Undertaking to the Australian Competition and Consumer Commission

Given under section 87B of the *Competition and Consumer Act 2010* (Cth) by Zoetis Inc., Zoetis Australia Pty Ltd (ACN 156 476 425) and Zoetis Australia Research & Manufacturing Pty Ltd (ACN 158 433 053)

1 Persons giving this Undertaking

1.1 This Undertaking is given to the Australian Competition and Consumer Commission (**ACCC**) by Zoetis Inc. and its subsidiaries Zoetis Australia Pty Ltd (ACN 156 476 425) and Zoetis Australia Research & Manufacturing Pty Ltd (ACN 158 433 053) (together, **Zoetis**) on behalf of themselves and their Related Bodies Corporate.

2 Background

2.1 On 30 September 2009, the ACCC accepted an undertaking pursuant to section 87B of the then *Trade Practices Act 1974* (Cth) (now the *Competition and Consumer Act 2010* (the **Act**)) from Pfizer Inc., and its subsidiary Pfizer Australia Pty Limited (together, **Pfizer**). That undertaking was subsequently varied on 12 December 2012 (the **Pfizer Undertaking**, a copy of which is at Schedule 1). The Pfizer Undertaking was offered to address competition concerns arising from Pfizer's proposed acquisition of Wyeth Corp. Both Pfizer and Wyeth Corp were involved in the manufacture of the supply of animal health products. The undertaking required that Pfizer divest its Australian Fort Dodge livestock business (**Livestock Business**) and Australian Fort Dodge companion animal business. Pursuant to the Pfizer Undertaking, the ACCC approved Boehringer Ingelheim Vetmedica Inc to purchase the companion animal business and Virbac (Australia) Pty Ltd to purchase the Livestock Business.

2.2 On 12 December 2012 the ACCC consented to a variation of the Pfizer Undertaking to remove obligations relating to the transfer of the manufacture of mycoplasma hyopneumoniae vaccine to Virbac (Australia) Pty Ltd, primarily because Virbac (Australia) Pty Ltd no longer sought the transfer of those products from Pfizer.

2.3 During 2012, Pfizer Inc. undertook a global corporate restructure, whereby it demerged its global animal health business into a separate company, Zoetis Inc. The global corporate restructure was effective from 28 January 2013.

2.4 On 22 May 2013, Pfizer Inc. commenced an offer to exchange all the Pfizer Inc. shares held by its shareholders for the shares of Zoetis Inc. on the New York Stock Exchange. The offer was completed on 24 June 2013 and, as a result of the offer, Pfizer Inc. no longer had any ownership interest in Zoetis Inc. and Zoetis Inc. became fully independent from Pfizer Inc.

2.5 As a result of the events described in clauses 2.3 and 2.4, Zoetis agreed to acquire all of Pfizer's assets, and assume all of Pfizer's liabilities in respect of Pfizer's global animal health business as if it were Pfizer.

2.6 The divestiture of the Fort Dodge companion animal business to Boehringer Ingelheim Vetmedica Inc was approved by the ACCC at the time of acceptance of the Pfizer Undertaking in 2009. All obligations relating to this divestiture have been fulfilled.

2.7 The majority of Pfizer's obligations regarding the divestiture of the Livestock Business in Australia to Virbac (Australia) Pty Ltd have been fulfilled.

2.8 Under this Undertaking, Zoetis has assumed all obligations in the Pfizer Undertaking except for those obligations that have been fulfilled at the date of this Undertaking. These ongoing obligations include the obligations in the Pfizer Undertaking relating to transitional service arrangements and interim supply agreements between Pfizer and Virbac (Australia) Pty Ltd, which are due to expire on 29 January 2020 but which, in the case of the supply of the moxidectin active pharmaceutical ingredient under the Manufacture and Supply Agreement, may be renewed

with the ACCC's approval if Virbac has been unable to secure an alternative supply, having complied with its contractual obligations in the Manufacture and Supply Agreement to use best endeavours to do so. For the avoidance of doubt, the ongoing obligations which are assumed by Zoetis include obligations relating to the following, to the extent that those obligations have not been fulfilled at the date of this Undertaking:

(a) licences granted by Pfizer to Virbac (Australia) Pty Ltd to use intellectual property necessary for Virbac (Australia) Pty Ltd to operate the Livestock Business;

(b) supply of moxidectin products to Virbac (Australia) Pty Ltd:

(c) provision of technical assistance to Virbac (Australia) Pty Ltd to enable the transfer of the Livestock Business to Virbac (Australia) Pty Ltd:

(d) purchasing from Virbac (Australia) Pty Ltd certain products manufactured at the divested Penrith facility (designed to ensure viability of that facility):

(e) maintaining confidentiality and ring fencing of information obtained by Pfizer through its previous ownership and management of the divested business or through the provision of transitional assistance to Virbac (Australia) Pty Ltd pursuant to the Pfizer Undertaking;

(f) procuring and providing to the ACCC reports by an Approved Independent Auditor about Pfizer's compliance with the Pfizer Undertaking; and

(g) obligations to provide information to the ACCC to enable it to assess Pfizer's compliance with the Pfizer Undertaking.

2.9 In July 2013 Pfizer informed the ACCC of the completed demerger described in clauses 2.3 and 2.4, following which the ACCC sought further information from Pfizer concerning continued compliance with the Pfizer Undertaking. Under this Undertaking, Zoetis undertakes to the ACCC that it will assume responsibility for all obligations of Pfizer under the Pfizer Undertaking that remain operative as at the date of this Undertaking.

3 Commencement, cessation and termination of Undertaking

Commencement

3.1 This Undertaking comes into effect when:

(a) the undertaking is executed by Zoetis; and

(b) the ACCC accepts the undertaking so executed

(the **Commencement Date**).

Withdrawal

3.2 Zoetis may request withdrawal of this Undertaking pursuant to section 87B of the Act at any time. This Undertaking is taken to be withdrawn on the date the ACCC consents in writing to that withdrawal.

Revocation

3.3 The ACCC may, at any time, revoke its acceptance of this Undertaking if the ACCC becomes aware that any information provided to it was incorrect, inaccurate or misleading.

Waiver

3.4 The ACCC may, at any time at the request of Zoetis, expressly waive in writing any of the obligations contained in this Undertaking or amend the date by which any such obligation is to be satisfied.

Termination

3.5 This Undertaking terminates:

(a) once all licences, agreements, transitional services or other obligations under this Undertaking are transferred, granted, provided or fulfilled; and

(b) the ACCC confirms in writing that it is satisfied that Zoetis has fulfilled its obligations in accordance with this Undertaking and the ACCC is satisfied that termination can occur.

4 Direction to Personnel

4.1 As soon as practicable after the Commencement Date, Zoetis must direct its personnel, including directors, contractors, managers, officers, employees and agents, not to do anything inconsistent with Zoetis' obligations under this Undertaking.

5 Ongoing Agreements

5.1 Zoetis must comply with all obligations in the Pfizer Undertaking that are ongoing. These ongoing obligations include the obligations set out in clauses 5.2 to 5.7 of this Undertaking.

Intellectual property

5.2 Zoetis must comply with its obligations under the Intellectual Property Licence Agreement dated 29 January 2010 between various Pfizer group entities (novated and transferred to Zoetis LLC, Zoetis W LLC, Zoetis WHC 2 LLC and Zoetis GDS LLC (to be renamed Zoetis Services LLC)) and the Approved Purchaser, Virbac (Australia) Pty Ltd, as amended from time to time.

Supply of the moxidectin active pharmaceutical ingredient

5.3 Zoetis must ensure the reasonable and continuous supply of the moxidectin active pharmaceutical ingredient for the term of the Manufacture and Supply Agreement dated 29 January 2010 between Pfizer Inc. (novated and transferred to Zoetis Belgium SA) and Virbac (Australia) Pty Ltd, as amended from time to time.

5.4 Zoetis must comply with the interim arrangements for the supply or toll manufacturing of the moxidectin active pharmaceutical ingredient pursuant to the Manufacture and Supply Agreement and corresponding Quality Agreement dated 29 January 2010 between Pfizer Inc. (novated and transferred to Zoetis Belgium SA) and Virbac (Australia) Pty Ltd, as amended from time to time.

5.5 If Virbac has been unable to secure an alternative supply of the moxidectin active pharmaceutical ingredient, having complied with its contractual obligations in the Manufacturing and Supply Agreement to use best endeavours to do so, then the terms of the Manufacture and Supply Agreement may be renewed, subject to the supply of the moxidectin active pharmaceutical ingredient being:

(a) for a reasonable period to enable the establishment of the Livestock Business as a competitive, viable and independent business, which period is to be:

(i) nominated by Virbac (Australia) Pty Ltd as the Approved Purchaser of the Livestock Business; and

(ii) approved by the ACCC;

(b) provided at the cost set out in Confidential Schedule 2 or as otherwise agreed by the ACCC;

(c) on such other terms which are no less favourable to Virbac (Australia) Pty Ltd than arm's length terms; and

(d) notified to the ACCC.

Technical Assistance

5.6 Zoetis must comply with the transitional arrangements for the provision of services and/or Technical Assistance pursuant to the Transitional Services Agreement dated 29 January 2010 between Pfizer Inc. (novated and transferred to Zoetis Inc) and Virbac (Australia) Pty Ltd, as amended from time to time.

Purchase of products

5.7 Zoetis must comply with the arrangements for the purchase of products which are manufactured at the Penrith Facility required by Zoetis for export, pursuant to the terms of the Toll Manufacturing Agreement dated 29 January 2010 between Pfizer Inc. (novated and transferred to Zoetis Belgium SA) and Virbac (Australia) Pty Ltd, as amended from time to time, and the corresponding Quality Agreement dated 29 January 2010 between Pfizer Inc. (novated and transferred to Zoetis Belgium SA) and Virbac (Australia) Pty Ltd, as amended from time to time.

6 Confidential Information

6.1 Subject to clause 6.2 and 6.3, Zoetis must not, at any time from the Commencement Date, use or disclose any confidential information about the Livestock Business gained through:

(a) the ownership and/or management of the Livestock Business by Pfizer; or

(b) the provision by Pfizer or Zoetis of any services or Technical Assistance to, or through any interim supply or toll manufacturing arrangement with, Virbac (Australia) Pty Ltd.

6.2 Clause 6.1 does not apply to information that Zoetis requires to comply with legal and regulatory obligations, including obligations relating to:

(a) taxation;

(b) accounting;

(c) Australian Securities and Investments Commission, Securities & Exchange Commission and stock exchange disclosure obligations; and

(d) pharmacovigilance.

6.3 Clause 6.1 does not apply to information that Zoetis requires to carry out its obligations under this Undertaking, provided such information:

(a) is only made available to those officers, employees, contractors and advisers of Zoetis who need to know the information for the purpose of ensuring compliance with the Undertaking; and

(b) is not used for any other purpose.

7 Ring Fenced Information

7.1 Zoetis must, from the date of this Undertaking, do everything within its power to prevent any Ring Fenced Information being communicated, disclosed to or used by any officer or employee of

Zoetis other than an officer or employee who needs that information to provide Technical Assistance or to perform any obligations under the agreements or arrangements in clause 5.

7.2 Zoetis must procure that each person to whom Ring Fenced Information is communicated or disclosed, or by whom Ring Fenced Information is used, in accordance with this clause 7 observes the restrictions on the communication, disclosure and use of Ring Fenced Information in this Undertaking as if those restrictions were obligations of that person. In this regard, Zoetis must take all steps to:

(a) prevent breach of the obligation of confidentiality in relation to Ring Fenced Information by such a person;

(b) enforce the obligation of confidentiality in relation to the Ring Fenced Information by such a person; and

(c) prevent any further breaches of confidentiality in relation to the Ring Fenced Information by such a person.

7.3 Zoetis must maintain Ring Fenced Information on files and on systems that:

(a) are separate from those used by personnel of Zoetis who are not entitled to use the Ring Fenced Information; and

(b) prohibit access to Ring Fenced Information by personnel of Zoetis who are not entitled to use the Ring Fenced Information.

7.4 Zoetis must advise the ACCC of any breach of the obligations of confidentiality in relation to Ring Fenced Information as soon as Zoetis becomes aware of the breach and, in any event, within 2 Business Days of Zoetis becoming aware of the breach.

8 Independent audit

Process for approving a Proposed Independent Auditor

8.1 Zoetis must appoint and maintain an Approved Independent Auditor to audit and report upon Zoetis' compliance with this Undertaking.

8.2 At the time of accepting this Undertaking, the ACCC hereby approves KordaMentha Pty Ltd as the Approved Independent Auditor in respect of this Undertaking.

8.3 If clauses 8.17, 8.18 or 8.19 apply, Zoetis must, within five Business Days after the relevant event occurs, provide the ACCC with a notice for a Proposed Independent Auditor in the form prescribed in Schedule 4 to this Undertaking (**Proposed Independent Auditor Notice**), which includes draft terms of appointment and a draft audit plan, otherwise clause 8.8 applies.

8.4 The ACCC shall have the discretion to approve or reject in writing the Proposed Independent Auditor identified in the Proposed Independent Auditor Notice.

8.5 Without limiting the ACCC's discretion, in deciding whether to approve a Proposed Independent Auditor, the factors to which the ACCC may have regard include whether the:

(a) person named in the Proposed Independent Auditor Notice or identified by the ACCC has the qualifications and experience necessary to carry out the functions of the Approved Independent Auditor;

(b) person named in the Proposed Independent Auditor Notice or identified by the ACCC is sufficiently independent of Zoetis;

(c) terms of appointment and the draft audit plan are consistent with this Undertaking; and

(d) terms of appointment and the draft audit plan are otherwise acceptable to the ACCC.

Appointment of the Approved Independent Auditor

8.6 After receiving a written notice from the ACCC of its approval of a Proposed Independent Auditor, the draft terms of appointment and draft audit plan, Zoetis must within two Business Days:

(a) appoint the person approved by the ACCC as the Approved Independent Auditor on the Approved Terms of Appointment; and

(b) forward to the ACCC a copy of the executed Approved Terms of Appointment.

Failure to appoint

8.7 If the Approved Independent Auditor has not been appointed:

within 15 Business Days after the Approved Independent Auditor resigns or otherwise ceases to act as the Approved Independent Manager pursuant to clause 8.17, 8.18, or 8.19

then clause 8.8 applies.

8.8 If clause 8.7 applies, the ACCC at its absolute discretion may:

(a) identify and approve a person as the Approved Independent Auditor, which may include approving the terms of appointment and draft audit plan; and

(b) direct Zoetis to appoint the person who the ACCC approved in accordance with clause 8.8(a).

Obligations and powers of the Approved Independent Auditor

8.9 Zoetis must procure that the terms of appointment for the Approved Independent Auditor include obligations on the Approved Independent Auditor to:

(a) maintain his or her independence from Zoetis, apart from appointment to the role of Approved Independent Auditor, including not form any relationship of the types described in paragraph 2(c) of Schedule 4 to this Undertaking with Zoetis for the period of his or her appointment;

(b) conduct compliance auditing in accordance with clauses 8.11 to 8.16

(c) provide any information or documents requested by the ACCC about Zoetis' compliance with this Undertaking directly to the ACCC;

(d) follow any direction given to him or her by the ACCC in relation to the performance of his or her functions as Approved Independent Auditor under this Undertaking.

Zoetis' obligations in relation to the Approved Independent Auditor

8.10 Without limiting the obligations in this Undertaking, Zoetis must:

(a) comply with and enforce the terms of appointment for the Approved Independent Auditor;

(b) maintain and fund the Approved Independent Auditor to carry out his or her functions including;

(i) indemnify the Approved Independent Auditor for any expenses, loss, claim or damage arising directly or indirectly from the performance by the Approved Independent Auditor of his or her functions as the Approved Independent Auditor except where such expenses, loss, claim or damage arises out of the gross negligence, fraud, misconduct or breach of duty by the Approved Independent Auditor;

(ii) provide and pay for any external expertise, assistance or advice required by the Approved Independent Auditor to perform his or her functions as the Approved Independent Auditor;

(c) not interfere with, or otherwise hinder, the Approved Independent Auditor's ability to carry out his or her functions as the Approved Independent Auditor, including;

(i) direct its personnel, including directors, contractors, managers, officers, employees and agents, to act in accordance with this clause 8;

(ii) providing access to the facilities, sites or operations of the Divestiture Business and Zoetis' other businesses as required by the Approved Independent Auditor;

(iii) providing to the Approved Independent Auditor any information or documents he or she considers necessary for carrying out his or her functions as the Approved Independent Auditor or for reporting to or otherwise advising the ACCC;

(iv) not request any information relating to the compliance audit from the Approved Independent Auditor without such a request having been approved by the ACCC;

(v) not appointing the Approved Independent Auditor, or have any Agreements with the Approved Independent Auditor, to utilise the Approved Independent Auditor's services for anything other than compliance with this Undertaking until at least 12 months after the Approved Independent Auditor ceases to act in the role of the Approved Independent Auditor; and

(d) from the date of this Undertaking, ensure that all relevant personnel are aware of the Approved Independent Auditor and the obligations in clause 8.

Compliance Audit

8.11 Zoetis must procure that the Approved Independent Auditor prepares the audit report set out in clause 8.12 below. The audit report is to be provided every 6 months until the expiry of this Undertaking.

8.12 The Approved Independent Auditor is to prepare a detailed report (**Audit Report**) on:

(a) Zoetis' compliance with this Undertaking;

(b) full reasons for the conclusions reached in the audit;

(c) the Approved Independent Auditor's procedures in conducting the audit;

(d) identification of any areas of uncertainty or ambiguity in the Approved Independent Auditor's interpretation of any obligations contained in this Undertaking

(e) any qualifications made by the Approved Independent Auditor in forming his or her views; and

(f) any recommendations by the Approved Independent Auditor to improve the integrity of the auditing process and any reasonable recommendations to improve Zoetis' processes or reporting systems in relation to compliance with this Undertaking.

8.13 Zoetis must provide the ACCC with copies of the Auditor's Report within 2 Business Days of the Auditor's Report being received by Zoetis. The first audit report for the purposes of this Undertaking is due in June 2015.

8.14 Zoetis must require the Approved Independent Auditor to provide to the ACCC details of any possible failure to comply by Zoetis with the obligations in this Undertaking immediately upon such a possible failure to comply coming to the attention of the Approved Independent Auditor.

8.15 Zoetis must implement any recommendations of the Approved Independent Auditor made pursuant to clause 8.12(f), and notify the ACCC of the implementation of the recommendations, within 10 Business Days of receiving the Auditor's Report or after a period agreed with the ACCC.

8.16 Zoetis must comply with any direction of the ACCC in relation to matters arising from the Approved Independent Auditor's report within 10 Business Days of being so directed (or such longer period as agreed with the ACCC).

Resignation, revocation or termination of the Approved Independent Auditor

8.17 Zoetis must immediately notify the ACCC in the event that an Approved Independent Auditor resigns or otherwise stops acting as an Approved Independent Auditor.

8.18 The ACCC may revoke an Approved Independent Auditor's status as the Approved Independent Auditor if the ACCC becomes aware that any information provided to it was incorrect, inaccurate or misleading.

8.19 The ACCC may approve any proposal by, or alternatively may direct, Zoetis to terminate an Approved Independent Auditor if in the ACCC's view the Approved Independent Auditor acts inconsistently with the provisions of this Undertaking or the terms of his or her appointment.

9 Information

9.1 Zoetis must respond in a timely manner to any queries or requests for information or documents made by the ACCC (including by a person authorised by the ACCC under Schedule 4, paragraph 2(o)) about this Undertaking.

9.2 The ACCC may request information from the Approved Independent Auditor directly at any time and the Approved Independent Auditor will provide the information so requested directly to the ACCC, or as otherwise required by the ACCC.

9.3 The ACCC may direct Zoetis in respect of its compliance with this Undertaking to, and Zoetis must:

(a) furnish information, documents and materials to the ACCC in the time and in the form requested by the ACCC;

(b) produce information, documents and materials to the ACCC within Zoetis' custody, power or control in the time and in the form requested by the ACCC; and/or

(c) direct its personnel, including its directors, contractors, managers, officers, employees and agents, to attend the ACCC at a time and place appointed by the ACCC to answer any questions the ACCC (including its Commissioners, its staff or its agents) may have.

9.4 In respect to Zoetis' compliance with this Undertaking, the ACCC may request the Approved Independent Auditor to:

(a) furnish information, documents and materials to the ACCC in the time and in the form requested by the ACCC;

(b) produce information, documents and materials to the ACCC within the Approved Independent Auditor's custody, power or control in the time and in the form requested by the ACCC; and/or

(c) attend the ACCC at a time and place appointed by the ACCC to answer any questions the ACCC (including its Commissioners, its staff or its agents) may have.

9.5 Zoetis will use its best endeavours to ensure that the Approved Independent Auditor complies with any request from the ACCC in accordance with clause 9.4.

9.6 Information furnished, documents and material produced or information given in response to any request or direction from the ACCC under this clause 9 may be used by the ACCC for any purpose consistent with the exercise of its statutory duties.

9.7 Any direction made by the ACCC under clause 9.3 will be notified to Zoetis in accordance with clause 15.

9.8 The ACCC may, in its discretion, to be exercised in good faith:

(a) advise the Approved Independent Auditor of any request made by it under this clause 9; and/or

(b) provide copies to the Approved Independent Auditor of any information furnished, documents and material produced or information given to it under this clause 9.

9.9 Nothing in this clause 9 requires the provision of information or documents in respect of which Zoetis has a claim of legal professional privilege.

10 Disclosure of Undertakings

10.1 Zoetis acknowledges that the ACCC may:

(a) make this Undertaking publicly available;

(b) publish this Undertaking on its Public Section 87B Undertakings Register and Public Mergers Register; and

(c) from time to time publicly refer to this Undertaking.

10.2 Nothing in this Undertaking prevents the ACCC from disclosing such information as is:

(a) required by law;

(b) permitted by section 155AAA of the Act;

(c) necessary for the purpose of enforcement action under section 87B of the Act; or

(d) necessary for the purpose of making such market inquiries as the ACCC thinks fit to assess the impact on competition arising in connection with this Undertaking.

10.3 Nothing in this Undertaking prevents the ACCC from using the information contained in this Undertaking for any purpose consistent with its statutory functions and powers.

11 Obligation to procure

11.1 Where the performance of an obligation under this Undertaking requires a Related Body Corporate of Zoetis to take or refrain from taking some action, Zoetis will procure that Related Body Corporate to take or refrain from taking that action, as the case may be.

12 Change of Control

12.1 In the event that a Change of Control is reasonably expected to occur, Zoetis must

(a) notify the ACCC of this expectation as soon as practicable; and

(b) only implement a Change of Control to another person or entity if that person or entity has given a section 87B undertaking to the ACCC that requires it to comply with the same obligations as are imposed on Zoetis pursuant to this Undertaking (or that part of them with

which Zoetis is no longer able to comply as a consequence of the Change of Control), or on terms that are otherwise acceptable to the ACCC, unless the ACCC has notified Zoetis in writing that a section 87B undertaking under this clause is not required.

13 No Derogation

13.1 This Undertaking does not prevent the ACCC from taking enforcement action at any time whether during or after the period of this Undertaking in respect of any breach by Zoetis of any term of the Undertaking.

13.2 Nothing in this Undertaking is intended to restrict the right of the ACCC to take action under the Act for penalties or other remedies in the event that Zoetis does not fully implement and/or perform its obligations under this Undertaking or in any other event where the ACCC decides to take action under the Act for penalties or other remedies.

14 Costs

14.1 Zoetis must pay all of its own costs incurred in relation to this Undertaking.

15 Notices

Giving Notices

15.1 Any notice or communication to the ACCC pursuant to this Undertaking must be sent to:

Email address:	mergers@accc.gov.au
	Attention: Executive General Manager
	Mergers and Authorisation Review Division
With a copy sent to:	mergersucu@accc.gov.au
	Attention: Director, Undertakings Compliance Unit
	Coordination and Strategy Branch
	Mergers and Authorisation Review Division

15.2 Any notice or communication to Pfizer pursuant to this Undertaking must be sent to:

Name:	Allens
Address:	Deutsche Bank Place, 126 Phillip St, Sydney NSW 2000
Fax number:	02 9230 5333
Attention:	Jeremy Low, Partner

15.3 If sent by post, notices are taken to be received three Business Days after posting (or seven Business Days after posting if sent to or from a place outside Australia).

15.4 If sent by email, notices are taken to be received at the time shown in the email as the time the email was sent.

Change of contact details

15.5 Zoetis must notify the ACCC of a change to its contact details within three Business Days.

15.6 Any notice or communication will be sent to the most recently advised contact details and subject to clause 15.3 and 15.4 will be taken to be received.

16 Defined Terms and Interpretation

Definitions in the Dictionary

16.1 A term or expression starting with a capital letter:

(a) which is defined in the Dictionary in Schedule 3 (*Dictionary*) has the meaning given to it in the Dictionary.

(b) which is defined in the Corporations Act, but is not defined in the Dictionary, has the meaning given to it in the Corporations Act.

Interpretation

16.2 The interpretation clause in Schedule 3 sets out rules of interpretation for this Undertaking.

Executed as an Undertaking

Executed by Zoetis Inc.:

(Signature Authorised Representative)

Heidi C. Chung

(Print Name Authorised Representative)

EVP & General Counsel

Executed in accordance with section 127 of the *Corporations Act 2001* by Zoetis Australia Pty Ltd ACN 156 476 425:

(Director Signature)

Mike van Blommestein

(Print Name Director)

(Director/Secretary)

DERRICK PAUL HALLIDAY

(Print Name Director/Secretary)

Executed in accordance with section 127 of the *Corporations Act 2001* by Zoetis Australia Research and Manufacturing Pty Ltd ACN 158 433 053:

(Director Signature)

Mike van Blommestein

(Print Name Director)

(Director/Secretary)

DERRICK PAUL HALLIDAY

(Print Name Director/Secretary)

Accepted by the **Australian Competition and Consumer Commission** pursuant to section 87B of the *Competition and Consumer Act 2010* (Cth) on: JUNE 17, 2015

Signed on behalf of the Commission:

Chairman

19/6/15

Date

Schedule 1– Pfizer Undertaking (includes confidential schedules)

[Attached separately]

Schedule 1

FILE No:
DOC:

Undertaking to the Australian Competition and Consumer Commission

Given under section 87B of the Trade Practices Act by Pfizer Inc and Pfizer Australia Pty Limited

Contents

1 Person giving the Undertaking

This Undertaking is given to the Australian Competition and Consumer Commission (**ACCC**) by Pfizer Inc, together with its subsidiaries including Pfizer Australia Pty Limited ACN 008 422 348 (**Pfizer**), on behalf of itself and its subsidiaries.

2 Background

(a) On 25 January 2009, Pfizer Inc. and Wyeth (**Wyeth**) entered into a merger agreement under which Pfizer Inc proposes to acquire Wyeth (**Proposed Merger**).

(b) Both Pfizer and Wyeth are involved in the manufacture and supply of animal health products. Pfizer's animal health operations in Australia and internationally are known as Pfizer Animal Health (**PAH**). Wyeth's animal health division is known as Fort Dodge Animal Health (International) and Fort Dodge Australia Pty Limited (together, **Fort Dodge**).

(c) On 3 June 2009, the ACCC commenced its informal review of the Proposed Merger.

(d) The ACCC undertook market inquiries and considered information provided by the parties, industry participants and others. The ACCC's inquiries were aimed at assessing whether or not the Proposed Merger would have the effect or be likely to have the effect of substantially lessening competition in a market in contravention of section 50 of the *Trade Practices Act 1974* (the **Act**).

(e) The ACCC considered that, in the absence of this Undertaking, the Proposed Merger would result, or be likely to result, in a substantial lessening of competition in relation to the manufacture and supply of:

(i) multivalent cat vaccines;

(ii) multivalent dog vaccines;

(iii) *Bordetella bronchiseptica* (canine cough) vaccines;

(iv) monovalent *Mycoplasma hyopneumoniae* vaccines for swine;

(v) multivalent clostridial vaccines for cattle;

(vi) multivalent clostridial vaccines for sheep (including Eweguard and Weanerguard);

(vii) botulinum vaccines;

(viii) leptospirosis vaccines;

(ix) vibriosis vaccines;

(x) endectocides for sheep (including Eweguard and Weanerguard); and

(xi) endectocides for cattle.

Vaccine products

(f) In relation to the vaccines identified in clauses 2(e)(i) – 2(e)(ix), the ACCC considered that without the divestiture of products the Proposed Merger would

result in a significant concentration of vaccine suppliers in Australia. In relation to some of the identified vaccines, Pfizer will be the only supplier; in the others, there will be no more than three suppliers, including Pfizer.

(g) Further, the ACCC noted that, in relation to vaccines, barriers to entry and expansion are high and there is insufficient actual or potential import competition which would constrain Pfizer. This is largely due to the regulatory requirements which must be satisfied before a vaccine product can be supplied in Australia.

(h) The production of vaccines requires a high degree of technical expertise and access to specialist manufacturing facilities. In addition, for a new entrant, significant capital investment is required to establish a manufacturing facility. Further, the ACCC noted that it was unlikely that entry or expansion would occur through licensing or toll manufacturing arrangements. This was largely due to there being only a small number of vaccine suppliers, and there being few manufacturing facilities, in Australia.

(i) The ACCC considered that, without divestitures, there would be a substantial lessening of competition in the relevant animal health vaccine markets as a result of the Proposed Merger.

Cattle and sheep endectocide products

(j) In relation to cattle endectocides, the ACCC considered that Cydectin (which is supplied by Fort Dodge) and Dectomax (which is supplied by Pfizer) are technically superior, market leading products and that this technical superiority is heavily marketed and valued by customers. The ACCC noted that the presence of other cattle endectocide products or the prospect of new entry of generic endectocide products which have the same active ingredient as Cydectin or Dectomax would not provide an effective constraint on Pfizer in the foreseeable future.

(k) In relation to sheep endectocides, Pfizer has regulatory approval for a Dectomax product for sheep but has not yet supplied this product in Australia and has advised the ACCC that it has no current intention to do so. The ACCC considered that, absent the Proposed Merger, Pfizer may commence supply of Dectomax for sheep in Australia and would compete with existing Fort Dodge products supplied as Fort Dodge sheep endectocides, including Cydectin, Eweguard and Weanerguard. Given the market leading position of Cydectin and any potential technical advantages of the Dectomax sheep endectocide product, Dectomax could provide a significant competitive constraint on these products. The ACCC was concerned that the Proposed Merger would remove this constraint.

(l) The ACCC was also concerned that the Proposed Merger may give Pfizer the ability or incentive to bundle or leverage its position with its range of vaccines to reduce competition in other animal health markets. In particular, the ACCC was concerned that Pfizer would be able to leverage its position in the supply of animal health vaccines to maintain the market position of Cydectin and inhibit or limit entry of generic endectocide products which contain the same active ingredient as Cydectin.

(m) The ACCC considered that, without divestitures, there would be a substantial lessening of competition in the relevant animal health markets as a result of the Proposed Merger.

Pfizer's proposed divestitures

(n) Pfizer does not consider that the Proposed Merger would be likely to substantially lessen competition in the relevant animal health markets. However, as part of Pfizer's request for informal clearance of the Proposed Merger, and in order to

address the ACCC's competition concerns, Pfizer has, without admission, provided this Undertaking pursuant to section 87B of the Act.

(o) Pfizer addressed the ACCC's competition concerns by offering in this Undertaking to:

(i) divest the Fort Dodge Companion Animal Vaccine Business; and

(ii) divest the Livestock Business,

(the **Divestiture Businesses**) as competitive going concerns. The terms on which those businesses are to be divested are described in this Undertaking.

(p) This clause 2(p) appears in Schedule 3.

(q) This clause 2(q) appears in Schedule 3.

(r) The objective of this Undertaking is to address the ACCC's competition concerns which would otherwise arise as a consequence of the Proposed Merger.

(s) The Undertaking aims to maintain the level of competition which existed before the Proposed Merger through:

(i) the creation or strengthening of a viable, effective, stand-alone, independent and long term competitor for the supply of those products that form part of the Fort Dodge Companion Animal Vaccine Business;

(ii) the creation or strengthening of a viable, effective, stand-alone, independent and long term competitor for the manufacture and supply of those products that form part of the Livestock Business;

(iii) ensuring that the purchasers of the Divestiture Businesses have the necessary assets (including biological and raw materials and brands, and manufacturing facilities, equipment and employees) to compete effectively with Pfizer in the relevant animal health markets; and

(iv) enabling the purchasers of the Divestiture Businesses to constrain Pfizer:

(A) in the manufacture, marketing and sale of products; and

(B) from increasing the price of products, or decreasing the quality of its service,

in the relevant animal health markets.

(t) In order to address the ACCC's competition concerns, the ACCC considered it necessary for the purchasers to have the ability to manufacture and supply the divestiture products (including Cydectin, Eweguard, Weanerguard and M.hyo swine vaccines) independently of Pfizer. In this regard, the ACCC recognises that there may be some interim supply, toll manufacturing and technical assistance arrangements for which the purchaser may be dependent on Pfizer. The ACCC has accepted assurances by Pfizer that any interim supply, toll manufacturing or technical assistance arrangements with the purchaser will be at arm's length and on terms no less favourable than normal commercial terms. It is desirable that these arrangements do not continue in the longer term. An objective of this Undertaking is that the purchasers of the Divestiture Businesses not be reliant on Pfizer for the manufacture and/or supply of the divestiture products.

(u) Notwithstanding the interim supply and technical assistance arrangements between Pfizer and the purchasers, Pfizer has given the ACCC assurances that it will endeavour to separate its business from the Divestiture Businesses to the maximum extent possible.

3 Defined terms and interpretation

3.1 Definitions in the Dictionary

A term or expression starting with a capital letter:

(a) which is defined in the Dictionary in Schedule 4 (**Dictionary**), has the meaning given to it in the Dictionary; and

(b) which is defined in the Corporations Act, but is not defined in the Dictionary, has the meaning given to it in the Corporations Act.

3.2 Interpretation

The interpretation clause in Schedule 4 sets out rules of interpretation for this Undertaking.

4 Commencement and termination of Undertaking

4.1 Commencement

This Undertaking comes into effect when:

(a) the Undertaking is executed by Pfizer; and

(b) the Undertaking so executed is accepted by the ACCC.

4.2 Termination

(a) Subject to clause 4.2(b), this Undertaking terminates on the later of:

(i) the Divestiture Date; or

(ii) the Companion Animal Divestiture Date,

unless the transfer, grant or provision of licences, agreements, transitional services or the fulfilment of any other obligations continue after the Divestiture Date or the Companion Animal Divestiture Date, as the case may be, in accordance with this Undertaking, in which case the Undertaking only terminates once any such licences, agreements, transitional services or other obligations are transferred, granted, provided or fulfilled.

(b) Notwithstanding clause 4.2(a), this Undertaking terminates on the date the ACCC consents in writing to the withdrawal of this Undertaking in accordance with section 87B of the Act.

5 Sale of Fort Dodge Companion Animal Vaccine Business

(a) Pfizer must, in accordance with this Undertaking, divest, or cause the divestiture of, the Fort Dodge Companion Animal Vaccine Business to the Approved Purchaser of

the Fort Dodge Companion Animal Vaccine Business as soon as practicable after the Control Date.

(b) Schedule 3 sets out the sale process which is being followed in relation to the Fort Dodge Companion Animal Vaccine Business.

6 Sale of Livestock Business

(a) Pfizer must, within the Divestiture Period and in accordance with this Undertaking, divest, or cause the divestiture of, the Livestock Business to the Approved Purchaser of the Livestock Business.

(b) Pfizer must divest the Livestock Business on terms which include:

(i) the sale, assignment, transfer or licence, to the Approved Purchaser of the Livestock Business of all assets that comprise the Livestock Business, including the Material Contracts;

(ii) at the option of the Approved Purchaser of the Livestock Business, the transfer to the Approved Purchaser of the Livestock Business of:

(A) employees employed in the operation of the Livestock Business at the time of the sale;

(B) any other employees; and

(C) any service provider under a service contract,

(**Transferred Personnel**), who are, in each case necessary for the operation of the Livestock Business, other than the Excluded Employees, and who agrees to the transfer;

(iii) that Pfizer must:

(A) not directly or indirectly discourage any Transferred Personnel from continuing or seeking employment with, or providing services to, the Approved Purchaser of the Livestock Business; and

(B) release those Transferred Personnel from their employment or service contracts,

consistent with clause 14;

(iv) interim arrangements for the supply or toll manufacturing of:

(A) Cydectin injection for cattle;

(B) Cydectin long acting injection for cattle;

(C) the moxidectin active pharmaceutical ingredient;

(D) M.hyo Swine Vaccines; and

(E) the product described in Schedule 2,

and which are described further in clause (c) and Schedule 2;

(v) at the option of the Approved Purchaser of the Livestock Business, the provision by Pfizer of services and/or Technical Assistance that the Approved Purchaser of the Livestock Business requires subject to the services and Technical Assistance being:

(A) provided on a transitional basis;

(B) provided on arm's length terms; and

(C) notified to the ACCC;

(vi) at the option of the Approved Purchaser of the Livestock Business, an agreement for the purchase by Pfizer of products which are manufactured at the Penrith Facility and required by Pfizer for export:

(A) for a reasonable period, which period is agreed between Pfizer and the Approved Purchaser of the Livestock Business and approved by the ACCC;

(B) at the price specified in Schedule 2, or as otherwise agreed by the ACCC;

(C) on such other terms which are no less favourable to the Approved Purchaser than arm's length terms; and

(D) notified to the ACCC

and which are further described in Schedule 2.

(c) In relation to the arrangements in clause 6(b)(iv), Pfizer must ensure the reasonable and continuous supply of the relevant products for the term of the arrangements and that the supply or toll manufacturing is:

(i) for a reasonable period to enable the establishment of the Livestock Business as a competitive, viable and independent business, which period is to be:

(A) nominated by the Approved Purchaser of the Livestock Business; and

(B) approved by the ACCC; and

(ii) provided at the price specified in Schedule 2, or as otherwise agreed by the ACCC;

(iii) on such other terms which are no less favourable to the Approved Purchaser than arm's length terms; and

(iv) notified to the ACCC.

(d) For the avoidance of doubt, the arrangements in clause 6(b)(iv) are able to be renewed subject to the requirements of clause 6(c) being satisfied.

(e) Pfizer must do everything in its power to assist the Approved Purchaser of the Livestock Business in transferring the manufacture of the M.hyo Swine Vaccines from Pfizer to a facility of the Approved Purchaser's choosing (whether in Australia or elsewhere), including by providing assistance to obtain necessary regulatory approvals (including testing), provision of Technical Assistance and purchase of

necessary capital expenditure, to a maximum value (in aggregate for all such services, testing and equipment) of the amount specified in Schedule 2.

(f) Pfizer must effect or obtain the transfer, subject to law, of all licences, permits and/or other regulatory approvals to the Approved Purchaser of the Livestock Business that are required for the operation of the Livestock Business.

(g) Pfizer must:

(A) obtain any Third Party Consents as soon as practicable after entering into a Sale and Purchase Agreement with the Approved Purchaser of the Livestock Business;

(B) comply with all requirements necessary to obtain any Third Party Consents including providing necessary information promptly to the third party including, where applicable, the requirements contained in Schedule 2;

(C) promptly pay the costs and expenses of any third party reasonably incurred in providing the Third Party Consents; and

(D) act in good faith in its negotiations to obtain any Third Party Consents.

(h) If, before the Livestock Business Divestiture Completion Date:

(i) the Approved Purchaser of the Livestock Business fails to obtain or is unable to obtain any licence, permit or other regulatory approval referred to in clause (g); or

(ii) Pfizer fails to obtain or is unable to obtain any Third Party Consents,

then Pfizer must provide the ACCC, at least 7 Business Days prior to the Livestock Business Divestiture Completion Date, with details of those licences, permits, approvals or Third Party Consents (including reasons why approval, consent or transfer could not be given prior to that date, and what is required to obtain the approval, consent or transfer).

(i) Notwithstanding that Pfizer has complied with clause 6(g) it remains a breach of this Undertaking if Pfizer is unable to effect the divestiture of the Livestock Business in accordance with this Undertaking by reason of a failure to obtain any Third Party Consents.

(j) The Livestock Business is described in more detail in Schedule 1.

7 Sale of Livestock Business to Approved Purchaser

7.1 Sale only to Approved Purchaser

Pfizer must sell the Livestock Business to an Approved Purchaser, and must not authorise the Divestiture Agent to sell the Livestock Business to a purchaser other than an Approved Purchaser.

7.2 Proposed Purchaser Notice

(a) If Pfizer seeks to have a Proposed Purchaser approved by the ACCC, Pfizer must give the ACCC written notice (**Proposed Purchaser Notice**), containing:

(i) the name, address, telephone number and any other available contact details of the Proposed Purchaser;

(ii) a copy of the proposed Sale and Purchase Agreement;

(iii) a description of the business carried on by the Proposed Purchaser including the locations in which the Proposed Purchaser carries on its business;

(iv) details of the Proposed Purchaser's experience in the relevant markets;

(v) the names of the owner and the directors of the Proposed Purchaser; and

(vi) a submission from Pfizer addressing the factors set out in clause 7.3(b).

(b) A Proposed Purchaser Notice must be given to the ACCC at least 20 Business Days prior to the end of the Divestiture Period. For the avoidance of doubt, this clause 7.2(b) does not apply to a Proposed Purchaser Notice given by the Divestiture Agent.

7.3 Approval Notice

(a) The ACCC may, within 15 Business Days after receipt by the ACCC of the Proposed Purchaser Notice, or such further period as is required by the ACCC and notified to Pfizer in writing prior to the expiration of the 15 Business Day period, provide Pfizer with a written notice (**Approval Notice**) stating that the Proposed Purchaser is an Approved Purchaser.

(b) Without limiting the ACCC's discretion, in making a decision to provide an Approval Notice, the factors the ACCC will have regard to include whether:

(i) the Proposed Purchaser is independent of, and has no direct or indirect interest in, Pfizer;

(ii) the Proposed Purchaser is of good financial standing and has an intention to maintain and operate the Livestock Business as a going concern;

(iii) the Proposed Purchaser is able to conduct the Livestock Business effectively; and

(iv) the sale of the Livestock Business to the Proposed Purchaser will address any competition concerns of the ACCC, including the likely long-term viability and competitiveness of the Livestock Business under the ownership of the Proposed Purchaser.

7.4 Refusal to provide an Approval Notice

(a) If the ACCC refuses to provide an Approval Notice in relation to a Proposed Purchaser, it will advise Pfizer of such refusal in writing.

(b) Pfizer will not challenge the ACCC's refusal to provide an Approval Notice.

8 Preservation of the Divestiture Businesses

8.1 Maintenance of the Divestiture Businesses

From the Control Date, Pfizer must not sell or transfer its interest, or any assets comprising part of, or used in, the Divestiture Businesses or make any Material Change, except in accordance with this Undertaking, as required by the Approved Independent Manager, or as set out in the Separation Plan.

8.2 Pfizer's obligations in relation to the Divestiture Businesses

Without limiting this clause 8, Pfizer must, from the Control Date until:

(a) in the case of the Livestock Business, the Divestiture Date; or

(b) in the case of the Fort Dodge Companion Animal Vaccine Business, the Companion Animal Divestiture Date,

(or other period specified) take all steps to ensure that:

(c) subject to the best interests of the Divestiture Businesses (which are to be determined by the Approved Independent Manager), Pfizer is not involved in the management and operation of the Divestiture Businesses;

(d) the Divestiture Businesses are managed and operated in the ordinary course of business by the Approved Independent Manager as fully operational, competitive going concerns and in such a way that preserves the value in and goodwill of the Divestiture Businesses as at the Control Date;

(e) the Divestiture Businesses are operationally and financially separate from Pfizer unless this Undertaking otherwise provides;

(f) the books and records of the Divestiture Businesses are kept separate from those of Pfizer, except to the extent necessary for financial reporting;

(g) the Divestiture Businesses continue existing arrangements, agreements, or contracts with customers, suppliers or other third parties that were in place at the Control Date, subject to any changes reasonably and legally required to ensure separation of the Divestiture Businesses in accordance with the Separation Plan or to improve the operational efficiency of the Divestiture Businesses and which are notified to the ACCC in accordance with clause 8.4 (**Notification of separation changes**);

(h) Pfizer does not directly or indirectly procure, promote or encourage the redeployment of personnel necessary for the operation of the Livestock Business as at the Control Date other than the Excluded Employees, to any other business operated by Pfizer;

(i) Pfizer continues to provide access to working capital and sources of credit for the Divestiture Businesses;

(j) Pfizer provides and maintains administrative, promotional, technical, advertising and marketing support to the Divestiture Businesses;

(k) the Divestiture Businesses have, at Pfizer's cost, access to and use of the personnel required by the Divestiture Businesses to operate as viable going concerns;

(l) except as otherwise approved by the Approved Independent Manager, any personnel (including contractors) concerned with the management or operation of the Divestiture Businesses are not concerned with the management or operation of any aspect of Pfizer's businesses other than the Livestock Business;

(m) Pfizer takes any steps directed by the ACCC in relation to the matters arising from the report of the Approved Independent Manager referred to in clauses 9.4(a)(xi) and 9.4(a)(xii) within 10 Business Days of being so directed (or such longer period agreed with the ACCC); and

(n) Pfizer complies with its obligations in relation to the Divestiture Businesses under clause 9.

8.3 Direction to personnel

As soon as practicable after the Control Date, Pfizer must direct its personnel, including directors, contractors, managers, officers, employees and agents, not to do anything inconsistent with Pfizer's obligations under this Undertaking.

8.4 Notification of separation changes

(a) Pfizer must, within 10 Business Days of the Control Date, notify the ACCC of any changes to the Divestiture Businesses that Pfizer intends to make to ensure the separation of the Divestiture Businesses required by clause 8.2.

(b) Pfizer must implement any changes notified to Pfizer by the ACCC as being necessary to comply with clause 8.2, within 10 Business Days of being so notified.

8.5 Confidential Information

(a) Subject to clause 8.5(b) and 8.5(c), Pfizer must not, at any time from the Control Date and for a period of 12 months after the end of the term of this Undertaking, use or disclose any confidential information about the Divestiture Businesses gained through:

(i) the ownership and/or management of the Divestiture Businesses; or

(ii) the provision of any services or Technical Assistance to, or through any interim supply or toll manufacturing arrangement with, the Approved Purchaser of the Livestock Business.

(b) Clause 8.5(a) does not apply to information that Pfizer requires to comply with legal and regulatory obligations, including obligations relating to:

(i) taxation;

(ii) accounting;

(iii) ASIC, Securities & Exchange Commission and stock exchange disclosure obligations; and

(iv) pharmacovigilance.

(c) Clause 8.5(a) does not apply to information that Pfizer requires to carry out its obligations under this Undertaking, including its obligations to sell the Divestiture Businesses, provided such information:

(i) is made available to Pfizer in accordance with clause 9.4(b)(xi);

(ii) is only made available to those officers, employees, contractors and advisers of Pfizer who need to know the information for the purpose of ensuring compliance with the Undertaking; and

(iii) is not used for any other purpose.

8.6 Ring Fenced Information

(a) Subject to this Undertaking, Pfizer must, from the Livestock Business Divestiture Completion Date, do everything within its power to prevent any Ring Fenced Information being communicated, disclosed to or used by any officer or employee of Pfizer other than an officer or employee who needs that information to provide Technical Assistance or to perform any obligations under the agreements or arrangements set out in clause 6(b)(iv) or 6(b)(v).

(b) Pfizer must procure that each person to whom Ring Fenced Information is communicated or disclosed, or by whom Ring Fenced Information is used, in accordance with this clause 8.6 observes the restrictions on the communication, disclosure and use of Ring Fenced Information in this Undertaking as if those restrictions were obligations of that person. In this regard, Pfizer must take all steps to:

(i) prevent breach of the obligation of confidentiality in relation to Ring Fenced Information by such a person;

(ii) enforce the obligation of confidentiality in relation to the Ring Fenced Information by such a person; and

(iii) prevent any further breaches of confidentiality in relation to the Ring Fenced Information by such a person.

(c) Pfizer must maintain Ring Fenced Information on files and on systems that:

(i) are separate from those used by personnel of Pfizer who are not entitled to use the Ring Fenced Information; and

(ii) prohibit access to Ring Fenced Information by personnel of Pfizer who are not entitled to use the Ring Fenced Information.

(d) Pfizer must advise the ACCC of any breach of the obligations of confidentiality in relation to Ring Fenced Information as soon as Pfizer becomes aware of the breach and, in any event, within 2 Business Days of Pfizer becoming aware of the breach.

9 Approved Independent Manager

9.1 Obligation to appoint an Approved Independent Manager

Pfizer must appoint, and maintain, an Approved Independent Manager to manage:

(a) the Livestock Business, from the Control Date until the Divestiture Date; and

(b) the Fort Dodge Companion Animal Vaccine Business, from the Control Date until the Companion Animal Divestiture Date,

in accordance with this Undertaking.

9.2 Proposed Manager

(a) At least 10 Business Days before the Control Date, Pfizer must identify a prospective independent manager (**Proposed Manager**) and provide the ACCC with written notice of the identity of the Proposed Manager together with such information and documents as the ACCC requires to assess whether to object to the appointment of the Proposed Manager, including a copy of the proposed terms of appointment.

(b) The Proposed Manager must be a person who has the qualifications and experience necessary to manage the Divestiture Businesses and is independent of Pfizer and Wyeth. The criteria by which the independence of the Proposed Manager will be determined include whether the person is:

(i) a current employee or officer of Pfizer or Wyeth;

(ii) a person who has been an employee or officer of Pfizer or Wyeth in the past 3 years;

(iii) a person who, in the opinion of the ACCC, holds a material interest in Pfizer or Wyeth;

(iv) a professional adviser of Pfizer or Wyeth, whether current or in the past 3 years;

(v) a person who has a contractual relationship, or is an employee or contractor of a firm or company that has a contractual relationship, with Pfizer or Wyeth, but for the terms of any Approved Independent Manager agreement with Pfizer;

(vi) a supplier, or a person who is an employee or contractor of a firm or company that is a supplier, of Pfizer or Wyeth; or

(vii) a material customer of, or a person who is an employee or contractor of a firm or company that has a contractual relationship with, Pfizer or Wyeth.

9.3 Appointment of Approved Independent Manager

If:

(a) within 5 Business Days of receipt by the ACCC of the written notice referred to in clause 9.2(a); or

(b) such further period as is required by the ACCC and notified to Pfizer in writing prior to the expiration of the 5 Business Day period,

the ACCC informs Pfizer that it:

(c) does not object to the Proposed Manager, Pfizer will:

(i) appoint the Proposed Manager as the Approved Independent Manager as soon as practicable, and by no later than the Control Date, on terms approved by the ACCC and consistent with the performance by the Approved Independent Manager of his or her functions under this Undertaking, and

(ii) forward to the ACCC a copy of the executed terms of appointment; or

(d) does object to the Proposed Manager, Pfizer will:

(i) appoint a person identified by the ACCC at its absolute discretion as the Approved Independent Manager on terms approved by the ACCC and consistent with the performance by the Approved Independent Manager of his or her functions under this Undertaking; and

(ii) forward to the ACCC a copy of the executed terms of appointment.

9.4 Obligations relating to Approved Independent Manager

(a) Pfizer must procure that the terms of appointment of the Approved Independent Manager include obligations on the Approved Independent Manager to:

(i) continue to satisfy the independence criteria in clause 9.2(b) for the period of his or her appointment;

(ii) manage and operate the Divestiture Businesses lawfully in the ordinary course of business, having regard to the nature of the Divestiture Businesses;

(iii) make only those Material Changes to the Divestiture Businesses which have been approved by the ACCC;

(iv) to the maximum extent practicable, operate the Divestiture Businesses in a manner which is financially, and operationally separate from Pfizer;

(v) keep the books and records of the Divestiture Businesses separate from those of Pfizer;

(vi) implement specific measures to maintain the confidentiality of any competitively sensitive information of the Divestiture Businesses;

(vii) use best endeavours to renew or replace upon expiry material contracts for the provision of goods or services to the Divestiture Businesses on commercial terms favourable to the Divestiture Businesses;

(viii) maintain appropriate personnel levels and ensure that the Divestiture Businesses have access to a sufficient number of personnel to operate as viable going concerns, and may engage personnel (including professional advisers) as the Approved Independent Manager determines necessary;

(ix) until the Divestiture Date, approve any redeployment of Transferred Personnel or employees employed in the Livestock Business, other than the Excluded Employees, to any other business operated by Pfizer;

(x) not use any confidential information gained through the ownership and/or management of the Divestiture Businesses other than for performing his or her functions as Approved Independent Manager;

(xi) from the date of appointment, provide a written report each month to the ACCC in relation to the operation of the Livestock Business and this Undertaking and carry out the ACCC's directions in relation to matters arising from the report;

(xii) provide reports (whether in writing or orally) to the ACCC in relation to the operation of the Fort Dodge Companion Animal Vaccine Business at such

times as directed by the ACCC and carry out the ACCC's directions in relation to matters arising from the reports;

(xiii) review and report to the ACCC regarding any changes made to the Divestiture Businesses by Pfizer to ensure the separation of the Divestiture Businesses as required by clause 8.2 and the Separation Plan, and make any recommendation considered appropriate including, if necessary, steps to reverse such changes made by Pfizer;

(xiv) provide any information or documents requested by the ACCC about the Divestiture Businesses directly to the ACCC;

(xv) report or otherwise inform the ACCC directly of any issues that arise in the performance of his or her functions as Approved Independent Manager or in relation to any matter that may arise in connection with this Undertaking;

(xvi) notify the ACCC of any approval given in accordance with clause 8.2(l) or 9.4(a)(ix);

(xvii) comply with clause 10.4(c);

(xviii) approve any change to the Separation Plan proposed by Pfizer prior to such change taking effect;

(xix) follow any direction given to him or her by the ACCC in relation to the performance of his or her functions as Approved Independent Manager under this Undertaking;

(xx) comply with the additional obligations in respect of the Fort Dodge Companion Animal Vaccine Business set out in Schedule 3; and

(xxi) co-operate with Pfizer in relation to the sale of the Divestiture Businesses, including by providing information required by prospective purchasers, facilitating site visits to the Penrith Facility and making personnel available as required for interview by prospective purchasers.

(b) Without limiting the obligations in this Undertaking, Pfizer must:

(i) provide a copy of the executed terms of appointment for the Approved Independent Manager to the ACCC within 1 Business Day of their execution;

(ii) comply with and enforce the terms of appointment for the Approved Independent Manager;

(iii) maintain and fund the Approved Independent Manager to carry out his or her functions;

(iv) indemnify the Approved Independent Manager for any expenses, loss, claim or damage arising directly or indirectly from the performance by the Approved Independent Manager of his or her functions as the Approved Independent Manager except where such expenses, loss, claim or damage arises out of the gross negligence, fraud, misconduct or breach of duty by the Approved Independent Manager;

(v) not interfere with, or otherwise hinder, the Approved Independent Manager's ability to carry out his or her functions as the Approved Independent Manager;

(vi) ensure that the Approved Independent Manager is fully able to acquire and pay for sufficient and timely delivery of all goods and services (including from third parties) which the Approved Independent Manager considers are required by the Divestiture Businesses;

(vii) accept (and direct its directors, contractors, managers, officers, employees and agents to accept) direction from the Approved Independent Manager as to the control, management, financing and operations of the Divestiture Businesses, and for the Divestiture Businesses to meet all legal, corporate, financial, accounting, taxation, audit and regulatory obligations;

(viii) provide and pay for any external expertise, assistance or advice required by the Approved Independent Manager to perform his or her functions as the Approved Independent Manager;

(ix) provide access to the facilities, sites or operations of the Divestiture Businesses reasonably required by the Approved Independent Manager and/or the ACCC;

(x) provide to the Approved Independent Manager any information or documents requested by the Approved Independent Manager that he or she considers necessary for managing and operating the Divestiture Businesses or for reporting to or otherwise advising the ACCC;

(xi) request any information relating to the Divestiture Businesses which it requires in order to comply with any obligation under this Undertaking, and which obligation is notified to the Approved Independent Manager, from the Approved Independent Manager, who may decide whether or not to provide access to that information;

(xii) ensure that the Approved Independent Manager will provide information or documents requested by the ACCC directly to the ACCC;

(xiii) ensure that the Approved Independent Manager reports or otherwise informs the ACCC directly of any issues that arise in the performance of his or her functions as Approved Independent Manager or in relation to any matter that may arise in connection with this Undertaking;

(xiv) direct its personnel, including directors, contractors, managers, officers, employees and agents, to act in accordance with this clause 9; and

(xv) from the Control Date, ensure that all relevant personnel are aware of the Approved Independent Manager and the obligations in clause 9.

9.5 Resignation or termination of an Approved Independent Manager

(a) Pfizer must immediately notify the ACCC in the event that an Approved Independent Manager resigns or otherwise stops acting as an Approved Independent Manager before the Divestiture Date.

(b) The ACCC may approve any proposal by, or alternatively may direct, Pfizer to terminate an Approved Independent Manager if in the ACCC's view the Approved Independent Manager acts inconsistently with the provisions of this Undertaking.

(c) If either clause 9.5(a) or 9.5(b) applies, the ACCC may nominate an alternative Approved Independent Manager.

(d) Pfizer must, within 5 Business Days of the ACCC nominating an alternative Approved Independent Manager:

(i) appoint an Approved Independent Manager nominated by the ACCC on terms approved by the ACCC and consistent with the performance by the Approved Independent Manager of his or her functions under this Undertaking; and

(ii) forward to the ACCC a copy of the executed terms of appointment.

10 Failure to divest the Livestock Business within the Divestiture Period

10.1 Sale of Unsold Livestock Business

In the event that the sale of the Livestock Business to an Approved Purchaser is not completed by the end of the Divestiture Period, the business becomes an Unsold Business.

10.2 Proposed Divestiture Agent

(a) At least 20 Business Days prior to the Livestock Business becoming an Unsold Business, Pfizer must identify a prospective divestiture agent to effect the sale of the Unsold Business (**Proposed Divestiture Agent**) and provide the ACCC with written notice of the identity of the Proposed Divestiture Agent, together with such information and documents as the ACCC requires to assess whether to object to the appointment of the Proposed Divestiture Agent, including the proposed terms of appointment.

(b) The Proposed Divestiture Agent must be a person who has the qualifications and experience necessary to effect the sale of the Unsold Business and is independent of Pfizer and Wyeth. The criteria by which the independence of the Proposed Divestiture Agent will be determined include whether the person is:

(i) a current employee or officer of Pfizer or Wyeth;

(ii) a person who has been an employee or officer of Pfizer or Wyeth in the past 3 years;

(iii) a person who, in the opinion of the ACCC, holds a material interest in Pfizer or Wyeth;

(iv) a professional adviser of Pfizer or Wyeth, whether current or in the past 3 years;

(v) a person who has a contractual relationship, or is an employee or contractor of a firm or company that has a contractual relationship, with Pfizer or Wyeth, but for the terms of any Divestiture Agent agreement with Pfizer;

(vi) a supplier, or a person who is an employee or contractor of a firm or company that is a supplier, of Pfizer or Wyeth; or

(vii) a material customer of, or a person who is an employee or contractor of a firm or company that has a contractual relationship with, Pfizer or Wyeth.

10.3 Appointment of Divestiture Agent

If:

(a) within 10 Business Days of receipt by the ACCC of the written notice referred to in clause 10.2(a); or

(b) such further period as is required by the ACCC and notified to Pfizer in writing prior to the expiration of the 10 Business Day period,

the ACCC informs Pfizer that it:

(c) does not object to the Proposed Divestiture Agent, Pfizer will:

(i) appoint the Proposed Divestiture Agent as the Divestiture Agent as soon as practicable, and within 5 Business Days of the date on which the ACCC informs Pfizer that it does not object to the appointment of the Proposed Divestiture Agent as the Divestiture Agent, on terms approved by the ACCC and consistent with the performance by the Divestiture Agent of his or her functions under this Undertaking, and

(ii) forward to the ACCC a copy of the executed terms of appointment; or

(d) does object to the Proposed Divestiture Agent, Pfizer will:

(i) appoint a person identified by the ACCC at its absolute discretion as the Divestiture Agent, within 5 Business Days of the ACCC nominating the alternative person, on terms approved by the ACCC and consistent with the performance by the Divestiture Agent of his or her functions under this Undertaking; and

(ii) forward to the ACCC a copy of the executed terms of appointment.

10.4 Obligations relating to the Divestiture Agent

(a) Pfizer must procure that the terms of appointment of the Divestiture Agent include obligations to the effect that the Divestiture Agent:

(i) must continue to satisfy the independence criteria in clause 10.2(b) for the period of his or her appointment;

(ii) be empowered by Pfizer and required to effect the divestiture of the Unsold Business, only to an Approved Purchaser at no minimum price and as soon as possible after the Livestock Business becomes an Unsold Business;

(iii) must inform the ACCC immediately of all offers for the Unsold Business;

(iv) must immediately accept any offer for the Unsold Business upon instruction from Pfizer given in accordance with clause 10.4(b);

(v) may charge such fees as are agreed between the Divestiture Agent and Pfizer (but not fees contingent on the price to be obtained for the Unsold Business), and to be paid by Pfizer. If an agreement cannot be reached between the Divestiture Agent and Pfizer within 5 Business Days from the date of:

(A) the ACCC's notice that it does not object to the Proposed Divestiture Agent under clause 10.3(c); or

(B) the ACCC notifying Pfizer of an alternative to the Proposed Divestiture Agent under clause 10.3(d),

Pfizer agrees to pay such fees as are directed by the ACCC;

(vi) is the only person who may divest the Unsold Business after the Divestiture Agent's appointment;

(vii) may retain any lawyer or other adviser or agent reasonably required to effect the sale of the Unsold Business, and the fees of that adviser or agent must be paid by Pfizer;

(viii) must use his or her best endeavours to enter into a binding agreement for the sale of the Unsold Business as quickly as possible adopting a standard form Sale and Purchase Agreement prepared by Pfizer and previously approved by the ACCC;

(ix) must account to Pfizer for:

(A) any moneys derived from the divestiture of the Unsold Business;

(B) all disbursements, fees and charges incurred by the Divestiture Agent in undertaking his/her duties; and

(C) all agreed fees of the Divestiture Agent (including the fees of any adviser appointed under clause 10.4(a)(vii));

(x) must provide a written report to the ACCC and Pfizer on the first Business Day of each month until the Divestiture Date, or answer any reasonable inquiries of either the ACCC or Pfizer, concerning:

(A) the efforts made to sell the Unsold Business;

(B) costs and fees incurred;

(C) the identity of any advisers engaged;

(D) the identity of any persons expressing interest in the Unsold Business; or

(E) any other information required by the ACCC or Pfizer;

(xi) must use best endeavours to ensure that Pfizer complies with its obligations as set out in this clause 10 and notify the ACCC of any material failure by Pfizer to do so;

(xii) must divest the Unsold Business to an Approved Purchaser, approved by the ACCC in accordance with clause 7 of this Undertaking with the Divestiture Agent acting in place of Pfizer; and

(xiii) must follow any direction given to him or her by the ACCC in relation to the performance of his or her functions as Divestiture Agent under this Undertaking.

(b) The ACCC may direct Pfizer to instruct the Divestiture Agent to accept any offer for an Unsold Business notified to it under clause 10.4(a)(iii) of the Undertaking. Pfizer must comply with such a direction within 5 Business Days.

(c) The Divestiture Agent and the Approved Independent Manager of the Livestock Business are required to cooperate and communicate with each other on all relevant issues affecting the Unsold Business. The Divestiture Agent and the Approved Independent Manager will notify the ACCC in writing of any lack of cooperation or communication in their dealings with each other relevant to the efforts made to preserve the Livestock Business and effect the divestiture of the Unsold Business.

(d) Without limiting the obligations in this Undertaking, Pfizer must:

(i) provide a copy of the executed terms of appointment for the Divestiture Agent to the ACCC within 1 Business Day of their execution;

(ii) comply with and enforce the terms upon which the Divestiture Agent is appointed in clause 10.3 and elsewhere in this Undertaking;

(iii) indemnify the Divestiture Agent for any expenses, loss, claim or damage arising directly or indirectly from the performance by the Divestiture Agent of his or her functions as the Divestiture Agent except where such expenses, loss, claim or damage arises out of the gross negligence, fraud, misconduct or breach of duty by the Divestiture Agent;

(iv) not interfere with, or otherwise hinder, the Divestiture Agent's ability to carry out his or her functions as Divestiture Agent;

(v) ensure that the Divestiture Agent will provide information or documents requested by the ACCC directly to the ACCC;

(vi) ensure that the Divestiture Agent undertakes to report and respond to the ACCC, or otherwise informs the ACCC, directly of any issues that arise in the performance of his or her functions as Divestiture Agent or in relation to any matter that may arise in connection with this Undertaking;

(vii) provide to the Divestiture Agent any information or documents requested by the Divestiture Agent that he or she considers necessary to effect the sale of the Unsold Business, or for reporting to or otherwise advising the ACCC;

(viii) assist the Divestiture Agent to effect the sale of the Unsold Business as quickly as possible;

(ix) not authorise the Divestiture Agent to sell the Unsold Business to a purchaser other than an Approved Purchaser; and

(x) not contract to sell the Unsold Business on terms which would be inconsistent with the Divestiture Agent's role, the granting of authority to the Divestiture Agent under clause 10.5, or any other obligation in this Undertaking.

10.5 Powers of the Divestiture Agent

Pfizer must grant the Divestiture Agent an irrevocable power of attorney conferring all necessary power and authority to effect the divestiture of the Unsold Business on terms considered by the Divestiture Agent in his or her sole discretion to be consistent with this Undertaking. Any such irrevocable power of attorney granted will be revoked upon termination of the Divestiture Agent in accordance with clause 10.6.

10.6 Resignation or termination of Divestiture Agent

(a) Pfizer must immediately notify the ACCC in the event that a Divestiture Agent resigns or otherwise stops acting as a Divestiture Agent before the Divestiture Date.

(b) The ACCC may approve any proposal by, or alternatively may direct, Pfizer to terminate a Divestiture Agent if in the ACCC's view the Divestiture Agent acts inconsistently with the provisions of this Undertaking.

(c) If either clause 10.6(a) or 10.6(b) applies, the ACCC may nominate an alternative Divestiture Agent.

(d) Pfizer must, within 2 Business Days of the ACCC nominating an alternative Divestiture Agent:

(i) appoint a Divestiture Agent nominated by the ACCC on terms approved by the ACCC and consistent with the performance by the Divestiture Agent of his or her functions under this Undertaking; and

(ii) forward to the ACCC a copy of the executed terms of appointment.

11 Independent audit

11.1 Proposed Auditor

(a) At least 5 Business Days before the Control Date, Pfizer must identify a prospective independent auditor (**Proposed Auditor**) and provide the ACCC with written notice of the identity of the Proposed Auditor, together with such information and documents as the ACCC requires to assess whether to object to the appointment of the Proposed Auditor, including a copy of the proposed terms of appointment.

(b) The Proposed Auditor must be a person who has the qualifications and experience necessary to carry out the functions of the Approved Independent Auditor and is independent of Pfizer and Wyeth. The criteria by which the independence of the Proposed Auditor will be determined include whether the person is:

(i) a current employee or officer of Pfizer or Wyeth;

(ii) a person who has been an employee or officer of Pfizer or Wyeth in the past 3 years;

(iii) a person who, in the opinion of the ACCC, holds a material interest in Pfizer or Wyeth;

(iv) a professional adviser of Pfizer or Wyeth, whether current or in the past 3 years;

(v) a person who has a contractual relationship, or is an employee or contractor of a firm or company that has a contractual relationship, with Pfizer or Wyeth, but for the terms of any Approved Independent Auditor agreement with Pfizer;

(vi) a supplier, or a person who is an employee or contractor of a firm or company that is a supplier of Pfizer or Wyeth; or

(vii) a material customer of, or a person who is an employee or contractor of a firm or company that has a contractual relationship with, Pfizer or Wyeth.

11.2 Appointment of Approved Independent Auditor

If:

(a) within 5 Business Days of receipt by the ACCC of the written notice referred to in clause 11.1(a); or

(b) such further period as is required by the ACCC and notified to Pfizer in writing prior to the expiration of the 5 Business Day period,

the ACCC informs Pfizer that it:

(c) does not object to the Proposed Auditor, Pfizer will:

(i) appoint the Proposed Auditor as the Approved Independent Auditor as soon as practicable, and by no later than the Control Date, on terms approved by the ACCC and consistent with the performance by the Approved Independent Manager of his or her functions under this Undertaking, and

(ii) forward to the ACCC a copy of the executed terms of appointment; or

(d) does object to the Proposed Auditor, Pfizer will:

(i) appoint a person identified by the ACCC at its absolute discretion as the Approved Independent Auditor on terms approved by the ACCC and consistent with the performance by the Approved Independent Auditor of his or her functions under this Undertaking; and

(ii) forward to the ACCC a copy of the executed terms of appointment.

11.3 Obligations relating to the Approved Independent Auditor

(a) Pfizer must procure that the terms of appointment of the Approved Independent Auditor include obligations on the Approved Independent Auditor to:

(i) continue to satisfy the independence criteria in clause 11.1(b) for the period of his or her appointment;

(ii) provide any information or documents requested by the ACCC about Pfizer's compliance with this Undertaking directly to the ACCC;

(iii) report or otherwise inform the ACCC directly of any issues that arise in the performance of his or her functions as Approved Independent Auditor or in relation to any matter that may arise in connection with this Undertaking; and

(iv) follow any direction given to him or her by the ACCC in relation to the performance of his or her functions as Approved Independent Auditor under this Undertaking.

(b) Without limiting the obligations in this Undertaking, Pfizer must:

(i) provide a copy of the executed terms of appointment for the Approved Independent Auditor to the ACCC within 1 Business Day of their execution;

(ii) comply with and enforce the terms of appointment for the Approved Independent Auditor;

(iii) maintain and fund the Approved Independent Auditor to carry out his or her functions;

(iv) indemnify the Approved Independent Auditor for any expenses, loss, claim or damage arising directly or indirectly from the performance by the Approved Independent Auditor of his or her functions as the Approved Independent Auditor except where such expenses, loss, claim or damage arises out of the gross negligence, fraud, misconduct or breach of duty by the Approved Independent Auditor;

(v) not interfere with, or otherwise hinder, the Approved Independent Auditor's ability to carry out his or her functions as the Approved Independent Auditor;

(vi) provide and pay for any external expertise, assistance or advice required by the Approved Independent Auditor to perform his or her functions as the Approved Independent Auditor;

(vii) provide to the Approved Independent Auditor any information or documents requested by the Approved Independent Auditor that he or she considers necessary for carrying his or her functions as the Approved Independent Auditor or for reporting to or otherwise advising the ACCC;

(viii) not request any information relating to the compliance audit from the Approved Independent Auditor without such a request having been approved by the ACCC;

(ix) ensure that the Approved Independent Auditor will provide information or documents requested by the ACCC directly to the ACCC;

(x) ensure that the Approved Independent Auditor reports or otherwise informs the ACCC directly of any issues that arise in the performance of his or her functions as Approved Independent Auditor or in relation to any matter that may arise in connection with this Undertaking;

(xi) direct its personnel, including directors, contractors, managers, officers, employees and agents, to act in accordance with this clause 11;

(xii) from the Control Date, ensure that all relevant personnel are aware of the Approved Independent Auditor and the obligations in clause 11; and

(xiii) not appoint the Approved Independent Auditor, or have any agreements, understandings or arrangements with the Approved Independent Auditor, to utilise the Approved Independent Auditor's services for anything other than compliance with this Undertaking.

11.4 Compliance Audit

(a) Pfizer will procure that the Approved Independent Auditor prepares the audit report set out in clause 11.4(b) below. The first audit report is to be provided within 10 Business Days of the Control Date and thereafter every month for the first 6

months of the Undertaking and every 3 months thereafter until the expiry of this Undertaking.

(b) The Approved Independent Auditor is to prepare a detailed report (**Auditor's Report**) on:

(i) Pfizer's compliance with this Undertaking;

(ii) full reasons for the conclusions reached in the audit;

(iii) any qualifications made by the Approved Independent Auditor in forming his or her views; and

(iv) any recommendations by the Approved Independent Auditor to improve the integrity of the auditing process and any reasonable recommendations to improve Pfizer's processes or reporting systems in relation to compliance with this Undertaking.

(c) Pfizer must provide the ACCC with copies of the Auditor's Report within 2 Business Days of the Auditor's Report being received by Pfizer.

(d) Pfizer must require the Approved Independent Auditor to provide to the ACCC details of any possible failure to comply by Pfizer with the obligations in this Undertaking immediately upon such a possible failure to comply coming to the attention of the Approved Independent Auditor.

(e) Pfizer must implement any recommendations of the Approved Independent Auditor made pursuant to clause 11.4(b)(iv), and notify the ACCC of the implementation of the recommendations, within 10 Business Days of receiving the Auditor's Report or after a period agreed with the ACCC.

(f) Pfizer must comply with any direction of the ACCC in relation to matters arising from the Approved Independent Auditor's report within 10 Business Days of being so directed (or such longer period as agreed with the ACCC).

11.5 Resignation or termination of the Approved Independent Auditor

(a) Pfizer must immediately notify the ACCC in the event that an Approved Independent Auditor resigns or otherwise stops acting as an Approved Independent Auditor before the Divestiture Date.

(b) The ACCC may approve any proposal by, or alternatively may direct, Pfizer to terminate an Approved Independent Auditor if in the ACCC's view the Approved Independent Auditor acts inconsistently with the provisions of this Undertaking or the terms of his or her appointment.

(c) If either clauses 11.5(a) or 11.5(b) applies, the ACCC may nominate alternative auditor to be the Approved Independent Auditor.

(d) Pfizer must, within 5 Business Days of the ACCC nominating an alternative Approved Independent Auditor:

(i) appoint an Approved Independent Auditor nominated by the ACCC on terms approved by the ACCC and consistent with the performance by the Approved Independent Auditor of his or her functions under this Undertaking; and

(ii) forward to the ACCC a copy of the executed terms of appointment.

12 Information

(a) Pfizer must notify the ACCC in writing of:

(i) the date which Pfizer anticipates will be the Control Date at least 8 Business Days before that date; and

(ii) the date of the Control Date at least 2 Business Days before the Control Date.

(b) Pfizer must notify the ACCC in writing of the occurrence of:

(i) the completion of the Proposed Merger within one Business Day of the Control Date;

(ii) the divestiture of the Livestock Business within one Business Day of the Livestock Business Divestiture Completion Date; and

(iii) the divestiture of the Fort Dodge Companion Animal Business within one Business Day of the Companion Animal Divestiture Completion Date.

(c) Pfizer must provide the ACCC with a copy of the executed Sale and Purchase Agreement, and any other agreements between Pfizer and an Approved Purchaser relating to the sale of a Divestiture Business within one Business Day of any such agreement being executed.

(d) Pfizer must respond in a timely manner to any queries or requests for information or documents made by the ACCC (including by a person authorised by the ACCC under Schedule 4, paragraph 2(o)) about this Undertaking.

(e) The ACCC may request information from the Approved Independent Manager, the Divestiture Agent and/or the Approved Independent Auditor directly at any time and the Approved Independent Manager, the Divestiture Agent and/or the Approved Independent Auditor (as the case may be) will provide the information so requested directly to the ACCC, or as otherwise required by the ACCC.

(f) The ACCC may direct Pfizer in respect of its compliance with this Undertaking to, and Pfizer must:

(i) furnish information, documents and materials to the ACCC in the time and in the form requested by the ACCC;

(ii) produce information, documents and materials to the ACCC within Pfizer's custody, power or control in the time and in the form requested by the ACCC; and/or

(iii) direct its personnel, including its directors, contractors, managers, officers, employees and agents, to attend the ACCC at a time and place appointed by the ACCC to answer any questions the ACCC (including its Commissioners, its staff or its agents) may have.

(g) In respect to Pfizer's compliance with this Undertaking, the ACCC may request the Approved Independent Auditor, Approved Independent Manager or Divestiture Agent to:

(i) furnish information, documents and materials to the ACCC in the time and in the form requested by the ACCC;

(ii) produce information, documents and materials to the ACCC within the Approved Independent Auditor's, Approved Independent Manager's or Divestiture Agent's custody, power or control in the time and in the form requested by the ACCC; and/or

(iii) attend the ACCC at a time and place appointed by the ACCC to answer any questions the ACCC (including its Commissioners, its staff or its agents) may have.

(h) Pfizer will use its best endeavours to ensure that the Approved Independent Auditor, Approved Independent Manger or Divestiture Agent complies with any request from the ACCC in accordance with clause 12(g).

(i) Information furnished, documents and material produced or information given in response to any request or direction from the ACCC under this clause 12 may be used by the ACCC for any purpose consistent with the exercise of its statutory duties.

(j) Any direction made by the ACCC under clause 12(f) will be notified to Corporate Legal Counsel of Pfizer, in accordance with clause 18.1.

(k) The ACCC may, in its discretion, to be exercised in good faith:

(i) advise the Approved Independent Auditor, Approved Independent Manager or Divestiture Agent of any request made by it under this clause 12; and/or

(ii) provide copies to the Approved Independent Auditor, Approved Independent Manager or Divestiture Agent of any information furnished, documents and material produced or information given to it under this clause 12.

(l) Nothing in this clause 12 requires the provision of information or documents in respect of which Pfizer has a claim of legal professional privilege.

13 Disclosure of Undertaking

(a) Pfizer and the ACCC agree that:

(i) Schedule 2, paragraphs (f) and (p) and Confidential Part 9 of Schedule 1 will remain confidential until the Approved Purchaser of the Livestock Business notifies the ACCC that that information may be made publicly available;

(ii) Schedule 2, paragraph (i) will remain confidential until this Undertaking terminates;

(iii) Schedule 2, paragraphs (k), (m) and (n) will remain confidential until the Divestiture Date;

(iv) Schedule 3 of this Undertaking will remain confidential until the Companion Animal Divestiture Date; and

(v) any other paragraph in Schedule 2 will remain confidential at all times.

(b) Pfizer acknowledges that the ACCC may, subject to clause 13(a):

(i) make this Undertaking publicly available;

(ii) publish this Undertaking on its Public Section 87B Undertakings Register; and

(iii) from time to time publicly refer to this Undertaking.

(c) Nothing in the confidential parts of this Undertaking prevents the ACCC from disclosing such information as:

(i) is required by law;

(ii) is permitted by s 155AAA of the Act;

(iii) is necessary for the purpose of enforcement action under section 87B of the Act; or

(iv) is necessary for the purpose of making such market inquiries as the ACCC thinks fit to assess the impact on competition arising in connection with this Undertaking.

(d) Nothing in the confidential parts of this Undertaking prevents the ACCC from using the information contained in this Undertaking for any purpose consistent with its statutory functions and powers.

14 Release of personnel

(a) The obligations in clause 14(b) apply if the Livestock Business or Unsold Business is divested as contemplated by this Undertaking.

(b) Subject to clause 14(a), Pfizer must release the Transferred Personnel, with effect from the Divestiture Date, from:

(i) any obligation to provide services to Pfizer; and

(ii) any non-compete or similar restraint of trade obligation, to the extent that such obligation would otherwise prevent the person from performing his or her contemplated role in relation to the Livestock Business or Unsold Business.

(c) Pfizer must not procure, promote or encourage the transfer of any of the Transferred Personnel from the Approved Purchaser of the Livestock Business or Unsold Business to Pfizer for a period of 6 months from the Divestiture Date.

15 Obligation to procure

Where the performance of an obligation under this Undertaking requires a Related Body Corporate of Pfizer to take or refrain from taking some action, Pfizer will procure that Related Body Corporate to take or refrain from taking that action, as the case may be.

16 No Derogation

(a) This Undertaking does not prevent the ACCC from taking enforcement action at any time whether during or after the period of this Undertaking in respect of any breach by Pfizer of any term of the Undertaking.

(b) Nothing in this Undertaking is intended to restrict the right of the ACCC to take action under the Act for penalties or other remedies in the event that Pfizer does not fully implement and/or perform its obligations under this Undertaking or in any other event where the ACCC decides to take action under the Act for penalties or other remedies.

17 Costs

Pfizer must pay all of its own costs incurred in relation to this Undertaking.

18 Notices

18.1 Giving Notices

(a) Any notice or communication to the ACCC pursuant to this Undertaking must be sent to:

Name:	Australian Competition and Consumer Commission
Address:	23 Marcus Clarke Street CANBERRA ACT 2601
Fax number:	(02) 6243 1212
Attention:	Executive General Manager – Mergers and Acquisitions Group

(b) Any notice or communication to Pfizer pursuant to this Undertaking must be sent to:

Name:	Gilbert + Tobin Lawyers
Address:	Level 37, 2 Park Street Sydney, NSW 2000
Fax number:	(02) 9263 4111
Attention:	Simon Snow, Partner

18.2 Change of address or fax number

If Pfizer or the ACCC gives the other 3 Business Days' notice of a change to its address or fax number, any notice or communication is only given to the relevant entity if it is delivered, posted or faxed to the most recently advised address or fax number.

Signed by **Pfizer Inc** by its authorised signatory:

Marc Brotman
Assistant General Counsel

September 24, 2009
Date

Accepted by **The Australian Competition and Consumer Commission** pursuant to section 87B of the Trade Practices Act 1974 (Cth):

Graeme Julian Samuel
Chairman

30 September 2009
Date:

Schedule 1 — Livestock Business

1 In this Schedule, a reference to the Approved Purchaser is a reference to the Approved Purchaser of the Livestock Business.

Part 1 Multivalent Clostridial Vaccine Business

1 This Part of Schedule 1 applies to the Websters branded clostridial vaccines for sheep and / or cattle (but excluding botulinum vaccines) currently sold by Fort Dodge in Australia (**Multivalent Clostridial Vaccines**).

2 The **Multivalent Clostridial Vaccine Business** consists of:

(a) the following tangible assets for the manufacture, marketing and sale of the Multivalent Clostridial Vaccines:

(i) biological material and existing stocks of other raw materials at the Penrith Facility required to produce the Multivalent Clostridial Vaccines, including, subject to paragraph 6, all master seeds;

(ii) finished goods inventory and work in progress of the Multivalent Clostridial Vaccines;

(iii) all sales and marketing material used with respect to the Multivalent Clostridial Vaccines;

(b) the following main intangible assets:

(i) an assignment to the Approved Purchaser of the Clepto and Vaxall Clepto 7 trade mark registrations in Australia;

(ii) an assignment to the Approved Purchaser of the Websters and Websters logo trade mark registrations in Australia, subject to a non-exclusive licence-back of the brand to Pfizer for a reasonable period (not to exceed 18 months) to enable Pfizer to rebrand its Retained Websters Branded Products in an orderly fashion and to sell off stocks of those products;

(iii) an assignment to the Approved Purchaser of all Australian copyright in relation to packaging, sales and marketing material related to the Multivalent Clostridial Vaccines as sold in Australia, subject to a non-exclusive licence-back to Pfizer for a reasonable period (not to exceed 18 months) to enable Pfizer to change the packaging, sales and marketing material relating to the Retained Websters Branded Products in an orderly fashion and to sell off stocks of those products;

(iv) an exclusive licence to the Approved Purchaser of the Australian patents listed in paragraph 5 below;

(v) a licence of any other Intellectual Property rights necessary to give the Approved Purchaser a right to non-exclusively manufacture the Multivalent Clostridial Vaccines anywhere in the world and to exclusively market and sell the Multivalent Clostridial Vaccines in Australia. These Intellectual Property rights include existing product formulations, manufacturing know-how and secret processes and related copyright;

(vi) all current and pending APVMA registrations held by Pfizer for the marketing and sale of the Multivalent Clostridial Vaccine Business in Australia, including all relevant dossiers relating to the registrations and permits;

(vii) all clinical reports relating to the Multivalent Clostridial Vaccine Business;

(viii) all data, books, records, and other documents related to or necessary for the operations of the Multivalent Clostridial Vaccine Business, including customer records (provided that Pfizer may redact from such copies any information that does not relate to the Multivalent Clostridial Vaccine Business).

3 Information on APVMA registrations for products currently supplied by Fort Dodge relevant to the Multivalent Clostridial Vaccine Business is set out in the table below.

Product	APVMA Registration No.
Websters Low Volume 3 In 1 Vaccine (including Cheesy Gland) For Sheep And Lambs	50633
Websters Low Volume 3 In 1 Vaccine (including Cheesy Gland) With Selenium and Vitamin B12 For Lambs	54575
Websters Low Volume 3 In 1 Vaccine With Selenium (including Cheesy Gland) For Lambs	51335
Websters 5 In 1 Vaccine With Vitamin B12 For Cattle And Sheep	50632
Websters Low Volume 5 In 1 Vaccine For Cattle And Sheep	51333
Websters 5 In 1 Vaccine With Selenium For Lambs	47952
Websters Low Volume 6 In 1 Vaccine (including Cheesy Gland) For Sheep	51336
Websters 6 In 1 Vaccine With Selenium (including Cheesy Gland) For Lambs	47950
Websters Low Volume 6 In 1 Vaccine With Selenium (including Cheesy Gland) For Lambs	51337
Websters Clepto 7 Clostridial/Lepto Hp Vaccine For Cattle	47947

4 Information on APVMA registrations for products not currently supplied by Fort Dodge in Australia is set out in the table below:

Product	APVMA Registration No.
Singvac Single Shot 5 in 1 Vaccine For Sheep and Lambs	49947
Singvac Single Shot 5 in 1 Vaccine Plus Selenium for Lambs	49948
Websters 3 In 1 Vaccine (including Cheesy Gland) For Sheep	47942
Websters 3 In 1 Vaccine With Selenium (including Cheesy Gland) For Lambs	47954
Websters 5 In 1 Vaccine For Cattle And Sheep	47953
Websters 6 In 1 Vaccine (including Cheesy Gland) For Sheep	47951

5 Information on the Intellectual Property relevant to the Multivalent Clostridial Vaccine Business is set out in the table below.

Trade mark	Country	Registration No	Owner
Websters	Australia	1001548	Fort Dodge Australia Pty Ltd
Websters Logo	Australia	192246	Fort Dodge Australia Pty Ltd
Clepto	Australia	919845	Wyeth Holdings Corporation
Vaxall Clepto-7	Australia	570855	Fort Dodge Australia Pty Ltd
Websters One Shot	Australia	670692	Fort Dodge Australia Pty Ltd

Patent Title	Country	Patent No	Expiry
Veterinary Vaccines	Australia	753804	16 October 2018

6 Pfizer may retain a sufficient quantity of the master seeds listed in Schedule 2 to enable it to manufacture, or have manufactured on its behalf, antigens or finished products for export from Australia. Notwithstanding this paragraph 6, Pfizer must provide the Approved Purchaser with sufficient amounts of the master seeds to produce the Multivalent Clostridial Vaccines viably and independently of Pfizer.

7 Pfizer will divest the Australian rights to the research and development projects listed in Confidential Schedule 2.

Part 2 — Botulinum Vaccine Business

1 This Part of Schedule 1 applies to the Websters and Singvac branded botulinum vaccines currently sold by Fort Dodge in Australia (**Botulinum Vaccines**).

2 The **Botulinum Vaccine Business** consists of:

(a) the following tangible assets for the manufacture, marketing and sale of the Botulinum Vaccines:

(i) biological material and existing stocks of other raw materials at the Penrith Facility required to produce the Botulinum Vaccines, including, subject to paragraph 5, all master seeds;

(ii) finished goods inventory and work in progress of Botulinum Vaccines;

(iii) all sales and marketing material used with respect to the Botulinum Vaccines;

(b) the following main intangible assets:

(i) an assignment to the Approved Purchaser of the Singvac trade mark registration in Australia;

(ii) an assignment to the Approved Purchaser of all Australian copyright in relation to packaging, sales and marketing material relating to the Botulinum Vaccines as sold in Australia, subject to a non-exclusive licence-back to

Pfizer for a reasonable period (not to exceed 18 months) to enable Pfizer to change the packaging, sales and marketing material relating to the Retained Websters Branded Products in an orderly fashion and to sell off stocks of those products;

(iii) an exclusive licence to the Approved Purchaser of the Australian patents listed in paragraph 4 below for use in Australia in relation to botulinum vaccines for sheep and/or cattle;

(iv) a licence of any other Intellectual Property rights necessary to give the Approved Purchaser a right to non-exclusively manufacture the Botulinum Vaccines worldwide, and to exclusively market and sell the Websters and Singvac branded botulinum vaccines in Australia. These Intellectual Property rights include existing product formulations, manufacturing know-how and secret processes and related copyright;

(v) all relevant clinical reports relating to the Botulinum Vaccine Business; and

(vi) all relevant data, books, records, and other documents exclusively related to or necessary for the operations of the Botulinum Vaccine Business, including existing customer records (provided that Pfizer may redact from such copies any information that does not relate to the Botulinum Vaccine Business); and

(vii) all current and pending APVMA registrations permits held by Pfizer for the manufacture, marketing and sale of the Websters and Singvac branded botulinum vaccines in Australia, including all relevant dossiers relating to the registrations.

3 Information on APVMA registrations relevant to the Botulinum Vaccine Business is set out in the tables below.

(a) APVMA registrations for products currently supplied by Fort Dodge in Australia:

Product	APVMA Registration No.
Websters Low Volume Bivalent Botulinum Vaccine for Sheep and Cattle	50725
Singvac 1 Year Single Shot Bivalent Botulinum Vaccine for Cattle	48836
Singvac 3 Year Single Shot Bivalent Botulinum Vaccine for Cattle	58461

(b) APVMA registrations for products not currently supplied by Fort Dodge in Australia:

Product	APVMA Registration No.
Websters Bivalent Botulinum Vaccine for Sheep and Cattle	47948

4 Information on the Intellectual Property relevant to the Botulinum Vaccine Business (additional to the Intellectual Property relevant to the Multivalent Clostridial Vaccine Business) is set out in the table below.

Trade mark	Country	Registration No	Owner
Singvac	Australia	718029	Wyeth

Patent Title	Country	Patent No	Expiry
Veterinary Vaccines	Australia	776364	22 December 2017

5 Pfizer may retain a sufficient quantity of the master seeds listed in Schedule 2 to enable it to manufacture or have manufactured on its behalf, antigens or finished products for export from Australia. Notwithstanding this paragraph 5, Pfizer must provide the Approved Purchaser with sufficient amounts of the master seeds to produce the Botulinum Vaccines viably and independently of Pfizer.

Part 3 – Cydectin Endectocide Business

1 This Part of Schedule 1 applies to the Cydectin branded endectocides for sheep and cattle currently sold by Fort Dodge in Australia (**Endectocides**).

2 The **Cydectin Endectocide Business** consists of:

(a) the following tangible assets for the manufacture, marketing and sale of the Endectocides:

(i) existing stocks of raw materials at the Penrith Facility required to produce Endectocides;

(ii) finished goods inventory and work in progress of Endectocides;

(iii) all sales and marketing material used with respect to the Endectocides;

(b) the following main intangible assets:

(i) an assignment to the Approved Purchaser of the Cydectin trade mark registration in Australia;

(ii) an assignment to the Approved Purchaser of all Australian copyright in relation to packaging and sales and marketing material relating to the Endectocides as sold by Fort Dodge in Australia;

(iii) an exclusive licence to the Approved Purchaser of the Australian patents listed in paragraph 5 below for use in Australia in relation to endectocides for sheep and cattle;

(iv) a licence of any other Intellectual Property rights necessary to give the Approved Purchaser a right to non-exclusively manufacture the Endectocides worldwide, and to exclusively market and sell the Cydectin branded endectocides in Australia. These Intellectual Property rights include existing product formulations, manufacturing know-how and secret processes and related copyright;

(v) at the option of the Approved Purchaser, Pfizer will assign to the Approved Purchaser the toll manufacturing agreement described in Schedule 2;

(vi) all clinical reports relating to the Cydectin Endectocide Business;

(vii) all data, books, records, and other documents related to or necessary for the operations of the Cydectin Endectocide Business, including existing customer records (provided that Pfizer may redact from such copies any information that does not relate to the Cydectin Endectocide Business); and

(viii) all current and pending APVMA registrations permits held by Pfizer for the manufacture, marketing and sale of the Cydectin branded endectocides in Australia, including all relevant dossiers relating to the registrations subject to:

(A) Pfizer retaining a copy of the Australian specific studies in the dossiers; and

(B) rights of reference, in the form of Letters of Authority to the APVMA, the Therapeutic Goods Administration or other regulatory authority in relation to products not divested as part of the Cydectin Endectocide Business

for the purposes set out in paragraph 3.

3 Pfizer may only use the copies of dossiers and rights of reference to registration documents retained under paragraph (b)(viii) for :

(a) the purpose set out in Schedule 2;

(b) use in relation to products not divested as part of the Cydectin Endectocide Business; and

(c) any other use which a third party would be permitted to undertake.

4 Information on APVMA registrations relevant to the Cydectin Endectocide Business is set out in the tables below and in Schedule 2.

(a) APVMA registrations for products currently supplied by Fort Dodge in Australia:

Product	APVMA Registration No.
Cydectin Injection for Cattle	45663
Cydectin Long Acting Injection for Cattle	60116
Cydectin Long Acting Injection for Sheep	58532
Cydectin LV Low Volume Drench for Sheep	46517
Cydectin LV Se Low Volume Oral Drench for Sheep with Selenium	52917
Cydectin Oral Drench for Sheep	45738
Cydectin Plus Fluke Oral Drench and Liver Fluke Treatment for Sheep	55524
Cydectin Plus Tape Oral Drench and Tapeworm Treatment for Sheep and Lambs	52085
Cydectin Pour-On for Cattle and Red Deer	45970

Product	APVMA Registration No.
Cydectin Se Oral Drench for Sheep With Selenium	48583

(b) APVMA registrations for products not currently supplied by Fort Dodge in Australia:

Product	APVMA Registration No.
Cydectin Injection for Cattle and Sheep	46905

5 Information on the Intellectual Property relevant to the Cydectin Endectocide Business is set out in the table below.

Trade mark	Country	Registration No	Owner
Cydectin	Australia	522321	Wyeth
Cydectin: the Power of One	Australia	1036130	Wyeth
The Power of One	Australia	1036339	Wyeth

Patent Title	Country	Patent No / Appln No.	Expiry
Sustained Release Compositions for Parenteral Administration	Australia	781682	8 March 2021
Anthelmintic Composition	Australia	782867	8 October 2021
Pour-On Formulations Effective for the Control of Internal and External Parasites of Homothermic Animals	Australia	664134	14 December 2010
Additional patents applications described in Schedule 2			

6 Pfizer will divest the Australian rights to the research and development projects listed in Confidential Schedule 2.

Part 4 – Eweguard/Weanerguard Business

1 This Part of Schedule 1 applies to the Eweguard and Weanerguard branded products currently sold by Fort Dodge in Australia described in paragraph 5 of this Part (**Eweguard and Weanerguard**).

2 The **Eweguard/Weanerguard Business** consists of:

(a) the following tangible assets for the manufacture, marketing and sale of Eweguard and Weanerguard:

(i) existing stocks of raw materials at the Penrith Facility required to produce Eweguard and Weanerguard;

(ii) finished goods inventory and work in process of Eweguard and Weanerguard;

(iii) all sales and marketing material used with respect to Eweguard and Weanerguard;

(b) the following main intangible assets:

(i) an assignment to the Approved Purchaser of the Eweguard and Weanerguard trade mark registrations in Australia;

(ii) an assignment to the Approved Purchaser of all Australian copyright in relation to packaging and sales and marketing material relating to Eweguard and Weanerguard as sold by Fort Dodge in Australia;

(iii) an exclusive licence to the Approved Purchaser of the Australian patents listed in paragraph 5 below for use in Australia in relation to applications relating to combinations of moxidectin and clostridial vaccines for sheep;

(iv) a licence of any other Intellectual Property rights necessary to give the Approved Purchaser a right to non-exclusively manufacture Eweguard and Weanerguard worldwide, and to exclusively market and sell Eweguard and Weanerguard in Australia. These Intellectual Property rights include existing product formulations, manufacturing know-how and secret processes and related copyright;

(v) all relevant clinical reports relating to the Eweguard/Weanerguard Business;

(vi) all relevant data, books, records, and other documents exclusively related to or necessary for the operations of the Eweguard/Weanerguard Business, including existing customer records provided that Pfizer may redact from such copies any information that does not relate to the Eweguard/Weanerguard Business; and

(vii) all current and pending APVMA registrations permits held by Pfizer for the manufacture, marketing and sale of Eweguard and Weanerguard in Australia, including all relevant dossiers relating to the registrations subject to:

(A) Pfizer retaining a copy of the Australian specific studies in the dossiers; and

(B) rights of reference, in the form of Letters of Authority to the APVMA, the Therapeutic Goods Administration or other regulatory authority in relation to products not divested as part of the Eweguard/Weanerguard Business

for the purposes set out in paragraph 3.

3 Pfizer may only use the copies of dossiers and rights of reference to registration documents retained under paragraph (b)(vii) for:

(a) the purpose set out in Schedule 2; and

(b) any other use which a third party would be permitted to undertake.

4 Information on APVMA registrations relevant to the Eweguard/Weanerguard Business is set out in the tables below.

(a) APVMA registrations for products currently supplied by Fort Dodge in Australia:

Product	APVMA Registration No.
Cydectin Eweguard 6 in 1 Vaccine and Wormer for Sheep	47607
Cydectin Weanerguard 6 in 1 Vaccine and Wormer for Sheep	47608
Cydectin Eweguard 6 in 1 Vaccine and Wormer with Selenium and Vitamin B12 for Sheep	58527
Cydectin Weanerguard 6 in 1 Vaccine and Wormer with Selenium and Vitamin B12 for Sheep	59350

5 Information on the Intellectual Property relevant to the Eweguard/Weanerguard Business is set out in the table below.

Trade mark	Country	Registration No	Owner
Eweguard	Australia	661855	Wyeth Holdings Corporation
Weanerguard	Australia	661857	Wyeth Holdings Corporation

Patent Title	Country	Patent No	Expiry
Stable vaccine compositions for parenteral administration , a method for their use and a process for their preparation	Australia	708464	28 June 2016

Part 5 – Penrith Facility

1 This Part of Schedule 1 applies to the buildings, plant, equipment and related assets located at the Penrith Facility.

2 The **Penrith Facility** consists of:

(a) the land located at 2152 Castlereagh Road, Penrith with title reference 1/735733 and all buildings on the land, owned by Fort Dodge Australia Pty Limited;

(b) all plant and equipment located on that site and necessary for the manufacture of the Multivalent Clostridial Vaccines, the Botulinum Vaccines, the Endectocides, Eweguard and Weanerguard, the Leptospirosis Products, the Vibriosis Products and the M.hyo Swine Vaccines;

(c) spare parts held by Fort Dodge at that site relating to the plant and equipment;

(d) records relating to the ownership of the plant and equipment and the buildings; and

(e) the information technology systems of Fort Dodge which are used in the Livestock Business.

3 The Penrith Facility does not include:

(a) any receivables or unbilled amounts relating to the conduct of the Livestock Business before the date on which completion of the sale to the Approved Purchaser occurs;

(b) the foetal bovine serum production business (including any plant and equipment used exclusively in that business);

(c) the equine salmonella vaccine production business (including any plant and equipment used exclusively in that business); and

(d) the repacking of imported products business (including any plant and equipment used exclusively in that business).

Part 6 – Leptospirosis Business

1 This Part of Schedule 1 applies to the Websters branded vaccine previously sold by Fort Dodge in Australia described in paragraph 3 of this Part (**Leptospirosis Products**).

2 The **Leptospirosis Business** consists of:

(a) the following tangible assets for the manufacture, marketing and sale of Leptospirosis Products:

(i) biological material and existing stocks of other raw materials at the Penrith Facility to produce the Leptospirosis Products, including all master seeds; and

(ii) all sales and marketing material used with respect to Leptospirosis Products;

(b) the following main intangible assets:

(i) an assignment to the Approved Purchaser of all Australian copyright in relation to packaging and sales and marketing material relating to Leptospirosis Products as sold by Fort Dodge in Australia subject to a non-exclusive licence-back to Pfizer for a reasonable period (not to exceed 18 months) to enable Pfizer to rebrand its Retained Websters-branded Products in an orderly fashion and to sell off stocks of those products;

(ii) a licence of any other Intellectual Property rights necessary to give the Approved Purchaser a right to non-exclusively manufacture worldwide, and to exclusively market and sell Leptospirosis Products in Australia. These Intellectual Property rights include existing product formulations, manufacturing know-how and secret processes and related copyright;

(iii) all relevant clinical reports relating to the Leptospirosis Business;

(iv) all relevant data, books, records, and other documents exclusively related to or necessary for the operations of the Leptospirosis Business, including existing customer records (provided that Pfizer may redact from such copies any information that does not relate to the Leptospirosis Business); and

(v) all current and pending APVMA registrations permits held by Pfizer for the manufacture, marketing and sale of Leptospirosis Products in Australia, including all relevant dossiers relating to the registrations.

3 Information on APVMA registrations relevant to the Leptospirosis Business is set out in the table below.

(c) APVMA registrations for products not currently supplied by Fort Dodge in Australia:

Product	APVMA Registration No.
Websters Lepto HP Vaccine for Cattle	47944

Part 7 – Vibriosis Business

1 This Part of Schedule 1 applies to the Websters branded products previously sold by Fort Dodge in Australia described in paragraph 3 of this Part (**Vibriosis Products**).

2 The **Vibriosis Business** consists of:

(a) the following tangible assets for the manufacture, marketing and sale of Vibriosis Products:

(i) biological material and existing stocks of other raw materials at the Penrith Facility to produce the Vibriosis Products, including all master seeds;

(ii) all sales and marketing material used with respect to Vibriosis Products;

(b) the following main intangible assets:

(i) an assignment to the Approved Purchaser of all Australian copyright in relation to packaging and sales and marketing material relating to Vibriosis Products as sold by Fort Dodge in Australia subject to a non-exclusive licence-back to Pfizer for a reasonable period (not to exceed 18 months) to enable Pfizer to rebrand its Retained Websters Branded Products in an orderly fashion and to sell off stocks of those products;

(ii) a licence of any other Intellectual Property rights necessary to give the Approved Purchaser a right to non-exclusively manufacture worldwide, and to exclusively market and sell Vibriosis Products in Australia. These Intellectual Property rights include existing product formulations, manufacturing know-how and secret processes and related copyright;

(iii) all relevant clinical reports relating to the Vibriosis Business;

(iv) all relevant data, books, records, and other documents exclusively related to or necessary for the operations of the Vibriosis Business, including existing customer records (provided that Pfizer may redact from such copies any information that does not relate to the Vibriosis Business); and

(v) all current and pending APVMA registrations permits held by Pfizer for the manufacture, marketing and sale of Vibriosis Products in Australia, including all relevant dossiers relating to the registrations.

3 Information on APVMA registrations relevant to the Vibriosis Business is set out in the table below.

(a) APVMA registrations for products not currently supplied by Fort Dodge in Australia:

Product	APVMA Registration No.
Websters Vibrio Vaccine for Cattle	47943

Part 8 – M.hyo Swine Vaccine Business

1 This Part of Schedule 1 applies to the Suvaxyn branded monovalent swine *Mycoplasma hyopneumoniae* (***M. hyopneumoniae***) vaccines currently sold by Fort Dodge in Australia (**M.hyo Swine Vaccines**).

2 The **M.hyo Swine Vaccine Business** consists of:

(a) the following tangible assets for the manufacture, marketing and sale of the M.hyo Swine Vaccines:

(i) sufficient biological material to produce the M.hyo Swine Vaccines viably and independently of Pfizer, including sufficient amounts of the master seeds;

(ii) finished goods inventory and work in process of M.hyo Swine Vaccines;

(iii) all sales and marketing material used with respect to the M.hyo Swine Vaccines;

(b) the following main intangible assets:

(i) an assignment to the Approved Purchaser of the Suvaxyn trade mark registration in Australia, subject to a non-exclusive licence-back to Pfizer for a reasonable period (not to exceed 18 months) to enable Pfizer to rebrand its Retained Suvaxyn Branded Products in an orderly fashion and to sell off stocks of those products;

(ii) a co-exclusive licence to the Approved Purchaser of the Australian patents listed in paragraph 4 below;

(iii) an assignment to the Approved Purchaser of all Australian copyright in relation to packaging and sales and marketing material related to the M.hyo Swine Vaccines as sold in Australia, subject to a non-exclusive licence-back to Pfizer for a reasonable period (not to exceed 18 months) to enable Pfizer to change the packaging and sales and marketing material relating to the Retained Suvaxyn Branded Products in an orderly fashion and to sell off stocks of those products;

(iv) a licence of any other Intellectual Property rights necessary to give the Approved Purchaser a right to non-exclusively manufacture the M.hyo Swine Vaccines anywhere in the world and to exclusively market and sell the M.hyo Swine Vaccines in Australia. These Intellectual Property rights include product formulations, manufacturing know-how and secret processes and related copyright;

(v) all current and pending APVMA registrations held by Pfizer for the marketing and sale of the M.hyo Swine Vaccine in Australia, including all relevant dossiers relating to the registrations;

(vi) all relevant clinical reports relating to the M.hyo Swine Vaccine Business; and

(vii) all relevant data, books, records, and other documents exclusively related to or necessary for the operations of the M.hyo Swine Vaccine Business, including existing customer records provided that Pfizer may redact from such copies any information that does not relate to the M.hyo Swine Vaccine Business.

3 Information on APVMA registrations for products currently supplied by Fort Dodge relevant to the M.hyo Swine Vaccine Business is set out in the table below.

(a) APVMA registrations for products currently supplied by Fort Dodge in Australia:

Product	APVMA Registration No.
Suvaxyn M. HYO Vaccine	50420
Suvaxyn MH One Vaccine (Inactivated)	55742

4 Information on the Intellectual Property relevant to the M.hyo Swine Vaccine Business is set out in the tables below.

Patent Title	Country	Patent No	Expiry
Inactivated mycoplasma hyopneumoniae bacterin and method of use thereof	Australia	Australian Patent 643829	16 August 2011
Mycoplasma hyopneumoniae bacterin vaccine	Australia	Australian Patent 2002228993	11 December 2021

Trade mark	Country	Registration No	Owner
Suvaxyn	Australia	459576	Dimminaco AG
Suvaxyn APP	Australia	962051	Dimminaco AG
Suvaxyn MH-ONE	Australia	980370	Dimminaco AG
Suvaxyn E-Oral	Australia	983493	Dimminaco AG

Part 9 – Confidential business

Details of the confidential business are set out in Schedule 2.

Schedule 2 —
Confidential - Divestiture Details

Schedule 1, Parts 1 and 2

(k) Master seeds to be retained by Pfizer:

- Clostridium chauvoei (AWC 437)
- Clostridium novyi Type B (AWC 469)
- Clostridium perfringens Type D (AWC 470)
- Clostridium septicum (AWC 471)
- Clostridium tetani (AWC 660)
- Corynebacterium pseudotuberculosis (AWC 353)
- Clostridium Botulinum Type C (AWC 503)
- Clostridium Botulinum Type D (AWC 360)

Schedule 4, Dictionary (Divestiture Period)

(m) The Divestiture Period in relation to the Fort Dodge Companion Animal Vaccine Business is a period of 10 Business Days from the Control Date.

(n) The Divestiture Period in relation to the Livestock Business is a period of 4 months from the Control Date.

Schedule 3 — Confidential - Sale of Business

1 Clause 2, Background (paragraphs (p) and (q))

(p) The ACCC considered that difficulties and delays associated with the transfer of the manufacturing location of vaccines may impact the ability of a purchaser to supply the vaccines independently of Pfizer and on a stand alone basis in the medium term. In order to ensure the independence of the purchasers of the Divestiture Businesses, the ACCC sought to limit the number of vaccines that must be transferred to alternative manufacturing sites. Consequently, the ACCC requires the vaccines, where possible, to be sold with their associated manufacturing assets.

(q) In the case of the Fort Dodge Companion Animal Vaccine Business, the vaccines are manufactured in the United States of America. This compounds the difficulties and delays described in clause 2(p). Therefore, the ACCC requires that the Fort Dodge Companion Animal Vaccine Business be sold to the same purchaser who has been approved by the United States of America Federal Trade Commission to acquire the associated manufacturing assets in the United States of America, provided that purchaser does not raise competition concerns in Australia.

2 Sale of Fort Dodge Companion Animal Vaccine Business

(a) The ACCC has approved, as a condition precedent to accepting this Undertaking, Boehringer Ingelheim Vetmedica Inc (**BI**) as the Approved Purchaser of the Fort Dodge Companion Animal Business on the basis of the following:

(i) BI will complete the transaction contemplated by the Asset Purchase Agreement dated 20 August 2009 with Pfizer and Wyeth (as amended and restated), by which BI will acquire from Wyeth and Pfizer the companion animal vaccine business operated by Wyeth in the United States of America (**US Companion Animal Business**);

(ii) BI is and will remain independent of, and has no direct or indirect interest in, Pfizer;

(iii) BI is of good financial standing and has an intention to maintain and operate the Fort Dodge Companion Animal Vaccine Business as a going concern; and

(iv) BI is able to conduct the Fort Dodge Companion Animal Vaccine Business effectively.

(b) The ACCC may revoke BI's status as the Approved Purchaser of the Fort Dodge Companion Animal Vaccine Business and its acceptance of this Undertaking if the ACCC becomes aware that the information provided to it was incorrect, inaccurate or misleading.

(c) Notwithstanding clause 5(a) of this Undertaking, Pfizer must divest, or cause the divestiture of, the Fort Dodge Companion Animal Vaccine Business to BI no later than 10 Business Days after the Control Date. If the sale of the Fort Dodge Companion Animal Vaccine Business is not divested within that period, then paragraph 4 of this Schedule applies.

(d) Pfizer must divest the Fort Dodge Companion Animal Vaccine Business to BI in accordance with the terms of the agreement dated 7 September 2009 between Pfizer, Wyeth and BI (as amended and restated).

(e) Pfizer must do everything in its power to:

(i) enforce the terms of any agreement with BI under which BI is obliged to acquire the Fort Dodge Companion Animal Vaccine Business; and

(ii) ensure that the Fort Dodge Companion Animal Vaccine Business is sold to BI simultaneously with BI's acquisition of the US Companion Animal Business.

(f) Pfizer must:

(i) do everything in its power or control to obtain or assist BI to obtain any Third Party Consents as soon as reasonably practicable;

(ii) comply with all requirements necessary to obtain any Third Party Consents, including by promptly providing information to the third party; and

(iii) act in good faith in its negotiations with BI and to obtain any Third Party Consents.

(g) Notwithstanding that Pfizer has complied with paragraph 2(f) of this Schedule 3 it remains a breach of this Undertaking if Pfizer is unable to effect the divestiture of the Fort Dodge Companion Animal Vaccine Business in accordance with this Undertaking by reason of a failure to obtain any Third Party Consents.

3 Additional obligations of the Approved Independent Manager in relation to the Fort Dodge Companion Animal Vaccine Business

In the event that the Fort Dodge Companion Animal Vaccine Business is not sold within the Divestiture Period, then the Approved Independent Manager has the additional obligations contained in paragraph 4 of this Schedule.

4 Failure to divest the Fort Dodge Companion Animal Vaccine Business within the Divestiture Period

4.1 Sale of Unsold Companion Animal Business

In the event that the sale of the Fort Dodge Companion Animal Vaccine Business to an Approved Purchaser is not completed by the end of the Divestiture Period, the ACCC may declare, by written notice to Pfizer, that the business has become the **Unsold Companion Animal Vaccine Business.**

4.2 Power of Approved Independent Manager

(a) The Approved Independent Manager is the only person who may effect the divestiture of the Unsold Companion Animal Vaccine Business.

(b) Pfizer must grant the Approved Independent Manager an irrevocable power of attorney conferring all necessary power and authority to effect the divestiture of the Unsold Companion Animal Vaccine Business in accordance with this paragraph 4. Any such irrevocable power of attorney granted will be revoked upon termination of the Approved Independent Manager in accordance with clause 9.5.

4.3 Transfer by direction of ACCC

(a) The Approved Independent Manager must divest, or cause the divestiture of, the Unsold Companion Animal Vaccine Business at the direction of the ACCC to the person named by the ACCC in its direction:

(i) at no minimum price; and

(ii) adopting a standard form Sale and Purchase Agreement prepared by Pfizer and previously approved by the ACCC.

(b) Pfizer must do everything in its power to assist the Approved Independent Manager to divest the Unsold Companion Animal Vaccine Business in accordance with this paragraph 4.

(c) The Approved Independent Manager must account to Pfizer for:

(i) any moneys derived from the divestiture of the Unsold Companion Animal Vaccine Business;

(ii) all disbursements, fees and charges incurred by the Approved Independent Manager in undertaking his/her duties; and

(iii) all agreed fees of the Approved Independent Manager.

Schedule 4 — Dictionary

Dictionary

In this Undertaking:

ACCC means the Australian Competition and Consumer Commission.

Act means the *Trade Practices Act 1974* (Cth).

Approval Notice is defined in clause 7.3(a).

Approved Purchaser means a purchaser of a Divestiture Business or an Unsold Business which is approved in accordance with clause 7.3.

Approved Independent Auditor is defined in clause 11.2.

Approved Independent Manager is defined in clause 9.3.

APVMA means the Australian Pesticides and Veterinary Medicines Authority.

Auditor's Report is defined in clause 11.4(b).

Botulinum Vaccines is defined in Part 2 of Schedule 1 to this Undertaking.

Botulinum Vaccine Business is defined in Part 2 of Schedule 1 to this Undertaking.

Business Day means a day other than a Saturday or Sunday on which banks are open for business generally in the Australian Capital Territory.

Companion Animal Divestiture Completion Date means the date on which completion of the divestiture of the Fort Dodge Companion Animal Business from Pfizer to the Approved Purchaser of the Fort Dodge Companion Animal Business takes place.

Companion Animal Divestiture Date means the date on which Pfizer no longer has ownership or control of the Fort Dodge Companion Animal Vaccine Business and on which the ACCC confirms in writing to Pfizer that it is satisfied that the divestiture has been completed in accordance with this Undertaking.

Control Date means the date on which the Proposed Merger is completed.

Corporations Act means *Corporations Act 2001* (Cth).

Corporate Legal Counsel of Pfizer is defined in clause 18.1(b).

Cydectin Endectocide Business is defined in Part 3 of Schedule 1 to this Undertaking.

Divestiture Agent means the person appointed under clause 10.3.

Divestiture Businesses means the businesses defined in this Undertaking as the Fort Dodge Companion Animal Vaccine Business and the Livestock Business.

Divestiture Date means the date on which Pfizer no longer has ownership or control of the Livestock Business and on which the ACCC confirms in writing to Pfizer that it is satisfied that the divestiture has been completed in accordance with this Undertaking.

Divestiture Period is the relevant period in Schedule 2 to this Undertaking.

Endectocide is defined in Part 3 of Schedule 1 to this Undertaking.

Eweguard and Weanerguard is defined in Part 4 of Schedule 1 to this Undertaking.

Eweguard/Weanerguard Business is defined in Part 4 of Schedule 1 to this Undertaking.

Excluded Employees means the people listed in Schedule 2.

Fort Dodge refers to Wyeth's animal health subsidiary and includes both Fort Dodge Animal Health (International) and Fort Dodge Australia Pty Limited.

Fort Dodge Companion Animal Vaccine Business means the business operated by Fort Dodge in Australia (including all necessary trade marks and other Intellectual Property rights) relating to some or all of the manufacture, marketing and/or sale in Australia of the following products (among others):

APVMA Registration No	Product Name
59730	Duramune Adult C3 Canine Distemper, Adenovirus & Parvovirus Live Vaccine
59731	Duramune Adult C4 Canine Distemper, Adenovirus, Parainfluenza & Parvovirus Live Vaccine
59315	Fel-O-Vax 3 Vaccine (Inactivated)
50559	Fel-O-Vax 4 Vaccine (Inactivated)
51366	Fel-O-Vax 5 Vaccine (Inactivated)
50820	Fel-O-Vax Chlamydia Vaccine (Inactivated) (not supplied in Australia)
57788	Fel-O-Vax FIV Vaccine (Inactivated)
50561	Fel-O-Vax Lv-K Vaccine (Inactivated)
52383	Fort Dodge C3 Canine Distemper, Adenovirus and Parvovirus Live Vaccine (not supplied in Australia; future supply not feasible)
52382	Fort Dodge C4 Canine Distemper, Adenovirus, Parvovirus and Parainfluenza Virus Live Vaccine
54951	Protech BB Bordetella Bronchiseptica Killed Vaccine
51823	Protech Bronchi-Shield I Bordetella Bronchiseptica Live Vaccine

APVMA Registration No	Product Name
51824	Protech Bronchi-Shield III Bordetella Bronchiseptica Canine Adenovirus Type 2 and Parainfluenza Vaccine
51488	Protech C2i Canine Coronavirus & Leptospira copenhageni Killed Vaccine
51487	Protech C3
51486	Protech C4
51490	Protech C3+2i
51489	Protech C4+2i
39547	Protech P3 Canine Distemper, Measles And Canine Parvovirus Vaccine (Living) (not supplied in Australia; future supply not feasible)
60808	Protech PI2
53150	Websters Feline 3 (not supplied in Australia; future supply not feasible)

Intellectual Property includes all rights in relation to copyright, trade marks, inventions (including patents, innovation patents and utility models), confidential information, trade secrets, technical data, information, know-how, formulae, specifications, drawings, data, manuals and instructions which are owned by Pfizer and used for the operation of the Divestiture Businesses and are necessary for the viability, marketability and competitiveness of the Divestiture Businesses.

Leptospirosis Products is defined in Part 6 of Schedule 1 to this Undertaking.

Leptospirosis Business is defined in Part 6 of Schedule 1 to this Undertaking.

Livestock Business means the business and assets described in Schedule 1, or any part of that business.

Livestock Business Divestiture Completion Date means the date on which completion of the divestiture of the Livestock Business from Pfizer to the Approved Purchaser of the Livestock Business takes place.

Material Change means any change to the structure, attributes, extent or operations of a Divestiture Business that may affect, or impact on, the Divestiture Businesses' competitiveness, independence from Pfizer and viability, but does not include any change necessary to ensure the separation of the Divestiture Businesses required by clause 8.2.

Material Contract means any contract, arrangement or understanding necessary for the operation of a Divestiture Business, whether or not in writing.

M.hyo Swine Vaccine is defined in Part 8 of Schedule 1 to this Undertaking.

M.hyo Swine Vaccine Business is defined in Part 8 of Schedule 1 to this Undertaking.

Multivalent Clostridial Vaccines is defined in Part 1 of Schedule 1 to this Undertaking.

Multivalent Clostridial Vaccine Business is defined in Part 1 of Schedule 1 to this Undertaking.

PAH refers to Pfizer's Animal Health operations in Australia and internationally, which are known as PAH.

Penrith Facility is defined in Part 5 of Schedule 1 to this Undertaking.

Permitted Changes is defined in clause 8.2(g).

Pfizer means Pfizer Inc, together with its subsidiaries including Pfizer Australia Pty Limited.

Price Index means the Final (stage 3) Producer Price Index number published from time to time by the Australian Bureau of Statistics as catalogue 6427.0.

Proposed Auditor is defined in clause 11.1(a).

Proposed Divestiture Agent is defined in clause 10.2(a).

Proposed Manager is defined in clause 9.2(a).

Proposed Merger is defined in clause 2(a).

Proposed Purchaser means a person who proposes to acquire a Divestiture Business.

Proposed Purchaser Notice is defined in clause 7.2.

Public Section 87B Undertakings Register means the ACCC's public register of s 87B undertakings, available at www.accc.gov.au.

Retained Websters Branded Products means the following products:

Product name
Websters Avian encephalomyelitis vaccine
Websters Fowl pox vaccine
Websters Fowl pox vaccine diluent
Websters Infectious bronchitis vaccine A3
Websters Infectious bronchitis vaccine Inghams
Websters Infectious bronchitis vaccine Vic S
Websters Infectious Laryngotracheitis "A-20
Websters Infectious Laryngotracheitis "SA-2"
Websters Newcastle disease vaccine V4 strain
Websters Poultry diluent (Eye drop)
Websters Bursavac K Infectious Bursal Disease vaccine
Websters Bovine Ephemeral Fever Vaccine

Product name
Websters Bovine Ephemeral Fever Diluent
Websters Equine Salmonella Typhimurium Vaccine

Retained Suvaxyn Branded Products means the following products:

Product name
Suvaxyn MH/HPS
Suvaxyn HPS

Ring Fenced Information means confidential information which relates to the Livestock Business that is obtained by Pfizer in the course of Pfizer providing the Approved Purchaser:

(a) interim arrangements for supply or toll manufacturing under clause 6(b)(iv);

(b) services or Technical Assistance under clause 6(b)(v); or

(c) such other services required in order to preserve and maintain the Livestock Business as a viable going concern.

Sale and Purchase Agreement means an agreement or agreements in respect of the sale and purchase of the Divestiture Businesses.

Separation Plan means the arrangements for functional separation of the Divestiture Businesses from other businesses of Pfizer during the Divestiture Period, and includes any amendments or variations to those arrangements.

Third Party Consents means any consents (including by any governmental agency or authority) required for the assignment, novation, sale, sub-licensing or transfer of any assets, licences, Material Contracts (including those agreements, licences or sub-licences, as the case may be, in Schedule 2), permits or approvals:

(a) used by or in, the Divestiture Businesses at the date of this Undertaking;

(b) which will be subject in each case to Pfizer obtaining the relevant written consent of the third party to the continuation of the use, after the sale of such business in accordance with this Undertaking, of such asset, licence, Material Contract, permit or approval by the Divestiture Businesses; and

(c) without which Pfizer would not be able to effect the divestiture of the Divestiture Businesses in accordance with this Undertaking,

on no less favourable terms than enjoyed by the Divestiture Businesses at the date of this Undertaking.

Transferred Personnel means employees, and persons under service contracts, described in clause 6(b)(ii).

Technical Assistance includes advising on technical knowledge documentation, supporting the Approved Purchaser in acquiring specific equipment, providing staff with suitable experience and skills to assist and/or advice on technical issues, assisting in training for the Approved Purchaser's staff, and providing guidance on regulatory and legal aspects relating to the transfer of licences.

Undertaking is a reference to all the provisions of this document including its schedules.

Unsold Business is defined in clause 10.1.

Vibriosis Products is defined in Part 7 of Schedule 1 to this Undertaking.

Vibriosis Business is defined in Part 7 of Schedule 1 to this Undertaking.

Wyeth means Wyeth Corp, together with its subsidiaries, including Fort Dodge.

2 Interpretation

In the interpretation of this Undertaking, the following provisions apply unless the context otherwise requires:

(a) a reference to 'this Undertaking' includes all of the provisions of this document including its schedules;

(b) headings are inserted for convenience only and do not affect the interpretation of this Undertaking;

(c) if the day on which any act, matter or thing is to be done under this Undertaking is not a Business Day, the act, matter or thing must be done on the next Business Day;

(d) a reference in this Undertaking to any law, legislation or legislative provision includes any statutory modification, amendment or re-enactment, and any subordinate legislation or regulations issued under that legislation or legislative provision;

(e) a reference in this Undertaking to any company includes its Related Bodies Corporate;

(f) a reference in this Undertaking to any agreement or document is to that agreement or document as amended, novated, supplemented or replaced;

(g) a reference to a clause, part, schedule or attachment is a reference to a clause, part, schedule or attachment of or to this Undertaking;

(h) an expression importing a natural person includes any company, trust, partnership, joint venture, association, body corporate or governmental agency;

(i) where a word or phrase is given a defined meaning, another part of speech or other grammatical form in respect of that word or phrase has a corresponding meaning;

(j) a word which denotes the singular also denotes the plural, a word which denotes the plural also denotes the singular, and a reference to any gender also denotes the other genders;

(k) a reference to the words 'such as', 'including', 'particularly' and similar expressions is to be construed without limitation;

(l) a construction that would promote the purpose - or object - underlying the Undertaking (whether expressly stated or not) will be preferred to a construction that would not promote that purpose or object;

(m) material not forming part of this Undertaking may be considered to:

  (i) confirm the meaning of a clause is the ordinary meaning conveyed by the text of the clause, taking into account its context in the Undertaking and the

competition concerns intended to be addressed by the Undertaking and the clause in question; or

(ii) determine the meaning of the clause when the ordinary meaning conveyed by the text of the clause, taking into account its context in the Undertaking and the purpose or object underlying the Undertaking, leads to a result that does not promote the purpose or object underlying the Undertaking;

(n) in determining whether consideration should be given to any material in accordance with paragraph (m), or in considering any weight to be given to any such material, regard must be had, in addition to any other relevant matters, to:

(i) the effect that reliance on the ordinary meaning conveyed by the text of the clause would, have (taking into account its context in the Undertaking and whether that meaning promotes the purpose or object of the Undertaking); and

(ii) the need to ensure that the result of the Undertaking is to completely address any ACCC competition concerns;

(o) the ACCC may authorise the Mergers Review Committee, a member of the ACCC or a member of the ACCC staff, to exercise a decision making function under this Undertaking on its behalf and that authorisation may be subject to any conditions which the ACCC may impose;

(p) in performing its obligations under this Undertaking, Pfizer will do everything reasonably within its power to ensure that its performance of those obligations is done in a manner which is consistent with promoting the purpose and object of this Undertaking.

(q) a reference to:

(i) a thing (including, but not limited to, a chose in action or other right) includes a part of that thing;

(ii) a party includes its successors and permitted assigns; and

(iii) a monetary amount is in Australian dollars.

Competition and Consumer Act 2010

Variation to an Undertaking given to the Australian Competition and Consumer Commission under section 87B

Given by Pfizer Inc and Pfizer Australia Pty Limited

1 Persons giving this Variation

1.1 These Variations are given to the Australian Competition and Consumer Commission (**ACCC**) by Pfizer Inc and Pfizer Australia Pty Limited (**Pfizer**).

2 Background

2.1 On 30 September 2009 the ACCC accepted an undertaking pursuant to section 87B of the then *Trade Practices Act 1974* (now the *Competition and Consumer Act 2010*) from Pfizer in connection with Pfizer's Proposed Acquisition of Wyeth Corp (the **Undertaking**).

2.2 Pfizer has applied to the ACCC to vary the Undertaking to:

(a) remove the obligation on Pfizer to do everything in its power to assist the Approved Purchaser in transferring the manufacture of the M.hyo Swine Vaccines to the Approve Purchaser; and

(b) [redacted]

3 Commencement

3.1 This Variation comes into effect when:

(a) this Variation is executed by Pfizer; and

(b) the Commission accepts this Variation so executed.

4 Variations to Clause 6 –Sale of Livestock Business

4.1 Clause 6(b)(iv) of the Undertaking is amended by:

(a) inserting the word "and" after the word "cattle" in subclause 6(b)(iv)(B);

(b) deleting subclause 6(b)(iv)(D); and

(c) deleting subclause 6(b)(iv) (E).

4.2 The varied Clause 6(b)(iv) of the Undertaking will accordingly read as follows:

"interim arrangements for the supply or toll manufacturing of:

(a) Cydectin injection for cattle;

(b) Cydectin long acting injection for cattle; and

(c) the moxidectin active pharmaceutical ingredient;

and which are described further in clause (c) and Schedule 2."

4.3 Clause 6(e) is to be deleted and replaced with "[paragraph deleted]".

5 Schedule 1. Part 8 – M. hyo Swine Vaccine Business

5.1 Part 8 is to be deleted entirely and replaced with "[part deleted]."

6 Schedule 2. Confidential Divestiture Details

6.1 Clause 6 - M.hyo Swine Vaccine Business and [redacted] Business) is amended by deleting subparagraphs (h) and (i) and inserting "[paragraph deleted]."

6.2 [redacted]

6.3 [redacted]

7 Schedule 4 – Dictionary

7.1 The definition of **M. hyo Swine Vaccine** is to be amended by deleting the words "is defined in Part 8 of Schedule 1 to this Undertaking and inserting "[definition deleted]."

7.2 The definition of **M. hyo Swine Vaccine Business** is to be amended by deleting the words "is defined in Part 8 of Schedule 1 to this Undertaking" and inserting "[definition deleted]."

8 Defined terms and interpretation

8.1 Any term defined in the Undertaking and not defined in this Variation has the meaning given in the Undertaking, unless the contrary intention appears.

8.2 **Variation** means this variation to the Undertaking.

9 Counterparts

This Variation may be executed in any number of counterparts. All counterparts together will be taken to constitute one instrument.

Executed as a variation to the Undertaking

Executed by Pfizer Inc by its authorised representative:

Signature of authorised representative

Marc Brotman
Name of authorised representative (print)

Vice President & Assistant General Counsel
Position of authorised representative (print)

December 3, 2012
Date

Executed by Pfizer Australia Pty Limited pursuant to section 127(1) of the *Corporations Act 2001* by:

Signature of director

Signature of a director / company secretary

Name of director (print)

Name of director / company secretary (print)

Date

Date

Accepted by the Australian Competition and Consumer Commission pursuant to section 87B of the *Competition and Consumer Act 2010* on:

Date: 12/12/12

And signed on behalf of the Commission:

Chairman

Date

Executed as a variation to the Undertaking

Executed by Pfizer Inc by its authorised representative:

Signature of authorised representative

Name of authorised representative (print)

Position of authorised representative (print) Date

Executed by Pfizer Australia Pty Limited pursuant to section 127(1) of the *Corporations Act 2001* by:

Signature of director

Gennie Small

Name of director (print)

3 December 2012

Date

Signature of a ~~director~~ / company secretary

TONY GEORGE

Name of ~~director~~ / company secretary (print)

3/12/12

Date

Accepted by the Australian Competition and Consumer Commission pursuant to section 87B of the *Competition and Consumer Act 2010* on:

Sims

Date: 12/12/12

And signed on behalf of the Commission:

Chairman Date

AUST. COMPETITION & CONSUMER COMMISSION CANBERRA 6 DEC 2012

Schedule 2 – Confidential

Schedule 3 – Dictionary and Interpretation

1 Dictionary

In this Undertaking:

ACCC means the Australian Competition and Consumer Commission.

Act means the *Competition and Consumer Act 2010* (Cth).

Approved Purchaser means Virbac (Australia) Pty Ltd.

Approved Independent Auditor means the auditor appointed pursuant to clause 8.

Approved Terms of Appointment means the terms of appointment for the Approved Independent Auditor as approved by the ACCC in accordance with clause 8.

Associated Entity has the meaning given by section 50AAA of the Corporations Act.

Audit Report is defined in clause 8.12.

Business Day means a day other than a Saturday or Sunday on which banks are open for business generally in the Australian Capital Territory.

Change of Control means:

(a) the assignment or other transfer of the legal or beneficial ownership of some or all of the share capital of Zoetis to any other person or entity in circumstances where, as a result of that assignment or transfer, Zoetis will or may be unable to comply with this undertaking in whole or in part; or

(b) the sale or transfer of assets necessary, or which may be necessary, to enable Zoetis to comply with this undertaking in its entirety, in circumstances where, as a result of that sale or transfer, Zoetis will or may be unable to comply with this undertaking in whole or in part.

Commencement Date is defined in clause 3.1.

Corporations Act means the *Corporations Act 2001* (Cth).

Entity Connected has the meaning given by section 64B of the Corporations Act.

Intellectual Property Licence Agreement is defined in clause 5.2.

Livestock Business means the business and assets described in Schedule 1 of the Pfizer Undertaking, or any part of that business.

Manufacture and Supply Agreement is defined in clause 5.3.

Penrith Facility has the meaning given in Part 5 of Schedule 1 to the Pfizer Undertaking.

Pfizer means Pfizer Inc and its subsidiary Pfizer Australia Pty Limited (ACN 008 422 348)

Pfizer Undertaking is defined in clause 2.1 of this Undertaking

Proposed Independent Auditor means a person named in the Proposed Independent Auditor Notice.

Proposed Independent Auditor Notice means a completed notice in the form of Schedule 4 to this Undertaking provided to the ACCC with all required attachments in relation to the Proposed Independent Auditor.

Public Mergers Register means the ACCC's public register of merger matters, available at www.accc.gov.au.

Public Section 87B Undertakings Register means the ACCC's public register of section 87B undertakings, available at www.accc.gov.au.

Quality Agreement (in relation to the Manufacture and Supply Agreement) is defined in clause 5.4.

Quality Agreement (in relation to the Toll Manufacturing Agreement) is defined in clause 5.7.

Related Bodies Corporate has the meaning given to it by section 50 of the Corporations Act.

Related Entities has the meaning given to it by section 9 of the Corporations Act.

Ring Fenced Information means confidential information which relates to the Livestock Business that is obtained by Zoetis in the course of Zoetis or its predecessor Pfizer providing Virbac (Australia) Pty Ltd with:

(a) interim arrangements for supply or toll manufacturing under clause 5.4;

(b) services or Technical Assistance under clause 5.6; or

(c) such other services required in order to preserve and maintain the Livestock Business as a viable going concern.

Technical Assistance includes advising on technical knowledge documentation, supporting the Approved Purchaser in acquiring specific equipment, providing staff with suitable experience and skills to assist and/or advice on technical issues, assisting in training for the Approved Purchaser's staff, and providing guidance on regulatory and legal aspects relating to the transfer of licences.

Toll Manufacturing Agreement is defined in clause 5.7.

Transitional Services Agreement is defined in clause 5.6.

Undertaking is a reference to all the provisions of this document including its schedules.

Virbac (Australia) Pty Ltd means Virbac (Australia) Pty Ltd (ACN 003 268 871), which was approved by the ACCC pursuant to the Pfizer Undertaking as the purchaser of the Livestock Business.

Zoetis is defined in clause 1.1 of this Undertaking.

Zoetis Inc. means Zoetis Inc., a United States company incorporated under the laws of Delaware, with its head office at 100 Campus Drive, Florham Park, New Jersey 07932.

Zoetis Australia Pty Ltd means Zoetis Australia Pty Ltd ACN 156 476 425.

Zoetis Australia Research & Manufacturing Pty Ltd means Zoetis Australia Research & Manufacturing Pty Ltd ACN 158 433 053.

2 Interpretation

In the interpretation of this Undertaking, the following provisions apply unless the context otherwise requires:

(a) a reference to 'this Undertaking includes all of the provisions of this document including its schedules;

(b) headings are inserted for convenience only and do not affect the interpretation of this Undertaking;

(c) if the day on which any act, matter or thing is to be done under this Undertaking is not a Business Day, the act, matter or thing must be done on the next Business Day;

(d) a reference in this Undertaking to any law, legislation or legislative provision includes any statutory modification, amendment or re-enactment, and any subordinate legislation or regulations issued under that legislation or legislative provision;

(e) a reference in this Undertaking to any company includes its Related Bodies Corporate;

(f) a reference in this Undertaking to any agreement or document is to that agreement or document as amended, novated, supplemented or replaced;

(g) a reference to a clause, part, schedule or attachment is a reference to a clause, part, schedule or attachment of or to this Undertaking;

(h) an expression importing a natural person includes any company, trust, partnership, joint venture, association, body corporate or governmental agency;

(i) where a word or phrase is given a defined meaning, another part of speech or other grammatical form in respect of that word or phrase has a corresponding meaning;

(j) a word which denotes the singular also denotes the plural, a word which denotes the plural also denotes the singular, and a reference to any gender also denotes the other genders;

(k) a reference to the words 'such as', 'including', 'particularly' and similar expressions is to be construed without limitation;

(l) a construction that would promote the purpose - or object - underlying the Undertaking (whether expressly stated or not) will be preferred to a construction that would not promote that purpose or object;

(m) material not forming part of this Undertaking may be considered to:

  (i) confirm the meaning of a clause is the ordinary meaning conveyed by the text of the clause, taking into account its context in the Undertaking and the concerns intended to be addressed by the Undertaking and the clause in question; or

  (ii) determine the meaning of the clause when the ordinary meaning conveyed by the text of the clause, taking into account its context in the Undertaking and the purpose or object underlying the Undertaking, leads to a result that does not promote the purpose or object underlying the Undertaking;

(n) in determining whether consideration should be given to any material in accordance with paragraph (m), or in considering any weight to be given to any such material, regard must be had, in addition to any other relevant matters, to:

  (i) the effect that reliance on the ordinary meaning conveyed by the text of the clause would, have (taking into account its context in the Undertaking and whether that meaning promotes the purpose or object of the Undertaking); and

  (ii) the need to ensure that the result of the Undertaking is to completely address any ACCC competition concerns;

(o) the ACCC may authorise the Mergers Review Committee, a member of the ACCC or a member of the ACCC staff, to exercise a decision making function under this Undertaking on its behalf and that authorisation may be subject to any conditions which the ACCC may impose;

(p) in performing its obligations under this Undertaking, Pfizer will do everything reasonably within its power to ensure that its performance of those obligations is done in a manner which is consistent with promoting the purpose and object of this Undertaking;

(q) a reference to:

(i) a thing (including, but not limited to, a chose in action or other right) includes a part of that thing;

(ii) a party includes its successors and permitted assigns; and

(iii) a monetary amount is in Australian dollars.

Schedule 4 – Independent auditor

This form sets out the information required by the ACCC in relation to the proposed appointment of the Independent Auditor under the Undertaking.

Please note in relation to information given pursuant to this form, giving false or misleading information is a serious offence.

Method of Delivery to the ACCC

The completed undertaking appointment form, along with the additional requested information is to be provided to the ACCC with the subject line (*proposed Independent Auditor Form – Zoetis Inc undertaking*) to the below email addresses:

1) mergers@accc.gov.au

   Attention: Executive General Manager
   Mergers and Authorisation Review Division

2) **With a copy sent to:**

   mergersucu@accc.gov.au

   Attention: Director Undertakings Compliance Unit
   Coordination and Strategy Branch
   Mergers and Authorisation Review Division

Information Required

The ACCC requires the following information in order to assess a proposed Independent Auditor.

1) Proposed Independent Auditor details:

   (a) the name of the Proposed Independent Auditor; and

   (b) the name of the proposed Independent Auditor's employer and contact details including:

   - Address;
   - Contact name;
   - Telephone number;
   - Other contact details.

2) A submission containing the following information:

   (a) details of the Proposed Independent Auditor's qualifications and experience relevant to his or her proposed role pursuant to the Undertaking.

   (b) the names of the owner/s and the directors of the Proposed Independent Auditor's employer.

   (c) details of any of the following types of relationships between Zoetis and the Proposed Independent Auditor or the Proposed Independent Auditor's employer or confirmation that no such relationship exists whether within Australia or outside of Australia:

      (i) Zoetis and the Proposed Independent Auditor's employer are Associated Entities.

      (ii) Zoetis is an Entity Connected with the Proposed Independent Auditor's employer.

      (iii) The Proposed Independent Auditor's employer is an Entity Connected with Zoetis.

(iv) Zoetis and the Proposed Independent Auditor's employer are Related Entities.

(v) Zoetis and the Proposed Independent Auditor's employer are Related Parties

(vi) any Related Party, Related Entity or Entity Connected with Zoetis is a Related Party, Related Entity or Entity Connected with the Proposed Independent Auditor.

(vii) Zoetis and the Proposed Independent Auditor or the Proposed Independent Auditor's employer have a contractual relationship or had one within the past three years, other than those attached to this form.

(viii) the Proposed Independent Auditor's employer is a supplier of Zoetis or has been in the past three years.

(ix) Zoetis is a supplier of the Proposed Independent Auditor's employer or has been in the past three years.

(x) any other relationship between Zoetis and the Proposed Independent Auditor or the Proposed Independent Auditor's employer that allows one to affect the business decisions of the other.

3) A document outlining the terms of appointment for the proposed Independent Auditor.

4) A finalised draft audit plan for the Divestiture Business, drafted by the Proposed Independent Auditor and outlining (to the extent possible) the Proposed Independent Auditor's plans in regard to the establishment audit and the Audit Report.