of the few customers who do not already have an account with one of our agency partners, you need to open one in good time so that you are able to order AstraZeneca medicines from us once the new supply and delivery service comes into operation.

Opening an account with either of our agency partners is straightforward: simply contact them either by telephone or by email and they will advise you of their account opening procedures.

The contact details for our agency partners are:

AAH Pharmaceuticals Ltd  
Tel: 0844 561 8899  
Email: [azqueries@aah.co.uk](mailto:azqueries@aah.co.uk)

UniChem Ltd  
Tel: 0800 389 3455  
Email: [sales\\_customersupport@unicheam.co.uk](mailto:sales_customersupport@unicheam.co.uk)

For NI customers: AAH can provide you with details of how to open an account, or UniChem can provide you with details of how to open an account with its sub-contracted partner Sangers (NI) Ltd.

If you have any queries regarding our new supply and delivery service or other AstraZeneca initiatives, please contact Customer Services on the new freephone number 0800 032 0501 or email: [customer.services@astrazeneca.com](mailto:customer.services@astrazeneca.com).

Throughout 2008 AstraZeneca will also be focusing on how it can continue to enhance relationships with key customers and provide a more efficient and effective healthcare service. To help support your role in patient care, we are investing significantly in pharmacy-based adherence programmes. Based on extensive consultation with pharmacy customers and industry bodies, these programmes aim to support you in positively impacting patient outcomes.

We are exploring several different adherence initiatives and will involve more than 250 pharmacists in the initial phase of these programmes. These initiatives span several disease areas and look at opportunities such as identifying patients who require intervention and providing appropriate intervention resources for pharmacists.

Our adherence programmes are a reflection of our significant investment in you and we look forward to partnering with you in the future to deliver services direct to the patient.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'C. Brinsmead'.

Chris Brinsmead  
UK Company President

**PRIVATE AND CONFIDENTIAL**

19th December 2007

**Community Pharmacy Supply Contract for AstraZeneca Products**

We are writing to inform you that the provisions that are set out in this Main Supply Contract Letter and in the AstraZeneca Standard Terms and Conditions of Sale attached to this Main Supply Contract Letter (which together are referred to as the "**Supply Contract**") will apply to all purchases made by you of AstraZeneca medicines under the AstraZeneca supply and delivery service.

The Supply Contract will apply from the 2nd February 2008, from which point AHH and Unichem, and any other company appointed by AstraZeneca, will act as AstraZeneca's agency partners to deliver our medicines directly to you. The Supply Contract will continue after this date until it is terminated in accordance with its terms.

Please note that the placing of an order for our Products with an AstraZeneca Agent (that is, AAH, UniChem and/or any other agent appointed by AstraZeneca and notified by us to you) will be deemed to mean your acceptance of the provisions of the Supply Contract. Any addition, modification or exclusion you make to the provisions of the Supply Contract will have no legal effect, unless it is agreed in writing in advance by AstraZeneca.

Please note that sales of our Products will only be made subject to a satisfactory credit check carried out by (or on behalf of) AstraZeneca and the discounts and rebate levels set out in the Supply Contract will relate exclusively to purchases of our Products obtained via your chosen AstraZeneca Agent.

**Discounts**

The discounts described below will apply to all your purchases of our Products from AstraZeneca via your chosen Agent. All AstraZeneca Products sold via our Agents have been placed within one of four bands. Each band carries a different percentage of discount that will be deducted from the NHS list price for the relevant Product. You will receive the same percentage discount for an AstraZeneca Product within a band, regardless of the volume or value of purchases of that AstraZeneca Product.

These discounts will take the form of net prices payable to us for our Products and will be applied at the point of sale by our Agents on our behalf.

<b>% Discount</b>	<b>Products</b>				
<b>12%</b>	Half Inderal Inderal	Imdur	Oxis	Pulmicort (Respules) Rhinocort	Zoladex
<b>8.5%</b>	Alvedon Bricanyl (Turbohaler) Crestor Diprivan	Entocort Nexium Tabs Plendil 2.5	Pulmicort (all other) Symbicort Tenif	Tenoretic Tenormin Zestoretic	Zestril Zomig (all other)
<b>7%</b>	Avloclor Bambec Bricanyl (Respules & Ampoules)	Emla Hemenevrin	Losec Marcaïn	Naropin Paludrine	Pulmicort (Inhaler) Polyamps Zomig (Nasal Spray)
<b>0%</b>	Accolate Arimidex Betaloc Bricanyl (all other)	Casodex Citanest Faslodex Foscavir	Inderal Injec Marcaïn Heavy MeroneM Nebuchamber	Nebuhaler Nexium IV Nolvadex Plendil 5&10	Seroquel Tomudex Xylocaine

## Monthly Rebate

In addition to the discounts described above, you may qualify for a retrospective rebate that will be calculated monthly according to the total value of the AstraZeneca Products you purchase from AstraZeneca in that month via one of our Agents. In the event that you qualify for a rebate, the details will be provided to you by your AstraZeneca Commercial & Supply Chain Manager.

If you qualify for a retrospective monthly rebate the following provisions will apply:

1. The applicable rebate level will be applied to the total value of your monthly purchases at NHS list price excluding any VAT paid in respect of such purchases.
2. We will provide you with a monthly statement itemising where possible all the AstraZeneca Products purchased (at NHS list price), by you in the preceding month, the total value of those purchases and the applicable rebate. The rebate payable by us will be calculated by applying the applicable percentage to the value of your total monthly purchases (at NHS list price). The resulting rebate together with any applicable VAT will be paid monthly via BACs, to your nominated business account, subject to a minimum monthly entitlement of £250. If the payment due to you is less than £250, the rebates owing to you will be accrued for you by AstraZeneca until they amount to £250, whereupon they will be paid to you as above.
3. AstraZeneca's payment of your rebate is subject to us having received full payment of all amounts due for the Products purchased in the month to which the rebate applies. If you have not paid for your AstraZeneca Products in full, AstraZeneca will retain the rebate owing to you until you have settled your outstanding amounts, whereupon AstraZeneca will pay your rebate to you in full as above.
4. Rebate levels will only apply to total purchases of our Products (at NHS list price) made by the same legal entity. Please note that companies within the same legal group will be considered to be the same legal entity. Rebates will not be paid on the consolidated purchases of buying groups or consortiums.

If there are any changes to the companies within the same legal group as \_\_\_\_\_, you will need to notify your AstraZeneca Commercial & Supply Chain Manager before the 25th day of the month to ensure that we can correctly calculate the total purchases made by your legal group in the next calendar month for the purposes of applying the appropriate rebate.

5. We will make every effort to validate all purchase data and to ensure that you receive correct payment in a timely manner within 15 working days of your settlement of your account in full. However it is also your responsibility to review each monthly statement and notify your AstraZeneca Commercial & Supply Chain Manager within 28 days of receipt, should you have any queries in respect of purchase data or rebate levels. Please note that we will only correct validated errors, notified to us within this 28-day period.

## General

We may change the discount levels/rebate levels described in the Supply Contract at any time. However, if we decide to make changes to these levels, we will inform you where at all possible at least one month beforehand in writing.

This Supply Contract is personal to you. You are not authorised to assign, transfer, charge or dispose in any way of all or any of the rights granted to you under the Supply Contract without our prior written consent.

Please note that the contents of the Supply Contract are private and confidential. You must not disclose the information contained in the Supply Contract to anyone outside \_\_\_\_\_ without the prior written consent of AstraZeneca. This includes any other companies within the same legal group as \_\_\_\_\_.

In the event that any dispute arises out of the Supply Contract, where necessary, we will meet within 7 working days of the start of the dispute to discuss and try to resolve the dispute. If the dispute remains unresolved, it will then be transferred to a senior manager from each of our respective businesses who will make every effort to resolve the dispute within 14 working days, failing which either of us may commence legal proceedings in accordance with the terms of the Supply Contract.

If you have any queries on the contents of the Supply Contract, please do not hesitate to contact AstraZeneca Customer Services on 0800 032 0501 or by email at: [customer.services@astrazeneca.com](mailto:customer.services@astrazeneca.com), who will put you in touch with your AstraZeneca Commercial & Supply Chain Manager.

Yours sincerely,



Andy Carr  
Supply Chain Director

for and on behalf of AstraZeneca UK Limited