

NOTICE TO USERS OF PONDERAL AND/OR REDUX IN CANADA AND THEIR RELATIVES OF PROPOSED SETTLEMENT OF CLASS ACTION

THIS NOTICE MAY AFFECT YOUR RIGHTS. PLEASE READ CAREFULLY.

NOTICE

This notice is directed to all persons resident in Canada, excluding Quebec, who ingested Ponderal®, Ponderal Pacaps (generic name: fenfluramine) and/or Redux™ (generic name: dexfenfluramine) (collectively referred to as "Product Recipients"), or their estates, administrators or other legal representatives, heirs or beneficiaries ("Representative Claimants"), and their family members ("Derivative Claimants") (collectively "Claimants").

A further notice will be directed to residents of Quebec.

BE ADVISED that the diet drug fenfluramine was sold in Canada under two trade names – "Pondimin" and "Ponderal". This Settlement Agreement DOES NOT relate to persons who were prescribed and ingested ONLY Pondimin, but rather relates to persons who were prescribed and ingested Ponderal and/or Redux, whether or not they were also prescribed and ingested Pondimin.

PURPOSE OF THIS NOTICE

In 1998, a class action lawsuit was initiated in Ontario against Servier Canada Inc. and various other corporate defendants (the "Class Action"), in which it was alleged that the pharmaceutical products Ponderal and Redux caused personal injury to some consumers. The Ontario lawsuit was certified as a class proceeding on September 13, 2000 on behalf of the following groups of individuals ("Class Members"):

All persons resident in Canada (excluding Quebec) who were prescribed and ingested the diet drugs marketed under the brand name Ponderal (generic name: fenfluramine) and/or Redux (generic name: dexfenfluramine), these being drugs designed, developed, fabricated, manufactured, imported, distributed, marketed, sold or otherwise placed into the stream of commerce in Canada by Servier Canada Inc. and/or Biofarma S.A.;

All persons including, but not limited to, executors, administrators, personal representatives, spouses and relatives who on account of a relationship to those persons described in the above defined class, have a derivative claim for damages resulting from the treatment with Ponderal and/or Redux.

An agreement (the "Settlement Agreement") has been reached in the Class Action between the plaintiff on her behalf and on behalf of the Class Members and the defendants to settle all claims on behalf of the plaintiff and on behalf of all Class Members. In order for the Settlement Agreement to become effective, it must be approved by the Ontario Superior Court of Justice.

TERMS OF THE PROPOSED SETTLEMENT

- Servier Canada Inc., while not admitting any liability, will pay benefits to eligible Claimants;
- A Settlement Fund will be established in the amount of \$25,000,000.00 to settle the claims of all eligible Claimants, Representative Claimants and Derivative Claimants;
- In the event that the sum of \$25,000,000.00 is insufficient to compensate all eligible Claimants, a further amount of up to \$15,000,000.00, payable in increments as required, will be made available ("the Additional Settlement Funds"), therefore the maximum amount available will be \$40,000,000.00;
- Class Counsel will make application for approval of fees as set out under the heading of "Legal Costs and Fees", which, if granted, will be paid from the Settlement Fund and Additional Settlement Funds, if necessary;
- In the event the Settlement Fund is not fully exhausted by the payment of benefits to all eligible Claimants and court-approved legal fees and costs, the remainder of the Settlement Fund will revert to the Provincial and Territorial Health Insurers, with the exception of Quebec, and to Servier Canada Inc. on a sliding scale;
- Claimants' eligibility to receive benefits and the amounts of such benefits are based on several factors, including, but not limited to:
 - proof of prescription and ingestion of Ponderal and/or Redux;
 - the presence and severity of valvular heart disease ("VHD");
 - the presence of primary pulmonary hypertension ("PPH");
 - the presence or absence of medical conditions which may have caused the VHD or the PPH;
 - the age of the Product Recipient at the time of diagnosis;
 - the ingestion of Pondimin in addition to Ponderal and/or Redux;
- Any arguments based on statutes of limitation, prescription or repose shall be waived for Class Members participating in the Settlement Agreement;
- Claims may be submitted up to fifteen (15) months following Final Approval of the Settlement Agreement;

- Claims will be processed during a five (5) year Administration Period, during which time Claimants may submit additional claims if their condition worsens;
- Provincial and Territorial Health Insurers, with the exception of Quebec, will divide a fund for payment of medical services provided to Product Recipients.

LEGAL COSTS AND FEES

This action has been vigorously contested and has involved a number of motions and appeals, over forty days of discovery in France and Belgium and the review and analysis of over 300,000 documents.

Class Counsel have funded the time and expenses incurred in pursuing the litigation, however, to date, Class Counsel have received approximately \$700,000, inclusive of GST, in court-awarded partial indemnity costs paid by Servier Canada Inc.

The Settlement Agreement provides for further payment by Servier Canada Inc. to Class Counsel of \$3,000,000 for partial indemnity costs and \$1,000,000 towards their disbursements.

In addition to these amounts, Class Counsel will ask the Court to approve an additional payment of \$10,000,000 plus disbursements and applicable taxes from the Settlement Fund.

Class Counsel may ask the Court to approve further fees up to a maximum of \$5,000,000 plus applicable taxes, if at the expiry of the Claim Period, funds appear to be available in the Settlement Fund or Additional Settlement Funds.

Claimants may retain their own lawyers to assist them in making individual claims to the Settlement. Claimants are responsible for paying the legal fees of any additional legal services they seek.

SETTLEMENT APPROVAL HEARING

If you come within the definition for Class Members, you are already included in the Class and will be entitled to apply for benefits. There is no right to opt-out of this Settlement Agreement, as the deadline for doing so has expired.

If you wish to comment on or make an objection to the terms of the Settlement Agreement, you are encouraged to send your name, address and brief reasons for the objection to applicable Class Counsel at the addresses listed below, prior to October 11, 2004. Class Counsel will forward all such submissions to the Court.

The Court will conduct a hearing on October 18 and 19, 2004 at 10:00 a.m. at 361 University Avenue, Toronto, Ontario, at which time all timely filed objections from Class Members will be considered. A further Notice will be published if the Court grants Final Approval of the Settlement Agreement.

FOR MORE INFORMATION

As there will be no further published notice of the Settlement Approval hearing, Class Members must keep themselves advised by consulting the web sites or applicable Class Counsel listed below.

CLASS COUNSEL for the NATIONAL CLASS

ROCHON GENOVA LLP
Barristers • Avocats
121 Richmond Street, Suite 903
Toronto, ON M5H 2K1
(416) 363-1867 or 1-866-881-2292
www.rochongenova.com

CLASS COUNSEL for the BRITISH COLUMBIA SUBCLASS

KLEIN LYONS
Barristers and Solicitors
Suite 1100, 1333 West Broadway
Vancouver, BC V6M 4C1
(604) 874-7171 or 1-800-468-4466
www.kleinlyons.com

INTERPRETATION

If there is any conflict between the provisions of this Notice and the Settlement Agreement, the terms of the Settlement Agreement shall prevail.

This Notice has been approved by the Honourable Mr. Justice Peter A. Cumming of the Ontario Superior Court of Justice.