

October 17, 2017

**Tenormin® Limited Distribution System**

Dear Covered Entities,

Almatica Pharma Inc. (“Almatica”) distributes Tenormin® (atenolol) oral tablets<sup>1</sup>, which is indicated for the treatment of hypertension. During the fourth quarter of 2017, we anticipate that we will be unable to meet demand for the product. In an effort to ensure that all of our customers (including 340B covered entities) have an equal opportunity to obtain Tenormin®, we are instituting a limited distribution system for the product. The limited distribution system will affect all customers in a fair and consistent fashion. We anticipate that this system will remain in place for the foreseeable future.

In light of this shortage, Almatica will limit each customer’s monthly purchases of Tenormin® to twice its historical average monthly ordering volume during 1Q2017 and 2Q2017. We have advised our wholesalers of their purchasing limits and asked them to limit Tenormin® resales to their downstream customers, applying this same methodology on a customer-by-customer basis. Once a customer reaches its limit for a given month, it may place additional orders for Tenormin® at the beginning of the next month, up to that next month’s limit. For a customer with no purchases of Tenormin® in 1Q2017 or 2Q2017, Almatica will establish a monthly maximum order quantity based on the overall average monthly purchase volume of customers in that new purchaser’s class of trade. We will apply this average equally to all such customers. Importantly, a customer’s 340B covered entity status will not affect its monthly allocation -- the allocation will be based solely on historical unit purchasing volumes. In the near future, Almatica intends to transition to drop shipping Tenormin® directly to all end customers, using the same allocation methodology described in this notice.

Almatica is committed to making Tenormin® equitably available to all U.S. customers, including 340B covered entities, through the limited distribution system described in this letter. If you have any questions regarding this notice, please feel free to contact me at [Andrea.Johnson@alvogen.com](mailto:Andrea.Johnson@alvogen.com) or reach out to Almatica Customer Service at phone # 1-844-889-8686 Opt. 2, Email us at [Almatica-CustomerService@alvogen.com](mailto:Almatica-CustomerService@alvogen.com)

Sincerely,



Andrea Johnson  
VP, Sales Operations

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<sup>1</sup> The NDC numbers are 52427042990, 52427042990 and 52427043190