

**If You Are A Third-Party Payor And Made
Reimbursements For Certain Drugs,
You May Be Able To Receive A Substantial Payment
From A Proposed Class Action Settlement.**

Summary of Proposed Settlement

- There is a Proposed Class Action Settlement with McKesson Corporation (“McKesson”) concerning certain drugs (“Subject Drugs”). A detailed list of the Subject Drugs, including drug name, NDC Code and manufacturer, can be downloaded at www.McKessonAWPSettlement.com or www.AWPclassactions.com or you can request a copy from the Settlement Administrator at the address listed in Question 8. You may have previously received a notice of the pendency of this case.
- The name of the lawsuit is *New England Carpenters Health Benefits Fund, et al. v. First DataBank, Inc., et al.*, Docket No. 1:05-CV-11148-PBS (D. Mass.).
- First DataBank, Inc. (“FDB”) publishes data related to the price of prescription drugs. One of the data fields FDB publishes is called the Blue Book Average Wholesale Price (“BBAWP”). The published BBAWP of a drug is often used to determine what insurance companies and other Third-Party Payors (“TPPs”) will pay for their insured’s use of these drugs.
- The lawsuit claims that in or about 2001 two defendants, McKesson, a large drug wholesaler, and FDB, a publisher of drug data, wrongfully inflated the mark-up factor used by FDB to determine what is often called the Average Wholesale Price (“AWP”) for certain prescription drugs.
- The lawsuit alleges that, as a result, TPPs and some consumers (those with percentage co-pays or those who paid full price) overpaid for the Subject Drugs. McKesson denies any wrongdoing and is settling this lawsuit to avoid further litigation.
- Medi-Span is also a publisher of drug pricing information. A separate lawsuit claims that Medi-Span negligently published the Average Wholesale Price (“AWP”) of prescription drugs based on information it received from FDB. FDB and Medi-Span also deny wrongdoing and have separately settled, subject to court approval. A separate notice of the proposed FDB and Medi-Span settlements is available at www.AWPclassactions.com.
- This Notice involves the proposed settlement with McKesson. The Court previously certified two of the three classes that are included in the Proposed Settlement. The classes are as follows:
 1. All consumers who (a) paid *percentage* co-payments for Subject Drugs based on AWP pricing between August 1, 2001 and March 15, 2005, and (b) whose prescription drug plan used FDB or Medi-Span databases for determining the AWP of the Subject Drugs are included in the McKesson Class Action (“Percentage Co-Pay Class”).
 2. All Third-Party Payors who (a) reimbursed or paid for Subject Drugs based on AWP pricing between August 1, 2001 and March 15, 2005, and (b) used FDB or Medi-Span databases for determining the AWP of the Subject Drugs are included in the McKesson Class Action.

- In addition, the Proposed Settlement encompasses a “Cash Payor Settlement Class,” which includes all uninsured or underinsured individual persons who, during the period from August 1, 2001 through the date of the Settlement Court’s preliminary approval of this Agreement, paid, or incurred a debt enforceable at the time of judgment in this case for, the cash price for any of the drugs.
- McKesson has agreed to pay \$350 million to settle claims of all three classes. Of that amount, \$288,000,000 will be available for distribution to the TPP Class after payment of its proportionate share of the expenses and attorneys’ fees authorized by the Court.
- The remaining amount of the total Settlement amount will be set aside exclusively to satisfy the claims of consumers, after the consumer classes’ proportionate payment of the attorneys’ fees and expenses authorized by the Court.
- Generally speaking, as a TPP you are a member of the Settlement Class if you made reimbursements for any of the Subject Drugs from August 1, 2001 through March 15, 2005.

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BASIC INFORMATION

1. Why did I get this Notice?

You were mailed this Notice because records indicate you are a TPP who may provide pharmaceutical coverage. Or, you may have requested this Notice after seeing the Summary Notice in a publication.

This Notice explains:

- What the lawsuit and Settlement are about.
- What the lawsuit claims and what McKesson says about the claims.
- Who is affected by the Settlement.
- Who represents the Class in the lawsuit.
- What your legal rights and choices are.
- How and by when you need to act.

2. What is the lawsuit about?

Prescription drug payments are often based on list prices, or benchmarks. The most common pricing benchmark used to reimburse brand prescription drugs is the Average Wholesale Price or “AWP.” Several companies, including FDB and Medi-Span, publish the AWP of prescription drugs in printed and electronic databases. During the time period of this lawsuit, FDB often determined the AWP for many drugs by using a “mark-up factor.” The lawsuit claims that FDB and McKesson unlawfully conspired to inflate the mark-up factor, thereby wrongfully increasing the published AWP for many drugs. According to the lawsuit, this in turn, increased the prices paid by TPPs that used FDB as the source for AWP for the Subject Drugs. A detailed list of the Subject Drugs, including drug name, NDC Code and manufacturer, can be downloaded at www.McKessonAWPSettlement.com or www.AWPclassactions.com or you can request a copy from the Settlement Administrator at the address listed in Question 8.

McKesson denies any wrongdoing and is settling this lawsuit to avoid further litigation. FDB also denies any liability and has entered into a separate proposed settlement, which is the subject of a separate notice. A related lawsuit against Medi-Span, alleging that it published falsely inflated AWP's based on the information FDB provided it, has also settled without any admission of wrongdoing. More information about the proposed settlement terms and the FDB/Medi-Span settlement classes can be obtained at www.AWPclassactions.com.

3. Why is this a class action?

In a class action lawsuit, one or more people called “class representatives” sue on behalf of people who have similar claims. The people together are a “class” or “class members.” A court must determine if a lawsuit should proceed as a class action. If it does, a trial then decides the lawsuit for everyone in the class.

Sometimes, the parties may settle without a trial. The Parties here have agreed to a Proposed Settlement that includes a national class of TPPs who reimbursed, or incurred obligations to reimburse for the drugs at issue. The Proposed Settlement also includes a national class of consumers who paid a percentage co-pay towards the purchase of these drugs as well as a national class of uninsured consumers who paid the full purchase price of the drugs.

4. Why is there a Settlement?

A settlement is an agreement between a plaintiff and a defendant following extended negotiation. Settlements conclude litigation but this does not mean that the court has ruled in favor of the plaintiff or the defendant. A settlement allows both parties to avoid the cost and risk of a trial and permits both parties to establish a just, fair and final resolution that is best for all involved. The class representatives and their attorneys decide that a settlement is the best result for all class members and the court is asked to evaluate and approve the settlement as fair, reasonable and adequate.

If the Court approves the Proposed Settlement, then McKesson will no longer be legally responsible for the claims made in this lawsuit. The lawyers representing the Class (“Class Counsel”) and McKesson have engaged in extensive, arms-length negotiations regarding the issues presented in this lawsuit and the possible terms of a settlement. The Parties want to settle the claims in this lawsuit and Class Counsel believes the Proposed Settlement is fair, reasonable and adequate and in the best interests of the Class.

5. Who is a Class Member?

Generally speaking, you are a member of the Settlement Class if you are:

- A TPP that reimbursed for prescription drugs based on the BBAWP published by FDB or the AWP published by Medi-Span. Additionally, you must have purchased the Subject Drugs between August 1, 2001 through March 15, 2005.

A TPP is an entity that is:

- (a) A party to a contract, issuer of a policy, or sponsor of a plan, and

(b) At risk, under such contract, policy, or plan, to pay or reimburse all or part of the cost of prescription drugs dispensed to covered natural persons. TPPs include insurance companies, union health and welfare benefit plans and self-insured employers. Entities with self-funded plans that contract with a health insurance company or other entity to serve as a third-party claims administrator to administer their prescription drug benefits qualify as TPPs. Private plans that cover government employees and/or retirees are also included.

There are a number of other people who are not included in the Settlement Class. These people include:

- the Defendants and their present or former, direct and indirect, parents, subsidiaries, divisions, partners and affiliates; and
- the United States government, its officers, agents, agencies and departments; the States of the United States and their respective officers, agents, agencies and departments; and all other local governments and their officers, agents, agencies and departments.

Also presumptively excluded from the Settlement Class are those entities that own or operate businesses referred to commonly as pharmacy benefit managers (“PBMs”). These PBMs, as part of their business operation, contract with Third-Party Payors to perform certain services in the administration and management of prescription drug benefit plans and are not members of the Settlement Class unless they are the fiduciary of the Third Party-Payors or by contract assumed, in whole or in part, the insurance risk of that prescription drug benefit during the period from August 1, 2001 through March 15, 2005.

6. How do I know if I am included in the Proposed Settlement?

Notice of the lawsuit against McKesson was previously provided to potential class members. The deadline to exclude yourself from the Settlement Class was November 15, 2008. Unless you excluded yourself, you are a member of the Settlement Class and will be included in the Settlement if you:

- reimbursed for prescription drugs based on the BBAWP published by FDB or the AWP published by Medi-Span during the relevant time period.

BENEFITS OF THE PROPOSED SETTLEMENT — WHAT YOU GET

7. What does the Proposed Settlement provide?

McKesson will pay at least \$288,000,000 to TPPs, net of attorneys’ fees and expenses awarded by the Court.

8. How do I file a claim?

Attached to this Notice is a Claim Form. **You must fill out the Claim Form and submit it to the Settlement Administrator, postmarked no later than July 9, 2009**, and addressed to:

McKesson Settlement Administrator
c/o Rust Consulting, Inc.
P.O. Box 24607
West Palm Beach, FL 33416

As part of your claim, you must provide the electronic backup information and certifications requested on the Claim Form.

9. How are payments determined?

How much you receive from this Proposed Settlement depends on the volume and amount of claims submitted by other TPP Settlement Class Members.

10. What claims am I giving up?

If the Proposed Settlement is approved, the claims against McKesson will be completely “released.” This means that you cannot sue McKesson for money damages or other relief based on the claims in the lawsuit or otherwise arising from its alleged involvement in setting AWP for brand drugs in the relevant period. Settlement Class Members agree to forever release all claims even if they later discover new facts about the claims in the lawsuit. This includes claims whether known or unknown, suspected or unsuspected, contingent or non-contingent. All claims will be released forever whether or not the facts were concealed or hidden, without regard to the subsequent discovery or existence of such different or additional facts.

The release provides as follows:

The Released Parties shall be released and forever discharged by all Releasers from all Released Claims. All Releasers covenant and agree that they shall not hereafter seek to establish liability against any Released Party or any other person based, in whole or in part, on any of the Released Claims. Each Releaser expressly waives and fully, finally, and forever settles and releases any known or unknown, suspected or unsuspected, contingent or non-contingent Released Claims, including Unknown Claims, without regard to the subsequent discovery or existence of different or additional facts. Class Counsel acknowledges, and the

Settlement Class Members shall be deemed by operation of law and the Judgment to acknowledge, that the foregoing waiver of Unknown Claims, and of the provisions, rights, and benefits of Section 1542 of the California Civil Code, was bargained for and is a key element of the Settlement of which the release in this paragraph is a part.

The “Released Claims” consist of:

any and all claims, demands, actions, suits, causes of action, damages whenever incurred whether compensatory or exemplary, liabilities of any nature or under any theory whatsoever, including Unknown Claims, as well as all costs, expenses, penalties and attorneys’ fees, in law or equity, that any Releaser who has not timely excluded himself, herself, or itself from the Private Payor Settlement Class, whether or not he, she, or it objects to the settlement, ever had or now has, directly, representatively, derivatively or in any capacity, arising out of any conduct, events or transactions relating to the use of, payment or reimbursement in any way based upon, collection, calculation, formulas, mark-up, determination, dissemination, publication of, and representations concerning, the AWP or BBAWP or similar data published or disseminated by First DataBank, Medi-Span, or any other publisher, electronically or otherwise, for any prescription pharmaceuticals, including, but not limited to, the allegations contained in or which could have been contained in the Class Action or the related case entitled *New England Carpenters Health Benefits Fund et al. v. McKesson, Inc.*, Civil Action No. 1:07-CV-12277 (D. Mass.). Released Claims do not include claims against any manufacturer regarding pricing or marketing by the manufacturer or regarding AWP manipulation by the manufacturer.

11. What entities am I releasing?

The Released Entities include:

McKesson Corporation, its parent companies, subsidiaries, and affiliates, and their past, present and future officers, directors, trustees, employees, agents, attorneys, shareholders, predecessors, successors and assigns.

EXCLUSION FROM THE PROPOSED SETTLEMENT

12. Is it possible to exclude myself from the Proposed Settlement?

It is no longer possible to exclude yourself from the Class or the Proposed Settlement made on behalf of the Settlement Class. Notice of this lawsuit and the claims against McKesson was previously provided to potential members of the Settlement Class. If you provided the Settlement Administrator with written notification of your intent to exclude yourself from the Class litigation on or before November 15, 2008, you will be excluded from the Proposed Settlement unless you advise the Settlement Administrator that you want to opt back into the Settlement Class. All opt-in requests must be in writing and delivered or postmarked no later than **June 3, 2009**. Otherwise, the deadline to opt-out has already passed and your claims will automatically be included in the Proposed Settlement.

OBJECTING TO OR COMMENTING ON THE PROPOSED SETTLEMENT

13. May I object to, or comment on, the Proposed Settlement?

Yes. If you have comments about, or disagree with, any aspect of the Proposed Settlement, you may express your views to the Court through a written response to the Proposed Settlement. The written response should include your name, address, telephone number and a brief explanation of your reasons for objection. The document **must** be signed to ensure the Court’s review. The response must be filed with the Court on or before **June 8, 2009** at the following address:

Clerk of Court
John Joseph Moakley U.S. Courthouse
1 Courthouse Way, Suite 2300
Boston, Massachusetts 02210

You must also serve a copy of any objection or comment on or before **June 8, 2009** upon:

Lead Class Counsel
Steve W. Berman
Hagens Berman Sobol Shapiro LLP
1301 Fifth Avenue, Suite 2900
Seattle, WA 98101

Counsel for McKesson Corporation
Lori A. Schechter
Morrison & Foerster LLP
425 Market Street
San Francisco, CA 94105

In addition, your document must clearly state that it relates to the following Civil Action Number: 1:05-CV-11148-PBS (D. Mass.). If you object to or comment on the Proposed Settlement, you will be subject to the jurisdiction of the Court.

14. What is the difference between objecting to the Proposed Settlement and excluding myself from the Proposed Settlement?

An objection to the Proposed Settlement is made when you wish to remain a Settlement Class Member and be subject to the Proposed Settlement but disagree with some aspect of the Proposed Settlement. An objection allows your views

to be heard in Court. In contrast, exclusion means that you are no longer a Class Member and ultimately do not want to be subject to the Proposed Settlement's terms and conditions. Once excluded, you lose any right to object to the Proposed Settlement or to the attorneys' fees because the case no longer affects you.

THE LAWYERS REPRESENTING YOU

15. Do I have a lawyer representing my interests in this case?

Yes. The Court has appointed the following law firms to represent you and other Settlement Class Members:

Hagens Berman Sobol Shapiro LLP
1301 Fifth Avenue, Suite 2900
Seattle, WA 98101

Edelson & Associates LLC
45 West Court Street
Doylestown, PA 18901

and

One Main Street, 4th Floor
Cambridge, MA 02142
www.hbsslaw.com

Wexler Wallace LLP
55 West Monroe Street, Suite 3300
Chicago, IL 60603
www.wtwlaw.us

Spector Roseman & Kodroff, PC
1818 Market Street, Suite 2500
Philadelphia, PA 19103
www.srk-law.com

In addition, the following law firms, which have represented TPP interests in numerous prescription drug class action cases, have worked with the above-listed law firms and are included as Class Counsel in the Settlement Agreement:

Lowey Dannenburg, Cohen & Hart, PC
One North Broadway
White Plains, NY 10601-2310
www.lowey.com

Rawlings & Associates, PLLC
325 West Main Street, Suite 1700
Louisville, KY 40202-4204

16. How will the lawyers be compensated?

The lawyers who were appointed by the Court to represent you in this lawsuit are called Class Counsel. You will not be charged personally for these lawyers, but they will ask the Court for an award of attorneys' fees, expenses and costs associated with the litigation not to exceed 30% of the Settlement Amount, plus interest, to be paid out of the \$350 million Settlement Amount. More information about Class Counsel and their experience is available at the websites listed above. Class Counsel will also ask the Court to award a special payment to the named plaintiffs to compensate for the time spent prosecuting this case on behalf of the Settlement Class.

17. Should I get my own lawyer?

You don't need to hire your own lawyer. However, if you want your own lawyer to speak for you or appear in Court, you must file a Notice of Appearance. (See Question 20.) If you hire a lawyer to appear for you in this case, that will be at your own expense.

THE COURT'S FINAL APPROVAL HEARING

18. When and where will the Court decide on whether to grant final approval of the Proposed Settlement?

The Court will hold a Final Approval Hearing on **July 23, 2009 at 2:00 p.m.** to consider whether the Proposed Settlement is fair, reasonable and adequate. At the Hearing, the Court will decide whether to approve the Proposed Settlement and the request for attorneys' fees and expenses. If comments or objections have been received, the Court will consider them at this time.

Note: The Hearing may be postponed to a different date without additional notice. Updated information will be posted on the McKesson Settlement website at www.McKessonAWPSettlement.com or visit www.AWPclassactions.com.

19. Must I attend the Final Approval Hearing?

No. Attendance is not required, even if you properly mailed a written response. Class Counsel is prepared to answer the Court's questions on your behalf. If you or your personal attorney still want to attend the Hearing, you are more than welcome to do so at your expense. However, it is not necessary that either of you attend. As long as the objection is postmarked before the deadline, the Court will consider it, even if you or your attorney do not attend.

20. May I speak at the Final Approval Hearing?

Yes. If you want you or your own lawyer instead of Class Counsel to speak at the Final Approval Hearing, you must file with the Court a "Notice of Appearance." The Notice of Appearance should include the name and number of the lawsuit, and state that you wish to enter an appearance at the Final Approval Hearing. It also must include your name, address, telephone number and signature. Your "Notice of Appearance" **must** be filed with the Court on or before **June 8, 2009**. You may not speak at the Hearing if you previously asked to be excluded from the Proposed Settlement Class and are not submitting a claim form now.

The Notice of Appearance must be filed with the Court at the following address:

Clerk of Court
John Joseph Moakley U.S. Courthouse
1 Courthouse Way, Suite 2300
Boston, Massachusetts 02210

You must also serve a copy of the Notice of Appearance on or before **June 8, 2009** upon:

Lead Class Counsel
Steve W. Berman
Hagens Berman Sobol Shapiro LLP
1301 Fifth Avenue, Suite 2900
Seattle, WA 98101

Counsel for McKesson Corporation
Lori A. Schechter
Morrison & Foerster LLP
425 Market Street
San Francisco, CA 94105

The Notice of Appearance must be filed using the following Civil Action Number: 05-CV-11148-PBS.

GETTING MORE INFORMATION

21. Where do I obtain more information?

More details are in the Complaint filed by Class Counsel, the Answer filed by McKesson, and the other legal documents that have been filed with the Court in this lawsuit. These documents include the Amended Settlement Agreement and Release, which sets forth in great detail the Settlement's provisions. You can look at and copy these legal documents at any time during regular office hours at the Office of the Clerk of Court, John Joseph Moakley U.S. Courthouse, 1 Courthouse Way, Suite 2300, Boston, Massachusetts 02210. These documents will also be available on the McKesson Settlement website at www.McKessonAWPSettlement.com.

In addition, if you have any questions about the lawsuit or this Notice, you may:

- Visit www.McKessonAWPSettlement.com – **OR** - www.AWPclassaction.com
- Call toll-free 1-877-625-9414
- Write to: McKesson Settlement Administrator
c/o Rust Consulting, Inc.
P.O. Box 24607
West Palm Beach, FL 33416
- Email: info@McKessonAWPSettlement.com

For updated information about any decisions by the Court affecting the Class or the Settlement, please refer to the McKesson Settlement website.

DATED: March 5, 2009

By Order of the United States District Court
District of Massachusetts
/s/ The Honorable Judge Patti B. Saris

IMPORTANT COURT DOCUMENTS
ATTENTION - PRESIDENT/CEO, FUND ADMINISTRATOR OR LEGAL DEPARTMENT

Mckesson Settlement Administrator
c/o Rust Consulting, Inc.
P.O. Box 24607
West Palm Beach, FL 33416