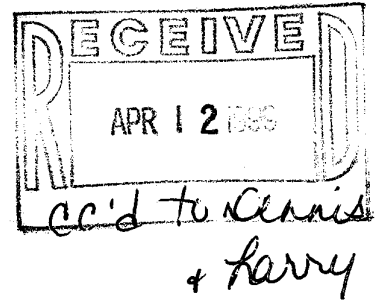


*Lilly*

**Lilly Research Laboratories**  
A Division of Eli Lilly and Company

Lilly Corporate Center  
Indianapolis, Indiana 46285  
317.276.2000



April 9, 1999

Robert H. Harris, Ph.D.  
Federal Research Consultants  
Harris FRC Corporation  
2139 Route 35  
Holmdel, NJ 07733

Dear Dr. Harris:

**Re: Harkoseride**

Thank you and your colleagues for taking time to visit Lilly and discuss your anti-epilepsy compound, Harkoseride.

The information you provided to us is extremely interesting and has been well received by all that attended the meeting. However, we found that the data on mouse lymphoma was valid and a definite positive. For the compound to go forward, this would necessitate a full battery of tests for genotoxicity, including a two-year oncology study. The finding of a positive mouse lymphoma test was viewed as leading to a likely reduction in the compound's potential utility for pediatric indications. Unfortunately, this significantly diminishes its suitability for addition to Lilly's drug development portfolio. Therefore, we are unable to pursue further discussions on this opportunity at this time. Nonetheless, we remain very interested in developing drugs such as Harkoseride, and as research in the epilepsy area continues to develop at Harris FRC, please keep us informed of any other compounds of this class when they become available in the future.

We very much appreciate your consideration of Eli Lilly and Company for this interesting opportunity.

Sincerely,

A handwritten signature in black ink, appearing to read "Martin A. Eglitis".

Martin A. Eglitis, Ph.D.  
Sr. Research Acquisition Manager

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