

August 16, 1995

CERTIFIED MAIL/RETURN RECEIPT
REQUESTED NO.

Chief, Non-Institutional Payment Policy Branch
Office of Medicaid Policy, Medicaid Bureau
Post Office Box 26686
Baltimore, MD 21207-0486

**NOTICE OF BULK TRANSFER ABOUT TO BE MADE BY
MAJOR PHARMACEUTICALS, INC. TO
GREAT LAKES WHOLESALE DRUGS - MAJOR DIVISION LIMITED PARTNERSHIP**

To the Creditors of Major Pharmaceuticals, Inc.:

1. The purpose of this Notice is to inform you that a bulk transfer of inventory, other goods and other assets is about to be made by Major Pharmaceuticals, Inc., a Delaware corporation (the "Transferor") to Great Lakes Wholesale Drugs - Major Division Limited Partnership (the "Transferee") pursuant to applicable bulk sales law.
2. The name of the Transferor is Major Pharmaceuticals, Inc. The Transferor's principal business address is 355 North Ashland Avenue, Chicago, Illinois 60607. All other addresses of the Transferor and all other addresses used by the Transferor within the last three (3) years (including addresses for the business names referred to in Paragraph 3 below), so far as known to the Transferee, are listed below:
 - a. 1612, 1632 and 1636-1640 West Fulton Street, Chicago, Illinois 60612.
 - b. 355 North Ashland Avenue, Chicago, Illinois 60607
 - c. 1641 Carroll Avenue, Chicago, Illinois 60612
 - d. 13625-27 and 13615 "A" Street, Omaha, Nebraska 68144
 - e. 4D Gill Street, Woburn, Massachusetts 01801
 - f. 4409 Providence Lane, Winston-Salem, North Carolina 27106
 - g. 355 Tomoka Avenue, Ormond Beach, Florida 32174
 - h. 415 South Fourth Street, Murray, Kentucky 42071
 - i. 2995 LBJ Freeway, Suite 222, Dallas, Texas 75234
 - j. 747 Kenrick, Suite 100, Houston, Texas 77060
 - k. 11722 and 11726 Warfield Drive, San Antonio, Texas 78216

- l. 11718 and 11720 Warfield Drive, San Antonio, Texas
78216
 - m. 15321 San Pedro, #203, San Antonio, Texas 78232
 - n. 8330 Arjons Drive, San Diego, California 92126
 - o. Building 5, Gateway Corporate Center, 12816 Interurban
Avenue South, Tukwila, Washington 98168
 - p. 21804 64th Avenue South, Kent, Washington 98108
 - q. 3720 Lapeer Road, Auburn Hills, Michigan 48321
 - r. 100 Filley Street, Bloomfield, Connecticut 06002
 - s. 5110 West 74th Street, Building No. 97, Indianapolis,
Indiana 46268
 - t. P.O. Box 9, Lake Orion, Michigan 48035
3. All business names used by the Transferor (in addition to Major Pharmaceuticals, Inc.) within the last three years, so far as known to the Transferee, are listed below:
- a. Major (Crown), Inc.
 - b. Major (Michigan), Inc.
 - c. Major (Ultra), Inc.
 - d. Major (Murray), Inc.
 - e. Major (Ellis), Inc.
 - f. Major (Texas), Inc.
 - g. Wesco Pharmaceutical
4. The name of the Transferee is Great Lakes Wholesale Drugs - Major Division Limited Partnership. The business address of the Transferee is 31778 Enterprise Drive, Livonia, Michigan 48150.
5. The Transferee will, as of the Closing (herein defined), subject to the consummation of the Closing and subject to terms and conditions to be agreed upon by the Transferor and the Transferee, assume most of the Transferor's obligations existing as of the Closing arising out of the Transferor's purchase of inventory ("trade account payables"), provided, however, that the Transferee shall only be liable for such trade account payables to the extent expressly assumed by the Transferee. If you desire further information as to whether your debt is subject to assumption by the Transferee, please call Harry B. Noretsky, Esq. of the firm of Sills Cummis Zuckerman Radin Tischman Epstein & Gross, P.A. at (201) 643-7000. The Transferee is unable to state for certain of its own knowledge that the debts of the Transferor to the Transferor's non-affiliates will be paid in full as they come due from the proceeds of the sale.
6. The locations of the property to be transferred are as follows:

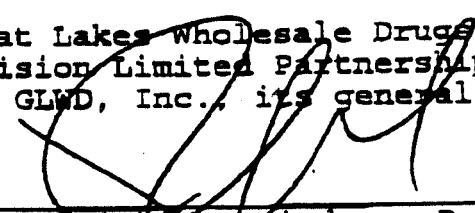
- a. 1612, 1632 and 1636-1640 West Fulton Street, Chicago, Illinois 60612
- b. 355 North Ashland Avenue, Chicago, Illinois 60607
- c. 355 Tomoka Avenue, Ormond Beach, Florida 32174
- d. 415 South Fourth Street, Murray, Kentucky 42071
- e. 747 Kenrick, Suite 100, Houston, Texas 77060
- f. 15321 San Pedro, #203, San Antonio, Texas 78232
- g. 8330 Arjons Drive, San Diego, California 92126
- h. 21804 64th Avenue South, Kent, Washington 98108
- i. 3720 Lapeer Road, Auburn Hills, Michigan 48321
- j. 100 Filley Street, Bloomfield, Connecticut 06002
- k. 5100 West 74th Street, Building No. 97, Indianapolis, Indiana 46268

7. A general description of the property to be transferred is as follows: All of the assets (tangible, intangible and mixed) of the Transferor, excluding only the herein-defined Excluded Assets (collectively, the "Assets"). Except for any Excluded Assets, the Assets to be transferred by the Transferor to the Transferee include, without limitation, all of its cash, accounts receivable, inventory, machinery and equipment, furniture, fixtures, buildings and land. The "Excluded Assets" are (a) the consideration transferable to the Transferor by the Transferee with respect to the proposed transfer, (b) all rights which the Transferor may have with respect to intercompany loans made by the Transferor to its sole stockholder and/or any corporate affiliate of the Transferor or its sole stockholder, and (c) other assets which individually and in the aggregate are not material (and to the Transferee's knowledge, except for the Excluded Assets described in (a) and (b) of this Paragraph 7 and any potential tax loss-carryforwards and refunds, do not have an aggregate value in excess of \$100,000) and consist of assets such as the corporate minutes book and the stock certificate book of the Transferor. When used in this Notice, the "Closing" means the transfer by the Transferor to the Transferee of the Assets and the payment to the Transferor and the herein defined Escrow Agent(s) of the amounts referred to in Paragraph 10 below.
8. The Transferor's list of existing creditors and a more detailed schedule of property to be transferred by the Transferor to the Transferee has been filed in the Uniform Commercial Code Division of the office of the Secretary of State of Indiana, 302 West Washington Street, Room E018, Indianapolis, Indiana 46204. If for any reason the list and schedule are unavailable for inspection at such office, then the list and schedule may be inspected at Great Lakes Wholesale Drugs - Major Division Limited Partnership, 31778 Enterprise Drive, Livonia, Michigan 48150.

9. The estimated total of the Transferor's debts (as estimated by the Transferor and supplied to the Transferee, including approximately \$42,975,000 payable to the Transferor's sole stockholder) as of the date hereof is \$73,800,000.
10. The transfer is for new consideration. The amount of such new consideration is expected to be between \$11,000,000 and \$14,000,000, in addition to the assumption of certain indebtedness of the Transferor as stated in Paragraph 5 above. Of such consideration, approximately \$9,300,000 in the aggregate is expected to be escrowed with one or more banks (the "Escrow Agent(s)") to secure the Transferor's obligations to the Transferee arising in connection with the transfer of the Assets from the Transferor to the Transferee (including without limitation to indemnify the Transferee with respect to certain liabilities of the Transferor not assumed by the Transferee), and at the Closing the Transferor will grant to the Transferee a perfected first priority security interest in such escrowed amounts.
11. This transfer is not for the purpose of paying any existing debts of the Transferor to the Transferee.
12. The time of payment to the Transferor and to the Escrow Agent(s) is to be at the Closing, by wire transfer of immediately available funds. The Closing is currently expected to occur on or about August 29, 1995 - September 6, 1995, but could close between August 29, 1995 and September 20, 1995. The place of payment and the location of the Closing is Sills Cummis Zuckerman Radin Tischman Epstein & Gross, P.A., One Riverfront Plaza, Newark, New Jersey 07102. The funds to be paid to the Transferor will be wire transferred directly to the Transferor and the funds to be paid to the Escrow Agent(s) will be wire transferred directly to the Escrow Agent(s) by the Transferee's lender or by the Transferee.
13. This Notice is given pursuant to applicable bulk sales law, including Indiana Code 26-1-6-106.

Sincerely,

Great Lakes Wholesale Drugs - Major
Division Limited Partnership
By: GLWD, Inc., its general partner

By: 
Randolph J. Friedman, President
of GLWD, Inc., the General
Partner of Great Lakes Wholesale
Drugs - Major Division Limited
Partnership

WEEKLY U.S. T-BILL DISCOUNT RATE

The latest weekly 90-day treasury bill auction rates for January 3, 1995 through August 28, 1995 are as follows:

| DATE OF AUCTION | TRUE DISCOUNT RATE |
|-----------------|--------------------|
| 01/03/95 | 5.947 |
| 01/09/95 | 6.042 |
| 01/17/95 | 5.939 |
| 01/23/95 | 5.968 |
| 01/30/95 | 5.959 |
| 02/06/95 | 6.001 |
| 02/13/95 | 5.988 |
| 02/21/95 | 5.906 |
| 02/27/95 | 5.909 |
| 03/06/95 | 5.955 |
| 03/13/95 | 5.943 |
| 03/20/95 | 5.943 |
| 03/27/95 | 5.818 |
| 04/03/95 | 5.943 |
| 04/10/95 | 5.880 |
| 04/17/95 | 5.731 |
| 04/24/95 | 5.839 |
| 05/01/95 | 5.922 |
| 05/08/95 | 5.806 |
| 05/15/95 | 5.889 |
| 05/22/95 | 5.901 |
| 05/30/95 | 5.818 |
| 06/05/95 | 5.649 |
| 06/12/95 | 5.744 |
| 06/19/95 | 5.628 |
| 06/26/95 | 5.512 |
| 07/03/95 | 5.702 |
| 07/10/95 | 5.566 |
| 07/17/95 | 5.628 |
| 07/24/95 | 5.640 |
| 07/31/95 | 5.607 |
| 08/07/95 | 5.578 |
| 08/14/95 | 5.587 |
| 08/21/95 | 5.600 |
| 08/28/95 | 5.504 |